

Naval Facilities Engineering Command (NAVFAC) Southwest Naval Air Weapons Station China Lake Earthquake Repair & Reconstruction Industry Forum 1 August 2019 San Diego, CA

DISCLAIMER: All information discussed at this forum is pre-decisional. Funding for anticipated work in FY20 and beyond is currently unavailable. Purpose of this Industry Forum was to seek Industry input in order to determine potential costs and better plan the Earthquake Recovery effort. The Government is not bound by any of the information provided or received during this forum.

Questions & Answers (Q&A)

Question 1: How mission capable/operational is the base at China Lake?

<u>NAVFAC SW Answer</u>: Partially mission capable. Families came back a few weeks ago. Over \$1B of replacement value. No major issues at the airfield – they are working reasonably well. But many of the missions were displaced to somewhere else. Some Air operations were moved to Point Magu. Two hangars are a big issue. There are plans to get clamshells/trailers there. Michaelson Lab – 500,000 SF in total was damaged. Wing 8 (the machine shop) had the most damage, is about 200,000 SF, 3 stories high and structurally different than the other wings. Ranges are not fully capable.

Question 2: How is the security going to be handled with getting this large influx of workers on base? **NAVFAC SW Answer**: Security will be fairly tight. We may find a means of transportation to get people into an area. And once within the main magazine area, you may have some freedom up there. The flight line is tightly controlled. Workers may need to stay on site for lunch and not move from location to location until work is completed for the day.

Question 3: Will secret or top secret clearance be required?

<u>NAVFAC SW Answer</u>: It depends on the spaces where the work is being done. There are tight restrictions on areas like SCIFs.

Question 4: DoD has asked for money after disasters at other bases, like Tyndall Air Force Base and Camp Lejeune, but Congress has not coughed up the money. How are you going to do something different here?

<u>NAVFAC SW Answer</u>: Efforts in other locations are happening, but they may not be as obvious because there isn't a big chunk of money. MidLANT has received \$1.4B in MILCON funding to help rebuild Lejeune. One thing we need to do is explain what happens operationally at China Lake. It is actually the only place you can do what they do there. We need a place away from major population areas so that warfighting capability can be tested. Representative McCarthy in that district will be helpful in that regard.

Question 5: How much work will be design-build (DB) vs. design-bid-build (DBB)?



<u>NAVFAC SW Answer</u>: We are looking heavily at DB for replacement projects. We won't have time to do a lot of full designs. We have collected data that shows 1,381 buildings within a giant spreadsheet that categorizes the damages. At this time, NAVFAC is using an architect-engineer (A-E) firm and damage assessment teams (DATs) to determine which buildings are safe to occupy.

<u>Question 6</u>: Will you be bringing a design team in to help with RFP development? <u>NAVFAC SW Answer</u>: We currently have two principal A-E firms under contract to develop and RFP development for replacement and repair projects.

Question 7: Will you be standing up an Office in Charge of Construction (OICC) or a dedicated command at China Lake?

<u>NAVFAC SW Answer</u>: That is a question we are looking at. How do we manage the construction? The thinking is to keep the Public Works Officer (PWO) on site and in charge but give him a special construction office that just handles earthquake efforts to concentrate and standardize the efforts.

Question 8: Can you provide any insight as to how functional the town of Ridgecrest is? **NAVFAC SW Answer**: Ridgecrest is functioning reasonably well. Using the Applied Technology Center (ATC) 20 DATs, they have red-tagged a theater and a gym in town. Overall damage estimates are pretty small for Ridgecrest.

Question 9: How much are you leaning towards utilizing existing MACC and IDIQ contracts? **NAVFAC SW Answer**: We are looking to heavily utilize our existing tools so that we can get things done fast and get the base back up and running.

Question 10: We know you have a management team already set up. Are you looking for us to assist with that effort?

<u>NAVFAC SW Answer</u>: We have a Public Works (PW) department with 300 folks – blue collar and normal construction management. They normally do \$100M/year. It's already hard to hire in China Lake. We have to figure out what we want that office to look like (i.e., military, Seabees, civilians, temporary workforce, with contractor augment). We'll be making that decision over the next couple weeks.

Question 11: At Tyndall Air Force Base, they have 12 different zones. They're looking at contracting each zone to a contractor. Is something like that an option?

NAVFAC SW Answer: That is what we need to figure out. Do we concentrate on grouping by a particular type of construction or do we group by geography? We probably won't bundle the chapel with range control. There are several areas at China Lake, with the Mainside that includes the main personnel support facilities, the main magazine area, and the airfield to name a few.

Question 12: To what extent are there any environmental issues?

NAVFAC SW Answer: We are looking at what environmental cleanup and NEPA that we have to do.

Question 13: In terms of supply and demand for labor, have you considered regional challenges in labor and trucking? Even prior to the earthquake, there was a shortage.

NAVFAC SW Answer: Our question to you is what would you recommend as a reasonable markup for both labor and materials to account for that? We know you're going to start with Davis Bacon wages



and increase more than that to get people out to China Lake. What about per diem? And what is the delta of setting up a person-camp vs. getting hotels?

General Responses:

- Expect a mark-up of 20-30% over Davis Bacon.
- Once hotels fill up, per diem would likely double.
- Camps are cheaper than hotels and meals.
- If you have a BOS contractor, they could be in charge of setting up a man-camp.
- Because of the utilities and how far you would have to bring them, a camp may be prohibitive.
- Recommend setting up a solar system.
- Temporary facilities are in a shortage because they are already in high demand.
- You could issue a solicitation to private hoteliers because they may be interested in setting up facilities for the 2-3 years of construction.
- If you have a man-camp onsite that would reduce access requirements and reduce cost, since you wouldn't have to be getting 1,000 people through security each day.
- Would you put a cafeteria at the man-camp, or would people still have to go outside the camp to eat?
- Will you need guides?

<u>General Feedback</u>: Pass & ID cannot handle the amount of people expected. We suggest doing a separate pass & ID location for contractors and a separate entrance for materials. That would cut cost and time.

<u>General Feedback</u>: We recommend that you conduct an orientation with pass & decal staff to ensure consistent requirements. We also suggest that you have multiple gates open.

Question 14: Have you considered getting a contractor committee together to work with you to help get through logistical issues?

NAVFAC SW Answer: We would need to have a contract for that.

General Response: I believe there are plenty of contractors who would volunteer.

Question 15: What is the intention for work in place (WIP) each year? What are we actually going to be putting in place?

<u>NAVFAC SW Answer</u>: For example; Hangar 3 is estimated to be awarded by 4th quarter of fiscal year 2020 (FY20). We are interested in fast-track DB. Heavily WIP in FY21 and into FY22.

Question 16: Are you planning to use existing MACCs?

<u>NAVFAC SW Answer</u>: There will be a very heavy reliance on MACCs throughout NAVFAC and DoD just because of the procurement timelines. If we can get approval for longer timelines to go full & open, we will. We haven't ruled out any stand-alone strategy, but the execution strategy will likely lead us to use existing tools.

Question 17: How are you going to handle UFC requirements/standardization? **NAVFAC SW Answer**: We are working on some standardization. What specific UFCs do we need to look at waiving?



<u>General Response</u>: Consider lessening the requirements for experience and degrees for Quality Control (QC) managers and Site Safety & Health Officers (SSHOs). That is currently a significant challenge.

NAVFAC SW Answer: What would those reduced qualifications look like?

General Responses:

- Experience isn't an issue. The primary issue is the 4-year degree.
- Drop the Construction Health and Safety Technician (CHST) certification requirement. Army Corps has done that dropped the requirement and required 10 years of experience.
- For smaller/simpler jobs, drop the experience requirement to 5 years.
- Allow a dual hat for the superintendent and SSHO.
- You could also consider proximity of buildings. If you have two jobs side by side, the SSHO and CQC manager could handle both jobs.

<u>General Feedback</u>: Another issue is the amount of time it takes for government review of submittals. <u>NAVFAC SW Answer</u>: Submittal review timelines are a challenge for us as well. One thing you can do is show us the exact materials you are going to use so there isn't a second submittal.

<u>General Feedback</u>: Consider lessening the small business requirements because we will need to hire larger contractors that have more resources.

NAVFAC SW Answer: Please submit RFIs throughout the procurement process. We are going to be very open to suggestions.

Question 18: On DB projects, if you go best value tradeoff, that would get a lot of us more excited about going to Ridgecrest.

NAVFAC SW Answer: What kind of selection factors would you want to see?

<u>General Response</u>: Experience & Past Performance. <u>NAVFAC SW Answer</u>: How far back for experience?

General Responses:

- 10 years.
- We suggest considering an interview process where you could do a Q&A with contractors.

NAVFAC SW Answer: When we're packaging projects, what is the lowest threshold that makes these jobs attractive to bid on at China Lake?

General Response:

- \$30M.
- For small businesses, \$10M.

Question 19: Will you consider allowing letters of bondability instead of requiring bid bonds? **NAVFAC SW Answer**: We do have an opportunity to request relief from certain requirements, like the Buy American Statute, so we need your feedback.

Question 20: Are you going to dictate schedule requirements? Or are you going to evaluate schedule? There is a huge risk factor for liquidated damages in this environment.

NAVFAC SW Answer: Give us a recommendation. We haven't thought that far ahead.

Question 21: We know you are using existing firms. How can other A-E firms help you?



NAVFAC SW Answer: We have the A-E firms doing assessments of damages, 1391 development, and RFP development.

Question 22: Have you thought about setting up a contractor project management firm? **NAVFAC SW Answer**: We are interested in using Title II Services. For project management, that will be inherently internal. We may need to contract for construction management.

Question 23: Will design-build be conducted using the traditional two-phase approach or single phase? **NAVFAC SW Answer**: Since we will be relying mostly on MACC task orders, most DB projects will be single phase. Our staff in San Diego will be focusing on the larger projects. The FEAD will be looking at 8(a) firms.

Question 24: One area to factor into cost: OSD Cybersecurity requirements (i.e., for fire alarm and temperature systems), which are double the cost of doing the systems. There are even some requirements now for contractors themselves to meet certain cybersecurity requirements. We are doubling our price of our automation system. We have to do an RMF process on our own servers **NAVFAC SW Answer**: How are you passing on those overhead costs?

<u>General Response</u>: 10-15%, because many people don't know what the actual requirements are, and OSD requirements are in flux. Then we have to negotiate with the Contracting Officer on whether or not the costs are allowable. They say they're outside of the norm, but the norm is different now.

<u>General Feedback</u>: We may not be willing to share here, but we may be able to give you an actual dollar value or tell you what a risky part of your estimates is. If you can provide man-camps and utilities, then those are risk factors we don't have to estimate in our costs.

Question 25: Can we set up dump sites on the base for various materials like rock, hazardous materials, asphalt?

<u>NAVFAC SW Answer</u>: We'll need to address that with the base, but that would potentially create another issue for us to have a contractor come in and move that material out later. Seabees may be able to use crushed asphalt. A site can be designated for a lay down for materials and equipment.

<u>Question 26</u>: If all these projects come together closely, how will it be handled if contractors and subs overextend themselves?

<u>NAVFAC SW Answer</u>: Is there a factor you would add into your proposal to account for subs that back out? Email us if you're not willing to disclose that here.

<u>General Feedback</u>: The concrete plant out there may not be able to keep up with demand. He'll double his price. He's the only guy in town. Asphalt is the same way – California regulations limit their production, so they can raise their price if there's a demand.

Question 27: We understand that the primary focus is on existing contracts. Is there a lot of opportunity for firms that do not currently hold contracts with NAVFAC Southwest?

<u>NAVFAC SW Answer</u>: If we're required to obligate by the end of FY20, no; but because we will be heavily using our existing contracts, we'll be re-procuring those sooner than expected. All of our MACCs are at different stages right now, with various available capacity.



<u>Question 28</u>: Would you consider doing HUBZone and women-owned small business sole-source procurements in addition to 8(a) sole source?

NAVFAC SW Answer: Yes.

Question 29: Is there a possibility Congress won't actually approve this? We don't want to go hire a bunch of subcontractors and then this work doesn't happen.

<u>NAVFAC SW Answer</u>: China Lake is unique. We may not get what we want, but we think we'll get something. We're trying to give you a heads up and actively engage so that we don't wait until the last minute. We have Secretary Niemeyer coming in to take this issue up. The timeline for execution is 4th quarter of FY20, so we will know fairly quickly (60-75 days) if we're going to get appropriations or not.

<u>Question 30</u>: Are you going to sweep money from existing projects to pay for this? <u>NAVFAC SW Answer</u>: Right now, no. CNIC has made a decision not to take money from other projects, but to request new money. Because this happened so late in the fiscal year, a lot of that money has already been appropriated and obligated, so it's hard to take money from those projects.

Question 31: Who should 8(a) contractors be contacting to get their capability information in front of Contracting Officers?

<u>NAVFAC SW Answer</u>: Robert "Zack" Zaccaria, NAVFAC Southwest Deputy for Small Business. Mr. Zaccaria can be reached at the following:

• Email: <u>robert.zaccaria@navy.mil</u>

• Phone: (619) 532-2375

Question 32: Are you considering procuring a regional China Lake IDIQ? **NAVFAC SW Answer**: We are not. Due to time constraints, it's not an option.

Question 33: How can we communicate with you to provide additional information and who can we send emails to?

NAVFAC SW Answer: An announcement will be posted on the Federal Business Opportunities (FBO) website and on NAVFAC Southwest's website with email addresses and the PowerPoint slides.

- FBO: http://www.fbo.gov
- NAVFAC Southwest: https://www.navfac.navy.mil/navfac worldwide/pacific/fecs/southwest.html

Any questions prior to the FBO announcement can be emailed to the following individuals:

- Jennifer Llamas (jennifer.llamas@navy.mil)
- Robin Green (robin.green@navy.mil)

Although responses are not guaranteed, please feel free to submit your questions.