



UNCLASSIFIED



# U.S. Army Contracting Command - Rock Island (ACC-RI)

## Lake City Army Ammunition Plant Industry Day #2/Tours

Kristin Comer

Joseph DeFino

March 22, 2011





# ***Agenda***

- 0730-0800: Registration
- 0800-0810: Opening Remarks
- 0810-0850: Acquisition Strategy Update
- 0850-0930: LCAAP Facility and Modernization
- 0930-0945: Break
- 0945-1030: PWS Review
- 1030-1115: Q&A Session
- 1115-1200: Tour Information
- 1200-1300: Lunch
- 1300-COB: Tour



## ACC - Rock Island

### ***Purpose***

Industry Day #2 and LCAAP Tour is for information and planning purposes only. This does not constitute a formal solicitation or a request for Proposal (RFP). This is not to be construed as a commitment by the Government in any way.

The Government does not intend to award a contract on the basis of Industry Day #2 or otherwise pay respondents for participation in this event. Should an RFP be issued, any information contained within the RFP supersedes this Industry Day.



## ACC - Rock Island

# *Industry Day#2/Tour Objectives*

- The purpose of this Industry Day is to:
  - Provide potential offerors with an update to the general program.
  - Provide additional detailed information on the LCAAP facility.
  - Provide summary level information on the draft performance work statements.
  - Continue an open dialogue with industry.
- Encourage open and continuous exchange of info and ideas throughout this process.



# ACC - Rock Island

## ***Disclaimer***

- All items are in planning stages.
- Milestones and other timeframes are estimates.
- Numbers/quantities are estimates only.
- Do not rely on information presented today in formulating your proposal.
- No Government personnel except for the Contracting Officer can make any commitments for the Government.



## ***Rules of Engagement***

- The Government will NOT attempt to answer verbal questions during the Industry Day briefing.
  - Questions may be submitted via the forms provided and shall be treated as public unless otherwise marked.
  - The USG will NOT respond to questions marked proprietary.
  - Comments are solicited via the same provided forms.
  - Government will attempt to answer questions IAW the agenda.
  - Some questions may require additional time for complete response.
    - Q&As will be posted on the LCAAP Acquisition web page (<http://www.aschq.army.mil/ac/aaisdus/LCAAP.aspx> )



# ACC - Rock Island

## Acquisition Strategy

- Milestones

- ✓ Dec 2010 Industry Day #1
- Mar 2011 Industry Day #2 & Site Visit
- May 2011 Draft RFP
- Jun 2011 Industry Day #3 & Site Visit
- Sep 2011 Formal RFP
- Nov 2011 Proposals Due
- Apr 2012 Final Proposals Due (if applicable)
- 01 Oct 2012 Anticipated Award Date



# ACC - Rock Island

## ***Acquisition Strategy - Overview***

- TENTATIVE – Acquisition Strategy has NOT been formally approved.
- Operation, maintenance and modernization of LCAAP, and production of small caliber rifle ammunition.
- Full and open competition, best value source selection.
- Two (2) contracts:
  - Facilities Contract
  - Production Contract, Hybrid of Requirements and Indefinite Delivery, Indefinite Quantity (IDIQ) Contract Line Item Numbers (CLINS)
    - One RFP
    - One Proposal
    - Two Contracts



## ACC - Rock Island

# Acquisition Strategy – Overview (cont.)

- Current production contract expires for ordering 30 Sep 2012. Final deliveries are required NLT 30 Sep 2013.
- Anticipated award date 1 Oct 2012; transition must be completed NLT 30 Sep 2013.
- Anticipated periods of performance for the resultant contracts of this competition is 5 years with optional periods of performance to cover another 5 years (FY13-FY22 if all options exercised).
  - Base award + two (2) evaluated options
  - Base award: FY 13-17 (1 Oct 12 – 30 Sep 17)
  - Option Period One: FY 18-19 (1 Oct 18 – 30 Sep 19)
  - Option Period Two: FY 20-22 (1 Oct 20 – 30 Sep 22)



## ***Acquisition Strategy – Evaluated Option***

- The two optional periods of performance are OPTIONS, NOT award terms.
- Exercising an option is **always** at the Government's discretion.
- The Government will do an analysis IAW FAR 17.207 in Year 5 of the contract to determine whether to exercise the 2<sup>nd</sup> evaluated option (for FY20-FY22).
- Offerors should not assume an option will be exercised.
- It is the Government's intent to have the same periods of performance for both contracts.



## ***Anticipated Contract Terms & Conditions***

- The operating contractor will be required to obtain a SECRET Facility Security Clearance.
  - For requirements, reference the Defense Security Service (DSS) website: [http://www.dss.mil/isp/fac\\_clear/fac\\_clear.html](http://www.dss.mil/isp/fac_clear/fac_clear.html), specifically the eligibility requirements found within the National Industrial Security Program Operating Manual (NISPOM) located at: <http://www.dss.mil/isp/odaa/documents/nispom2006-5220.pdf>.
- FFP hybrid production contract with EPA
  - The government is planning on an EPA for Copper.
  - Have received no feedback or rationale on the necessity or coverage of EPA.
  - If none is received, no additional items will be covered.



## Indemnification

- Indemnification under Public Law 85-804 can only be granted by the Secretary of the Army.
- Indemnification is granted on a *case-by-case* basis.
- Requests for Indemnification will be considered for this acquisition.
  - Offerors wishing to seek indemnification must submit a request IAW FAR 50.104-3.
  - Stated request package will be required to be submitted 30 days after RFP release (Oct 2011).
  - There is **no guarantee** that indemnification will be approved.
  - IF approved, the indemnification clause of FAR 52.250-1 will be included in the solicitation or resulting contract (depending on timeframe). Prices will be evaluated assuming indemnification is NOT approved.



## ***Indemnification (continued)***

- Mission includes LAP of munitions items, as well as handling and storing munitions.
- Clause indemnifies contractor against claims by third persons for death, personal injury, or loss of, damage to, or loss of use of property.
  - Applicable only to claims or losses resulting from “unusually hazardous” risk when the claim or loss is not covered by insurance.
  - Generally covers two types of risk – explosive and environmental.
  - Excludes loss or damage caused by willful misconduct or lack of good faith on the part of the contractor’s principal officials.
- Operating contractor must still maintain both usual and customary commercial insurance coverage as well as coverage for any unusually hazardous risks, for themselves, their operations, and their employees.



## ***Acquisition Strategy – Performance Work Statements***

- In consideration for exclusive use of the facilities, the operating contractor provides for facilities support (direct and indirect) in accordance with performance work statements (PWSs).
- Costs to operate and maintain the facility which are incidental to the primary purpose of the hybrid production contract (to produce small caliber ammunition) will be included on the hybrid production contract.
- Costs for services not incidental to the production of small caliber ammunition will be included on the Facilities contract.



# ACC - Rock Island

## ***Acquisition Strategy – Hybrid Production Contract***

- Pursuant to FAR 22.1003, the Service Contract Act will not apply to the hybrid contract as the principal purpose of the hybrid contract is the supply of small caliber ammunition.
- The following indirect PWSs shall be absorbed and allocated into the product costs (Indirect Funded).
  - PWS 1 - Facility Plans, Strategies & Analyses
  - PWS 2 - Onsite Government Personnel Support
  - PWS 3 - Safety
  - PWS 4 - Security/Antiterrorism
  - PWS 5 - Fire and Emergency Services
  - PWS 6 - Maintenance
  - PWS 7 - Environmental
  - PWS 8 - Utilities and Energy
  - PWS 9 - Government Property
  - PWS 10 - Ammunition Materiel Management
  - PWS 11 - Traffic Management
  - PWS 12 - Occupational Health Clinic
  - PWS 13 - Mowing of Vegetation
  - PWS 14 - Mail Services
  - PWS 15 - Propellant Mitigation
  - PWS 16 - Contract Production Delivery Reporting
  - PWS 17 - ARMS\* (*change from Industry Day #1*)
  - PWS 18 - Transition



## ACC - Rock Island

### ***Acquisition Strategy – Hybrid Production Contract***

- The following PWSs shall NOT be absorbed and allocated into the product costs as they will be Direct Funded:
  - PWS 19 - Support of Onsite Government BSO/NATO NARTC
  - Individual Production Base Support projects (subject to change and availability of funding):
    - Quality Work Environment
    - Modernization efforts
    - Pump and Treat system
    - Installation Restoration Program
    - Restoration Advisory Board



## ***Acquisition Strategy - Facilities Contract***

- Pursuant to FAR 22.1003, as the sole purpose of the Facilities contract is to provide services through the use of service employees, the Service Contract Act will apply.
- The following PWSs will be direct funded:
  - Army Family Housing (PWS 1)
  - Onsite Government Personnel Support (PWS 2)



## ACC - Rock Island

# ***National Technology and Industrial Base (NTIB) Restrictions***

- The following are likely to be restricted to the NTIB:
  - Magnesium Powder (Used in Tracer composition)
  - Comp A-4 (ZZ14)
  - Propellant (WC844, WC814, WC846T, and WC860)
  - Nitrocellulose
  - All production work is required to be performed at LCAAP, with the exception of .22 Caliber and potentially links.



## ACC - Rock Island

### ***GFE/GFM***

- Weapons & Spare Parts
- Reference Ammunition

Still under review

- Ammo Cans
  - M2A1
  - M548



## ACC - Rock Island

### *Links*

- Government does not own all the equipment nor IP.
- Listing of Government-owned equipment and IP will be provided with the draft solicitation.
- Offerors will be required to propose their approach to obtain links to support ammunition requirements.



UNCLASSIFIED



## ACC - Rock Island

### 20mm

- Will not be included as part of this acquisition.



# ACC - Rock Island

## General Information

- The TDPs will be provided after issuance of the draft RFP, upon request to the Contracting Officer. Drawings for the TDPs are Distribution D and available to only those firms registered with the US/Canada Joint Certification Program (JCP). For information on becoming certified, see [www.dlis.dla.mil/jcp](http://www.dlis.dla.mil/jcp)
- Specifications will be provided on CD.
- Restricted technical data will not be forwarded to a contractor who has not been certified. A copy of the certified DD 2345 is required with written request to the Contracting Officer in order to receive the drawings.



## ACC - Rock Island

### ***General Information***

- All contractors who provide goods/services to the Department of Defense (DoD) must be registered in the Central Contractors Register (CCR). If you are not registered in CCR, you cannot be awarded a DoD contract. The website for registering in the CCR is <http://www.ccr.gov/>
- You may also contact the CCR Registration Assistance Center at 1-888-227-2423, customer service, and request the registration form and assistance packet for completion.



UNCLASSIFIED



*ACC - Rock Island*

# ***FACILITIES & MODERNIZATION BRIEFING***



UNCLASSIFIED



# ACC - Rock Island

# ***PWS BRIEFING***



## Questions?

- Based on today's presentation, industry is invited to provide comments/questions on the upcoming acquisition.
- The comments/questions should be submitted via the Q&A form on the website and directed to the Contracting Officer at [Kristin.L.Comer@us.army.mil](mailto:Kristin.L.Comer@us.army.mil) and the Contract Specialist at [Jennifer.N.Paul@us.army.mil](mailto:Jennifer.N.Paul@us.army.mil).
- Industry should provide rationale for any comments/concerns.



## ***Summary***

- All information provided today is TENTATIVE and subject to change.
- All information regarding the LCAAP acquisition, to include future industry day announcements, draft solicitation, Q&A will be posted under the LCAAP Acquisition website at:  
<http://www.aschq.army.mil/ac/aaisdus/LCAAP.aspx>.
- It is the responsibility of the contractors to check this website for the latest information regarding this acquisition.