

Question: 0001 01-Oct-03 Subject: Technical Library

Will there be drawings available of all the water tanks in the technical library? If not, can some of the following information be provided?

Storage Tanks: type of construction; physical dimensions and capacities; type of tower (elevated tanks only); type and location of risers, floats, discharges, vents, manways, hatches, and ladders; external attachments (such as antennas, etc.); lighting; painting information; and maintenance history.

Answer: 17-Oct-03

The technical library at Fort Riley will have some water tank drawings, construction drawings of the water treatment plant, and construction drawings of the wastewater treatment plant that is under construction. Some of the information requested will be available on the available drawings, in the 1992 water storage facility inspection report, or in the 1997 cathodic protection report that will be in the technical library located at Fort Riley.

Question: 0002 01-Oct-03 Subject: Photographs

Will we be allowed to take pictures of the water tanks? We have been allowed at numerous DOD locations.

Answer: 17-Oct-03

During the escorted site visit, bidders may take photos only of equipment pertinent to this contract and may only take photos necessary for bid development. No photos of tactical equipment or personnel, and no photos in secured areas. Photos may not be shared, broadcast, or used for any other purpose other than bid preparation.

Question: 0003 20-Oct-03 Subject: Economic Analysis

What will the Government 'should cost' for new wwtp be based on? Is the new wwtp certain and on schedule?

Answer: 25-Nov-03

The solicitation already addresses the pricing issues for the WWTP at B.5.2 and C.2.4.3 as follows:

"Currently under construction is a new 2.35 million gallons per day (MGD) Advanced Wastewater Treatment Plant. This plant will replace three trickling filter treatment plants. The new facilities will collect raw wastewater that is currently treated at three plants and provide advanced treatment at the new treatment plant located on Custer Hill. Domestic wastewater will be collected from sources around the post and conveyed through the gravity collection system to a series of pump stations that will pump the wastewater to the Advanced Wastewater Treatment Plant. The project includes the demolition of two existing wastewater treatment plants, the construction of two new major lift stations, and the rebuilding of one smaller lift station. Details of the plant and other construction are included in the technical attachments.

"The Government will retain ownership of all new construction associated with this project through the completion of the warranty period, one year after construction completion. A contract awarded for the ownership of the wastewater distribution system will not include the new construction. The successful new owner will operate and maintain the new treatment plant and associated construction during the warranty period. Following the warranty period, the final construction cost will be determined and the utility distribution system contract will be modified to turn over the new construction and delete any demolished system facilities, with a cost based on the final construction cost."

WWTP Contract Information:

Solicitation Number: DACA41-02-R-0011
Contract Number: DACA41-02-C-0013
Contractor: Cajun Constructors, Inc
Amount: \$20,663,000
 Items 0001 thru 0004 of the Base Schedule
Award Date: 28 September, 2002

The contract award amount of \$20,663,000 shall be used for planning purposes as the anticipated purchase price for this portion of the system. As discussed above, the actual

purchase price will be the actual construction cost, including any post-award modifications. The contract will be modified in accordance with the terms of the contract to account for any difference between the anticipated purchase amount and actual purchase amount.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0004 20-Oct-03 Subject: Technical Library
Please add the Installation Spill Contingency Plan to the Technical Library.

Answer: 25-Nov-03
Added to Tech Library 20 Nov 03.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0005 20-Oct-03 Subject: Proposal
Please explain how to submit the detail required by C.11.2.4 for Year 1 without due diligence or time working with the systems.

Answer: 19-Jan-03
The Annual Capital Upgrade Plan should be developed in as much detail as possible given the Section J and site visit data. The level of detail provided by the offeror should be greater for years one through five than out year estimates. The year one "detailed upgrade information including site plans, cost estimates, upgrade schedules, an analysis of the impact of construction on Installation operations and the environment, and address safety requirements" is for either system deficiencies identified by the Government or for facilities identified by the offeror that need immediate corrections to bring them to the offeror standards. The Section J inventories do not identify any system deficiencies that need to be corrected immediately.

The RFP template anticipates inclusion of known capital upgrade items in the first five years. The system(s) at Fort Riley (with the noted exception of the new Wastewater Treatment Plant contract) may be generally described as functioning properly functioning. This does not preclude offeror-proposed capital improvements or post-award discovery of capital improvement requirements, however, the RFP provides mechanisms for incorporating such changes into the contract.

The annual plan for capital upgrades and renewals and replacements is a rolling five-year

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 20-Oct-03 Subject: 0006
Proposal

schedule (updated annually). Define 'catastrophic loss' as related to insurance or system replacement.

Answer:
Section H.4 defines catastrophic loss as one which significantly affects the utility systems. The Government is looking for the least cost approach to recovering from a natural disaster, terrorist attack, etc. The offeror should identify their approach to recovering from a major system catastrophe that may require several years before prices can be redetermined to include the cost of system rehabilitation. The offer's approach can be through insurance policies, self insurance or a combination of the two.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0007 20-Oct-03 Subject: Interest
H.9, please define interest as including return on equity.

Answer: 26-Nov-03
Interest as a return on equity is defined as imputed interest costs on the contractor's equity (working capital). Interest on equity is not allowable as the class deviation is for interest on borrowings actually incurred through external borrowings. In other words, FAR 31.205-20 (from which the class deviation was allowed) does not address imputed interest. Imputed interest is covered by the cost principle at FAR 31.205-10, Cost of Money, and the deviation expressly prohibits contractors from recovering cost of money in addition to actual interest

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0008 20-Oct-03 Subject: Wage Determinations

Please provide the current Wage Determination required for the Service Contract Act.

Answer: 25-Nov-03

The SCA Wage Determination was issued with Amendment 0001

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0009 20-Oct-03 Subject: Economic Analysis

Will UP EAST be the sole evaluation tool for the economic analysis?

Answer: 28-Jan-04

UPEAST will be the sole tool to report findings to the DOD regarding the economic benefits of cost proposals. Use of a uniform reporting mechanism provides consistency in the evaluation of the long term estimated privatization costs to the government as compared to the long term "should pay" costs of non-privatization. If another analysis methodology is directed by DA or DoD, the solicitation will be amended and offerors will have the opportunity to revised their proposals.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0010 20-Oct-03 Subject: Lines of Demarcation

Please clarify the water points of demarcation for consistency in some cases the valve, meter, or backflow device is included in privatization; in others it's not. Suggest that all such devices be privatized for benefit of the Government. Why are water service lines to housing excluded from privatization?

Answer:

Refer to Section J for points of demarcation. Valve, meter, or backflow device is included in privatization if exterior to structure. Housing water service lines are already under a separate contract for maintenance.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0011 20-Oct-03 Subject: Wastewater - Technical

Are sludge, grit, and screenings all disposed of on-Post currently? Will that process be allowed to continue?

Answer:

Sludge is stockpiled for 1 year, then sampled and spread at a designated location on Fort Riley. Grit and screenings are collected and placed in a dumpster for disposal as solid waste. This process can continue under privatization subject to compliance with Federal and State regulations.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0012 20-Oct-03 Subject: Economic Analysis

We have reviewed the UP EAST model and have the following series of questions:

- a) The model gives the user two options for inputting recapitalization costs:
 - 1.) an automatic calculation of recapitalization costs, or
 - 2.) input of recapitalization costs for each year in the analysis period. The first option essentially assumes that straight line depreciation will fund the recapitalization costs. The second option requires the user to estimate actual recapitalization costs in each year of the full analysis period. Which of these options will the Government use in estimating its recapitalization costs?

- b) The UPEAST model calculates the residual value of capital investments in the cash flow for continued Government ownership and operation. This credit can be sizable. However, the model appears to give no such credit to Offeror's price proposals. We therefore believe that results from straight use of the UPEAST model would be significantly biased against privatization. Please explain how residual value in privatization will be credited in evaluation of the Offeror's price proposal.

c) The UPEAST formula for calculating the residual value in the Government cash flow is not accessible in the UPEAST model; we have been unable to replicate the residual value calculations in tests we have made of UPEAST. Please provide the UPEAST's residual value formula.

d) The UPEAST model does allow for Federal income taxes to be adjusted out of the Offeror's cash flow. The logic for this adjustment is that 10 USC 2688 has a criterion that the overall "cost to the Government" be reduced in order for utility privatization to occur. Since Federal income taxes included in rates paid by the Government for privatized utility service are in fact revenue to the IRS, they are not a true cost to the Government. Therefore, OSD guidance is that Federal income taxes should be excluded from the cash flow analysis associated with an Offeror's bid. However, UPEAST model instructions read: "Input amount privatized owner estimates to pay in taxes on profits, for a given year. The Tool offsets this cost category with equal amount of the Federal Tax Credit per UP Program Guidance." This tax treatment is too limited. Given the 10 USC 2688 criterion cited above and affirming OSD utility privatization guidance, ALL Federal tax payments should be adjusted out of the bid, not just "taxes on profits". Other Federal tax payments include Federal income tax on interest paid on debt issued to finance renewals, replacements, and upgrades. Interest paid on the debt component of the New Owner's capital structure is income to the lenders and is taxed as such by the Federal government. To the extent an New Owner finances capital investments with debt, interest costs will be passed along to the Government (see Section H.4 of the RFP and the April 15, 2002 Class Deviation - Interest Cost memorandum from Deidre A. Lee, Director, Defense Procurement). Therefore taxes on interest payments associated with utility system renewals, replacements and upgrades, while a cost to the DOD, are revenues to the IRS and are not a true cost to the Government. Accordingly, they should also be adjusted out of each Offeror's proposal. Since debt can represent up to 100 percent of capital Offerors would invest in renewals, replacements and upgrades, Federal Income Tax on the associated interest payments can be a significant component of an Offeror's bid. In using the UPEAST model, how does the Army intend to adjust out of each Offeror's cash flow estimated Federal income taxes on interest paid for debt used to finance renewals, replacements, and upgrades?

Answer:

12a) The Fort Riley recapitalization costs will be estimated using the second option. The Fort Riley recapitalization costs and timing will be based on age of the equipment, the design life of the equipment and industry cost estimates for installing the equipment.

12b) The UPEAST model allows the analyst the ability to remove residual value from the economic analysis. This option was added to the model at the request of the Army. Fort Riley anticipates that the economic analyses decision for the water and wastewater utility systems will be made without inclusion of the residual value estimate; however, offerors may want to include a discussion in their cost proposal regarding their position on this issue.

12c) The exact formula used in the UPEAST model has not been made available. The residual value is the net plant value at the end of the economic analysis.

12d) Fort Riley is unsure how taxes paid on interest income to a third party are a tax to the offeror. If the offeror's proposal is sufficiently detailed on this issue (both in narrative and computation) and Fort Riley is convinced that the offeror is incurring a Federal tax, then this tax will be removed from the economic analysis.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0013 20-Oct-03 Subject: System Maps

Please provide system maps of each of the water and wastewater systems being privatized at Ft Riley.

Answer:

Basic system maps are included in the Section J attachments under the following files:

- MAIN 001 11X17 (2)(1).pdf
- MAIN 001 11X17 (3)(1).pdf
- MAIN 001 11X17 (4)(1).pdf
- MAP WASTEWATER (1).pdf
- MAP WATER (1).pdf

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0014 20-Oct-03 Subject: Water Rights

Please clarify the responsibility of the Contractor for the water source, given that the Government is retaining water rights. Please provide any details on water source quality,

capacity and long term yield.

Please provide data on water quality including raw water quality, finished water quality, and water quality reports for at least the last 3 years.

Answer: 19-Dec-03

The Contractor shall be responsible for all equipment beginning at the well head including well pumps. Available information on water source and water quality are as described in paragraph J-1.2.1 and in the Consumer Confidence Report (CCR) added to the Technical Library. A copy of the CCR is also posted on the RFP website.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0015 20-Oct-03 Subject: Industrial Waste

Please identify any sources or potential sources of industrial waste (vehicle maintenance facilities, aircraft maintenance facilities, etc.) Is there an existing Industrial Pretreatment Program in place for the wastewater system? If so, please provide a copy of the program and the sampling requirements.

Answer:

The industrial waste systems for vehicle maintenance facilities are separate from the wastewater system and are not connected to the wastewater system in the solicitation.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0016 20-Oct-03 Subject: Water - Technical

Section J-1.5.1, please confirm that there are no existing secondary water meters, such as at the hospital, the PX, or any local concessionaires such as Burger King or McDonald's.

Answer:

There are no secondary meters identified in the solicitation because the locations and/or operational status of existing meters are unknown.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0017 20-Oct-03 Subject: Environmental Compliance

Will the Government develop an Environmental Baseline Study (EBS) prior to transfer of the systems?

Answer:

An Environmental Assessment was completed previously at the start of the Utilities Privatization process. No further work in this area is anticipated prior to transfer of the

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0018 20-Oct-03 Subject: Wastewater - Technical

Are there any sources for wastewater other than the collection systems described in the RFP? For example is any waste delivered by truck from portable toilets or other sources? If so, please describe the nature and characterization of the influent and the volume received at

Answer:

No.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0019 20-Oct-03 Subject: Wastewater - Technical

The RFP makes reference to a SEPTAGE RECEIVING STATION in section J-2.2.4 is this an existing facility or part of the new plant construction?

Answer:

Both. There is an existing septage receiving station near the Custer Hill plant which will be replaced with a new septage receiving station as part of the new construction project.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0020 20-Oct-03 Subject: Rights-of-Way

Please provide a copy of the Union Pacific Railroad right-of-way for review in the Technical Library.

Answer:

Location of Union Pacific Railroad right of way is indicated on utility maps in solicitation.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0021 20-Oct-03 Subject: Water - Technical

What is the current inventory of chemicals and their quantities on site, especially chlorine? Please provide a copy of the RMP.

Answer:

Quantity of treatment chemicals on site varies over time. Present inventory will likely be different than the quantity present at transfer.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0022 20-Oct-03 Subject: Rights-of-Way

Are there any additional easements, licenses, or rights-of-way currently held by the Army for these systems? If so please provide copies of the agreements in the Technical Library and confirm that they are transferable to the contractor. What companies have exclusive easements/rights of way that will affect the current utility systems? If any, please provide copies in the Technical Library.

Answer:

There are no other known rights-of-way or other agreements that will affect transference of the utility systems described in the solicitation.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0023 20-Oct-03 Subject: Emergency Response

Is there an Emergency Response Program for the water and sewer systems, and if so, who provides this service? Is it available to the New Owner?

Answer: 19-Dec-03

Emergency response for water and sewer systems is presently provided by Public Works employees and will not be available to the Contractor. The Contractor shall provide emergency services as specified in Paragraphs C.8 and C.8.1.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0024 20-Oct-03 Subject: Firefighting System

Does the fire department currently test the fire hydrants on the Fort? If so, can we get a copy of their hydrant deficiency report? Does the system currently meet all current fire flow requirements? Please clarify what, if any, responsibility the Fire Department will maintain for the fire hydrants after privatization, i.e. will they do any flow testing?

Answer:

No hydrant deficiency report is available. Some flow testing has been done for sprinkler system design for some specific buildings, but that data is not compiled. The successful bidder will be expected to complete annual hydrant testing as required by NFPA.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0025 20-Oct-03 Subject: Regulatory Compliance

Are utility services currently in compliance with all federal, state and local laws, environmental, OSHA and applicable utility regulatory requirements? If not please identify any deviations. If any upgrades have been programmed please provide a copy.

Answer:

It is anticipated that there will be no known deviations from regulatory requirements at the time of transference.

Question: 0026 20-Oct-03 Subject: Water - Technical

Is there any cathodic protection on the water system? If so, what is the condition and extent of it?

Answer:

Existing steel water storage tanks have cathodic protection systems. In addition, portions of the underground piping may have cathodic protection. Condition is unknown. The 1997 Cathodic Protection Report has been included in the Technical Library.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0027 20-Oct-03 Subject: Regulatory Compliance

Will the Government expressly state that it is assuming all responsibility and liability for pre-existing environmental conditions and for any claims of any kind and from any source that may arise out of such conditions? If not, will the successful offeror be held responsible for any pre-existing conditions?

Answer:

The contractor will not be held liable for environmental conditions caused prior to the property conveyance.

However, one of the key intents of privatization is to bring systems into full compliance and maintain them in full compliance of all applicable regulations and laws, including environmental compliance. Upon assuming ownership of the system(s), the contractor/owner is expected to provide necessary upgrades, maintenance, repairs, and renewals to upgrade the system(s) as necessary to operate a safe and reliable system. Accordingly, liability for any environmental non-compliance after assuming ownership lies with the owner.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0028 20-Oct-03 Subject: Economic Analysis

Based on the proposals received as a result of this solicitation, will the Government "should costs" be adjusted to reflect real industry standards for utility system operations, maintenance, and replacement and renewals, including environmental compliance costs, off-Post easement costs, and costs for future regulatory and permit changes?

Answer:

The "should pay" Government Cost Estimate (GCE) has been prepared using both industry and Government standards. For example, the operations cost associated with exercising potable water valves will be based on the DoD recommendation of exercising valves twice a year, an industry estimate of average time for this activity and the available hours of Government employees. Renewals and replacement costs will be computed using construction cost guides (RSMMeans, USA Blue Book, etc.) adjusted for design, general requirements, contingencies and supervision, inspection and overhead.

NOTE: Offerors wanting the Government to consider environmental compliance costs, off-Post easement costs, regulatory costs and permit costs should provide sufficient detail to allow the Source Selection Board to compare these with the GCE levels.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0029 20-Oct-03 Subject: Economic Analysis

Will the Government "should cost" for O&M, as the basis of comparison with offerors, include all necessary labor for operators and maintainers, including work not currently being performed due to staff shortages?

Answer:

Yes, see previous question. The "should cost" for privatization must represent all necessary O&M costs for proper system functioning. The Fort Riley GCE includes all activities recommended by equipment vendors, industry associations, etc. regardless of the available staff. - Offeror should provide sufficient detail of their O&M costs so that an "apples-to-apples" comparison can be made.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0030 20-Oct-03 Subject: Economic Analysis

Will the "should cost" also include all necessary equipment, safety equipment, materials, and service contract costs, as well as overhead and supervision costs, insurance, vehicles, tools and equipment, environmental permits & labor, supporting utility costs, etc.?

Answer:

Yes, see previous two questions. The Fort Riley GCE includes these costs, either as a line item cost or as a part of overhead costs. Overhead related costs are identified for those incurred at Fort Riley and those incurred at supporting installations. The overhead cost of supporting installations is captured by UPEAST as a function of direct potable water and wastewater labor expense, typically 25% of the should-be labor cost.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0031 20-Oct-03 Subject: Regulatory Compliance

Please provide history of non-compliance and Notices of Violations for both the water and wastewater systems for the past 3 years.

Answer: 19-Dec-03

There are no records of any Notice of Violations or non-compliance for the water system. A summary of wastewater system illicit discharges and NPDES Permit Exceedances has been added to the Technical Library and is being posted on the RFP website.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0032 20-Oct-03 Subject: Water - Technical

Please provide copies of wastewater laboratory test results for the past 12 months.

Answer: 19-Dec-03

Laboratory test results are contained within the copy of the last year of Discharge Monitoring Results that has been added to the Technical Library.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0033 20-Oct-03 Subject: Water - Technical

Please provide a copy of the water Consumer Confidence Report for the last year.

Answer: 19-Dec-03

Refer to Response to Question #14.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0034 20-Oct-03 Subject: Wastewater - Technical

Please provide a copy of the Discharge Monitoring Reports for the Wastewater Treatment Plant for the last 2 years.

Answer: 19-Dec-03

A copy of the last year of Discharge Monitoring Reports for the Wastewater Treatment Plants has been added to the Technical Library.

NOTE: Additional years of DMRs will not be copied since the existing wastewater treatment plants will not exist at the time of contract award.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0035 20-Oct-03 Subject: Water - Technical

Please provide the history of main breaks per year for the last 3 years, including location and the history of main line stoppages and sewer system overflows for the last 3 years, including location.

Answer:

A Log of available information on system maintenance and repair for the previous 3 years had been added to the Technical Library. Information includes only a 40-character text description of repair work, labor hours, labor cost, material cost, equipment cost, and

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0036 20-Oct-03 Subject: Water - Technical
Please provide any studies on I&I for the wastewater system.

Answer:
No information available.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0037 20-Oct-03 Subject: Staffing
Is the current staff military or civilian; Government or contract?

Answer:
Water and wastewater utility system are currently operated and maintained by civilian personnel. Some specific system repairs have been contracted.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0038 29-Oct-03 Subject: Transfer to DESC
What effect will the directive to transfer all Army utilities privatization to DESC?

Answer: 01-Nov-03
USACE fully supports the directive to have DESC conduct all Army utility privatization. However, USACE has stressed the importance of conducting a smooth transition keeping the best interests of the affected installations in mind. Ft. Riley has been identified as a USACE privatization effort that is currently underway, and would probably suffer significant schedule slippage if the privatization were transferred to DESC. If directed by higher headquarters to transfer the acquisition to DESC, USACE will support that and attempt to effect the transfer in a manner causing the least possible disruption to the installation and

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0039 29-Oct-03 Subject: Site Visits
Will prospective offerors be allowed to return to Ft. Riley for follow-on site visits?

Answer: 29-Oct-03
Yes, but these will not be escorted site visits. Prospective offerors will have to make arrangements with the Public Works point-of-contact and must comply with the prohibition against photography while unattended on the installation.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0040 29-Oct-03 Subject: Housing Privatization
How will the RCI plan for family housing privatization affect the Water/Wastewater utility privatization contract(s)? Will the laterals to the housing units revert to the utility contractor, or will they remain with the housing contractor?

Answer: 29-Oct-03
The RCI is not scheduled till FY07. In the meanwhile, the laterals to the housing units are covered by the Total Housing Maintenance Contract, and there is no plan to change that. When, and if, the housing is privatized the government will have to make a determination if it would be more economical to included maintenance of the laterals within the housing privatization contract, or to shift this to the utilities privatization contractor(s). If the latter is chosen, this will be added to the contract(s) by modification under the appropriate changes clause(s).

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0041 29-Oct-03 Subject: Known Deficiencies
What are the known deficiencies with the existing systems?

Answer:
There are no deficiencies anticipated at the time of system transfer.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0042 29-Oct-03 Subject: Proposals

What if an offeror wants to propose both systems together on an all-or-nothing basis?

Answer:

This is allowable. If an offeror wishes to make an alternate "all-or-nothing" proposal, they should identify this in their cover letter and at L.6.2 "Alternate Proposals and Exceptions to Terms and Conditions." Unless such an alternate proposal is clearly identified, the government will reserve the right to make multiple awards, if that results in prices determined to be in the government's best interests.

The government recognizes the potential for "economy of scale" savings if a single contractor takes over both systems. It is also possible that the lowest overall cost to the government might result from two separate contract awards to two separate contractors.

If an offeror is willing to accept an award of one system alone, but not the other one, but would also be willing to accept both systems together (in other words, there is one system they would not accept by itself) this should be addressed in the same manner.

The potential risk an offeror must assume with an "all-or-nothing" proposal is that their proposal for both systems, taken together, might not represent the best overall cost to the government even though the cost for one of those systems might be the lowest.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0043 29-Oct-03 Subject: Use of Utilities

Who is responsible for payment for the electricity, natural gas, and water commodities consumed by the operation and maintenance of the conveyed utility infrastructure? If the privatization contractor will be charged for the use of such utilities, what rates will the

Answer:

The Contractor will be responsible for payment for utilities consumed by the Contractor's on-post facilities including utilities for the operation and maintenance of the conveyed utility infrastructure. Fort Riley will charge the Contractor at the prevailing commercial rate charged to other commercial customers located on Fort Riley. In 2003, the rates were approximately \$.054/KWH for electricity, \$7.07/MCF for natural gas, and \$2.20/KGAL for water. Rates are subject to change. The Government will use metering or reasonable estimation methods to determine consumption quantities.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0044 29-Oct-03 Subject: Access Roads

Who will be responsible for maintenance of access roads to remote sites such as water towers and pumping stations?

Answer:

The Government will continue to maintain gravel and paved access roads at the same level as similar roadways on the installation. However, the Government will not be responsible for snow removal. Lack of road maintenance shall not relieve the Contractor of responsibility to operate and maintain conveyed systems. Contractor should have plans for access during periods of inclement weather.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0045 29-Oct-03 Subject: Site Maintenance

Will the utilities privatization contractor(s) be responsible for grounds keeping and other site maintenance within fenced compounds that are part of the utility system infrastructure? Will they also maintain the fences as well?

Answer:

The Contractor is responsible for all interior and exterior maintenance of all conveyed facilities. The Contractor shall be responsible for groundskeeping and site maintenance within fenced areas and within 5' on the exterior of fenced areas. This includes maintenance of the existing fencing. The Contractor shall also be responsible for groundskeeping within 5' of all unfenced components of conveyed utility systems including, but not limited to, pumping stations, wells, and water storage tanks. If future security requirements necessitate installing new fences around existing facilities not currently fenced, that will be addressed under the appropriate changes clause(s).

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0046 29-Oct-03 Subject: Compliance with IDG

Can the contractor(s) paint the water towers and other infrastructure as they wish? For example, can they paint their logo on the water towers?

Answer:

The Contractor shall be permitted to paint facilities only in accordance with the Installation Design Guide. Logos and/or advertisement(s) may be displayed on facilities only if approved by the Contracting Officer.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0047 29-Oct-03 Subject: Commercial Use of Infrastructure

Will the contractor(s) be permitted to sell or rent space on the utility infrastructure? For example, could commercial cell phone companies place antennas on top of water towers? Could the contractor install or allow the installation of commercial buried utilities within the rights-of-way for water or wastewater buried lines, i.e. fiber optic or CATV lines, while installing new or replacing existing buried lines?

Answer:

The Contractor shall not be permitted to sell or rent space on the conveyed facilities. This does not prevent the Government from exercising its rights under C.4.3.2 "Commercial Use" to allow other commercial providers joint use of utility easements and to require the privatization contractor to enter in to joint use agreements with such providers as necessary. No antennas shall be allowed within Installation boundaries without prior approval by the Contracting Officer.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0048 04-Nov-03 Subject: Water - Technical

Reference Page J-1-11 It appears that Tank # 989 should read Tank # 998.

Answer:

Reference on J-1-11 to Tank #989 should read Tank #998.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0049 04-Nov-03 Subject: Water - Technical

Reference Tank 9307 at the MPRC facility. The tag on the tank says it is a 75,000 gallon tank. The specifications listed it as a 50,000 gallon tank. When looking at the 1992 Tank Inspection report and the 1997 Cathodic Protection report, this appears to be two different tanks, but with the same #. Can you identify builder and validate the year of construction?

Answer: 19-Dec-03

The table on page J-1-14 for tank 9307 should be corrected to indicate a 75,000-gallon tank installed in 1993. Plans for the replacement have been added to the Technical Library. Information on the builder is not available.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0050 04-Nov-03 Subject: Water - Technical

Please provide, for on all water tanks, the last date of painting for both interior and exterior and the date any of these tanks were last washed out.

Answer: 07-Nov-03

This issue was first raised at question # 0001. Refer there for an answer, when available.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0051 04-Nov-03 Subject: Water - Technical

Will the installation provide copies of the Master Storage Inspection Report 1992?

Answer: 25-Nov-03

The 1992 Water Storage Tank Insp Report has been included in the Technical Library. Copies are not available.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0052 04-Nov-03 Subject: Water - Technical

Will the installation provide the following documents from the December 1997 Cathodic Protection Evaluation for Fort Riley, Kansas?

- (a) Pages 16-20
- (b) Appendix C Elevated Water Tank Data
- (c) Appendix D Elevated Water Tank Photographs

Answer:

The 1997 Cathodic Protection Evaluation is in the Technical Library. Copies are not

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0053 17-Nov-03 Subject: Spare Parts Inventory

Is there an existing inventory of critical spare parts? If so, please provide a copy.

Answer:

There is no spare parts inventory.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0054 17-Nov-03 Subject: Water - Technical

When was the last time the water tanks were inspected and maintenance was performed?

Answer:

Available information on water tank maintenance including the 1992 Water Storage Tank Inspection report, the 1997 Cathodic Protection Evaluation, and the log of the last 3 years of repair history are in the Technical Library.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0055 17-Nov-03 Subject: Water - Technical

Is there an existing back flow prevention plan/program in place?

Answer:

The Government has a backflow prevention program in place. The Contractor shall maintain backflow preventers that are part of the conveyed utility system in accordance with the demarcation points as specified in the RFP.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0056 17-Nov-03 Subject: Water - Technical

Are there any known sources of I&I?

Answer:

No.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0057 17-Nov-03 Subject: General - Technical

Is there an existing CMMS in place from which data may be extracted after award?

Answer: 19-Dec-03

Fort Riley Public Works utilizes Mainsaver CMMS which has 50 water system assets and 90 wastewater system assets loaded. The system is used to generate scheduled maintenance work orders and has up to 2 years worth of data for completed scheduled maintenance which can be extracted after award.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0058 17-Nov-03 Subject: Wastewater - Technical

Is there an existing Sewer Use Ordinance? If so, please provide a copy.

Answer:

No.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0059 17-Nov-03 Subject: General - Technical

Please provide a complete list of what is, or will be included in the Technical Library.

Answer:

Technical Library Inventory (As of 25 Nov 2003 -- Subject to update.)

- Solicitation
- 1992 Water Storage Tank Insp Report
- 1997 Cathodic Protection Report
- New WWTP Plans & Design Documents
- WTP Plans
- Cut sheets/drawings for SP760
- Cut sheets/drawings for SP765
- Cut sheets/drawings for SP775
- Cut sheets/drawings for SP780
- Cut sheets/drawings for SP790

Added:

- Installation Spill Contingency Plan
- Water/Wastewater Repair History

Added 17 Dec 2003:

- a. 1993 Drawings of Water Tower # 9307
- b. 2002 Consumer Confidence Report for Quality of Ft Riley Water
- c. Summary of Illicit Wastewater Discharges for the last 2 years.
- d. Summary of NPDES Permit Exceedances since Jan 2001
- e. Wastewater Treatment Plant Discharge Monitoring Reports for the last year

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0060 17-Nov-03 Subject: RFP - General

Please revise RFP paragraph C.11.1 to include changes in condition as well as inventory, as a result of due diligence.

Answer:

The condition of underground equipment is unknown to both the Government and the offeror and will not be allowed as a due diligence adjustment. The condition of above ground facilities was available at the site visit and is also not an allowable due diligence adjustment. If actual conditions of either below or above ground facilities differs from the Section J description, the adjustment to the contract will be considered during price redetermination talks in year 3 of the contract.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0061 17-Nov-03 Subject: General - Technical

What are the annual quantities and types of chemicals used for the water and wastewater

Answer: 19-Dec-03

Approximate annual quantities and types of chemicals used for treatment in water and wastewater systems is as follows:

Water System

Lime	1,770,900 lbs.
CO2	179,900 lbs.
Fluoride	3,476 lbs.
Phosphate	8,749 lbs.
CL2	35,745 lbs.

Wastewater System - No chemicals are used except occasional use of degreaser at various lift stations.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0062 17-Nov-03 Subject: RFP - Factors & Subfactors

Subfactor 1.9 is explicitly for Installation-specific requirements. Are there any such requirements, and if not, is this section to be reserved in our proposal?

Answer:

At L.4.1, the minimum requirements for the Service Interruption/Contingency Plan are outlined.

The ninth bullet is for the subfactor element, "installation specific requirements." This plan is is Sub-Factor 1 of Evaluation Factor 1, "Technical Capability."

Note at M.3 that "This sub-factor will be evaluated as a whole; elements listed under this sub-factor will not be separately scored although they will be considered in the overall evaluation of this sub-factor."

As no installation specific requirements have been identified as such, offerors may simply state that "No installation specific requirements have been identified by the government."

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0063 17-Nov-03 Subject: Wastewater - Technical

What is the detailed schedule for the construction, start-up, and turnover of the new WWTP and new pump stations, including the demolition of existing assets?

Answer:

Construction schedule for the new plant:

Plant startup completed Oct 04

Demolition completed Dec 04 (for all three existing plants)

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0064 17-Nov-03 Subject: RFP - General

Assuming that an EBS will be prepared by the Government, what is the process by which the Best Value Offeror will be able to review the EBS prior to contract award?

Answer:

See question 0017.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0065 17-Nov-03 Subject: Environmental - Liability

Will the Government explicitly state in the RFP that all pre-existing environmental contamination will remain the responsibility and liability of the Government?

Answer:

See question 0027.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0066 17-Nov-03 Subject: General - Technical

Are the pumps in Building 9308 and the building itself at MPRC included in the inventory being transferred to the privatizer?

Answer:

19-Dec-03

Yes.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0067 17-Nov-03 Subject: Water - Technical

Are the 60 water meters in the system for individual private users or to measure flow for areas of the base (i.e. Custer Hill, Main Base, Marshall Airfield)?

Answer: 19-Dec-03

The 60 water meters indicated in the table on page J-1-15 of the RFP are the estimated number of water meters believed to exist in the water system. Additional information is unavailable. Refer to the response to question #16 in Amendment 0002.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0068 17-Nov-03 Subject: Wastewater - Technical

Please provide a list of the Sanitary Sewer Overflows that were reported to regulatory agencies in the past 5 years? How many were dry weather overflows? How many were due to wet

Answer: 19-Dec-03

Refer to the response to question #31. No information is available regarding whether overflows were dry weather or wet weather except as contained in the provided summary of wastewater system illicit discharges.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0069 17-Nov-03 Subject: Wastewater - Technical

Has the wastewater collection system received any Notices of Violation in the past 5 years? If so, please list.

Answer: 19-Dec-03

Refer to the response to question #31 and question #34.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0070 17-Nov-03 Subject: Water - Technical

Has the water treatment system received any Notices of Violation in the past 5 years? If so, please list.

Answer: 19-Dec-03

Refer to the response to question #31 and question #34.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0071 17-Nov-03 Subject: Wastewater - Technical

Lift Station SP 007 is shown on the map to be in the Marshall Air Field yet it is not listed in the inventory from the J Attachment. Does this lift station exist and will it be transferred to the privatizer?

Answer: 19-Dec-03

There is no lift station SP 007 as shown on the map in Attachment J. Please disregard the indication SP 007 on the map.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0072 17-Nov-03 Subject: RFP - Factors & Subfactors

Please define "contingency" as used in Technical Factor 1, Subfactor 1.1.

Answer:

The Service Interruption/Contingency Plan required at L.4 Sub-factor 1 provides Fort Riley an understanding of how the offeror would handle abnormal conditions such as equipment failure and force majeure events. The successful offeror will respond to each of the bulleted items in L.4.1 with a plan to handle each. A contingency is an event or condition that is likely but not inevitable. A contingency plan, as used here, is one in which undesirable events are sought to be avoided; however, when one occurs there is a known procedure to correct the undesirable event as quickly and as efficiently as possible.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS 28-Jan-04

Question: 0073 21-Nov-03 Subject: Small Bus Sub-K Plan

Can we use the guidance provided in Section C on page I-21 and following relevant sections within the RFP for the Subcontracting Plan? Do you have a preferred format for the

Subcontracting Plan (as was provided in a similar solicitation SP0600-01-R-0119) or is contractor's format that is FAR-compliant acceptable?

L.6.3.2 Subcontracting Plan (Large Businesses Only)

Each large business Offeror shall submit a Subcontracting Plan as part of their proposal submission (see J-XX). The plan shall be prepared IAW FAR 52-219-9, Small Business Subcontracting Plan and will also be evaluated against the statutory goal applicable to all federal agencies of 23 percent commitment of total subcontracting dollars to small businesses. Of the 23 percent, 5 percent shall be committed to SDBs, 5 percent to Women-Owned Businesses, and 1.5 percent to HUBZones. If the Offeror cannot meet any or all of the goals specified, complete rationale/justification shall be provided.

Regulated public entities with a Subcontracting Plan that has been filed with the General Services Administration (GSA) pursuant to a GSA Areawide contract may comply with this proposal instruction requirement by incorporating such Subcontracting Plan by reference and including it in their initial offer.

Answer:

Yes, the applicable FAR clauses; 52.219-8; 52.219-9; and 52.219-9 (ALT II) must be addressed. Also, the applicable goals for a large business are listed at L.6.3.2 "Subcontracting Plan" with instructions regarding how to address any goals that an offeror cannot meet. The requirement at L.6.3.3 "Socioeconomic Plan" is required of all offerors, regardless of business size.

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0074

Subject: Proposal Format

- L.4 states that a separate Volume 1 must be submitted for each utility system. I interpret that to mean one for water and one for wastewater. L.7.2 also requires that a separate Schedule B be submitted for each system, but not a separate Volume 4. At the site visit, there was a discussion about allowing combined proposals to include one Schedule B, and I assume that would mean one Volume 1. Please amend the solicitation to allow one combined proposal for water and wastewater, with only one of each volume. Pricing can still be broken out between water and wastewater, but combined for purposes of the joint proposal.

Answer:

See the discussion at question 0042. An alternate proposal for both systems combined is allowed, although separate pricing schedules are necessary in order to complete the economic

Q&A Report: Water & Wastewater Utilities Privatization, Ft. Riley, KS

28-Jan-04

Question: 0075

Subject: Environmental Assessment

Question 17 in Amendment 2 dated 12 Dec 2003 stated that an Environmental Assessment (EA) had been completed. As the EA may identify areas of risk or exposure for our staff, please provide a copy for our review prior to submit proposals.

Answer:

The EA will be posted to the Technical Library.