

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

Other Than Full and Open Competition (>\$150K)

Acquisition Plan Action ID: VA256-16-AP-0898

1. **Contracting Activity:**

The contracting activity is the Department of Veterans Affairs, VISN 16, Southeast Louisiana Veterans Health Care System (SLVHCS) Medical Center, Project Legacy. The organizational activity responsible is Facilities Management Service (FMS). The new medical center is located at 2400 Canal Street, New Orleans, LA. This is a Justification for Other Than Full and Open Competition. The 2237# associated with this procurement is 629-16-1-661-0003.

2. **Nature and/or Description of the Action Being Processed:**

We currently have a Construction Contract between the VA and Clark McCarthy Healthcare Partners (CMHP) for the new medical center. Construction of the Central Energy Plant (CEP) is near completion and turnover is expected late December 2015. The contract with CMHP to run the CEP is not a separate contract but rather part of the overall construction contract and therefore there is not a separated price for this work. Attached is the only contractual reference to the running of the CEP between CMHP and the VA. The current construction contract includes a 4 week period of performance for 24/7 maintenance and operations of the CEP after turnover. Thereafter, Clark-McCarthy is contractually obligated to perform 8 hours daily maintenance and operation during normal business until completion of the medical center and balance of the campus is turned over to the owner. This includes the monitoring of all equipment (chillers, boilers, pumps, cooling towers, etc.) installed under the scope of work as documented in the Construction & Facilities Management (CFM) contract VA101CFM-C-0064. In addition, Clark McCarthy is responsible for the campus-wide commissioning requirements; training and tie-in of the controls systems prior to final project completion of the campus.

However, the need is for 24-hours per day/7 days per week facility engineering services throughout the transition period until final campus turnover is accomplished which is estimated to occur in April of 2017. **This need is based upon reduced risk to the government associated with having a sole operator of the plant (as opposed to part-time contractor and part-time VA) given that the campus is being turned over in phases; there is active construction; building system adjustments; and commissioning is not complete until construction is complete.** There is a void of 16 hours per day in which no facility engineering services will be provided by the CFM contract. The CFM contract under which the Contractor is currently acting as Facility Engineer for 8 hours per day cannot be modified to include an additional 16 hours per day of service due to a no-changes-allowed VA mandate. Therefore, a new contract is needed to acquire the additional 16 hours per day of service for a total of 24 hours every day of the year until turnover.

The campus buildings are being turned over in phases in lieu of the original intent of a turn-key complete campus turnover. With a phased turnover, building systems (building automation, fire alarm, HVAC) cannot be fully commissioned until the entire campus is complete. Additionally, SLVHCS and CFM will delineate what systems and warranties will be accepted or included as exceptions with each phased building turnover. **As construction continues and additional buildings are both constructed and turned over in phases, the systems that directly link to the CEP (building automation, fire alarm, HVAC) are being adjusted. Given the impact of construction on CEP operations, risk is reduced if the construction contractor is responsible for the CEP operations 24/7. Risk is additionally reduced by having CMHP responsible for the systems that are not yet fully commissioned which also reduces any operational actions that may inadvertently negatively impact the overall operations. If two different parties were responsible for the same requirement within one 24 hour period, the government would be responsible for determining whether it occurred as a result of operations during the time the 16 hour contractor**

was responsible versus eight hours of the construction contractor was responsible. Additionally, if it were a different contractor responsible for the 24 hours O&M, **the burden would fall on determining if it was operational issue of the construction contractor or O&M contractor.** To involve any other contractor makes **determining responsibility for operational problems or malfunctions impossible to allocate or adjudicate.** To date, the construction contractor is the sole responsible contractor for all materials, labor, systems, site work and buildings. As such, it is in the best interest of the Government to maintain the integrity and sole focus of operational responsibility on the current construction contractor (CMHP).

The VAMC has nine staff onboard with five additional hires in progress to run the CEP once complete campus turnover and commissioning is completed. The current proposed contract entails VAMC staff shadowing CMHP to assist with training and learning the CEP operations.

The Contracting Officer has in accordance with FAR 1.102-4(e) and 1.602-2 taken the lead in ensuring business decisions are sound and that performance of all necessary actions for effective contracting are in compliance with the terms of the contract safeguarding the interests of the United States in its contractual relationships. The Contracting Officer, in the exercise of sound business judgement that safeguards the interests of the United States in its contractual relationships, recommends that the services from both contracts be combined into one contract that will ensure performance of all necessary actions. The CFM contract will be de-scoped to remove the 8 hours per day of service and the new contract will cover the requirement of 24-hours per day/7 days per week of facility engineering services throughout the transition period and until final turnover of the campus.

We propose Firm-Fixed Price Contract.

3. Description of Services Required to Meet the Agency's Needs:

The requirement is for operation and maintenance of the Central Energy Plant 24 hours per day seven days a week. This is to include all labor, management, supervision, tools, material, and equipment to continuously operate, maintain and repair the Chiller System and Distribution System, the Steam and Hot Water Generation System, the Steam and Hot Water Distribution Systems, the Condensate Return System, and the Compressed Air System for Control Air and Medical Air and Medical Vacuum Systems located at the Central Energy Plant. The Contractor will be responsible for all equipment, controls and piping systems located inside the facility.

Services to be provided include but are not limited to:

- Monitor all the equipment (boilers, chillers, pumps, cooling towers, etc.) installed under the construction contract and currently being monitored by the "Facility Engineer".
- Monitoring of chemicals and providing any adjustments to chemical levels as necessary throughout the CEP.
- Coordinating and providing cooling and heating distribution.
- Training of government personnel

The IGCE for this effort is currently \$ \$4,759,390.59

The anticipated period of performance is January 26, 2016 through July 25, 2016 with three (3) -six (6) month options through January 25, 2018.

4. Statutory Authority Permitting Other than Full and Open Competition:

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1.

5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

Clark McCarthy is the constructor of the Central Energy Plant and will be the service provider during the transition and turnover to the VA. The Central Energy Plant is a highly specialized building containing major systems. The major systems and some of its components include but are not limited to the distribution of electricity, steam, domestic water, etc. to the entire medical campus. Due to the complexity of the CEP systems, the prime construction contractor Clark McCarthy is currently responsible for providing facility engineering services during the temporary operational phase of the CEP for 8 hours per day. However, the need is actually for 24-hours per day/7 days per week. **Since the related tasks of construction completion, facility management, commissioning and training are non-severable, the current contractor is still currently responsible for the 8 hours per day of services.** Additionally, there is a higher than usual likelihood that the construction contractor could claim construction delays secondary to difficulties that may occur because additional buildings will be brought online requiring frequent adjustments to the systems. Due to complexity of the CEP systems, being tied to ancillary buildings still under construction, and avoid any possibility of voiding certain warranties, it is not feasible to contract to an outside contractor.

They are uniquely qualified to operate the CEP that will have systems requiring ongoing adjustments secondary to construction of which they are responsible throughout the construction contract period. It is the ongoing construction and phased turnover of buildings, all of which are linked to the CEP via building systems of HVAC, Building Automation, and fire alarm that make this contractor uniquely qualified. Introducing a new contractor increases the risk of a contractor unfamiliar with the site conditions and equipment operations and increase costs of additional mobilization and startup costs. This was also a lessons learned from the Orlando construction where they did have a separate contractor running the CEP from the construction contractor and experienced difficulties with new building systems being brought online and subsequently having to make adjustments at the CEP level causing some delays and additional costs.

If the Government were to solicit, compete and award a separate contract for the additional 16 hours, the Government would be in the untenable position of having to administer two contracts for the exact same task every day of the year for the remainder of the transition period. Additionally, the operation of the CEP must be in sync with the construction schedule performed by CMHP. A separate contractor performing the operations at the CEP may cause delay to the overall construction due to the other building's reliance on CEP equipment adjustments. Due to complexity of the CEP systems, being tied to ancillary buildings still under construction, and avoid any possibility voiding certain warranties, it is not feasible to contract to an outside contractor.

It is therefore in the Government's best interest to combine all required hours into a single contract for 24-hours per day/7 days per week of facility engineering services. Accordingly, Clark McCarthy is the only firm capable of providing the supplies and services described above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

The activation contracting officer is working closely with the construction contracting officer and CFM representatives on the process and items affecting both contracts. The construction contracting officer, Cynthia Nichols, will be available for review of the contractor proposal to ensure within construction contract guidelines. She will negotiate a de-scope of the 8 hrs of performance from the construction contract once the new contract is negotiated to ensure smooth transition of performance requirements from one contract to another.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

Discussions were held with all stakeholders as to the feasibility of opening this solicitation for the CEP Operations and Maintenance contract. Historical knowledge shows many vendors available for general Facilities maintenance operations. However, historical knowledge also shows that the government runs the risk of voiding our warranties and breaching the current construction contract due to the fact that the other buildings still under construction are ancillary to the CEP and receiving power, climatic controls, steam, etc. from it.

In December, SLVHCS is scheduled to accept three of the campus buildings with additional buildings scheduled for turnover in April 2016, May 2016, September 2016, November 2016, and April 2017. CFM is still developing the turnover document for the December 2015 buildings, which will clearly outline what system and warranties are turned over versus what are exceptions. To date, this is still being developed and the specific exceptions are not clearly defined. **With the current contractual obligations, the construction contractor only operates the CEP 8 hours per day leaving SLVHCS to operate the CEP the remainder of the time. The government would then be obligated to accept the risks to warranties that are included in the current construction contract (attached) which is not currently specifically obligated to follow operations and maintenance manuals during their time of operation. Therefore, there is the possibility that a different contractor could/could not complete an action during the time the construction contractor is responsible that would void warranties.**

The decision sole source was also based upon lessons learned from the Orlando major project, which was also a phased turnover, in which the contractor responsible for construction was not operationally responsible for the CEP. Based upon discussions with Orlando leadership, there were difficulties associated with having one entity run the CEP and another entity completing construction with building systems that impacted the CEP.

This contract will expire at time CEP is fully commissioned. Once fully commissioned, if the services are still required, the requirements will be solicited open market.

Contract will be a six (6) month base with three (3) – six (6) month options.

A Sources Sought Synopsis was not issued.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

We are basing our anticipated costs on the four weeks of full services and the 8 hours (during normal business hours) cost provided in the Construction contract and reviews of commercial priced burdened rates in GSA schedules. We are anticipating a price reduction due to the de-scope of the 8 hours per day from the Construction contract.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

Discussions were conducted on the feasibility to opening this solicitation for the CEP Operations and Maintenance contract with contracting staff and mission partners. The contracting staff historical knowledge shows contractors available for general Facilities maintenance operations. However, contracting staff historical knowledge also shows that the government runs the risk of voiding our warranties and breaching the current construction contract due to the fact that the other buildings still under construction are ancillary to the CEP and receiving power, climatic controls, steam, etc. from it. GSA schedule holders provide facilities maintenance services including energy plant operations for full 24 hour operation. However, the feasibility to contract partial day (additional 16 hrs.) services was not within standard practices.

An intent to sole source was posted on FBO on 11/6/15 under RFP # VA25616R0053.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: None

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: None

11. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:

The Construction Contract should be written and negotiated with more input from the Chief of Facilities at the local New Orleans office. Many items that affect Activation and consistency with construction turn over were deleted

through Value Engineering. This has caused Activation to provide additional services originally in construction contract. It has caused the government to enter into several sole source contracts and severely hampers the Medical Center's ability to provide negotiation strategies when entering into supplemental agreements.

12. Requirements Certification:

I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Nacelyn J Lombard
151328

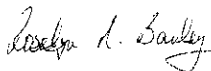
Digitally signed by Nacelyn J Lombard 151328
DN: c=us, o=internal, ou=people,
0.9.2342.19200300.100.1.1=nacelyn.lombard@va.gov, cn=Nacelyn J
Lombard 151328
Reason I agree to specified portions of this document:
Date: 2015.11.19 12:10:21 -06'00'

Nacelyn Lombard
Acting Chief, Facilities Management Service
Southeast Louisiana Veterans Health Care System

Date

13. Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP

a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



Digitally signed by Roselyn N. Bailey 734152
DN: dc=gov, dc=va, o=internal, ou=people,
0.9.2342.19200300.100.1.1=roselyn.bailey@va.gov,
cn=Roselyn N. Bailey 734152
Date: 2015.11.19 12:03:26 -06'00'

Roselyn N. Bailey
Branch Chief, Project Legacy
NCO 16

Date

b. **Director of Contracting /Designee (Required \$150K and above):** I certify the justification meets requirements for other than full and open competition.

Calvin Q. Ma
630986

Digitally signed by Calvin Q. Ma 630986
DN: dc=gov, dc=va, o=internal, ou=people,
0.9.2342.19200300.100.1.1=calvin.ma@va.gov,
cn=Calvin Q. Ma 630986
Date: 2015.11.19 12:31:48 -06'00'

Aaron Villalpando Sign for
NCO 16 Director of Contracting

Date

c. **VHA HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for (\$650K to 12.5 million) other than full and open competition.

Ricky L. Lemmon
Director, SAO Central Region
SAO Central Head of Contracting Activity (HCA)

Date



Southeast Louisiana Veterans Healthcare System Replacement Hospital
Project No. 629HS2401 – Contract No. VA101CFM-C-0064
Clark/McCarthy Healthcare Partners, A Joint Venture
Project Number #113040 – Amendment 3

67. Provide all condensate drains required for this work.
68. This Subcontractor is responsible for providing all access panels required for access to dampers, valves, and other mechanical equipment concealed requiring access for operability or maintenance. Panels are installed by drywall Subcontractor.
69. Include remedial ductwork cleaning as specified.
70. This Subcontractor is responsible for any touch-up painting as required.
71. Provide all piping and equipment insulation as specified for this Work.
72. Installation of exhaust systems and louvers for the diesel generators. The exhaust systems and louvers will be furnished with the generators by the Electrical Subcontractor (7MH303 typical).
73. Furnish and install blank-off panels and insulation for any un-used portions of louvers. Architectural louvers will be furnished and installed by the metal panel Subcontractor. Coordinate the installation with the specialties Subcontractor.
74. Due to the complexity of the Central Energy Plant systems, this Subcontractor will also take on the role of "Facility Engineer" once the Central Energy Plant is complete, and therefore operate the plant in a temporary mode until the balance of the campus is turned-over to the Owner. This Subcontractor is to include a dedicated Facility Engineer during this temporary operation phase. This Facility Engineer is to operate the Central Energy Plant 24-hours per day, 7-days per week, for the first four (4) weeks after substantial completion, and then transition to one (1) 8-hour shift, (during normal business hours) until the completion of campus. During the temporary operational phase of the Central Energy Plant, this Subcontractor is required to monitor all the equipment (chillers, boilers, pumps, cooling towers etc) installed under this scope of work for any errors in the systems. In addition, this Subcontractor shall provide monitoring of system chemicals and provide any adjusts to the chemical levels as necessary throughout this plant operation period. As the different stages of construction enter the finish phases, this Subcontractor is responsible for coordinating the temporary heating/cooling distribution from the Central Energy Plant, to allow the finishes to be installed throughout the campus. The air handlers and their operation in the individual buildings are not the responsibility of this Subcontractor. During the temporary operation of the plant, the intent is to operate the equipment in a manual mode. No controls (BAS system) will be required. Prior to final completion of the campus, the low voltage Subcontractor will tie-in the controls systems. The final commissioning of the plant systems/equipment will not be completed until the controls are installed. In the event the Central Energy Plant is not completed and ready for complete temporary operation by the time the Pan-Am Building is ready to be turned-over and occupied by the Owner and/or the finishes begin on the other campus buildings, this Subcontractor is to ensure that at a minimum, two (2) chillers, a series bank, along with the associated cooling towers, pumps and VFDs are installed and operational to provide heating/cooling to the campus. See the Schedule Exhibit (ITB-00350) for milestone dates of the campus. Any additional warranty required to allow the Owner to have a one (1) year after-occupancy warranty, as a result of the use for the temporary cooling, should be included in the Subcontractor's proposal. **See preliminary project schedule for additional information.**

WRITTEN ACQUISITION PLAN
FOR
THE OPERATION AND MAINTENANCE OF THE CENTRAL ENERGY PLANT

November 17, 2015

PREPARED BY: Shonda Collins-Smith

**Department of Veteran's Affairs
Network Contracting Office 16
Project Legacy New Orleans, LA**

For Official Use Only/Source Selection Sensitive

The requirement is for operation and maintenance of the Central Energy Plant 24 hours per day seven days a week. This is to include all labor, management, supervision, tools, material, and equipment to continuously operate, maintain and repair the Chiller System and Distribution System, the Steam and Hot Water Generation System, the Steam and Hot Water Distribution Systems, the Condensate Return System, and the Compressed Air System for Control Air and Medical Air and Medical Vacuum Systems located at the Central Energy Plant. The Contractor will be responsible for all equipment, controls and piping systems located inside the facility.

Lillian A. Bentley

Digitally signed by Roselyn N. Bailey 734152
DN: dc=gov, dc=va, o=internal, ou=people,
0.9.2342.19200300.100.1.1=roselyn.bailey@va.gov,
cn=Roselyn N. Bailey 734152
Date: 2015.11.19 11:59:17 -06'00'

Roselyn N. Bailey
Branch Chief-Project Legacy

MA.CALVIN.QUA
NG.1184483650

Calvin Ma
Deputy Director of Contracting, NCO 16

MA.CALVIN.QUA
NG.1184483650

Aaron Villalpando Sign for
Director of Contracting, Network Contracting Office 16

Table of Contents

(A1) Statement of Need:	4
(A2) Applicable Conditions	5
(A3) Cost	5
(A4) Capability or Performance.....	5
(A5) Delivery and Performance-Period Requirements.....	5
(A7) Risks	6
(A8) Acquisition Streamlining.....	6
PART B: Plan of Action	7
(B1) Sources	7
(B2) Competition	7
(B3) Contract Type Selection	8
(B4) Source-selection Procedures.....	8
(B5) Acquisition Considerations.....	8
(B6) Budgeting and Funding	9
(B7) Product or Service Descriptions	9
(B8) Priorities, Allocations and Allotments.....	9
(B9) Contractor versus Government Performance	9
(B10) Inherently Governmental Functions.....	10
(B11) Management Information Requirements	10
(B12) Make or Buy	10
(B13) Test and Evaluation	10
(B14) Logistics Considerations	10
(B15) Government Furnished Property.....	10
(B16) Government Furnished Information.....	10
(B17) Environmental and Energy Conservation Objectives.....	10
(B18) Security Considerations	10
(B19) Contract Administration	10
(B20) Other Considerations	11
(B21) Milestones	11
(B22) AP Team Members	11

PART A: Acquisition Background and Objectives

(A1) Statement of Need:

The Southeast Louisiana Veterans Health Care System (SLVHCS) requires Facility Engineering services for the operation and maintenance of the Central Energy Plant (CEP). These services will be needed 24 hours per day seven days a week. This is to include all labor, management, supervision, tools, material, and equipment to continuously operate, maintain and repair the Chiller System and Distribution System, the Steam and Hot Water Generation System, the Steam and Hot Water Distribution Systems, the Condensate Return System, and the Compressed Air System for Control Air and Medical Air and Medical Vacuum Systems located at the Central Energy Plant. The Contractor will be responsible for all equipment, controls and piping systems located inside the facility.

a. Summary of Technical and Contractual History.

Technical and contractual history: We currently have a Construction Contract between the VA and Clark McCarthy Healthcare Partners (CMHP) for the new medical center. Construction of the Central Energy Plant (CEP) is near completion and turnover is expected late December 2015. The contract with CMHP to run the CEP is not a separate contract but rather part of the overall construction contract and therefore there is not a separated price for this work. Attached is the only contractual reference to the running of the CEP between CMHP and the VA. The current construction contract includes a 4 week period of performance for 24/7 maintenance and operations of the CEP after turnover. Thereafter, Clark-McCarthy is contractually obligated to perform 8 hours daily maintenance and operation during normal business until completion of the medical center and balance of the campus is turned over to the owner. This includes but is not limited to the monitoring of all equipment (chillers, boilers, pumps, cooling towers, etc.) installed under the scope of work as documented in the Construction & Facilities Management (CFM) contract VA101CFM-C-0064. In addition, Clark McCarthy is responsible for the campus-wide commissioning requirements; training and tie-in of the controls systems prior to final project completion of the campus.

However, the need is for 24-hours per day/7 days per week facility engineering services throughout the transition period until final campus turnover is accomplished which is estimated to occur in April of 2017. This need is based upon reduced risk to the government associated with having a sole operator of the plant (as opposed to part-time contractor and part-time VA) given that the campus is being turned over in phases; there is active construction; building system adjustments; and commissioning is not complete until construction is complete. There is a void of 16 hours per day in which no facility engineering services will be provided by the CFM contract. The CFM contract under which the Contractor is currently acting as Facility Engineer for 8 hours per day cannot be modified to include an additional 16 hours per day of service due to a no-changes-allowed VA mandate. Therefore, a new contract is needed to acquire the additional 16 hours per day of service for a total of 24 hours every day of the year until turnover.

The campus buildings are being turned over in phases in lieu of the original intent of a turn-key complete campus turnover. With a phased turnover, building systems (building automation, fire alarm, HVAC) cannot be fully commissioned until the entire campus is complete. Additionally, SLVHCS and CFM will delineate what systems and warranties will be accepted or included as exceptions with each phased building turnover. As construction continues and additional buildings are both constructed and turned over in phases, the systems that directly link to the CEP (building automation, fire alarm, HVAC) are being adjusted. Given the impact of construction on CEP operations, risk is reduced if the construction contractor is responsible for the CEP operations 24/7. Risk is additionally reduced by having CMHP responsible for the systems that are not yet fully commissioned which also reduces any operational actions that may inadvertently negatively impact the overall operations. If two different parties were responsible for the same requirement within one 24 hour period, the government would be responsible for determining whether it occurred as a result of operations during the time the 16 hour contractor was responsible versus eight hours of the construction contractor was responsible. Additionally, if it were a different contractor responsible for the 24 hours O&M, the burden would fall on determining if it was operational issue of the construction contract or O&M contract. To involve any other contractor makes determining responsibility for operational problems or malfunctions impossible to

For Official Use Only/Source Selection Sensitive

allocate or adjudicate. To date, the construction contractor is the sole responsible contractor for all materials, labor, systems, site work and buildings. As such, it is in the best interest of the Government to maintain the sole focus of operational responsibility on the current construction contractor (CMHP).

The VAMC has nine staff onboard with five additional hires in progress to run the CEP once complete campus turnover and commissioning is completed. The current proposed contract entails VAMC staff shadowing CMHP to assist with training and learning the CEP operations.

b. Feasible Acquisition Alternatives. In-house resources are not adequate to provide the level of support required. Facilities Management Service (FMS) is not operationally prepared to fully staff the CEP. Continued use of contract VA101CFM-C-0064 the construction contract requires expensive upgrades to satisfy the full scope of the requirement. A new contract is therefore the best alternative because it satisfies the requirement without the risk of voiding our warranties and breaching the current construction contract.

(A2) Applicable Conditions

The Central Energy Plant is a highly specialized building containing major systems. The major systems and some of its components include but are not limited to the distribution of electricity, steam, domestic water, etc. to the entire medical campus.

(A3) Cost

The life cycle cost, design-to-cost, and should-cost were considered as follows:

- a. Life-cycle cost:** Not applicable for this acquisition. Life-cycle-cost analysis (LCCA) is especially useful when project alternatives fulfill the same performance requirements, but differ with respect to initial costs and operating cost that have to be compared in order to select the one that maximizes net savings. Since there are no acceptable alternatives to be compared or evaluated, LCCA was not used and deemed to be an unsuitable method for determining the costs for this project.
- b. Design-to-cost:** Not applicable for this acquisition. This procurement is for the acquisition of a commercially available service, and all aspects of service will be included in the price.
- c. Application of should-cost:** This procurement is not for the acquisition of any major systems as defined by the FAR. A should-cost analysis is not required in accordance with FAR 15.407-4 and supplements

(A4) Capability or Performance

The contract must be able to provide all labor, management, supervision, tools, material, and equipment operate and maintain the Central Energy Plant 24 hours per day seven days a week. Contractor must provide qualified and certified personnel to meet all VA, state and federal requirements.

(A5) Delivery and Performance-Period Requirements

The anticipated Period of Performance for support services is a 6-month base from January 26, 2016 through July 25, 2016 with three (3) 6-month options through January 25, 2018.

(A6) Trade-Offs

- a. **Cost:** The government is willing to spend additional money for continuity of responsibility for the operations and maintenance of the CEP through the sole source award to the construction contractor. Cost is not as important of a consideration as quality, performance of services and contractor accountability.
- b. **Quality and Performance of Service:** The government requires a high quality, responsible and accountable performance. Continued performance and responsibility from the construction contractor is imperative. There is an projected impact to cost with moderate impact to schedule.
- c. **Schedule:** In order to meet the needs of the Veterans and the activation of the facility, it is important to start of performance begin when the construction contract 24 hrs of O&M is reduce to 8 hrs which is 30 days after building turnover. Building turnover is expected in Dec 2015. The proposed period of performance provides ample time to complete the requirements. Therefore, there is some projected impact to cost and performance.

(A7) Risks

- a. **Technical Risk:** The technical risk associated with this procurement is deemed to be significant , because this is a very complexity of the requirement. There are additional risks with using another contractor as they are not familiar with the site conditions and equipment installed by CMHP. This risk will be mitigated through the selection of an incumbent contractor who possesses historical knowledge of the CEP and ancillary buildings.
- b. **Cost Risk:** Cost risk is determined to be moderate. This contract will be Firm Fixed Price which reduces the Government's risk and places the responsibility for cost change avoidance on the contractor. Even though this is a commercial service, the need to award to the construction contractor may increase costs. However, there will be a reduction on cost due to no additional startup and mobilization cost. Additionally, if we use another contractor, there might be transition cost Negotiations using current construction pricing and commercially accepted pricing will mitigate the risks of the increase costs. The only unknown costs are any unforeseen changes in site conditions throughout the construction process. These costs will be avoided by changing requirements with modifications negotiated.
- c. **Schedule Risk:** Schedule risk is determined to be moderate. If completion of the CEP is further delayed, then there will be corresponding delays with the period of performance. Schedule changes are possible if completion of building construction is delayed.

(A8) Acquisition Streamlining

Not applicable.

PART B: Plan of Action

(B1) Sources

In accordance with Federal Acquisition Regulation Part 8.0002 Priorities for Use of Mandatory Government Sources, and VAAR Part 808.002, the mandatory sources were identified and reviewed for available sources for this system requirement. There are no available nationally awarded BPAs by the NAC that could meet this system requirement. Due to the complexity of the requirement for installation GSA Schedules would not support the requirement.

Sole source is the best option since having multiple subcontractors working on complicated systems opens up many complications. The intent to sole source was posted on FBO on 11/5/15.. This contract will expire when the CEP is fully commissioned. Once fully commissioned, if the services are still required, the requirements will be solicited open market.

- a. Discussions were conducted on the feasibility to opening this solicitation for the CEP Operations and Maintenance contract with contracting staff and mission partners. The contracting staff historical knowledge shows contractors available for general Facilities maintenance operations. However, contracting staff historical knowledge also shows that the government runs the risk of voiding our warranties and breaching the current construction contract due to the fact that the other buildings still under construction are ancillary to the CEP and receiving power, climatic controls, steam, etc. from it. GSA schedule holders provide facilities maintenance services including energy plant operations for full 24 hour operation. However, the feasibility to contract partial day (additional 16 hrs) services was not within standard practices.

An intent to sole source was posted on FBO on 11/6/15 under RFP # VA25616R0053.

- b. Interagency Acquisitions Under The Economy Act: Due to the nature of this requirement, VHA contract vehicle was the best option. It was not possible to fulfill this requirement by other than an existing VHA contracting office.
- c. In accordance with FAR Part 8.0002 priorities for use of Small Business: VA Form 2268 has been submitted for approved for large business Sole Source solicitation.

(B2) Competition

Competition will not be sought. This will be a Sole Source procurement for services with the current construction contractor CMHP.

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1.

Clark McCarthy is the constructor of the Central Energy Plant and will be the service provider during the transition and turnover to the VA. The Central Energy Plant is a highly specialized building containing major systems. The major systems and some of its components include but are not limited to the distribution of electricity, steam, domestic water, etc. to the entire medical campus. Due to the complexity of the CEP systems, the prime construction contractor Clark McCarthy is currently responsible for providing facility engineering services during the temporary operational phase of the CEP for 8 hours per day. However, the need is actually for 24-hours per day/7 days per week. Since the related tasks of construction completion, facility management, commissioning and training are non-severable, the current contractor is still currently responsible for the 8 hours per day of services. Additionally, there is a higher than usual likelihood that the construction contractor could claim construction

For Official Use Only/Source Selection Sensitive

delays secondary to difficulties that may occur because additional buildings will be brought online requiring frequent adjustments to the systems. Due to complexity of the CEP systems, being tied to ancillary buildings still under construction, and avoid any possibility of voiding certain warranties, it is not feasible to contract to an outside contractor.

The CMHP is not uniquely qualified to operate a CEP. However, they are uniquely qualified to operate the CEP that will have systems requiring ongoing adjustments secondary to construction of which they are responsible throughout the construction contract period. It is the ongoing construction and phased turnover of buildings, all of which are linked to the CEP via building systems of HVAC, Building Automation, and fire alarm that make this contractor uniquely qualified. This was also a lessons learned from the Orlando construction where they did have a separate contractor running the CEP from the construction contractor and experienced difficulties with new building systems being brought online and subsequently having to make adjustments at the CEP level causing some delays and additional costs.

If the Government were to solicit, compete and award a separate contract for the additional 16 hours, the Government would be in the untenable position of having to administer two contracts for the exact same task every day of the year for the remainder of the transition period. Due to complexity of the CEP systems, being tied to ancillary buildings still under construction, and avoid any possibility voiding certain warranties, it is not feasible to contract to an outside contractor.

It is therefore in the Government's best interest to combine all required hours into a single contract for 24-hours per day/7 days per week of facility engineering services. Accordingly, Clark McCarthy is the only firm capable of providing the supplies and services described above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

(B3) Contract Type Selection

This contract will be Firm Fixed Price. This project has defined objectives. The risk to the Government of non-performance is reduced and can be predicted with an acceptable degree of certainty. This type of contract will also allow for the contractor to bear the risk of the market fluctuations and be used as the primary means to tie profit motive to contractor performance..

(B4) Source-selection Procedures

This will be a Sole Source procurement for services with the current construction contractor CMHP. Price negotiations will be conducted.

(B5) Acquisition Considerations

Performance Based Acquisition method will be used for purchase of the O&M services.

This acquisition will use Options. A base of six-months and (3) three six-month options will be awarded. The contractor will be provided a final PWS including proposed Performance Requirements Summary.

No FAR deviations will be required as prescribed by FAR subpart 1.4.

The requirement is for support services and the requirement will be solicited using FAR Part 12 methods.

This acquisition will not include Information Technology requirements, and no considerations will be needed.

This project is planned to cross fiscal years as allowed by agency policy.

For Official Use Only/Source Selection Sensitive

SCA 05-2233 will be incorporated into the contract.

(B6) Budgeting and Funding

The base year independent government cost estimate (IGCE) for this effort is \$4,759,390.59. Funding for the option years will be secured before each option is exercised. The IGCE is based anticipated costs on the four weeks of full services and the 8 hours (during normal business hours) cost provided in the Construction contract and reviews of commercial priced burdened rates in GSA schedules.

CEP Services						
Item #	Brief Description of Service*	Period of Performance	Unit	Qty	Price	Total Price
0001	CEP O&M - Base Period	1/26/16 - 7/25/16	Mth	6	\$184,923.20	\$1,109,539.20
1001	CEP O&M - Option Yr 1	7/26/16 - 1/25/17	Mth	6	\$192,320.13	\$1,153,920.77
2001	CEP O&M - Option Yr 2	1/26/17 - 7/25/17	Mth	6	\$201,936.13	\$1,211,616.81
3001	CEP O&M - Option Yr 3	7/26/17 - 1/25/18	Mth	6	\$214,052.30	\$1,284,313.81
TOTAL						\$4,759,390.59

(B7) Product or Service Descriptions

Contractor to provide all labor, management, supervision, tools, material, and equipment to continuously operate, maintain and repair the Chiller System and Distribution System, the Steam and Hot Water Generation System, the Steam and Hot Water Distribution Systems, the Condensate Return System, and the Compressed Air System for Control Air and Medical Air and Medical Vacuum Systems located at the Central Energy Plant. The Contractor will be responsible for all equipment, controls and piping systems located inside the facility at 2400 Canal Street, New Orleans, LA.

NAICS: 561210

PSC: 5216

(B8) Priorities, Allocations and Allotments

Not applicable

(B9) Contractor versus Government Performance

In accordance with FAR Subpart 7.3, the Government has determined that this requirement does not contain any governmental activities. The A-76 rule does not apply in this acquisition.

(B10) Inherently governmental functions:

The scope of this requirement does not require any inherently governmental functions to be conducted by the contractor. The inherently governmental functions that will be utilized during the performance of this acquisition will be conducted by Government personnel only. These functions include:

- Participating as a voting member on any source selection boards
- Approving any contractual documents, to include documents defining requirements, incentive plans, and evaluation criteria

For Official Use Only/Source Selection Sensitive

- Awarding contracts
- Administering contracts
- Determining of fair and reasonable price
- **Determination of allocable and allowable costs (B11) Management Information Requirements**

A certified Contracting Officer's Representative (COR) will be assigned to monitor and oversee the anticipated service and conduct contractor surveillance per the QASP.

(B12) Make or Buy

Make or Buy considerations in accordance with FAR 15.407-2 are not applicable to this acquisition.

(B13) Test and Evaluation

Test and evaluation is not applicable to this acquisition.

(B14) Logistics Considerations

There are no logistic considerations applicable to this acquisition.

(B15) Government Furnished Property

No Government Furnished Property (GFP), material, or facilities are anticipated to be required for contractor performance of this requirement.

(B16) Government Furnished Information

Building drawings and floor plans will be provided.

(B17) Environmental and Energy Conservation Objectives

Not applicable.

(B18) Security Considerations

The contractor will be required to adhere to all applicable federal standards and guidelines concerning the security of information systems. Additionally, the contractor will be required to ensure the confidentiality of data contained in the applications and systems it encounters in the course of its performance of tasks under the contract. The contractor will also be required to follow all applicable VA policies and procedures.

(B19) Contract Administration

Contract administration will be conducted by the CO and COR. A letter of delegation will be sent to the COR. The letter will outline responsibilities and the authority the COR has been delegated and will be documented in the contract file. The Government team will monitor contract compliance through surveillance; inspection; review of submittals and reports; complete performance reports; and acceptance of requirements.

(B20) Other Considerations

There are no other considerations at this time.

(B21) Milestones

Sole Source Greater than \$150,000.00, less than \$5.5M				
Calendar Days Beginning 11-01-2015				
ACTION	ANTICIPATED DUE DATE	REVISED DATE	COMPLETED DATE	
1. Receipt of 2237 and Supporting Documents by CO	11/02/15		11/02/15	
2. Receipt of Supporting Documents	11/02/15		11/02/15	
3. Procurement Package Review Completed by CO	11/03/15		11/03/15	
4. Phase I - Requirements Complete	11/03/15		11/03/15	
5. Justification for Other Than Full and Open Completed	11/03/15	11/19/15	11/19/15	
6. OSDBU/SBA Review Completed	11/03/15	11/19/15		
7. Prepare FBO Intent to Sole Source	11/03/15		11/6/15	
8. FBO Intent to Sole Source Review Completed	11/03/15		11/6/15	
9. Issue FBO Intent to Sole Source	11/06/15		11/6/15	
10. Receive Legal/Technical Review Comments	11/13/15	11/20/15		
11. Phase II Complete - Solicitation Issued	11/25/15			
12. Proposals/Prepared/Received	12/09/15			
13. Phase III Complete - Proposals Received	12/09/15			
14. Cost/Price Analysis	12/17/15			
15. Negotiations/Clarifications/Discussions	12/22/15			
16. Final Proposals Requested	12/22/15			
17. Final Proposals Received	12/22/15			
18. Final Technical Evaluations Requested/Received	12/22/15			
19. Phase IV Complete - Evaluations Complete	12/22/15			
20. Awarded once final turnover date is known				
21. Phase V Complete - Award	01/07/16			

(B22) AP Team Members

The below is a list of individuals who participated in preparing the acquisition plan:

- Contracting Officer: Rose Bailey, Branch Chief, Project Legacy, 504-558-3683, NCO 16
- Contracting Officer: Deborah Newman, Contract Specialist, Project Legacy, 504-412-3700 Ext 8661, NCO 16
- Contract Specialist: Shonda Collins-Smith, Contract Specialist, Project Legacy, 504-412-3700 Ext 8667, NCO 16
- Program Manager: Nacelyn Lombard, Acting Chief, Facilities Management Service, 504-553-5972, NCO 16, SLVHCS
- Contracting Officer's Representative: Angela McKenzie, COR, Facilities Management Service, 504-553-5983, NCO 16, SLVHCS
- Source Selection Official: Rose Bailey, Branch Chief, Project Legacy, 504-558-3683, NCO 16

For Official Use Only/Source Selection Sensitive

INDEPENDENT GOVERNMENT ESTIMATE (IGE)						
Products (including software, licenses)						
CEP Services						
Item #	Brief Description of Service*	Period of Performance	Unit	Qty	Price	Total Price
0001	CEP O&M - Base Period	1/26/16 - 7/25/16	Mth	6	\$ 184,923.20	\$ 1,109,539.20
1001	CEP O&M - Option Period 1	7/26/16 - 1/25/17	Mth	6	\$ 192,320.13	\$ 1,153,920.77
2001	CEP O&M - Option Period 2	1/26/17 - 7/25/17	Mth	6	\$ 201,936.13	\$ 1,211,616.81
3001	CEP O&M - Option Period 3	7/26/17 - 1/25/18	Mth	6	\$ 214,052.30	\$ 1,284,313.81
TOTAL						\$ 4,759,390.59
*Check block(s) below that describe the basis for the IGCE:						
Past Contract Pricing				<input type="checkbox"/>		
GSA Federal Supply Schedule Published Prices				<input checked="" type="checkbox"/>		
Government Wide Acquisition Contract (GWAC) Published Prices				<input type="checkbox"/>		
Engineering Estimates				<input checked="" type="checkbox"/>		
Informal Vendor Quotes				<input type="checkbox"/>		
Prior Bills of Material				<input type="checkbox"/>		
Prior Monthly Vouchers				<input type="checkbox"/>		
Catalog Pricing				<input type="checkbox"/>		
Other (Please Explain):						
POC NAME: Sultana Hasan				Phone: 504-553-5967 ext. 5126		
Email: Sultana.Hasan@va.gov				Date: 11/02/2015		
For Official Government Use Only						

Operations and Maintenance of Central Energy Plant (CEP)

Department of Veterans Affairs
Southeast Louisiana Veterans Health Care System
2400 Canal Street, New Orleans, LA. 70119

November 18, 2015

1. INTRODUCTION

- 1.1 This performance work statement describes the requirement for operations and maintenance of the Central Energy Plant with the contractor serving as the full-time "Facility Engineer" as outlined in Contract VA101CFM-C-0064 for the Central Energy Plant (CEP) Building of the Department of Veterans Affairs, 2400 Canal St. New Orleans, Louisiana 70119. (Paragraph 74, Page 11 of 14, 8WC002 plumbing and Mechanical Work, Amendment 3 – 01/05/12.)

2. OVERVIEW

- 2.1 The Department of Veterans Affairs is seeking to extend the "Facility Engineer" Operations and Maintenance Services for the new Central Energy Plant at the Southeast Louisiana Veterans Health Care System in New Orleans, Louisiana to 24/7 operations through this contract and modification of Contract VA101CFM-C-0064. The Central Energy Plant (CEP), which is part of the Central Energy Plant building, is the cornerstone of the operation and emergency preparedness facets of the Medical Center, providing a five(5)-day "defend in place" capability. The CEP includes: compressed air, steam generation, boilers, heating hot water, RO system, surge and DA water tanks, domestic and chilled water generation and distribution equipment; diesel engine generators providing emergency back-up power, building automation control systems, fire alarm, fire pump, and suppression systems, and the overall normal and emergency electrical power utility distribution system.

3. BACKGROUND

- 3.1 Buildings on the new campus of the New Orleans VA Replacement Facility are currently being turned over in phases for Government beneficial use. The current construction contract includes a four(4) week period of performance for 24/7 maintenance and operations of the CEP after turnover. Thereafter, Clark-McCarthy is contractually obligated to perform eight(8) hours daily maintenance and operation during normal business until completion of the medical center and balance of the campus is turned over to the owner. This includes but is not limited to the monitoring and maintaining of all equipment (chillers, boilers, pumps, cooling towers, etc.) installed under the scope of work as documented in the Construction & Facilities Management (CFM) contract VA101CFM-C-0064. In addition, Clark McCarthy is responsible for the campus-wide commissioning requirements; training and tie-in of the controls systems prior to final project completion of the campus. One building, VA Administration Building (Q), has been turned over to the VA. The next set of buildings scheduled for turn over include: the CEP building (includes the warehouse and facilities shops), Inpatient Building, Patient Parking Garage, and a portion of Diagnostic and Treatment. The CEP building is currently scheduled for substantial completion December 2015.

Page 11 of 14, 8WC002 Plumbing and Mechanical Work, Amendment 3 – 01/05/12, of Contract No. VA101CFM-C-0064, paragraph 74 is in the existing contract between VA CFM and the constructor, Clark-McCarthy Healthcare Partners. It is provided as a reference point and basis of this contract. In the existing CFM contract, which will be modified post-award of this contract, states the construction contractor will operate the CEP eight(8) hours/day until the balance of the campus is turned-over to the owner. The reason for ongoing operations is to continue to adjust the systems as additional buildings and loads are brought online, which requires CMHP to have the ability to adjust and test the CEP systems. The following Paragraph 74 is hereby copied verbatim from the construction contract to this contract for reference purposes:

"74. Due to the complexity of the Central Energy Plant systems this Subcontractor will also take on the role of "Facility Engineer" once the Central Energy Plant is complete, and therefore operate the plant in a temporary mode until the balance of the campus is turned-over to the Owner. This Subcontractor is to include a dedicated Facility Engineer during this temporary operation phase. This Facility Engineer is to operate the Central Energy Plant 24-hours per day, 7-days per week, for the first four (4) weeks after substantial completion, and then transition to one

(1) 8-hour shift, (during normal business hours) until the completion of campus. During the temporary operational phase of the Central Energy Plant, this Subcontractor is required to monitor all the equipment (chillers, boilers, pumps, cooling towers, etc.) installed under this scope of work for any errors in the systems. In addition, this Subcontractor shall provide monitoring of system chemicals and provide any adjusts to the chemical levels as necessary throughout this plant operation period. As the different stages of construction enter the finish phases, this Subcontractor is responsible for coordinating the temporary heating/cooling distribution from the Central Energy Plant, to allow the finishes to be installed throughout the campus. The air handlers and their operation in the individual buildings are not the responsibility of this Subcontractor. During the temporary operation of the plant, the intent is to operate the equipment in a manual mode. No controls (BAS system) will be required. Prior to final completion of the campus, the low voltage Subcontractor will tie-in the controls systems. The final commissioning of the plant systems/equipment will not be completed until the controls are installed. In the event the Central Energy Plant is not completed and ready for complete temporary operation by the time the Pan-Am Building is ready to be turned-over and occupied by the Owner and/or the finishes begin on the other campus buildings, this Subcontractor is to ensure that at a minimum, two boilers , two (2) chillers, a series bank, along with the associated cooling towers, pumps and VFDs are installed and operational to provide heating/cooling to the campus. See the Schedule Exhibit (ITB-00350) for milestone dates of the campus. Any additional warranty required to allow the Owner to have a one (1) year after-occupancy warranty, as a result of the use for the temporary cooling, should be included in the Subcontractor's proposal. See preliminary project schedule for additional information."

4. SCOPE OF WORK

4.1 OVERVIEW

4.1.1 CMHP will serve as the "Facility Engineer", meaning CMHP has full responsibility for 24/7 operations and maintenance of the Central Energy Plant and all systems contained therein. Full operations will include regulatory requirements including operations manuals, VHA Directives and policies, and The Joint Commission Standards. On the job shadowing by SLVHCS employees will be permitted and hands-on training for the purposes of transitioning operations back to SLVHCS. This does not obviate CEP systems training required by CMHP's contract with CFM, contract No. VA101CFM-C-0064.

4.2 REQUIREMENTS

4.2.1 Contractor shall be responsible for all requirements associated with 24/7 operations and maintenance of the Central Energy Plant in accordance with regulatory requirements including operations manuals, VHA Directives and policies, and The Joint Commission standards. All exemptions identified in the final building turnover document associated with CFM contract No. VA101CFM-C-0064 are excluded until such time as accepted by the Government; identified exceptions will remain under the purview of CFM contract No. VA101CFM-C-0064.

4.2.2 CMHP will serve as the "Facility Engineer", meaning CMHP has full responsibility for 24/7 operations and maintenance of the following Central Energy Plant systems

4.2.2.1 OPERATIONS

4.2.2.1.1 Provide full and complete systems operations for all campus wide CEP hosted systems.

4.2.2.1.2 ELECTRICAL DISTRIBUTION

- Entergy vault to main distribution center
- Main Switchgear
- Transfer Switches

4.2.2.1.3 FIRE SYSTEMS

- Fire Pumps
- Jockey Pump
- Fire Control Panels

4.2.2.1.4 STEAM

- Steam Distribution
- Reverse Osmosis (RO) System
- RO System Chemicals
- Surge Tank and DA Tank
- Compressed Air System

- Boilers
 - Steam Traps
 - PRV Station
- 4.2.2.1.5 CHILLED WATER
- Cooling Towers
 - Chillers
 - Condenser Water Pumps
 - Condenser Water Chemicals
 - Chilled Water Chemicals
 - Chilled Water Pumps
- 4.2.2.1.6 EMERGENCY GENERATORS
- Generator maintenance
 - Transfer Switches
 - Fuel Oil Monitoring and Testing
 - Fuel Tanks
 - Day Tanks and Pumps
- 4.2.2.1.7 DOMESTIC WATER
- Water Treatment
 - To include all chemicals
- 4.2.2.1.8 PUMP ROOM (Domestic and Process Water Pumps)
- Pump Sequence
 - Maintenance of VFD's
 - UV System including replacement of UV bulbs.
- 4.2.2.1.9 BAS/SCADA SYSTEMS
- Systems monitoring and alert reporting
- 4.2.2.2 MAINTENANCE
- All periodic and routine maintenance per manufacturers recommendations
 - Contractor to provide all required consumables for periodic maintenance to include but not limited to:
 - Lubricating Oil
 - Fuel Filters
 - Air Filters
 - Grease
 - Strainers
 - UV Light Bulbs
 - Water treatment chemicals
 - Miscellaneous Consumables
- 4.2.2.3 Contractor shall provide all required tools and equipment needed for the operation and maintenance of the CEP systems. Included but not limited to:
- Scissor Lifts / Hoists
 - Ladders
 - Hand Tools
 - Power Tools
 - Safety Equipment
- 4.2.3 Contractor shall operate, monitor and maintain all equipment in Central Energy Plant and associated subsystems located within the CEP and serving the ancillary buildings on the Medical Center campus. This contract does not include O&M for systems located in the various campus buildings that consume utilities provided by the CEP: AHU, VAV, pumps, steam heat exchangers, thermostats, , etc.
- 4.2.4 Boilers and Chillers shall be monitored and maintained at all times.
- 4.2.5 Maintain full regulatory compliance including with operations manuals, VHA Directives and policies and The Joint Commission standards.
- 4.2.6 Contractor shall meet all Federal, State, local regulations and VA regulations and directives, ASME boiler and pressure vessel codes, ASHRAE standards, and facility policies.

- 4.2.7 Contractor shall meet all OSHA, NEC and NFPA requirements.
- 4.2.8 Coordinate distribution of chilled water, hot water, steam etc. from CEP to allow finishes throughout campus.
- 4.2.9 Coordinate tie-ins of control system throughout building ownership transfers.
- 4.2.10 Testing, maintenance and control of all water source equipment in order to maintain a comfortable environment throughout the campus.
- 4.2.11 Monitor and maintain equipment per manufacturer specifications and warranties.
- 4.2.12 Provide a monthly report of recorded diesel fuel tank levels and diesel fuel usage.
- 4.2.13 Maintain an accurate and complete log of conditions and events during his tour, and the turnover of items requiring further attention to the appropriate maintenance shop or to other Contractor staff.
- 4.2.14 Contractor is not responsible for a trouble desk.
- 4.2.15 CMHP will permit SLVHCS employees to shadow and will provide hands on training of the CEP operations and maintenance. This will not obviate training required by the contract with CFM, contract No. VA101CFM-C-0064.

4.3 CEP OPERATING PLAN

- 4.3.1 The contractor shall submit a CEP Operating Plan no later than forty-five (45) days after award. The CEP Operating Plan will detail maintenance, outage, and overhaul schedules, CEP staffing and operating plans.
- 4.3.2 COR shall review and approve the Annual CEP Operating Plan.

4.4 SITE CONDITIONS

- 4.4.1 There shall be no smoking inside the CEP or on government property. Eating and drinking are permitted in designated break areas only.
- 4.4.2 It is the responsibility of Contractor personnel to park offsite. The VA will not validate or make reimbursement for parking violations of the Contractor's personnel under any circumstances.

5. CONTRACTOR PERSONNEL

- 5.1 Contractor shall provide key personnel list to COR within 10 days of award
- 5.2 The Contractor shall assign a Point of Contact (POC) for the purpose of ensuring compliance with all provisions of this contract. The Contractor POC shall be available on site and have the ability to address performance issues. All employees should be able to read and speak English.
- 5.3 Contractor shall provide employee medical clearances and qualification to COR fourteen (14) days prior to reporting to work.
- 5.3 All work for the duration of the contract shall be performed by qualified, certified and licensed personnel on system.
- 5.4 Contractor personnel working under this contract shall not be considered VA employees for any purpose and shall be considered employees of the Contractor. All Contractor personnel assigned to the performance of this contract shall wear a Contractor feature (i.e. wearing of distinctive clothing such as uniform, badges, patches, etc.) that clearly identifies the individual as a Contractor. All Contractor personnel are required to wear identification (I.D.) badges during the entire time they are on the VA Healthcare System grounds. I.D. badges must have picture identification, name of the individual and the represented company depicted on it.
- 5.5 Contractor personnel shall present a neat appearance. Contractor personnel shall not wear shorts, tank tops, sandals, flip-flop style footwear, or open-toe shoes and shall follow VA dress guidelines. A copy of this will be provided upon request.
- 5.6 The Contractor shall ensure that the staff assigned shall be cognizant of the VA's sexual harassment and drug-free workplace policies. The Contractor may obtain a copy of this information from the COR.
- 5.7 Contractor Personnel Qualifications:
 - 5.7.1 The contractor shall provide a Lead Technician to oversee all contract personnel with a minimum of 5 years of documented experience implementing large scale projects equal to or greater than the scope of this project.

6. PERIOD OF PERFORMANCE AND WORKING HOURS

- 6.1 Period of Performance will begin at the time services are no longer covered with contract No. VA101CFM-C-0064, which is 30 days post-turnover of the building. This is projected to be approximately January 29, 2016. Services will include three(3) six(6)-month option periods, ending approximately January 28, 2018.
- 6.2 Working hours are 24 hours a day, seven (7) days a week, including all holidays and weekends.

7. DELIVERABLES SCHEDULE

Deliverable	Frequency	# of Copies	Medium/Format	Submit To
Safety Data Sheets (SDS)	As needed	2	Hard Copies in Binders	1 hard copy to COR; 1 to be kept in the CEP
Quality Control Plan	Due 45 days after award	3	1 electronic; 2 hard copies	1 hard copy to COR; 1 to be kept in the CEP
CEP SOP	Due 45 days after award	3	1 electronic; 2 Hard copies in Binders	1 hard copy to COR; 1 to be kept in the CEP
Work Order Reports, Records and Repair Documentation	As repairs occur	2	1 hard copy and 1 electronic	COR
Preventative Maintenance Reports	Per Manufacturer's specification	3	1 electronic; 2 hard copies	1 hard copy to COR; 1 to be kept in the CEP
Maintenance Logs	Per Manufacturer's specification	Original (1 log per system or piece of equipment)	Original in Logbook or Binder	Keep on Site
Shift Logs	Daily	Originals	Hard copy	Keep on Site
Contractor Training (Safe Steam') VA required http://vaww.vakncdn.lrn.va.gov/default.asp	Completed within 45 days of award	1 copy of Certificate of Completion for each employee.	Hard Copy or Electronic	COR
Safety Plan	Due (30) days after award	3	1 electronic; 2 hard copies	1 hard copy to COR; 1 to be kept in the CEP

8. SECURITY REQUIREMENTS

8.1 C&A requirements do not apply--Security Accreditation Package is not required

8.2 See Attachment 1 for Security Requirements.(P09_Attachment_1_Security_Requirements)

9. PROTECTION OF PROPERTY

- 9.1 Contractor shall protect all items from damage. The Contractor shall take precaution against damage to the building(s), grounds and furnishings. The Contractor shall repair or replace any items related to building(s) or grounds damaged accidentally or on purpose due to actions by the Contractor.
- 9.2 The Contractor shall perform an inspection of the building(s) and grounds with the COR prior to commencing work. To insure that the Contractor shall be able to repair or replace any items, components, building(s) or grounds damaged due to negligence and/or actions taken by the Contractor. The source of all repairs beyond simple surface cleaning is the facility construction contractor (or appropriate subcontractor), so that building warranty is maintained. Concurrence from the VA Facilities Management POC and COR is required before the Contractor may perform any significant repair work. In all cases, repairs shall utilize materials of the same quality, size, texture, grade, and color to match adjacent existing work.
- 9.3 The Contractor shall be responsible for security of the areas in which the work is being performed.
- 9.4 Contractor shall provide floor protection while working in all VA facilities. All material handling equipment shall have rubber wheels.

10. WARRANTY & REPAIRS

10.1 All warranties in the original contract No. VA101CFM-C-0064 are valid in this contract.

11. QUALITY CONTROL

11.1 The Contractor is expected to meet all applicable and regulatory standards including operations manuals, VHA Directives, and The Joint Commission standards.

11.2 The contractor shall develop and maintain a quality control program to ensure operations and maintenance services are performed in accordance with all applicable and regulatory standards including manufacturer's recommendations, generally accepted commercial practices, operations manuals, VHA Directives, and The Joint Commission standards. The contractor shall develop and implement procedures to identify and prevent defective services from recurring.

11.3 The Quality Control Plan (QCP) will outline the contractor's inspection system and method(s) of documentation of maintenance actions. The QCP will address all requirements in Section 4 and 7. At a minimum, the procedures shall include date, location, unit, type of equipment, fault, and corrective action.

11.4 Contractor shall submit a Quality Control Plan within forty-five (45) days after award.

12. QUALITY ASSURANCE

12.1 This PWS not only discusses work to be performed, but also contains performance standards and acceptable performance levels (APL). Performance standards are "tools" the government uses to measure level of performance. A standard is an optimum performance level against which actual performance can be measured or evaluated. For example, in the statement "complete a service call in 24 hours" the standard is 24 hours. The number of days actually taken to finish this task is the performance indicator, which determines if the work performed was below, met, or exceeded the standard. Developing accurate performance standards is crucial to ensuring that the actual performance received, regardless of the service provider, meets the requirements of the Performance Work Statement. This PWS includes performance standards for each of the Functional Areas of the PWS. The performance standards provided with this PWS seek to state the characteristics of properly completed outputs. Each performance standard contains standards for both quality and timeliness.

12.2 Quality Assurance. The COR and Government Quality Assurance Evaluators will inspect for compliance with Contract terms throughout the Contract period. Evaluation will be based on the Contractor's compliance with the requirements set forth in the Performance Requirements Summary (PRS). The Government will monitor the Contractor's performance under this Contract by performing inspections using the PRS. The PRS is used primarily to determine if the Contractor is performing all required outputs. The PRS also indicates for prospective contractors the importance of each required service.

12.3 PERFORMANCE REQUIREMENTS SUMMARY (PRS)

Acceptable Quality Limit (AQL)	Rating
98% or more of the performance standards stated below are met during a reportable period	Exceptional
95% - 97% of the performance standards stated below are met during a reportable period.	Very Good
90% - 94% of the performance standards stated below are met during a reportable period.	Satisfactory
85% - 89% of the performance standards stated below are met during a reportable period.	Marginal
Less than 85% of the performance standards stated below are met during a reportable period	Unsatisfactory

Performance Objective	SOW Para	Performance Standard
Equipment and System Operations		Boilers, chillers, associated cooling towers, pumps and VFDs are continuously operational providing consistent heating/cooling to the campus
Perform scheduled PM functions IAW issued PWS. Equipment is fully operational.	4	All PM is performed as scheduled and changes coordinated with COR
Repair calls are responded to in a timely manner. Equipment is fully functional	4	Repair calls are made within 24 hours of notification.
Reports and forms are submitted timely, reflect actual performance and are accurate.	4	All data requirements are submitted timely and error free

- 12.4 Contractor shall develop and submit a Quality Assurance Surveillance Plan (QASP) in accordance with FAR part 46.4 and FAR Subpart 37.604 within forty-five (45) days after award. The QASP will outline how the government will monitor, maintain and operate the Central Energy Plant per the Performance Requirements Summary
- 12.5 Non-Conforming Services will be addressed in accordance with FAR part 46.607-Non Conforming Supplies or Services.

13. APPLICABLE PUBLICATIONS

VHA Directive 2008-62, Boiler Plant Operations

<https://vaww.cmopnational.va.gov/cmop/CEOSH/10nadocuments/Policy%20Library/Boiler%20Plant%20Operations.pdf>

VHA DIRECTIVE 2010-031 Boiler Plant Safety Education

<https://vaww.cmopnational.va.gov/cmop/CEOSH/10nadocuments/Policy%20Library/Boiler%20Plant%20Safety%20Education.pdf>

VHA Employee Safety Alert (EAL 08-02)- VHA Boiler Operations

http://vaww.ceosh.med.va.gov/01HE/02HE_SpecificTopics/03HE_BoilerPlants/04HE_VA_Policies_DUSHOMItems/ESA_EAL08-02-BoilerPlantSafety08-02.htm

Magnetic Water Treatment

http://vaww.ceosh.med.va.gov/01HE/02HE_SpecificTopics/03HE_BoilerPlants/04HE_Guidance/MagneticWaterTreatmentProhib.htm

VHA Directive -1061-Prevention of Healthcare Associated Legionella Disease and Scald Injury From Potable Water Distribution Systems

http://vaww.ceosh.med.va.gov/01EN/02EN_Home/Prevention%20of%20Healthcare-Associated%20Legionella%20Disease%20and%20Scald%20Injury%20From%20Potable%20Water%20Distribution%20Systems%20%20VHA%20Dir%201061.pdf

VHA Directive 1028 Electrical Power Distribution Systems

<https://vaww.cmopnational.va.gov/cmop/CEOSH/10nadocuments/Policy%20Library/Electrical%20Power%20Distribution%20Systems.pdf>

National Electric Code

American Society of Heating, Refrigerating and Air Conditioning Engineers Standards

<https://www.ashrae.org/resources--publications/handbook>

National Fire Protection Association Codes and Standards

Applicable Facilities Management and Safety Policies:

138-1 Interruption of Utility Systems

<http://vaww.neworleans.med.va.gov/documents/numberedmemorandaandbulletins/AssociateDirector/FacilityManagement/138-1%28rev4Mar13%29.docx>

138-5 Facilities Management Service Line Maintenance, Repair, and Sanitation Work

<http://vaww.neworleans.med.va.gov/documents/numberedmemorandaandbulletins/AssociateDirector/FacilityManagement/138-5revFeb15.doc>

138-6 Emergency Power Supply System (EPSS)

<http://vaww.neworleans.med.va.gov/documents/numberedmemorandaandbulletins/AssociateDirector/FacilityManagement/138-6%20%28revNov12%29.docx>

138-10 Temperature of Domestic (Potable) Hot Water

<http://vaww.neworleans.med.va.gov/documents/numberedmemorandaandbulletins/AssociateDirector/FacilityManagement/138-10%20OCT12.docx>

138-14 Conservation of Energy

<http://vaww.neworleans.med.va.gov/documents/numberedmemorandaandbulletins/AssociateDirector/FacilityManagement/138-14%20revFeb15.doc>

138S-5 Fire Safety Management Plan

<http://vaww.neworleans.med.va.gov/documents/numberedmemorandaandbulletins/AssociateDirector/SafetyManagement/138S-5%20RevApr15.doc>

American Society of Mechanical Engineers (ASME)

Occupational Safety and Health Administration (OSHA) 1910

https://www.osha.gov/pls/oshaweb/owastand.display_standard_group?p_toc_level=1&p_part_number=1910

Occupational Safety and Health Administration (OSHA) 1926

https://www.osha.gov/pls/oshaweb/owastand.display_standard_group?p_toc_level=1&p_part_number=1926

American Society of Safety Engineers (ASSE) <http://www.asse.org/publications/>

National Standard Plumbing Code (NSPC)

<https://www.phccweb.org/files/Depts/Technical/2015%20NSPC%20Proposed%20Changes%20Book.pdf> or
<http://www.phccweb.org/>

The Joint Commission (TJC) <http://e-dition.jcrinc.com/ProxyLogin.aspx?lnk=2293FDDF5458> and

<http://vaww.oqsv.med.va.gov/filedownload.ashx?fid=4669>

American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code

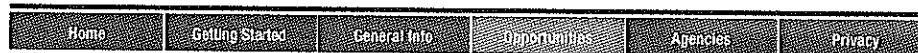
https://www.asme.org/getmedia/1adfc3df-7dab-44bf-a078-8b1c7d60bf0d/ASME_BPVC_2013-Brochure.aspx

Boiler Efficiency Improvement Operator Manual

http://vaww.ceosh.med.va.gov/01HE/02HE_SpecificTopics/03HE_BoilerPlants/04HE_Guidance/BoilerEfficiencyImprovementManual.pdf

VHA Boiler Plant Safety Devices Testing Manual

http://vaww.ceosh.med.va.gov/01HP/02HP_Guidebooks/03_Collections/04HP_safety/gensafety/Enclosures/Encl%2011-7%20BPSafetyDeviceTestManual.pdf



Buyers [Login](#) | [Register](#) Vendors [Login](#) | [Register](#) Access: boby



M--NOTICE OF INTENT TO SOLE SOURCE Central Energy Plant (CEP) O&M

Solicitation Number: VA25616R0053

Agency: Department of Veterans Affairs

Office: New Orleans VAMC

Location: Department of Veterans Affairs Medical Center

Notice Details

Packages

Interested Vendors List

Print

Link

Original Synopsis
Nov 06, 2015
8:52 am

[Return To Opportunities List](#)
[Add Me To Interested Vendors](#)

[Watch This Opportunity](#)

ALL FILES

[Attachment](#)

Nov 06, 2015

[VA256-16-R-0053 VA25](#)

[VA256-16-R-0053 P03](#)

Solicitation Number:
VA25616R0053

Notice Type:
Special Notice

Synopsis:

Added: Nov 06, 2015 8:52 am

INTENT TO SOLE SOURCE: The Southeast Louisiana Veterans Health Care System (SLVHCS) Medical Center, Project Legacy intends to negotiate a sole source contract under the authority of FAR 6.302-1 (Only one responsible source and no other supplies or services will satisfy agency requirements) with Clark/McCarthy Healthcare Partners for the operation and maintenance of the Central Energy Plant (CEP) after turnover. Services will be performed on the SLVHCS medical campus in New Orleans, LA. A signed Justification and Approval for this action will be included as part of the award notice with a draft copy to be included with this posting. NAICS 561210 applies, and the small business size standard is \$38.5 million dollars. The place of performance shall be the SLVHCS VA Medical Center at 2400 Canal Street, New Orleans, LA 70119, for the period of contract award for a 6-month base and three (3) 6-month exercisable option periods.

This special notice of intent serves as notice of intent to award a sole source contract and is not a request for competitive proposals, solicitation or a request for offers. Please see attached Justification and Approval (J&A) for sole source justification. All responsible sources may submit a capability statement, proposal, or quotation, which shall be considered by the agency. A determination by the Government not to compete this procurement is solely within the discretion of the Government. Responses must be received no later than 5:00 PM CST on November 10, 2015. No telephone inquiries will be accepted. All responses must be emailed to Deborah Newman at Deborah.Newman2@va.gov.

Please consult the list of [document viewers](#) if you cannot open a file.

Attachment

Type: Other (Draft RFPs/RFIs, Responses to Questions, etc.)
Posted Date: November 6, 2015

<https://www.vendorportal.ecms.va.gov/FBODocumentServ...>

Description: VA256-16-R-0053 VA256-16-R-0053.docx

<https://www.vendorportal.ecms.va.gov/FBODocumentServ...>

Description: VA256-16-R-0053 P03

JA_Sole_Source_CEP_2015_11_03 (Final).pdf

Contracting Office Address:

Department of Veterans Affairs; Network Contracting Office 16; 1555 Poydras Street; Suite 1895; New Orleans, LA 70112

Point of Contact(s):

Deborah Newman
Network Contracting Office 16
1555 Poydras Street
Suite 1895
New Orleans, LA 70112

[Contracting Officer](#)

GENERAL INFORMATION

Notice Type:

Special Notice

Posted Date:

November 6, 2015

Response Date:

.

Archiving Policy:

Automatic, on specified date

Archive Date:

November 21, 2015

Original Set Aside:

N/A

Set Aside:

N/A

Classification Code:

M -- Operation of Government-owned facilities

NAICS Code:

561 -- Administrative and Support Services/561210 -- Facilities Support Services

Return To Opportunities List	Watch This Opportunity
Add Me To Interested Vendors	

[For Help: Federal Service Desk](#) [Accessibility](#)

Jacobson, Robert G.

From: Bailey, Roselyn (NOLA)
Sent: Thursday, November 19, 2015 12:42 PM
To: Jacobson, Robert G.; Ma, Calvin; McIntosh, Felecia
Cc: Villalpando, Aaron (NCO 16); Repasky, Stephanie (NOLA)
Subject: RE: CEP Legacy
Attachments: P03_JA_Sole_Source_CEP_2015_11_18.pdf; P03_JA_Sole_Source_CEP_Att_1_2015_11_17.pdf; P03_FBO_Sole_Source_Intent_Post_2015_11_05.pdf; P08_ACQ_PLAN_CEP_2015_11_19.pdf; P01_IGCE_CEP_2015_11_17.xlsx; P09_PWS_2015_11_18_Final.docx

Jake/Felicia,

Attached are all the revised signed documents.

Thanks for all your assistance with this.

Once we get the signed J&A, we will route the 2268 through SB.

Rose

Rose Bailey
Contracting Officer
504.558.3683

From: Jacobson, Robert G.
Sent: Thursday, November 19, 2015 11:15 AM
To: Ma, Calvin; Bailey, Roselyn (NOLA); McIntosh, Felecia
Cc: Villalpando, Aaron (NCO 16); Repasky, Stephanie (NOLA)
Subject: RE: CEP Legacy

Alcon,

I have review both the J&A narrative and AP. I have made a few changes and provided comments/recommendation for your consideration. Once you receive all final signatures please submit to me the complete package in one (1) PDF document to include: J&A, AP, and IGCE. Make sure the IGCE total accurately reflects the total \$\$ amount in the J&A narrative Para 3, and AP (B6) Budgeting and Funding.

Once I receive the complete J&A package, I will upload it to our SAOC QA HCA Tracking Log and provide comments that this sole source procurement will require a CRT with complete QA/Technical Review, Legal Review and approved VA-2268 by OSDBU.

Thank you again for all your hard work and efforts!

Respectfully,

Jake

SAOC QA Specialist