

AMENDED - PERFORMANCE WORK STATEMENT FOR DEPARTMENT OF VETERANS AFFAIRS, OFFICE OF ASSET ENTERPRISE MANAGEMENT STRATEGIC ADVISORY AND ASSISTANCE SERVICES FOR CAPITAL ASSET MANAGEMENT

09/24/2018 - Removal of Accelerated Lease Procurement requirements.

A. GENERAL INFORMATION

1. **Title of Project:** FY2020 Non-IT Business Case Applications
2. **Scope of Work:** The contractor shall provide all resources necessary to accomplish the deliverables described in this Performance Work Statement (PWS). The contractor shall be responsible for the following:

Assist VA in the preparation of the Non-IT Business Case Applications in support of the FY2020 President's Budget. Strategic Capital Investment Planning (SCIP) business cases were scored using the SCIP Decision Criteria Model and a prioritized list of projects was developed through the VA governance process for inclusion in the FY2020 Budget Submission. As part of VA's submission to OMB, a Non-IT Business Case Application and associated documents will be prepared for all Major Construction and Major Lease projects.

3. Background:

The SCIP process is the basis for the Department of Veterans Affairs' (VA) current and out-year capital budget requests. The SCIP process includes development of 10-Year Action plans and budget year business cases to close performance gaps (space, utilization, facility condition, access, etc.) and enhance healthcare and delivery of services and benefits to the nation's Veterans. In the late 1990s, VA began a dramatic change in the manner in which it delivers services, shifting from an in-patient, hospital based model to one that focuses on preventive care in outpatient settings. That shift has left VA with an increasing inventory of aging and obsolete facilities, many in locations where there is diminished demand. In an effort to build upon past capital planning efforts, and to address the problem of aging infrastructure in poor condition, lack of infrastructure in some locations and unused infrastructure in others, the Department has embarked on the SCIP process. SCIP is a significant and critical initiative that will enable VA to better adapt to changes in the environment, demographics, capabilities, medical technology and health care delivery, thereby allowing VA to deliver the highest quality healthcare, benefits, and memorial services to our Nation's veterans.

SCIP ensures that all resources will be scrutinized and considered at the corporate level, with equitable and consistent distribution across markets and competing capital needs to address gaps in our service delivery. For the first time in VA's capital planning process, SCIP will provide the Secretary with a project list that is integrated across all administrations and programs (major and minor construction, major leases and non- recurring maintenance) so as to ensure resources are allocated to address the most critical gaps.

With the strategic goal to improve the delivery of services and benefits to Veterans, the SCIP process will be the basis for the Department's FY2020 and out-year capital budget request. Unlike previous capital planning models, SCIP links planning efforts of the Administrations and Staff Offices for both capital and non-capital solutions, and takes a long-term departmental approach (10-20 years). SCIP also encourages investments that ensure delivery of services in a Veteran-centric, forward-looking, and results-driven manner, while placing particular emphasis on improving access, maintaining our capital portfolio, increasing market penetration, reducing homelessness, and ameliorating issues confronting women Veterans.

Currently, VA has a significant funding backlog in construction projects and facility condition assessment deficiencies, and many of its facilities are over-utilized, resulting in higher maintenance costs and inefficient resource usage.

Closing the identified gaps was the basis for FY2020 business case applications developed by the Administrations and Staff Offices. Business cases were prepared for all projects included in their approved action plans (major construction, minor construction, leases, and non-recurring maintenance projects) that are above established dollar thresholds, represent high risk, or are considered to be crosscutting.

The business cases were scored using the SCIP Decision Criteria Model and a prioritized list of projects was developed through the VA governance process for inclusion in the FY2020 Budget Submission. This scope of work is for assistance to VA in the preparation of the Non-IT Business Case Applications for Major Construction and Major Lease projects to OMB and then in support of the FY2020 President's Budget.

4. **Performance Period:** The period of performance is for 365 calendar days from date of award. Work at the Government site shall not take place on Federal holidays or weekends unless directed by the Contracting Officer (CO).
5. **Type of Contract:** Firm Fixed Price.
6. **Place of Performance:** The primary place of performance will be at the contractor's facilities; however, some tasks may require work to be performed at a Government facility. Any work at the Government site shall not take place on Federal holidays or weekends, unless directed by the Contracting Officer (CO).

B. CONTRACT AWARD MEETING

The contractor shall not commence performance on the tasks in this PWS until the CO has conducted a kick-off meeting or has advised the contractor that a kick-off meeting is waived.

C. GENERAL REQUIREMENTS

The following general requirements apply to this contract:

1. The contractor shall identify their proposed technical approach in writing for every task quoted. The contractor's quote shall include their proposed labor categories, rates and number of hours by task, together with associated delivery dates and sub milestone dates (if any), and proposed key personnel résumés if not in file. Résumés are not required for clerical personnel.
2. All written deliverables shall be phrased in layperson language. Statistical and other technical terminology shall not be used without providing a glossary of terms.
3. Unless otherwise specified in an individual task, the following schedule requirements apply: Where a written milestone deliverable is required in draft form, the VA will complete their review of the draft deliverable within five calendar days from date of receipt. The contractor shall have seven calendar days to deliver the final deliverable from date of receipt of the Government's comments.
4. The contractor shall provide, via email, minutes of all government-contractor meetings. The contractor shall provide these minutes within one calendar day after completion of the meeting unless otherwise specified in an individual task.
5. Except for proprietary information in company quotes identified and marked in accordance with FAR 52.215-1(e), the contractor shall not deliver to the OAEM any proprietary products or information of any type in completing the requirements of each task under this PWS. The contractor's internal development tools (that is, those development tools not developed for OAEM work and not required by OAEM to install, use, or revise the deliverables) are exempted from this requirement. If the contractor believes an exception to this requirement is necessary for the effective or efficient execution of a task, the contractor shall request a specific exception, in writing, to the CO, and shall not use the proprietary tools or information in OAEM work until approval is received from the CO.
6. The contractor shall ensure contract employees maintain an open and professional communication with the staff at the VA facilities. For transparency purposes, email to the CO shall not be blind carbon copied (BCC) to other Government personnel. Complaints or violation validated by the COR or VA staff will be reported in writing to the CO, OIG, or HCA for action. If the contractor fails to correct validated complaints raised by the COR and or CO, it will be considered a failure in performance.

7. The CO may require the contractor to meet with the CO, contract administrator, and other Government personnel at least quarterly, and as often as deemed necessary. The contractor may request a meeting with the CO when deemed necessary.

D. SPECIFIC MANDATORY TASKS AND ASSOCIATED DELIVERABLES

Description of Tasks and Associated Deliverables: The contractor shall provide the specific deliverables described below within the performance period stated in Section A.4 of this PWS.

1. Task One: PMP and Briefing

The contractor shall provide a PMP and briefing for the project team, which presents the contractor's plan for completing the contract. The contractor's plan shall be responsive to this PWS and describe, in further detail, the approach to be used for each aspect of the task as defined in the technical proposal. The contractor shall keep the PMP up to date throughout the period of performance.

Deliverable 1: PMP and Briefing

2. Task Two: Communications

2.1 Kick-off Meeting

2.2 Status Teleconferences (weekly)

Deliverable 2: Kick-Off Meeting and up to thirty-six weekly Status Teleconferences

3. Task Three: Prospectus and Non-IT Business Case Packages – Major Construction (Up to 17 Approved Projects)

Non-IT Business Case Forms & Attachments

Provide services, information and data as necessary to assist VA in the preparation of budget documentation, Non-IT Business Cases, for the designated projects.

- a. Prepare responses (with assistance from appropriate VISN/VAMC staff) to all Non-IT Business Case Form questions.
- b. Conduct site searches to confirm availability of vacant land in given markets and determine average land costs for lease alternatives.
- c. Perform high level real estate market studies to determine average rent and operating/maintenance costs for use in lease alternatives.
- d. Work with OCFM to validate project scope and cost and obtain latest cost estimates. This includes comparison of current project scope to the previously approved project baseline, with any project scope or project size discrepancy being fully documented.
- e. Conduct Cost Effectiveness Analyses (CEAs).
- f. Prepare Alternatives Analyses.
- g. Perform Risk Analyses.

- h. Distribute draft Non-IT Business Case Forms and Attachments to VACO staff for review and approval.
- i. Prepare prospectuses for each of the designated sites.
- j. Prepare form 1391 for each of the designated sites. (The 1391 form is a new form required for VA non-IT Business Cases. It's a form used by DoD.)
- k. Distribute draft prospectuses and 1391's to VACO/VISN/VAMC staff for review and approval.
- l. Revise draft prospectuses and 1391's as necessary and prepare final drafts.
- m. All Non-IT Business Case forms and attachments must meet the criteria defined in OMB Circular A-11 and be consistent with prospectus requirements from Title 38, U.S.C, Section 8104, including new requirements added by P.L. 112-37.
- n. All final Non-IT Business Case forms and attachments must be loaded to the SCIP FY2020 SharePoint site.

Deliverables 3, 4, 5, and 6: Draft and Final Non-IT Business Case Forms; Draft and Final Non-IT Business Case Form Attachments; Draft and Final Construction Prospectuses; Draft and Final 1391s.

4. Task Four: Prospectus and Non-IT Business Case Packages – Major Leases (Up to 25 Leases)

Key Tasks – Contractor shall perform the following tasks for each of the designated sites in VA's FY2020 budget.

4.1 Draft Lease Project Scope of Clinical Services

- a. Confirm which services will be provided within project.
- b. Distribute draft scopes of services to VACO and Field staff for review and approval.
- c. Revise draft scopes of services as necessary and prepare final drafts.

Deliverable 7: Draft and Final Lease Scope of Clinical Services

4.2 Lease Space Plans

- a. Obtain latest Space Equipment Planning Software (SEPS) programming software and associated training/assistance from VA staff.
- b. Prepare and distribute customized SEPS questionnaires to VACO/VISN/VAMC staff (VA staff to provide FTE projections and workload estimates).
- c. Review and analyze responses.
- d. Run SEPS to develop draft lease space plans.

- e. Review draft project space plans with OCAMES/OCFM/VISN/VAMC staff and make adjustments as necessary. Prepare final draft lease space plans.

Deliverable 8: Draft and Final Lease Space Plans (SEPS)

4.3 Non-IT Business Case Lease Forms & Attachments

Provide services, information and data as necessary to assist VA in the preparation of budget documentation, Non-IT Business Cases, for the designated leases.

- a. In light of Government requirements for location of VA medical space, conduct site searches to confirm availability of existing buildings and vacant land in given markets; advise Government if sufficient competition exists in the delineated area requested, and if not, propose expansion based on availability of existing buildings and vacant land. Provide detailed report on the determination of the delineated area, in light of the needs of the Veteran patient population and ensuring sufficient competition.
- b. Contract with brokers familiar with Government real estate requirements, and state-licensed appraiser to determine reasonable, anticipated land values for the amount of property required for each project, within the delineated area identified within the prospectus. Provide detailed market analysis to Government that reviews comparables and provides range of potential market value.
- c. Perform in-depth analysis of offers previously received by Government on similar projects, market data, and real estate trends for specific markets to determine appropriate shell rental rate range for VA's requirement.
- d. Contract with A/E, experienced with government leasing and development of Agency Specific Requirements, to prepare estimates for lease build-out (specifically, Agency Specific Requirements), as well as operating and maintenance estimates for project.
- e. Coordinate with GSA, VA and GSA OMB examiners, CFM, VHA and OAEM to ensure that market analysis is consistent with the requirements of oversight functions, or clearly document when a departure is necessary, and rationale for that departure.
- ~~f. Support for collection of individual lease specific data elements to support VA in development of accelerated lease procurement documents.~~
- ~~g. Administrative support to assist VA with accelerating appraisals.~~
- h. Support for creating options for VA to refine the delineated market area.
- i. Performing non-public facing market research, including more detailed analysis of land and market comparables and availability of existing buildings in preparation for Congressional authorization.

The Minor Leases that reflect less than \$1 million in unserviced annual rent will not require any additional work. However, for the Major Leases that reflect an unserviced annual rent of \$1 million or greater,

- j. Work with OCFM to run the Lease Scoring Model for each prospective lease. Draft runs shall be prepared based on preliminary size with Final runs being completed after prospectuses are finalized.
- k. Develop new construction estimates for use in CEAs.
- l. Conduct Cost Effectiveness Analyses (CEAs).
- m. Prepare responses (with assistance from appropriate VISN/VAMC staff) to all Non-IT Business Case Lease Form questions.
- n. Prepare Alternatives Analyses.
- o. Perform Risk Analyses.
- p. Distribute draft Non-IT Business Case Lease Forms and Attachments to VACO/VISN/VAMC staff for review and approval.
- q. All Non-IT Business Cases, lease forms and attachments must meet the criteria defined in OMB Circular A-11 and be consistent with prospectus requirements from Title 38, U.S.C, Section 8104, including new requirements added by P.L. 112-37.
- r. All final Non-IT Business Cases, lease forms and attachments must be loaded to the SCIP FY2020 SharePoint site.

Deliverables 9, 10, and 11: Preliminary Draft Rent Estimates for Initial Non-IT Business Case Submissions; Draft and Final Non-IT Business Cases for Major Leases; Draft and Final Non-IT Business Case Attachments for Major Leases.

Deliverable 12: Catalogued repository, by site, of all data collected for SFO development, acceleration of appraisals, delineation of market area, and detailed market research

4.4 Major Lease Prospectuses

- a. Prepare prospectuses for each of the designated sites.
- b. Distribute draft prospectuses to OCAMES/OCFM/VISN/VAMC staff for review and approval.
- c. Revise draft prospectuses as necessary and prepare final drafts.
- d. Each prospectus must meet the criteria defined in Title 38, U.S.C, Section 8104, including new requirements added by P.L. 112-37. Including preparation of alternatives analyses in compliance with current law. Where information is not readily available (for example on the purchase of private facility) develop cost estimate based on elements including lease or project location, size (square footage), scope and type of services to be delivered at facility. Also include discussion of feasibility for executing the alternative based on current local area market.

Deliverable 13: Draft and Final Lease Prospectuses

5. Task Six: On-going Support

- a. Provide on-going lease scoring support to OCFM, VHA, and OAEM for each prospective lease. Support includes assistance with GSA questions, and preparation of any supplemental material needed for delegation.
- b. Provide on-going support to VHA and OAEM related to OMB questions or inquiries received by OCLA

E. SCHEDULE FOR DELIVERABLES

See Attachment A Schedule of Deliverables.

1. If for any reason the scheduled time for a deliverable cannot be met, the contractor is required to explain why (include the original deliverable due date) in writing to the CO, including a firm commitment of when the work shall be completed. This notice to the CO shall cite the reasons for the delay, and the impact on the overall project. The CO will then review the facts and issue a response in accordance with applicable regulations.
2. Any hard copy documents the Contractor provides to OAEM must be printed double-sided on recycled paper with at least 30 percent post-consumer fiber.

F. CHANGES TO PERFORMANCE WORK STATEMENT

Any changes to this PWS shall be authorized and approved only by the CO in writing. Costs incurred by the contractor through the actions of parties other than the CO shall be borne by the contractor.

G. TRAVEL

As required by each task, the contractor may be required to travel to Washington, D.C., or to other VA locations. Travel and per diem shall be reimbursed in accordance with Federal Travel Regulations. Each contractor invoice must include copies of all receipts that support the travel costs claimed in the invoice. No General and Administrative (G&A) fees or costs, and no other fees or costs shall be added to travel expenses. Local travel within a 50-mile radius from the Contractor's facility is considered the cost of doing business and will not be reimbursed. This includes travel, subsistence, and associated labor charges for travel time. Local travel within a 50-mile radius from the Contractor's employee's residence is considered the cost of doing business and will not be

reimbursed. This includes travel, subsistence, and associated labor charges for travel time. Travel performed for personal convenience and daily travel to and from work at the contractor's facility will not be reimbursed. Travel, subsistence, and associated labor charges for travel time for travel beyond a 50-mile radius of the Contractor's facility are authorized on a case-by-case basis and must be pre-approved by the CO at least 30 calendar days in advance for the requested travel.

H. GOVERNMENT FURNISHED PROPERTY AND INFORMATION

The Government will provide access to the Space Analysis model, Space Calculator tool, and all required data files required for use in these two tools. In addition, the Government will also provide current and projected inpatient and outpatient workload and utilization data and assumptions for both the hospital and surrounding area which will be validated by the contractor.

I. CONTRACTOR EXPERIENCE REQUIREMENTS—KEY PERSONNEL

1. These skilled experienced professional and/or technical personnel are essential for successful contractor accomplishment of the work to be performed under this contract. The contractor shall include in the technical proposal for each task the résumés on all proposed professional and/or technical personnel who will perform the tasks in the contract. Résumés are not required on clerical personnel. The personnel whose résumés are submitted are defined as key personnel. The contractor agrees that the key personnel listed below shall not be removed, diverted, or replaced from work without approval of the CO and COR (résumés do not need to be provided if it is already in the contract file).

2. Any personnel the contractor offers as substitutes shall have the ability and qualifications equal to or better than the key personnel that are being replaced. Requests to substitute personnel shall be approved by the COR and the CO. All requests for approval of substitutions in personnel shall be submitted to the COR and the CO at least 30 calendar days prior to making any change in key personnel. The request shall be written and provide a detailed explanation of the circumstances necessitating the proposed substitution. The contractor shall submit a complete résumé for the proposed substitute, any changes to the rate specified in the order (as applicable) and any other information requested by the CO needed to approve or disapprove the proposed substitution. The CO will evaluate such requests and promptly notify the contractor of approval or disapproval thereof in writing.

Note:

- a. Standards of Conduct. The Contractor shall ensure that personnel assigned to this contract comply with the Standards of Ethical Conduct specified by the Office of Government Ethics at 5 CFR 2635.

- b. Personnel assigned by the Contractor to perform work on this contract shall be acceptable to VA in terms of personal and professional conduct and technical knowledge. The Contracting Officer may notify the Contractor and request that a person be immediately removed from assignment on this contract should any contractor personnel be determined to be unacceptable in terms of technical competency or personal conduct during duty hours. The contractor shall immediately remove and replace the unacceptable on-site personnel at no additional costs to the Government. Replacement personnel qualifications shall be equal to or greater than those of the personnel being replaced. Employment and staffing difficulties shall not be justification for failure to meet established schedules.
- c. Contractor personnel shall be able to communicate effectively in English, both written and oral.
- d. The contractor shall notify the CO whenever an employee of the United States Government is utilized by the contractor in the performance of the contract. The notification shall include sufficient information for the Contracting Officer to review the matter in accordance with FAR Part 3 and Subpart 9.5.
- e. The contractor shall verify employee eligibility through the E-Verify system.

J. SECURITY REQUIREMENTS

- 1. The contractor shall follow the following (or other established procedure) contractor personnel security guidance:
 - a. The contractor and their personnel shall be subject to the same Federal laws, regulations, standards, and VA policies as VA personnel, regarding information and information system security. These include, but are not limited to Federal Information Security Management Act (FISMA), Appendix III of OMB Circular A-130, and guidance and standards, available from the Department of Commerce's National Institute of Standards and Technology (NIST). This also includes the use of common security configurations available from NIST's Web site at: <http://checklists.nist.gov>
 - b. To ensure that appropriate security controls are in place, Contractors must follow the procedures set forth in "VA Information and Information System Security/Privacy Requirements for IT Contracts" located at the following Web site: <http://www.iprm.oit.va.gov>.
 - c. These provisions shall apply to all contracts in which VA sensitive information is stored, generated, transmitted, or exchanged by VA, a contractor, subcontractor or a third-party, or on behalf of any of these entities regardless of format or whether it resides on a VA system or contractor/subcontractor's electronic information system(s) operating for or on the VA's behalf.

- d. Clauses (a) and (b) shall apply to current contracts and acquisition vehicles including, but not limited to, job orders, task orders, letter contracts, purchase orders, and modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C. § 6301 et seq.
- 2. The required contractor employee Position Sensitivity level is Limited Risk and the level of Background Investigation is NACI for contractor employees who require access.
- 3. The designated Government employee will provide the contractor a Background Investigation Request Worksheet within two calendar days of contract award listing the place of performance, type of investigation requested, the VA sponsor and requesting the applicant's name, date of birth, social security number, company name and point of contact, and other required data.
 - a. The contractor shall complete the Background Investigation Request worksheet and return it within five calendar days of receipt.
 - b. The CIS will send an email notification to the contractor identifying the website link that includes detailed instructions regarding completion of the background clearance application process and what level of background was requested. Upon receipt of required investigative documents, SIC will review the investigative documents for completion and initiate the background investigation by forwarding the investigative documents to OPM to conduct the background investigation.
 - c. The COR will notify the contractor when the investigation has been favorably or unfavorably completed and adjudicated by the Government. The contractor, when notified of an unfavorable determination by the Government, shall withdraw the employee from consideration from working under the contract.
- 4. The contractor shall not commence performance prior to the initiation of the process that requests the appropriate investigative action be taken. During the time required to conduct the appropriate investigation, the contractor shall be responsible for the actions of its respective employees until official notification of a favorable determination is received from the Office of Security and Law Enforcement.
- 5. Cost of Background Investigations will be borne by the organization requesting the investigation. For contractors and its personnel performing the contract, the VA office or organization that is requesting the procurement will coordinate with the designated contracting officer to ensure VA initiates the necessary investigations and/or screenings for contractor personnel. For those contractors and its personnel, the contractor will bear the cost of such investigations.
- 6. Failure to comply with the contractor personnel security requirements may result in termination of the contract for default also please reference to VA Directive 0710 for further guidance

K. CONFIDENTIALITY AND NONDISCLOSURE

It is agreed that:

1. The preliminary and final deliverables and all associated working papers, application source code, and other material deemed relevant by the VA which have been generated by the contractor in the performance of this contract are the exclusive property of the U.S. Government and shall be submitted to the COR with a copy to the CO at the conclusion of the contract.
2. The CO will be the sole authorized official to release verbally or in writing, any data, the draft deliverables, the final deliverables, or any other written or printed materials pertaining to this contract. No information shall be released by the contractor. Any request for information relating to this contract presented to the contractor shall be submitted to the CO for response.
3. Press releases, marketing material or any other printed or electronic documentation related to this project, shall not be publicized without the written approval of the CO.

L. ORGANIZATIONAL CONFLICT OF INTEREST

The contractor shall disclose any actual or potential organizational conflicts of interest at the time of submitting the quotes for this contract. The contractor may be precluded from bidding on or working on future contracts in accordance FAR subpart 9.5.

Attachment A: Schedule of Deliverables

Deliverable No.	Item	Quantity	Due Date*
1	PMP and Briefing	1	Within five calendar days of Notice to Proceed
2	Kick-Off Meeting and Weekly Teleconferences	36	Weekly, September – April
3	Draft and Final Non-IT Business Cases for Major Construction Projects	17 Draft; 17 Final	Draft, October 12, 2018; Final October 24, 2018
4	Draft and Final Non-IT Business Cases Forms and Attachments for Major Construction Projects	17 Draft; 17 Final	Draft, October 12, 2018; Final October 24, 2018
5	Draft and Final Major Construction Prospectuses	17 Draft; 17 Final	Draft, October 26, 2018; Final, October 31, 2018
6	Draft and Final 1391s for Major Construction Projects	17 Draft; 17 Final	Draft, October 26, 2018; Final, October 31, 2018

7	Draft and Final Lease Scope of Clinical Services	29 Draft; 29 Final	Draft, October 12, 2018; Final, October 19, 2018
8	Draft and Final Lease Space Plans (SEPS)	29 Draft; 29 Final	Draft, within 5 calendar days from receipt of VAMC responses to SEPS questions; Final, November 2, 2018
9	Preliminary Draft Rent Estimates for Initial Non-IT Business Case Submissions	29	October 12, 2018
10	Draft and Final Non-IT Business Cases for Major Leases	25 Draft; 25 Final	Draft, November 2, 2018; Final November 14, 2018
11	Draft and Final Non-IT Business Cases Attachments	25 Draft; 25 Final	Draft, November 2, 2018; Final November 14, 2018
12	Catalogued repository, by site, of all data collected for SFO development, acceleration of appraisals , delineation of market area, and detailed market research	25	November 30, 2018
13	Draft and Final Lease Prospectuses	25 Draft; 25 Final	Draft, November 16, 2018; Final November 21, 2018

*All due dates are tentative and subject to change based on the award date. Scheduled delivery dates will be confirmed at the kick-off meeting.