

Air Force Utilities Privatization Frequently Answered RFP Questions

HQ AFCESA/CEOC

Disclaimer

The following questions and answers are provided as a reference of how some Air Force contracting offices have responded to bidder's questions during the UP solicitation process. This document is a consolidated list of questions and answers taken verbatim from the Texas Regional Demonstration, Bolling AFB, and the Maxwell/Gunter AFB solicitations. The intent of this document is for information purposes only.

Link Instructions

In this document, every question and answer is followed by an Internet link. Clicking on these links will send you directly to the posted amendment from where these Q&A's were extracted. The Maxwell/Gunter AFB links which connect you to the Government-Wide Electronic Posting System (EPS) however, have a tendency to time-out. When accessing Maxwell hotlinks, follow these steps:

1. Click on the "EPS" link
2. From the Agency list, locate USAF (fifth from the bottom) and click on "**Offices**"
3. From the Office list, locate **Air Education and Training Command (AETC)** and click on "**Locations**"
4. From the Locations List, locate the **Tyndall AFB Contracting Squadron, Tyndall AFB, FL** and click on "**Posted Dates**"
5. Find the first link for **PRIVATIZATION OF UTILITY SYSTEMS AT MAXWELL AFB/GUNTER – 20 Jan 00** and click it
6. Select the information you wish to view

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Q1. Referencing Section B.2 (Best Value), would a regulated utility providing a regulated service, all else being equal, tend to receive a relatively lower technical rating, especially if recognition of its regulated status and consistency with applicable rules, regulations and tariffs necessitated taking exceptions to one or more contract/RFP requirements?

A1. No. The best value determination is to be based on the requirements of the RFP. The evaluation criteria are set forth in Section M. Offeror's proposal will not be penalized for taking exception to the terms and conditions of the RFP. Offerors who take exception to any of the terms and conditions in the RFP must point out the advantages to the Government of any alternatives they propose. ([Maxwell/Amendment#10/Q2](#))

Q2. Referencing Section B.2 (Best Value), conversely would a regulated utility providing a regulated service, all else being equal, tend to receive a relatively higher technical rating than an unregulated entity? Does the Air Force place a value (in terms of reliability, continuity of service, independent oversight of rates and service, assured continuation of existing upstream service arrangements, etc.) on regulated service? Please explain the Air Force's views.

A2. See the response to question 1 above. ([Maxwell/Amendment#10/Q3](#))

Q3. Referencing the response to Question 1 (type of contract), the reply is not responsive. The question(s) asked if a utility service or FAR Part 41 contract would be awarded. The reply merely says the RFP is for the acquisition of utility services. Of the hundreds of thousands of goods and services acquired by the Government, FAR Part 41 is the only one that relates to a single service (utilities). It is thus reasonable to inquire if the contract will be a FAR Part 41 contract. Please respond.

A3. See paragraph B.2.2 of the RFP. ([Maxwell/Amendment#14/Q26a](#))

Q4. Conversely, would a regulated utility providing a regulated service tend to receive a relatively lower technical rating, especially if recognition of its regulated status and consistency with applicable rules, regulations and tariffs necessitated taking exceptions to one or more contract/RFP requirements?

A4. If offerors take exception to any terms and conditions in the RFP they should point out the advantages to the Government of any alternatives they propose. The Government will evaluate advantages and disadvantages of any proposal received. ([TRD/Amendment#3/Q84](#))

Section B.2.1: Questions and Answers

Q1. Section B.2.1 states that utility services are being acquired. Which portion of the contract is considered to be utility services, so that non-regulated entities will know which services require SCA wages to be paid? Has a waiver been obtained for complying with FAR Part 41?

A1. All of the RFP covers the procurement of utility services. The bill of sale covers the sale of the utility system. All services performed are part of the utility services being procured and therefore would be covered by SCA. FAR Part 41 indicates that clauses substantially the same as can be used in place of FAR Part 41 clauses. ([TRD/Amendment#3/Q75](#))

Section B.2.3: Questions and Answers

Q1. Referencing Section B.2.3 (Program Goals), the Government will retain no reversionary interest in the privatized utility system. What will be the consequences if, after the system is sold, a regulatory authority either:

- a. Determines that the system owner cannot own the system and/or provide the service in accordance with the contract terms and conditions? How will a base secure necessary service?**
- b. Determines that the service will violate a local (external) utility's tariff provisions and as such that utility is no longer required to deliver power or gas to the base under standard tariffs, if at all?. How will a base secure necessary service?**

A1. See #s 78 and 80. ([TRD/Amendment#3/Q85](#))

Section B.2.4: Questions and Answers

Q1. Section B.2.4.2 states that the Government may choose to use FAR and Federal Property & Administrative Services Act of 1949, to what extent will they apply to the sale of utility system?

A1. Any processes/methods are reflected in the RFP. ([TRD/Amendment#3/Q11](#))

Section B.2.5: Questions and Answers

Q1. Referencing Section B.2.5 (Best Value), how does DESC intend to incorporate such concepts as regulated service, regulatory oversight and service obligations into its best value determinations?

A1. The best value determination will be made based on the requirements of the RFP. The evaluation criteria are set forth in section M. These concepts would be addressed in M.4.4 proposal risk. ([TRD/Amendment#3/Q83](#))

Q2. Referencing Section B.2.5 (Best Value), would a regulated utility providing a regulated service tend to receive a relatively lower technical rating, especially if recognition of its regulated status and consistency with applicable rules, regulations and tariffs necessitated taking exceptions to one or more contract/RFP requirements?

A2. See # 83, 84 and 123. ([TRD/Amendment#3/Q161](#))

Q3. Is the Section B.2.5.4 monthly credit the exclusive means to assess a monetary penalty for non-compliance?

A3. All contract remedies are available to the Government in case of failure to comply with contract terms. ([TRD/Amendment#3/Q114b](#))

Section B.3: Questions and Answers

Q1. In Section B.3 Systems to be Privatized, Schedule A-2 does not include the water system at Fort Bliss. Does the government intend to include the privatization of the water system at Fort Bliss in this RFP or will a separate RFP be issued?

A1. Ft Bliss water is not included in this RFP. It is being handled separately. ([TRD/Amendment#3/Q54](#))

Section B.4: Questions and Answers

Q1. We are interested in the Wastewater System, only at Maxwell. Will the privatization contracts be offered separately on various systems?

A1. In accordance with Page 10, Section B.4, “Offers for Multiple Systems”, second paragraph, “Proposals for each type of utility system shall apply to both installations (i.e. If offerors propose on Maxwell AFB electric system, they must also propose on Gunter Annex electric system). ([Maxwell/Amendment#5/Q1](#))

Section B.5: Questions and Answers

Q1. To the extent loan placement (legal, due diligence, etc.) costs are fixed, how will these costs be recovered if there is a prepayment?

A1. The offeror needs to take this risk into account in its proposal. ([TRD/Amendment#3/Q91b](#))

Section B.5.2: Questions and Answers

Q1. Section B.5.2.3.3 in the fourth sentence (which is in parenthesis) appears to have something missing. Since future renewals and replacements cannot all be identified, how is a cost baseline to be developed for price redeterminable purposes? Sub-CLIN 0003AB is for the known capital renewals and replacements, so cannot be a baseline for unknown projects. The initial projects will have to address bringing the system up to current standards so these will be one-time projects which would make the initial projects inappropriate as a baseline.

A1. The referenced paragraph deals with Sub-CLIN 0003AC, Sub-CLIN 0003AB is only for initial upgrades and improvements and is not subject to redetermination. The baseline is for renewals and replacements and is based on the Offerors proposal in accordance with the schedule in M.4.2.3. ([TRD/Amendment#3/Q12](#))

Q2. Referencing Section B.5.2.3.4 (Prepayment Option), any recalculated amortization is to be based on the interest rates in the original bid schedule. Please reconcile this clause with the standard terms of alternative financing sources (e.g., non-recourse financing), which generally requires a repayment adjustment based on the discounted difference in the payment streams under the bid interest rate and the interest rate at the time of the prepayment. Was it DESC's intent to effectively preclude such alternative financing? Is DESC aware that a result of the clause will be to unnecessarily increase interest rates to account (properly) for prepayment risks?

A2. It is not DESC's intent to preclude alternative financing. Alternate proposals are allowed. ([TRD/Amendment #3/Q91a](#))

Q3. Referencing Section B.5.2.4 (Monthly Credit), the bill credits are for delays in responding to Section C.8 service calls. How is this credit to be calculated? How will it be evaluated if offerors use different assumptions for calculating it? Is this clause the exclusive Government remedy for delayed service?

A3. The offeror will propose the monthly credit. It will be evaluated as stated in Section M. In addition to the credit the Government may have recourse to any other remedies available to it under the contract. ([TRD/Amendment#3/Q89](#))

Q4. Referencing Section B.5.2.4 (Monthly Credit), the bill credits are for delays in responding to Section C.8 service calls. Does this imply that an offeror could choose to provide the credit in lieu of a timely response? Conversely, if an offeror believed that response times could always be met, would a "zero" credit be acceptable. Please explain the rationale for the clause.

A4. Our intent is to create an incentive for the contractor to meet the required response times. The amount of the credit is up to the offeror. ([TRD/Amendment#3/Q162](#))

Section B.6: Questions and Answers

Q1. What is a reasonable cause for a change in a service charge?

A1. See RFP section B.6, G.3 and the Changes clause, FAR 52.243-1 Alt 1. ([TRD/Amendment#3/Q113b](#))

Q2. Referencing Section B.6.2 (Ceiling Prices), please identify any ceiling prices included in the contract. If none, what is the purpose of the clause?

A2. There is no ceiling price. B.6.2 is part of a FAR clause (FAR 52.216-5). There is no deviation allowed to the language of the clause. ([TRD/Amendment#3/Q88](#))

Q3. Referencing Section B.6.4 (Monthly Credit), the bill credits are for delays in responding to Section C.8 service calls. Does this imply that an offeror may choose to provide the credit in lieu of a timely response? Conversely, if an offeror believed that response times could always be met, would a “zero” credit be acceptable. Please explain the rationale for the clause.

A3. The Government’s intent is to create an incentive for the contractor to meet the required response times. The amount of credit proposed is up to the offeror. The offeror will propose the monthly credit and it will be evaluated as stated in Section M. No, an offeror may not choose to provide the credit in lieu of a timely response. In accordance with paragraph C.8, the contractor will be required to adhere to the contract response times. ([Maxwell/Amendment#10/Q4](#))

Q4. When do you contemplate under section B.6.4 that agreements would be reached to vary the final period? In the technical proposal? After the award?

A4. After award and near the end of the contract 50 year term. ([TRD/Amendment#3/Q13](#))

Section C: Questions and Answers

Q1. Does DESC intend to use the standard FAR order of precedence clause under which contract terms would override tariff terms or other applicable regulations and ordinances? Or vice versa? If so, how would that conflict be resolved with the Section C requirement to comply with all regulations and ordinances?

A1. See # 78-80. ([TRD/Amendment#3/Q95](#))

Section C.1: Questions and Answers

Q1. Please characterize the service contract to be awarded under the Solicitation. Is it a utility service contract? Is it a FAR Part 41 contract? Does FAR Part 41 apply? Is the Government seeking a utility service?

A1. See Section C.1 of the RFP. This RFP is for the acquisition of utility service(s). The Bill of Sale (BoS) conveys the utility system(s) to the new owner(s). All services performed are part of the utility services being acquired. The purchase of commodities is not part of this contract. ([Maxwell/Amendment#10/Q1a](#))

Q2. C.1, Scope and Purpose, states that the contractor will provide utility service. We believe the correct SIC Code is 4911, Electrical Service, not 4939.

A2. The SIC Code is 4939, Combination Utilities, N.E.C., because this requirement includes Electric, Natural Gas, and Water Utility Distribution Services, and Wastewater Utility Collection Services. ([Maxwell/Amendment#4/Q1a](#))

Q3. Section C.1 provides that in the event of conflict, the Bill of Sale controls over the contract. The contract appears to contemplate some kind of reversion in the future in Section H-4 and limitations on ownership, inconsistent with an outright sale in Section H-5.

A3. H.4 has been deleted. H.5 has been replaced with a notification provision. See amendment. ([TRD/Amendment#3/Q14](#))

Q4. In reviewing Schedule C-1, Service Standards Criteria, the term Commissioning Standards is used. Is it possible to obtain a definition for this term, and some indication of DESC expectations in regards to this?

A4. Commissioning is a quality process for achieving, validating and documenting that the performance of the facility and its systems are designed, installed, tested and capable of being operated and maintained to perform in conformity with the design intent. The process extends through all phases of a new or renovation project, from conceptualization to occupancy and operation, with evaluation checks at each stage of the process to ensure validation of the performance. ([TRD/Amendment#6/Q1](#))

Section C.2: Questions and Answers

Q1. If compliance requires a change in cost/price, is a charge change allowed during the first two years of the contract?

A1. If the contract so provides. ([TRD/Amendment#3/Q92b](#))

Q2. How would the clause be applied if there is a different view on the application of an existing law/regulation? For example, the DESC in the first instance may contend that the service is non-jurisdictional,

but a regulatory authority may subsequently rule otherwise (and have the ruling sustained in Federal court). Is the bidder to assume the risk of regulatory applicability?

A2. See # 80. ([TRD/Amendment#3/Q92c](#))

Q3. Assuming that different laws, regulations and tariffs would apply to a local utility and to another entity, this could place the local utility at a competitive disadvantage if utility-applicable provisions were more stringent and as such more costly to perform. Will DESC differentiate between different sets of laws, regulations and tariffs in its technical and cost evaluations? If so, how? It is presumed that any such differentiation would have to identify the “applicable” laws, regulations and tariffs.

A3. See # 16, and 78-80. ([TRD/Amendment#3/Q94b](#))

Q4. Assuming that different laws, regulations and tariffs would apply to a local utility and to another entity, this could place the local utility at a competitive disadvantage if utility-applicable provisions were more stringent and as such more costly to implement, at least in the first instance. Will DESC differentiate between different sets of laws, regulations and tariffs in its technical and cost evaluations? If so, how?

A4. Offerors can address this in their proposals. If there are more stringent requirements placed on an entity, this might effect their technical rating and lower the risk rating. The tradeoffs between technical, risk and cost are handled through the best value determination. ([TRD/Amendment#3/Q164b](#))

Q5. Does DESC intend to use a standard FAR “order of precedence” clause under which contract terms would override tariff terms? Or vice versa? Please identify the order of precedence clause to be incorporated into the contract.

A5. See # 78-80. ([TRD/Amendment#3/Q164.c](#))

Section C.2.1: Questions and Answers

Q1. Where is the term qualified utility providers defined? See Section C.2.1.

A1. Not defined. It should be understood to mean responsible contractors. Demonstrated ability to meet Government requirements in the RFP. ([TRD/Amendment#3/Q15](#))

Q2. Referencing Section C.2.1 (Qualified Utility Providers), a compliance-related service change may require a change in the service charge (CLIN 0002 and 0003AC) in accordance with Section G.3. Does the clause apply to the economic and/or service regulations by the PUCT, TRRC, and City Council of San Antonio for Randolph AFB and Lackland AFB?

A2. Although the contract is governed by Federal law the offeror may incorporate state and local regulations in their offer. ([TRD/Amendment#3/Q92a](#))

Q3. Referencing Section C.2.1 (Qualified Utility Providers), what is the meaning of the word obligation in the second sentence? Does it mean more than the contractor must comply with the terms of the contract and the regulations and standards set by various applicable Texas regulatory bodies?

A3. See # 80. ([TRD/Amendment#3/Q93](#))

Q4. Referencing Section C.2.1 (Qualified Utility Providers), the requested service must comply with applicable laws and regulations. Would these vary for regulated and non-regulated utilities? If so, how will the Government ensure it gets the same quality of service from both types of entities? Please identify the specific applicable laws, regulations and ordinances that would pertain to the provision of electric and natural gas utility services at Randolph AFB and Lackland AFB. If DESC has not made a specific determination in this regard, how will it be able to properly evaluate the technical proposals and how will it be able to monitor performance of a contract? Are the City of San Antonio's ordinances applicable to a utility provider on Lackland AFB and Randolph AFB? If not, what is the basis for this determination?

A4. See # 16, and 78-80. ([TRD/Amendment#3/Q94a](#))

Q5. Referencing Section C.2.1 (Qualified Utility Providers), what is the meaning of the word "obligation?" Does it have any meaning other than a requirement to fulfill the terms and conditions of the contract? Alternatively, does the word refer to a regulated public utility's obligation to provide service to qualifying customers within its certificated service territory?

A5. It means a requirement to fulfill the terms of the contract. ([TRD/Amendment#3/Q163](#))

Q6. Referencing Section C.2.1 (Qualified Utility Providers), the requested service must comply with "applicable" laws and regulations. For a regulated utility, these presumably refer to the body of regulations, ordinances and tariff provisions related to the provision of electric and natural gas service. Please identify the "applicable" laws, regulations and ordinances that would pertain to the provision of electric and natural gas utility service. Would the body of a local utility's codes, regulations and tariffs apply to an entity other than that utility, even if, for example, one of the installations was (believed to be) an area of exclusive Federal jurisdiction (i.e., an "enclave")?

A6. See # 16 and 78-80. ([TRD/Amendment#3/Q164a](#))

Section C.2.2: Questions and Answers

Q1. C.2.2 Qualified Utility Providers p. 18. Will the Government consider the impact on the utility service provider when changing or adding installation requirements? Will the Government's ability to unilaterally institute such changes be limited to certain purposes or circumstances or otherwise made subject to coordination/consultation and negotiation with the utility service provider? Who determines whether the changed or added requirement constitutes "reasonable cause" for a service charge adjustment?

A1. It is the intent of the Government to provide as much advance notice as possible for new requirements, to coordinate/consult and negotiate with the Contractor prior to implementing changes as outlined in Paragraph 2 of the Capital Upgrades and Renewal and Replacement Plan (C.11.2). The Administrative Contracting Officer will determine whether the changed or added requirement constitutes "reasonable cause" for a service charge adjustment. As provided in paragraph G.3, "Failure of the parties to agree upon any change after a reasonable period of time shall be a dispute under the Disputes clause." (See page 44 of the RFP, FAR Clause 52.233-1, "Disputes".) ([Maxwell/Amendment#9/Q12](#))

Q3. Referencing Section C.2.2 (Qualified Utility Providers), what is the meaning of the word "obligation?" Does it have any meaning other than a requirement to fulfill the terms and conditions of the contract? Alternatively, does the word refer to a regulated public utility's obligation to provide service to qualifying customers within its certificated service territory?

A3. "Obligation" means the requirement to fulfill the terms of the contract. ([Maxwell/Amendment#10/Q5a](#))

Q5. Referencing Section C.2.2 (Qualified Utility Providers), the requested service must comply with "applicable" laws and regulations. For a regulated utility, these presumably refer to the body of regulations, APSC orders, ordinances and tariff provisions related to the provision of electric and natural gas service.

a. Please identify the "applicable" laws, regulations and ordinances that would pertain to the provision of electric and natural gas utility service. What are the implications if a local utility's codes, regulations and tariffs applied only to that utility and not another entity that is not a regulated public utility?

b. Assuming that different laws, regulations and tariffs would apply to a local utility and to another entity, this could place the local utility at a competitive disadvantage if utility-applicable provisions are more stringent and as such more costly to implement, at least in the first instance. Will the Air Force differentiate between different sets of laws, regulations and tariffs in its technical and cost evaluations? If so, how?

c. Please clarify the contractor's obligation to comply with orders or rulings by the APSC regarding privatized electric and natural gas distribution service? Must the contractor comply, even if to do so would conflict with one or more terms of the Solicitation?

A5. The Government has determined the privatization actions under this acquisition are governed by Federal law. The Government may enter into a contract with a regulated entity. The effect of the regulated status of such an entity on the contract will be subject to negotiation. A regulated utility should note any requirement for regulatory approval in its proposal. Any changes proposed by the state or local authority would be subject to the approval by the Government. Regarding an apparent conflict between rulings of the APSC and the solicitation, the offeror should identify any inconsistencies and any exceptions taken in its proposal. The Government will evaluate the advantages and disadvantages of each offer relative to the evaluation standards in Section M. ([Maxwell/Amendment#10/Q6](#))

Section C.2.3: Questions and Answers

Q1. C.2.3.1 Air Force Systems p. 18. Attachments J51 (Environmental Impact Analysis) and J52 (Environmental Baseline Survey) are not available for download from the Internet. Where do we obtain copies of these documents? Is J52 the same as the Environmental Baseline Surveys attached as Exhibit D to Attachment J41 (Right-of-Way)?

A1. These documents are available for review in the Technical Library. J 51 and J52 are not available for download from the Internet. J52 is only a copy of the Executive Summary from the Environmental Baseline Survey and is the same as Exhibit D to the Right-Of-Way. ([Maxwell/Amendment#9/Q13](#))

Q2. Does the Air Force believe that there is a benefit in having an independent service obligation? How will the existence of such an obligation be factored into the Air Force's best value determination?

A2. See the response to question 1 above. ([Maxwell/Amendment#10/Q5b](#))

Section C.3: Questions and Answers

Q1. Referencing the term “similarly situated utility service customers,” the clause may create a different standard for a local utility (which has other utility service customers) and another entity, which may not have other customers and likely would not have similarly situated customers. A local utility could be placed at a service and pricing disadvantage as compared, for example, to another entity which has no local area presence and which does not operate as a regulated public utility. Please comment.

A1. The Government intends for such utility service to correspond in many respects to service provided by the offeror to other customers who share general traits of size, complexity, location, demographics, demand, importance to the regional/local economy and national security. ([Maxwell/Amendment#10/Q10](#))

Q2. Will the Government pay through sub-CLINs 0003AB or 0003AC for all upgrades or renewals? In other words, are there any such projects that would have to be performed by the contractor and not be funded through either of these two sub-CLINs?

A2. Paragraphs C.3.1 and C.11.1 state the Contractor is responsible for funding upgrades and renewals. Sub-CLIN 0003AB and 0003AC are for the recovery of investments made by the Contractor. To the extent projects are funded by the Government they will be funded through these sub-CLIN's. It is conceivable that projects could be undertaken that are not funded by the Government, for example projects that do not benefit the Government. ([TRD/Amendment#3/Q10](#))

Q3. The contract requires that service practices must be modified as applicable federal, state or local laws/regulations are changed. Is there an order of precedence for these regulations in the event of conflict?

A3. Federal laws and regulations take precedence. ([TRD/Amendment#3/Q97b](#))

Q4. The contract requires that service practices must be modified as “applicable” Federal, state or local laws/regulations are changed. Please explain what would happen if a Federal law conflicts with non-federal laws/regulations (e.g., PSC rules). Would Federal law take precedence?

A4. See the responses to question 2 and 6 above. Federal law takes precedence. ([Maxwell/Amendment#10/Q11](#))

Q5. The above-noted concerns could require that a local utility create and operate under two performance standards: one applicable within the base and another applicable to its other customers (including the providing of electrical utility service to the base). If so, would any costs (direct or indirect) associated with maintaining dual standards be fully recoverable under the change of rates provisions?

A5. Should be addressed in the proposal. ([TRD/Amendment#3/Q97c](#))

Q6. What steps, if any, will DESC take to determine if any entity qualifies as an exempted public utility?

A6. DESC will take whatever steps it deems necessary to determine the status of any offeror. ([TRD/Amendment#3/Q98b](#))

Q7. Reference answers to questions 16, 27, 35, 78, 79, 81, 83, 85, 92, 94, 96, 97, 108, 126, 139, 155, 160, 164, 165 in Amendment 0003. These questions generally asked what state or local codes were considered applicable by the agency to Lackland AFB and Randolph AFB. The responses appear to conflict with paragraphs C.3.2.1. and C.3.2.2. of the statement of work. The final paragraph the Department of Defense General Counsel's opinion letter (attachment 2) indicates that such codes may be applicable, and that this applicability must be determined on a case by case basis. Has this been done as to the electrical and gas utilities for Randolph AFB and Lackland AFB? The answer to this question in Amendment 0003 directed offerors to propose what standards they would work to. This does not provide a equal basis for

preparation of offers and raises the following questions: Are offerors then free to choose whatever state and local service regulations and standards with which they want to comply at their own discretion? If not, what are the minimum standards?

A7. Proposed standards are a part of the Best Value Source Selection. Offerors proposing low standards may be scored lower on this item than offerors proposing high standards.

[\(TRD/Amendment#6/Q10a\)](#)

Q8. Is there any baseline of minimum standards with which offerors must comply? If so, what are they? This question refers not to CCN requirements, but to ratemaking, safety and reliability standards.

A8. The Government is relying on offerors to define standards in their proposals. Minimum standards are defined in RFP paragraphs C.3.2 and C.12. [\(TRD/Amendment#6/Q10b\)](#)

Q9. Is a level of service less than the bases are currently using acceptable? If not, what standards are Randolph AFB and Lackland AFB currently using and is that standard being met?

A9. The standards that are currently being worked to, and whether they are or are not being met is not necessary or relevant for preparing a proposal. The selected Contractor will be the one that provides the best value to the Government. Best value includes the level of service and standards that are proposed. The selected Offeror will be the one that demonstrates its ability to deliver the best value to the government. [\(TRD/Amendment#6/Q10c\)](#)

Section C.3.1: Questions and Answers

Q1. C.3.1 Utility Service Requirement pp. 19-20. This subsection states, "This contract does not include the purchase of commodities." Does this mean that the procurement of electricity is not covered by this solicitation?

A1. Yes. The commodity is NOT part of this solicitation. The Government will continue to purchase power through the existing commodity contract. ([Maxwell/Amendment#9/Q14](#))

Q2. Referencing Section C.3.1 (Utility Service Requirement), the Solicitation does not indicate that the contractor is required to redistribute natural gas that is delivered to the Installations by the upstream utility service providers (i.e., Alabama Gas Corporation (Alagasco)).

- a. Is the contractor required to redistribute natural gas?
- b. Our company's tariff contains prohibitions on the resale of electricity and natural gas. Assuming that an entity other than the local public utilities acquires ownership of the on-Base utility systems and it is determined (e.g., by order of the APSC) that the redistribution of natural gas would violate the resale restrictions, what are the consequences if the Contractor is unable to provide a redistribution service?
- c. Would this be a basis to terminate the service contract? If so, would the termination be for the convenience of the Government (a "T for C") of default (a "T for D")?

A2. The contractor is not "redistributing" gas. The contractor is required to provide the utility service IAW C.3.1. (See also the responses to questions 2 and 6 above.) Since this acquisition is governed by Federal law, the Government does not envision a situation where an entity would be precluded by State law, rule, ordinance, etc. in providing service; hence, termination in this scenario would be inoperative. Also, the Government desires that termination be the last choice for failure of the contractor to abide by the terms and conditions of the contract since there are other remedies available. ([Maxwell/Amendment#10/Q7](#))

Q3. Referencing Section C.3.1 (Utility Service Requirement), if the service contractor is terminated (e.g., because the Contractor is unable to redistribute natural gas), how would the Air Force reacquire any distribution facilities transfer by Deed of Sale to the Contractor? The Air Force's User Guide for the Deed of Sale indicates that the ownership transfer may not contain reversionary rights and that any reacquisition of a transferred system must be based on its fair market value.

- a. Would the determination of the fair market value be offset in any manner by any termination liability paid to the Contractor under the service contract?
- b. What is the source of funds (e.g., operations or MILCON) for a possible system repurchase? Will such funds be available in a timely manner to support the missions?

A3. The Government intends to select the entity that can provide the services solicited in this RFP for the full term of the contract. The Government will not speculate on events that may or may not take place during the life of the contract. The Government's source of funds is not relevant to this RFP. ([Maxwell/Amendment#10/Q8](#))

Section C.3.2: Questions and Answers

Q1. Referencing Section C.3.2 (Performance Standards) does the term “industry standard” apply as a more-or-less generic application that refers to the general practices of an industrial sector? If so, the clause may conflict with the provisions of the Solicitation that relate to the applicability of laws and regulations.

A1. The general standards set forth in the RFP are applicable to all offerors.

The Contractor shall perform its required service(s) in accordance with the Quality Management Plan (see Para C.12). ([Maxwell/Amendment#10/Q9](#))

Q2. With regards to Randolph AFB and Lackland AFB, section C.3.2.1 is understood to require the system to be brought up and remain consistent with City of San Antonio standards. Is that correct? If not, what are the specific local codes applicable to these two bases?

A2. Please refer to paragraph C.3.2 and C.12. The Offeror is to propose what standards it will work to. ([TRD/Amendment#3/Q16](#))

Q3. Section C.3.2.1 is understood to require a license from the Texas Utility Commission, at least for Randolph AFB and Lackland AFB. Is this license a precondition to award?

A3. No, See answer to # 2. ([TRD/Amendment#3/Q17](#))

Q4. Referencing Section C.3.2 (Performance Standards) whether a law or regulation is applicable will depend in part on whether or not the service (or service provider) is subject to the jurisdiction of the PUCT, TRRC, etc. Has the Government sought a determination of the jurisdictional status for each electric and gas system/service at Randolph AFB and Lackland AFB? See, also Section C.3.3.2. If so, please provide it.

A4. See # 78 ([TRD/Amendment#3/Q96](#))

Q5. Referencing Section C.3.2 (Performance Standards), does the term industry standard mean the utility industry standard in the geographic area where the Government installation is located? If not, the clause may conflict with the provisions of the RFP that relate to the applicability of laws, regulations, and ordinances: Referencing the term similarly situated utility service customers, does this phrase refer to San Antonio customers for Randolph AFB and Lackland AFB? If not, this language creates a different standard for a local utility (which has other utility service customers in the area) and another entity which would not have similarly-situated customers.

A5. The general standards set forth in the RFP are applicable to all offerors. ([TRD/Amendment#3/Q97a](#))

Q6. Referencing Section C.3.2.1, electric public utilities (and only regulated public utilities) are exempted from certain provisions in the NESC. This exemption could reduce an installation’s total utility service costs (e.g., in terms of using the transformation capacity actually needed and not some arbitrary capacity and hence lower transformation losses). Will DESC incorporate the cost implications of this and other code or operational differences between a regulated electric utility and an unregulated entity in its RFP price evaluation and/or comparative life cycle cost assessments? If so, how? If not, how will an accurate cost comparison/cost realism be performed?

A6. Yes, a best value source selection allows for tradeoffs between cost and technical capabilities.

([TRD/Amendment#3/Q98a](#))

Q7. Referencing Section C.3.2 (Performance Standards), does the term “industry standard” apply as a more-or-less generic application that refers to the general practices of an industrial sector? If so, the clause may conflict with the provisions of the RFP that relate to the applicability of laws and regulations. Referencing the term “similarly situated utility service customers,” the clause creates a different standard for a local utility (which has other utility service customers) and another entity which may not have other customers and likely would not have similarly-situated customers. A

local utility could be placed at a service and pricing disadvantage as compared, for example, to another entity, which has no local area presence and which, does not operate as a regulated public utility. Does the noted term refer collectively to service within an installation or to the service characteristics for a given building connection? A group of buildings? The contract requires that service practices must be modified as “applicable” Federal, state or local laws/regulations are changed. Please explain what would happen if a Federal law conflicts with non-federal laws/regulations (e.g., city ordinances). Would Federal law take precedence?

A7. See # 97. ([TRD/Amendment#3/Q165](#))

Section C.3.3: Questions and Answers

Q1. C.3.3.1 Future Secondary Meters p. 21. Will the Government consider the impact on the utility service provider when changing or adding installation requirements? Will the Government's ability to unilaterally institute such changes be limited to certain purposes or circumstances or otherwise made subject to coordination/consultation and negotiation with the utility service provider? Who determines whether the changed or added requirement constitutes "reasonable cause" for a service charge adjustment?

A1. It is the intent of the Government to provide as much advance notice as possible for new meter requirements and coordinate/consult with the Contractor prior to implementing changes. The Government anticipates providing requirements to the Utility Contractor annually so the contractor can plan accordingly. The Administrative Contracting Officer will determine whether the changed or added requirement constitutes "reasonable cause" for a service charge adjustment. As provided in paragraph G.3, "Failure of the parties to agree upon any change after a reasonable period of time shall be a dispute under the Disputes clause." (See page 44 of this solicitation, FAR Clause 52.233-1, "Disputes".) ([Maxwell/Amendment#9/Q15](#))

Q2. Referencing Section C.3.3 (Secondary Metering), who is responsible if there is a dispute regarding a secondary meter reading?

A2. Any dispute on meter reading will be between the Government and the contractor. ([TRD/Amendment#3/Q99](#))

Q4. Referencing Section C.3.3 (Secondary Metering), it is understood that some submeters are used for reimbursable/tenant billing. Is a tenant a customer of the contractor or the installation?

A3. The installation. ([TRD/Amendment#3/Q100](#))

Q4. Referencing Section C.3.3.1 (Future Secondary Meters), since Section G.3 does not permit rate changes for the first two contract years, would a contractor still be required to install additional meters if so directed by the Government? How will it be compensated?

A4. If there is a change in requirements, rate changes would be handled under the Changes clause, FAR 52.243-1 Alt 1. See amendment. ([TRD/Amendment#3/Q101](#))

Section C.3.4: Questions and Answers

Q1. C.3.4 Energy and Water Efficiencies and Conservation p. 21. Will the Government consider the impact on and coordinate/consult with the utility service provider prior to entering into future energy efficiency and/or conservation projects?

A1. Attachment J (para 1.7) identifies energy savings projects on the distribution system . It is the intent of the Government to provide as much advance notice as possible prior to implementing energy efficiency and/or conservation projects and coordinate with the Contractor prior to implementation.

([Maxwell/Amendment#9/Q16](#))

Q2. What does the phrase prohibit or negatively impact implementation of any such future energy ... projects mean in Section C.3.4? Does this mean that the contractor has to agree now to construct or make whatever changes the Government comes up with without any limitation?

A2. The Government reserves the right to implement projects that will reduce their commodity usage. In most cases these will be internal to the buildings and will not involve this contractor. If the Government elects to implement a project for energy saving purposes that does involve the contractor it will be handled similar to any other upgrade or improvement project. Refer to Par

C.11. ([TRD/Amendment#3/Q18](#))

Section C.3.5: Questions and Answers

Q1. C.3.5 Energy/Water Commodity Supply pp. 21-22. This subsection states, "Electric, natural gas, and water commodity supply is not included in this contract. The Government retains the right to procure or supply electricity, and/or natural gas, and/or water that will be transported on the system(s) covered by this contract from any source. The successful Contractor(s) may or may not be the supplier(s) of the commodity procured by the Government. The Government or Government Commodity Contractor will retain ownership of all commodities transported and distributed through the Contractor-owned systems." What is meant by this statement? Does the Government intend to comply with State law concerning the procurement of electricity?

A1. The commodity is NOT part of this solicitation. The Government will continue to purchase water, natural gas, and power through existing commodity contracts. ([Maxwell/Amendment#9/Q17](#))

Q2. Referencing Section C.3.5 (Commodity Supply), the clause may violate the terms of a local utility's tariffs related to prohibitions on a sale for resale if the internal utility system is owned by another entity.

a. Has the Air Force determined whether such a violation would occur? Which party would assume the risk of such a violation?

b. Alternatively, the practical effect of the clause may be to unilaterally modify a local utility's tariff terms. If so, what is the Air Force's authority to do so?

A2. The point of purchase of the commodity is not changing. The commodity will be owned by either the Government or the commodity provider. Also, see answer the to question 7. ([Maxwell/Amendment#10/Q12](#))

Q3. Under what conditions does the Government contemplate that the contractor would be a supplier of the commodity, since the contract does not cover supplying the commodity? Section C.3.5.

A3. If purchase of commodity is regulated, commodity will be purchased separately from the required source. If commodity is deregulated, commodity will be purchase from the source the Government selects in a separate competitive procurement. ([TRD/Amendment#3/Q19](#))

Q4. Referencing Section C.3.5 (Commodity Supply), the clause may violate the terms of a local utility s tariffs related to prohibitions on a sale for resale if the internal utility system is owned by another entity. Has DESC determined whether such a violation would occur at Randolph AFB and Lackland AFB? Which party would assume the risk and cost responsibility of such a violation?

A4. The point of purchase of the commodity is not changing. The product will be owned by either the Government or the commodity provider. ([TRD/Amendment#3/Q102](#))

Q5. Referencing Section C.3.5 (Commodity Supply), the clause may violate the terms of a local utility's tariffs related to prohibitions on a sale for resale if the internal utility system is owned by another entity. Has DESC determined whether such a violation would occur? Which party would assume the risk of such a violation? Alternatively, the practical effect of the clause may be to unilaterally modify a local utility's tariff terms. If so, what is DESC's authority to do so?

A5. See # 102. ([TRD/Amendment#3/Q166](#))

Section C.4: Questions and Answers

Q1. Referencing Section C.4 (Service Area), must a contractor provide service to all areas and customers within the installations, even if a tenant occupies a building? What are the implications if the housing stock is privatized and a developer and not the Government owns the houses? Will the developer be a customer of the Government, the contractor, or the commodity contractor? Will a tenant (renter) in a privatized housing area be a customer of the Government, the contractor or the commodity contractor?

A1. All areas and customers within the installation are considered part of the Government and will be provided service under the contract unless otherwise specified. The ownership of the land does not change, housing is still part of the Government housing for purposes of this contract. The developer and the tenant will be considered part of Government. ([Maxwell/Amendment#10/Q13](#))

Q2. Referencing Section C.4 (Service Area), must the contractor provide service to all areas and customers within an installation, even if a building is occupied by a tenant?

A2. All areas and customers within the installation are considered part of the Government and will be serviced under this RFP unless otherwise specified. ([TRD/Amendment#3/Q103](#))

Q3. What are the implications if an installation's housing stock is privatized and the houses are owned by a developer and not the Government?

A3. The ownership of the land does not change, the housing is still part of the Government housing for purposes of this contract. ([TRD/Amendment#3/Q103a](#))

Q4. Will the developer be a customer of the Government, the contractor or the commodity contractor? Will a tenant (renter) in a privatized housing area be a customer of the Government, the contractor and/or the commodity contractor?

A4. The developer and the tenant will be considered a part of the Government. ([TRD/Amendment#3/Q103b](#))

Q5. Referencing Section C.4 (Service Area), will any designation by the ACO of an area where service shall commence/discontinue be grounds for a Section G.3 charge adjustment? Must a contractor comply with all such designations, even if it is not adequately compensated within two years of contract award?

A5. Commencement or discontinuation of service changes the description of services to be performed and would be handled as part of the Changes clause, FAR 52.243-1 Alt 1. ([TRD/Amendment#3/Q104](#))

Q6. DESC seems to recognize that system integration offers tangible benefits, especially if it is extended to a contractor's ability to use its off-Base facilities to minimize the cost to extend or modify service to on-Base locations. Other DoD installations have included system integration as a minimum service requirement, and DESC should do likewise. Will DESC consider the value of system integration in its evaluation process, since this is an advantage that only CPS can provide at Randolph AFB and Lackland AFB? If so, how?

A6. Any advantages accruing from integration may be included in the price proposal. ([TRD/Amendment#3/Q107](#))

Q7. Would any such rate adjustment be automatically applied? That is, would an offeror in any way be placed at risk if a joint use is not totally approved? Would this be a basis for an (automatic) rate redetermination?

A7. Joint use should be approved in advance. ([TRD/Amendment#3/Q127b](#))

Q8. What will be the consequences if regulatory authorities disapprove?

A8. See 127b. ([TRD/Amendment#3/Q127c](#))

Q9. Please reconcile the joint use implications noted above (per Schedule B-1 and C.4.1) with the consent requirement in Condition 11.2 of the Grant of Right-of-Way (ROW).

A9. See 127a. ([TRD/Amendment#3/Q127d](#))

Section C.4.1: Questions and Answers

Q1. C.4.1 Use of Distribution Facilities to Serve Areas Outside the Installation Service Area p. 22. If the utility system is used by the Contractor for the benefit of its other customers, how will compensation to the Government, if required, be calculated and by whom?

A1. The Government anticipates that the Contractor will propose a method of compensation that will be reviewed and negotiated with the Administrative Contracting Officer for substantiated costs and fair and reasonable pricing prior to approval. Some of the factors include:

1. How the commodity would be metered for those outside the Government facility since in some instances commodity supply will be determined at the master meter.
2. Payment for improvements that may benefit outside customers more than the Government, etc. ([Maxwell/Amendment#9/Q18](#))

Q2. Referencing Section C.4.1 (Use of Facilities), the clause as written seems to authorize the contractor (even if other than a local utility) to provide a utility service to areas or customers outside of an installation, even if to do so may otherwise be in contravention of state or local law.

a. Is this the intent of the clause? Does the Air Force believe that an entity other than the local utility has the legal authority to integrate the on- and off-base natural gas utility systems? If so, what is the basis for this determination? Will the Air Force independently verify possible assertions by an entity other than a local utility that it could integrate the systems?

b. If a local utility is the only entity that can integrate the on- and off-base natural gas utility systems, will the Air Force consider this in its best value determinations?

A2. No such authorization is given. This paragraph merely states that the contractor may provide service outside the base. The contractor is responsible for securing any and all necessary approval to serve off base. ([Maxwell/Amendment#10/Q14](#))

Q3. What factors would be considered for approval to use the utility infrastructure to serve customers off base? Reference Section C.4.1. How would compensation be determined?

A3. Compensation is negotiated. One factor may be available excess capacity allowing for increased financial benefit to the Government. ([TRD/Amendment#3/Q20](#))

Q4. Referencing Section C.4.1 (Use of Facilities), the clause as written seems to authorize the contractor (even if other than a local utility) to provide a utility service to areas or customers outside of an installation, even if to do so may otherwise be in contravention of state or local law as to Randolph AFB and Lackland AFB. What adjustments will be made to the contract if the contractor is precluded by from providing services outside of either Randolph AFB and Lackland AFB?

A4. No authorization is given. This paragraph is only stating that the contractor may provide service outside the base. See answer to question 82. ([TRD/Amendment#3/Q105](#))

Q5. Referencing Section C.4.1 (Use of Facilities), in San Antonio the local utility is the only entity that can integrate a privatized system with off-base electric distribution facilities for Randolph AFB and Lackland AFB, and as such is the only entity that can use a privatized system to serve outside areas or customers (or vice versa). The award of a privatized service contract to an entity other than CPS, the local utility, would prevent favorable integration opportunities. How will this situation be evaluated?

A5. Such opportunities should be reflected in the proposal. ([TRD/Amendment#3/Q106](#))

Q6. Section C.4.1 requires the ACO s approval before privatized distribution facilities may be used to serve or benefit off-Base customers (i.e., a joint use of facilities). Any such service, as with all services, by contract must also apply with state and local regulations and ordinances.

What will be the consequences if a rate reflects a joint use and that use is not approved, in whole or in part by the ACO? Would this be a basis to modify the service charge during the first two years of the contract?

A6. If an offeror proposes such usage as part of their initial proposal, approval can be discussed during initial contract negotiations and incorporated into contract award. ([TRD/Amendment#3/Q127a](#))

Q7. With regards to section C.4.1, what right does the Government have to authorize the contractor to provide utility services to serve or benefit areas or customers outside the service area(s)? This provision conflicts with Texas utility law.

A7. See #82 ([TRD/Amendment#3/Q137](#))

Q8. Referencing Section C.4.1 (Use of Facilities), the clause as written seems to authorize the contractor (even if other than a local utility) to provide a utility service to areas or customers outside of an installation, even if to do so may otherwise be in contravention of state or local law. While others have argued that the Supremacy clause of the U.S. Constitution is a basis for the preemption of any conflicting state or local laws, does DESC intend to extend this preemption to external customers or areas?

A8. See # 105. ([TRD/Amendment#3/Q167](#))

Section C.5: Questions and Answers

Q1. Please explain how a delivery service can be provided by the Government if a contractor owns the wires and pipes (i.e., delivery facilities)? Does the Government intend to exclude all delivery costs from any negotiated sale price? Would this not violate policies on setting rates for reimbursable/tenant customers?

A1. The Government intends to provide utility services (to include commodity and distribution) to its tenants IAW installation AFIs. ([Maxwell/Amendment#10/Q15b](#))

Q2. For a purchase by a contractor there presumably would be a related sale. If so, would this not potentially violate an external utility's resale provisions?

A2. The Government is not aware of any violation. ([Maxwell/Amendment#10/Q15c](#))

Q3. How can a delivery service be provided by the Government if a contractor owns the wires and pipes (i.e., delivery facilities)? Does the Government intend to exclude all delivery costs from any negotiated sale price? Would this not violate policies on setting rates for reimbursable/tenant customers?

A3. The Government intends to provide utility services to its tenants. ([TRD/Amendment#3/Q109b](#))

Q4. For a purchase by a contractor there presumably would be a related sale. If so, would this not potentially violate an external utility's resale provisions at Randolph AFB and Lackland AFB?

A4. We are not aware of any violation. ([TRD/Amendment#3/Q109c](#))

Section C.5.1: Questions and Answers

Q1. There appears to be a conflict between C.5.1.2 and attachments J11 and J19, which list tools, equipment, etc. Will all items listed in the attachments be included in the Bill of Sale?

A1. The utility specific attachments provide information on tools and equipment that the Government intends to transfer. The final list will be made part of the Bill of Sale. See joint inventory in C.13.6.4. ([TRD/Amendment#3/Q21](#))

Q2. C.5.1.3 Contractor Facilities pp. 22-23. As written, the Contractor may be responsible for loss or damage to utility facilities arising out of the fault or negligence of the Government's tenants, contractors, licensees or invitees. Does the Government intend such a result?

A2. Paragraph C.5.1.3 states "...The Contractor shall be responsible for all loss or damage to these facilities except (emphasis added) those that arise out of the fault or negligence of the Government, its agents, or its employees." ([Maxwell/Amendment#9/Q19](#))

Q3. Referencing Section C.5.1.3 (Contractor Facilities), utility services can be purchased from the Government. For gas service, does this apply to the commodity (which by contract the Government will own) and/or the delivery of gas?

A3. Yes, the Government will provide the commodity and distribution services for contractor facilities IAW paragraph C.5.1.3 of the RFP. ([Maxwell/Amendment#10/Q15a](#))

Q4. When will a contractor not have title to facilities it builds and equipment it installs? See Section C.5.1.3.

A4. The Government does not intend to hold the title for any facilities used exclusively for the utility service. In some rare cases where joint use (Government and the new owner) of a facility provides the greatest financial benefit, the Government may elect to hold the title. ([TRD/Amendment#3/Q22](#))

Q5. What are the existing Installations Architectural Standards for Lackland AFB and Randolph AFB. See Section C.5.1.3.

A5. Available in the Technical Library ([TRD/Amendment#3/Q23](#))

Q6. Section C.5.13 Contractor Facilities states that supporting utility services for contractor facilities (gas, electric, phone, etc.) can be purchased from the government at a rate to be negotiated that will be equivalent to other non-government tenants of the installation. Will the government provide examples of such rates? Please explain how the government will treat differences in such rates during the evaluation process.

A6. Reimbursable rates are calculated every year (AF form 3556). Previous years rate sheets will be available in the technical library. We anticipate rates will be the same for all offerors. ([TRD/Amendment#3/Q55](#))

Q7. Section C.5.1.3 Contractor Facilities – What, if any, facilities will be available on each of the installations for offices and/or equipment storage facilities? What, if any, space will be available on each installation so that the contractor may construct office and/or equipment storage facilities?

A7. Depends on the utility being considered. If the construction of office space or storage facilities is required the Contractor will need to obtain ROW access to an area. In some cases and if space is available the Government may rent the Contractor the needed space. Offerors should address the need for onsite office space and storage in their proposal. ([TRD/Amendment#3/Q56](#))

Q8. Referencing Section C.5.1.3 (Contractor Facilities), is there an absolute requirement to comply with an installation's architectural standards, even if such standards may conflict with a local utility's rules and standards? Could a local utility's proposal be considered non responsive

if it contained an exception to this requirement, when it is mandatory that it do so? This provision may conflict with the contract provision to comply with state and local regulations and ordinances. In the event of a conflict, which provision of the contract controls?

A8. The offeror should identify any inconsistencies and any exceptions taken in its proposal. The base standards would prevail unless otherwise provided in the contract. ([TRD/Amendment#3/Q108](#))

Q9. Referencing the response to Question #15 (Contractor Facilities), the response states that the Government will provide the commodity and distribution services. We do not understand how the Government can provide a distribution service if another entity owns the facilities that represent the exclusive physical means to provide that service. The RFP clause cited in the response (Section C.5.1.3) clearly provides that the contractor shall “acquire, install, and operate and maintain all facilities.” Please clarify.

A9. See Attachment J-41, "Right-of-Way", paragraph 8. ([Maxwell/Amendment#14/Q26r](#))

Q10. Referencing Section C.5.1.3 (Contractor Facilities), utility services can be purchased from the Government: For electric and gas service, does this apply to the commodity (which by contract the Government will own) and/or the delivery of power or gas?

A10. Commodity and distribution services. ([TRD/Amendment#3/Q109a](#))

Q11. Referencing Section C.5.1.3 (Contractor Facilities), utility services can be purchased from the Government. For electric and gas service, does this apply to the commodity (which by contract the Government will own) and/or the delivery of power or gas? How can a delivery service be provided by the Government if a contractor owns the wires and pipes (i.e., delivery facilities)? Does the Government intend to exclude all delivery costs from any negotiated sale price? Would this not violate policies on setting rates for reimbursable/tenant customers? For a purchase by a contractor there presumably would be a related sale. If so, would this not potentially violate an external utility’s resale provisions?

A11. See # 109. ([TRD/Amendment#3/Q168](#))

Q11. C.5.1.4, Record Drawings, references CAD/CAM and GIS. Please specify these systems and requirements for data.

A12. (Section C.5.1.4): CAD-CAM (Computer Aided Design – Computer Aided Manufacturing). The Government presently uses AutoCAD 2000 as its computer aided design software. CAD software compatible with this will be acceptable. For Geographical Information Systems, the Government conforms to Tri-Service Spatial Data Standard (TSSDS) for utility point mapping. The Contractor may propose alternatives as long as they are compatible. ([Maxwell/Amendment#4/Q1b](#))

Q13. Section C.5.1.4 Record Drawing states "Contractor shall provide available drawings to the Government in the form of CAAD-CAM disks using the latest release software compatible with government systems at no cost to the government." Please clarify "at no cost to government." Can the costs of this capability and service be included in the O&M costs?

A13. The Government anticipates that the Contractor will provide updated electronic copies or CD-ROM disks of record drawings whenever changes or upgrades are made to the system. This will allow the Government to perform community planning and construction siting drawings with minimal impact to existing utilities. The decision on how or where to include the costs in the proposal rests with the Contractor and will be evaluated along with all other requirements. ([Maxwell/Amendment#9/Q2](#))

Q14. Referring to Section C.5.1.4 Record Drawings. What are the latest software applications and version numbers and the type of GIS system used at each installation?

A14. Most bases use the latest version of either Autocad or Microstation. ([TRD/Amendment#3/Q172](#))

Section C.5.2: Questions and Answers

Q1. Referencing Section C.5.2.3 (Conflict of Interest), please provide standards for a determination of when or if a conflict of interest may exist. Assuming that a local utility in good faith hires a Government employee and thereafter it is determined that there is a conflict of interest, would any costs associated with the termination or transfer of the affected employee be recoverable from the Government? The clause could require taking an adverse personnel action in contravention of an offeror's internal equal opportunity or other employment practices.

A1. Standards are available in DODR 5500.7, Joint Ethics Regulations (JER). ([TRD/Amendment#3/Q110](#))

Q2. Referencing Section C.5.2.5 (QAE/QC Personnel), will DESC identify the personnel? If so, when? What is the Government quality control plan? Please furnish a copy.

A2. QAE/QC personnel will not be identified. We are uncertain as to what documents are being requested. ([TRD/Amendment#3/Q111](#))

Q3. What controlled/restricted access areas are at Randolph AFB and Lackland AFB? Reference Section C.5.2.6.

A3. Available in the Technical Library ([TRD/Amendment#3/Q24](#))

Q4. Sections C.5.2.6 and 5.2.7 discuss unescorted entrance into restricted areas. Please identify the restricted areas, which will require contractor entrance. Please specify the actions required to obtain "facility clearance" for these areas.

A4. The only known buildings that will require restricted entry are Building 1406 (Air Force War Gaming Institute) at Maxwell AFB and Building 857 (Defense Information System Agency) at Gunter Annex. The Contractor will need personnel to obtain a minimum "National Agency Clearance" to enter the mechanical spaces in these buildings. A facility security clearance is not a requirement of this contract. Paragraph C.5.2.6 and C.5.2.7 will be revised and change pages provided in a future amendment. ([Maxwell/Amendment#9/Q3](#))

Q5. Referring to Section C.5.2.8 Listing of Employees and Subcontractors. Keeping a list of local employees is reasonable, a list of local subcontractors is doable. However, in times of emergency restoration a utility will pull in crews and contractors from across it's system to aid in service restoration. Do you expect to have a list that includes all of the utility personnel and system subcontractors? Would providing the list of local crews and subcontractors be deemed unresponsive? ([TRD/Amendment#3/Q173](#))

A5. A list of employees who are involved in normal operations is acceptable. A list of personnel who only support emergencies is not necessary. However, if a specific person or persons is normally responsible for managing emergencies, they should be included in the list.

Section C.7: Questions and Answers

Q1. Referencing Section C.7 (Service Interruption Plan), please explain the criteria, which will be used with respect to the Government's acceptance/approval of a plan. There is concern that the acceptance/approval criteria may conflict with its system standards and thereby lead to a non-responsive proposal (if before contract award) or a conflict with otherwise applicable standards (if after contract award).

A1. Criteria are identified in the RFP. Exceptions taken should be noted in the proposal. The RFP permits alternative proposals. ([TRD/Amendment#3/Q112](#))

Section C.8: Questions and Answers

Q1. Section C.8, states that "should the Installation, during the term of this contract, have an emergency Restoration Plan that prioritizes service restoration, the plan may be presented to the contractor and the Contractor shall adhere to the priority list established within the plan." Is there such a plan now in existence? Will the change be handled IAW Changes Clause.

A1. The Installations Facility Priority List is provided in the Technical Library. Changes to this plan are usually infrequent and should not require action outside normal industry practices that occur when new hospitals, police stations, change of occupancy, etc. are brought on line. Any future changes will be handled in accordance with the Changes clause. ([Maxwell/Amendment#9/Q4](#))

Q2. C.8 Routine, Urgent, and Emergency Repair Response pp. 25-26. If adhering to the Government's Emergency Restoration Plan adversely affects other customers on the Contractor's system, will the Government reimburse or otherwise compensate the Contractor for any such costs, losses, damages, etc.?

A2. The Government does not believe the times specified exceed typical industry standard goals for response times. However, if the Contractor believes this to be the case, they should prepare the Service Interruption /Contingency Plan and proposal with these provisions addressed in order for the Government to assess mission risk. If proposed response times differ from the requirements shown, the Contractor shall clearly identify this as an exception as outlined in Section L of the RFP. The Government will not provide additional compensation for any such costs, losses, damages, etc. ([Maxwell/Amendment#9/Q20](#))

Q3. Does the Government or the Contractor make the final determination as to whether an event is an emergency, urgent, or routine condition? In other words, can the Contractor, upon receipt of the service request, make an expert judgment that the condition described in the request is a greater or lesser threat or hazard (taking into consideration the total system impact) and respond accordingly?

A3. The Contracting Officer Representative will indicate at the time the call is placed to the Contractor their determination as to whether the event is an emergency, urgent, or routine condition in accordance with the contract. The final determination will be made by the Administrative Contracting Officer where there is disagreement between the COR and the contractor. ([Maxwell/Amendment#9/Q21](#))

Q4. Referring to Section C.8 (Routine, Urgent, and Emergency Repair Response), at what point in each request will it be identified as routine, urgent or emergency? Will it be determined mutually or stated by the Government at the time of the notification?

A4. Definitions for Routine, Urgent, and Emergency are contained in C.8. Also, see response to question 21 of Amendment 0009 to this RFP. ([Maxwell/Amendment#10/Q16](#))

Q5. If mandatory, would a failure to respond be grounds for a termination for default?

A5. Termination for default is the last choice of the Government to handle noncompliance with contract terms and conditions. There are other contractual remedies available to the Government. ([TRD/Amendment#3/Q114a](#))

Q6. Referring to Section C.8 Routine, Urgent, and Emergency Repair Response. At what point in each request will it be identified as routine, urgent or emergency? Will it be determined mutually or stated by the government at the time of the notification?

A6. Definitions for Routine, Urgent and Emergency are contained in C.8. The person reporting the problem should be able to provide enough information to determine whether the problem is routine, urgent or emergency. If they do not, then it would be up to the contractor to get the information necessary to make a determination. ([TRD/Amendment#3/Q174](#))

Section C.8.2: Questions and Answers

Q1. Section C.8.2. We would like to assimilate the Installation systems into our own emergency response plan. This plan prioritizes our work based on various requirements, #1 being health/safety. If there is an "emergency" on base that may be less threatening than off-base, can exceptions be made to the 1 or 2 hour response requirements?

A1. The Contractor's proposed emergency response plans should attempt to address all possible contingencies and clearly state any situations that may lead to delayed response and the Government will evaluate the plan for mission risk accordingly. ([Maxwell/Amendment#9/Q5](#))

Q2. Referencing Section C.8.2 (Routine Service Requests), a routine service request may include new or relocated service locations. How is the contractor compensated for performing these requests?

A2. This changes the description of services to be performed and would be handled under the changes clause, FAR 52.243-1 Alt 1. ([TRD/Amendment#3/Q113](#))

Q3. Referencing Section C.8.2 (Emergency Service Requests), is the one hour response time a mandatory requirement or does it represent a best efforts standard?

A3. If it becomes part of the contract, it will be mandatory. ([TRD/Amendment#3/Q114](#))

Section C.8.4: Questions and Answers

Q1. Referring to Section C.8.4 Routine Service Requests. In order to meet a 30 day response to some service requests equipment may need to be purchased that requires a longer than 30 day time period to acquire (i.e. switchgear). In order to best meet the needs of the installation advance notice of utility needs should be communicated as soon as they are known.

A1. Correct. ([TRD/Amendment#3/Q175](#))

Section C.9.3: Questions and Answers

Q1. Would a contract modification in accordance with the Section G.3 change of rates provisions/adjustment be required for the recovery of any associated costs? Please note that in accordance with Section C.9.3, the addition or deletion (but not a relocation) of a connection may not necessarily be the basis for a rate redetermination. Would such a rate redetermination be prohibited during the first two contract years?

A1. Such rate redeterminations are not prohibited. ([TRD/Amendment#3/Q113a](#))

Q2. C.9.3.1 Temporary connections, states that "the Government will not pay for temporary connections or utility usage." Please clarify about utility usage. If this is for the convenience of the Government, will this require the Contractor to pay for the energy use at the temporary site? If this is for the convenience of a construction contractor, how will charges be recovered? Are there any limits to quantities of temporary services?

A2. The Contractor will provide the temporary hook-up or service for a fee negotiated directly with the construction contractor requiring temporary utility service. All other connections/disconnections shall be included in the annual cost of service. ([Maxwell/Amendment#9/Q6](#))

Q3. C.9.3.1 Temporary Connections p. 27. As written, the Contractor seems to be required to extend temporary service at the request of either the Government or its contractors at no cost? Is it the Government's intent that the Contractor agree that any and all costs/expenses that may be incurred to provide such service are not reimbursable?

A3. The Contractor will provide the temporary hook-up or service for a fee negotiated directly with the construction contractor requiring temporary utility service. All other connections/disconnection should be included in the annual cost of service. The cost for electrical use during construction projects is addressed in the construction contract. ([Maxwell/Amendment#9/Q22](#))

Q4. Referencing Section C.9.3.1 (Temporary Connections), the contractor shall extend temporary service, but the Government will not pay for any temporary service connections without the authorization of the Administrative Contracting Officer (ACO). Does this mean the contractor must extend the service even if the ACO declines approval?

A4. No. ([TRD/Amendment#3/Q115](#))

Section C.9.4: Questions and Answers

Q1. C.9.4 Scheduled Utility Service Interruptions p. 27. If the Government's rescheduling order adversely affects other customers on the Contractor's system, will the Government reimburse or otherwise compensate the Contractor for any such costs, losses, damages, etc.?

A1. The Government does not anticipate that this will occur on a frequent basis, but only in the event of mission degradation. The intent here is to only invoke this clause in emergency situations since typically all interested parties will know about the outage well in advance. However, the Government does reserve the right to reschedule "routine" work in the event that military mission or operations require a delay. The Government anticipates that the Contractor will recognize that the military base may encounter some special circumstances requiring the Contractor to delay construction or maintenance activities. The Government will not compensate and/or reimburse the contractor for rescheduled work. ([Maxwell/Amendment#9/Q23](#))

Q2. Referencing Section C.9.4 (Scheduled Interruptions), the Government has the absolute and unilateral right to disapprove or cancel a scheduled service interruption if it might adversely affect an installation's mission and operations. It is conceivable that, during the course of a scheduled interruption, the contractor may determine that such a cancellation might adversely affect the public health and safety or service reliability. Whose priorities take precedence?

A2. This would be handled on a case by case basis. Concerns about cancellation of scheduled interruptions should be brought to the attention of the Administrative Contracting Officer or the Contracting Officer's Representative when the contractor receives a notice of cancellation. ([TRD/Amendment#3/Q116a](#))

Section C.9.5: Questions and Answers

Q1. C.9.5 Excavation Permits. Please provide a copy of the Installation's excavation permit process.

A1. This information is available in the Technical Library. ([Maxwell/Amendment#9/Q7](#))

Q2. Referring to section C.9.5 Excavation Permits. Provide the excavation permit process for each installation.

A2. Available in the Technical Library. ([TRD/Amendment#3/Q176](#))

Section C.9.6: Questions and Answers

Q1. C.9.6 Underground Utility Location. Please provide the numbers of line locations to be performed each year.

A1. Base historical records for utility location is provided in the Technical Library.

([Maxwell/Amendment#9/Q8](#))

Q2. C.9.6 Underground Utility Location p. 27. Does the Government intend for the Contractor to bear the full cost of line location with respect to lines laid prior to the transfer of utility facilities pursuant hereto?

A2. Yes, The Government does anticipate that the Contractor will bear the full cost of locating the utility lines they will own. Record drawings will be provided and should be reviewed and updated as necessary.

([Maxwell/Amendment# 9/Q24](#))

Q3. How accurately has the Government identified the existing locations of its utility lines? See Section C.9.6. What will happen if the initial Government information is incorrect?

A3. Accuracy of drawings varies from place to place. ([TRD/Amendment#3/Q25](#))

Section C.9.8: Questions and Answers

Q1. C.9.8 Exercises and Crisis Situation. We understand crisis situations can hardly be quantified in advance, but it appears that the contractor will be responsible for "exercises." If exercises are defined as pre-planned training models, and not real emergencies, please quantify the numbers of exercises to be performed each year and the type of support (personnel and equipment) required.

A1. The Government typically holds these exercises once per quarter. ([Maxwell/Amendment#9/Q9](#))

Q2. Referring to Section C.9.8 (Exercises and Crisis Situations Requiring Utility Support), does the Air Force intend that there should be an open-ended response capability (that is, without limit to number or duration)? Under what circumstances might unusual or excessive crisis requirements justify a Section G.3 service charge adjustment?

A2. Any excessive or unusual crisis requirements shall be subject to the Changes Clause of the contract. ([Maxwell/Amendment#10/Q17](#))

Q3. Referring to Section C.9.8 Exercises and Crisis Situations Requiring Utility Support. Define qualified personnel and equipment. What additional type of special equipment will personnel be required to have during these exercises and emergencies?

A3. This type of information will be provided when the contractor is notified of an upcoming exercise. For crisis situations, the contractor would be notified of the type of support necessary and based on that, the contractor should dispatch the correct personnel and equipment. ([TRD/Amendment#3/Q177](#))

Section C.10: Questions and Answers

Q1. C.10 Environmental Compliance p.27. Where do we obtain copies of all Installation procedures related to environmental protection activities, including the Installation Spill Contingency Plan (C.10.4.3)?

A1. The Installation Spill Contingency Plan and other environmental plans are available for review in the Technical Library. ([Maxwell/Amendment#9/Q25](#))

Q2. What are the installation procedures referenced in Section C.10 for Randolph AFB and Lackland AFB?

A2. Available in the Technical Library ([TRD/Amendment#3/Q26](#))

Q3. Referring to Section C.10 Environmental Compliance. It states that the contractor shall review and accept all installation procedures related to environmental protection.... Provide all procedures for each installation for review.

A3. Available in the Technical Library. ([TRD/Amendment#3/Q178](#))

Q4. Are there any environmentally sensitive areas on station? If so, please list and describe?

A4. Yes there are a number of environmentally sensitive areas. Almost all of these relate to former landfills, underground storage tanks, fuel spills, etc. There are very few that involve natural or historical resources. The best way to get a complete understanding of these is to arrange to visit the station and review the maps and documents that describe these areas. ([TRD/Amendment#6/Q4g](#))

Q5. Is there an official “Base spill contingency plan”? If so, can we get a copy?

A5. This document is kept in the station environmental office. It’s not available digitally and it’s not practical to send copies to all potential bidders. Arrangements can be made upon request for its review. ([TRD/Amendment#6/Q4h](#))

Q6. Does the base have an “applicable environmental impact analysis process”?

A6. Any work with potential environmental impact must be reviewed and approved by the station environmental office. Their review can take from 1 – 3 weeks depending on the magnitude of the proposed work. ([TRD/Amendment#6/Q4i](#))

Section C.10.1: Questions and Answers

Q1. Is the contractor required to have the required permit at the time of transfer? Section C.10.1. If not, at what point in time will it be required to have these permits?

A1. Any permits, licenses, etc. that are required must be in place prior to the contract start date.

[\(TRD/Amendment#3/Q27\)](#)

Section C.10.2: Questions and Answers

Q1. C.10.2 Work in Environmentally Sensitive Areas. Please identify the environmentally sensitive sites and contaminated property.

A1. An Environmental Baseline Survey identifying known sites will be available as part of the Technical Library. In addition, the Contractor will also be required to complete an “Excavation Permit” prior to any construction activities on the Installations. This will be coordinated through base personnel as outlined in the Installation excavation permit process and will be reviewed/approved by personnel familiar with the known sites prior to any excavation activities. ([Maxwell/Amendment#9/Q10](#))

Q2. C.10.2 Work in Environmentally Sensitive Areas p. 27. Where do we obtain a map and/or the list of environmentally sensitive sites and points of contact?

A2. The Government will provide this and other environmental plans in the Technical Library. In addition, the Government will provide a point of contact from the base Environmental Management Office. ([Maxwell/Amendment#9/Q26](#))

Q3. What are the environmentally sensitive areas at Randolph AFB and Lackland AFB? Section C.10.2. How will the contractor know it is going to access such an area without advance identification of such areas on the base.

A3. Available in the Technical Library. ([TRD/Amendment#3/Q28](#))

Section C.10.3: Questions and Answers

Q1. C.10.3 Environmental Impact Assessments p. 28. What is the scope of the environmental impact analysis? Who decides whether an action is "significant" for purposes of implementing this requirement? Who ultimately decides whether to proceed with an action that may impact the environment? Where do we obtain a copy of the Installation environmental impact analysis procedures/processes?

A1. The Contractor shall follow requirements in Air Force Instruction 32-7061, "Environmental Impact Analysis Process". The Government provides access to the Installation Environmental Impact Analysis Procedures/Process via the Internet at afpubs.hq.af.mil. This guide prescribes scope, significance, decision-maker, etc. for environmental impact analyses. ([Maxwell/Amendment#9/Q27](#))

Q2. For purposes of section C.10.3, what is the definition of modification of or other significant action? What regulation describes the requirements for such environmental assessment?

A2. Defined by NEPA. Also see ROW attachment 1 (F) for Air Force and Navy sites. ([TRD/Amendment#3/Q29](#))

Section C.10.4: Questions and Answers

Q1. C.10.4.2 Treatment/Disposal and Spill Response p. 27. We assume the requirements of this paragraph only apply to transportation by the Contractor. Can this be specified in the paragraph?

A1. Yes, that is true. This paragraph only applies to transportation by the Contractor or his subcontractors. ([Maxwell/Amendment#9/Q28](#))

Q2. C.10.4.3 Spill Contingencies p. 28. Where do we obtain a copy of the Installation Spill Contingency Plan? What standards will the Contracting Officer use to approve a Contractor-developed plan?

A2. The Installation Spill Contingency Plan will be available for review in the Technical Library. The Government will use standards as identified in the section C.10.4.3, paragraph two, last sentence (National Response Team's Integrated Contingency Plan Guidance). ([Maxwell/Amendment#9/Q29](#))

Section C.11: Questions and Answers

Q1. There seems to be a duplication of effort required in the first year submittals required in the Capital Upgrades and Renewal and Replacement Plan and the System Upgrades portion of the Operational Transition Plan. Please identify where these are different.

A1. The information in the plans does overlap to an extent. The Government has attempted to identify any known deficiencies for the respective systems (Code deficiencies or life/safety issues). The Government anticipates these and any other Contractor identified deficiencies will be corrected during the first year of ownership/operation by the Contractor as spelled out in the System Upgrades portion of their proposed Operational Transition Plan. The Capital Upgrades and Renewal and Replacement Plan is used as a planning tool for identifying requirements and costs for the next five years. ([Maxwell/Amendment#9/Q11](#))

Q2. C.11 Upgrades and Renewals and Replacements p. 30. Who is the final decision making authority as to whether an upgrade, renewal or replacement is required?

A2. The initial capital upgrade projects identified in Section J must be addressed in the Contractor's proposal and will be agreed to by both parties at the time of contract award. Future upgrades, renewals, and replacements should be identified in the Capital Upgrades and Renewals and Replacement Plan that is submitted annually. Final decision making authority will rest with the Contractor, however, the Contractor must demonstrate that any upgrades or renewals and replacements provide a benefit to the Government IAW Section C.11.2.2., second paragraph. ([Maxwell/Amendment#9/Q30](#))

Q3. Will we be required to provide new or additional services to each of the several new construction projects listed in J3?

A3. Projects presently under construction or under construction prior to transfer of the utility system will not require new or additional services. All projects subsequent to transfer shall be in accordance with paragraph C.11.2.4. ([Maxwell/Amendment#14/Q23](#))

Q4. Will the Government pay through sub-CLINs 0003AB or 0003AC for all upgrades or renewals? In other words, are there any such projects that would have to be performed by the contractor and not be funded through either of these two sub-CLINs?

A4. Paragraphs C.3.1 and C.11.1 state the Contractor is responsible for funding upgrades and renewals. Sub-CLIN 0003AB and 0003AC are for the recovery of investments made by the Contractor. To the extent projects are funded by the Government they will be funded through these sub-CLIN's. It is conceivable that projects could be undertaken that are not funded by the Government, for example projects that do not benefit the Government. ([TRD/Amendment#3/Q10](#))

Q5. Renewals and replacements?

A5. The Capital Upgrades and Renewals and Replacements Plan is to provide a detailed description of the initial renewals and replacements and the Contractor's philosophy towards long term capital renewals and upgrades. ([TRD/Amendment#3/Q142](#))

Section C.11.1: Questions and Answers

Q1. Is Section C.11.1 a broader requirement or responsibility than under B.5.2.3.2, B.5.2.3.3, and C.11.2?

A1. C.11 describes the work to be reimbursed under sub-CLINs 0003AB and 0003AC as described in B.5.2.3.2 and B.5.2.3.3. ([TRD/Amendment#3/Q30](#))

Section C.11.2: Questions and Answers

Q1. Does Section C.11.2 cover only projects to be performed during the first five years of the contract?

A1. This is for the entire contract. Provide information on the next five years. Update yearly. ([TRD/Amendment#3/Q31](#))

Q2. Does Section C.11.2.1 cover only projects to be performed after the first five years of the contract?

A2. See answer to # 31. ([TRD/Amendment#3/Q32](#))

Q3. Referencing Section C.11.2.1 (Renewals and Replacements), what is the purpose of the Government's verification of the usage of payments given the fixed price nature of the contract?

A3. To ensure the Government will receive reliable service. ([TRD/Amendment#3/Q118](#))

Q4. The Government needs to provide its list of new service requirements and anticipated disconnections before offerors can develop their plan. Section C.11.2.4. When will this list be furnished to offerors?

A4. Section J includes the initial information, as it is known now. The Government will provide this information as new requirements and disconnections become necessary and will be coordinated with the annual plan submission. However, the contractor should check with the Government when preparing their updated Plans as to any changes. ([TRD/Amendment#3/Q33](#))

Q5. Is the contractor required to excavate the existing system for purposes of Section C.11.2.5?

A5. The Government is not requiring the contractor to excavate the system. The contractor is responsible for knowing the condition of the system as necessary to provide the required utility services. ([TRD/Amendment#3/Q34](#))

Section C.12: Questions and Answers

Q1. Is the electrical systems at Randolph AFB and Lackland AFB currently being operated and maintained in accordance with all applicable federal, state, and local laws and regulations? Section C.12. If not, to what extent are they not?

A1. If any deficiencies are known to exist, that information will be provided in the technical library. ([TRD/Amendment#3/Q35](#))

Q2. Referencing Section C.12 (Environmental Compliance), under what circumstances (if any) would the contractor be able to recover any unexpected environmental compliance costs, especially during the first two years after contract award?

A2. If new requirements were imposed. ([TRD/Amendment#3/Q117](#))

Section C.13: Questions and Answers

Q1. There seems to be a duplication of effort required in the first year submittals required in the Capital Upgrades and Renewal and Replacement Plan and the System Upgrades portion of the Operational Transition Plan. Please identify where these are different.

A1. The information in the plans does overlap to an extent. The Government has attempted to identify any known deficiencies for the respective systems (Code deficiencies or life/safety issues). The Government anticipates these and any other Contractor identified deficiencies will be corrected during the first year of ownership/operation by the Contractor as spelled out in the System Upgrades portion of their proposed Operational Transition Plan. The Capital Upgrades and Renewal and Replacement Plan is used as a planning tool for identifying requirements and costs for the next five years. ([Maxwell/Amendment#9/Q11](#))

Q2. Will the Contracting Officer accept the contractor's Operational Transition Plan prior to or at the time of award?

A2. Per sections L and M the operational transition plan is required as part of the Offerors proposal. Therefore it will be used during evaluation and negotiation sessions and accepted at the time of Award. ([TRD/Amendment#3/Q1](#))

Q3. Referencing Section C.17 (Transitional Plan), the Operational Transitional Plan (OTP) calls for work to begin before the contract start date (defined in Section H.10). Will the Section B charges apply upon contract award or contract start? If contract start, does the Government intend that the contractor will not be compensated for work after award but prior to contract start?

A3. There is no C.17. This is C.13. There is no line item for administrative costs associated in starting up service, getting permits, hiring personnel, etc. Payments will begin upon contract start. ([TRD/Amendment#3/Q119](#))

Section C.13.2: Questions and Answers

Q1. Section C.13 states the contractor is to use the transition period to hire a work force, but Section C.13.2 states the contractor is to be fully staffed at 12:01 AM contract start date.

A1. Contract start date (as proposed by the offeror and accepted by the Government) is the day the contractor takes over full operation, which is some time after the contract award date.

[\(TRD/Amendment#3/Q36\)](#)

Section C.13.4: Questions and Answers

Q1. C.13.4 System Requirements p. 35. Are the timeframes stated in this section for the installation or construction of new system requirements subject to extension or waiver in the event of certain contingencies, i.e., force majeure events and/or Government interference or delay?

A1. The Contractor should include any proposed delays as an alternate proposal as outlined in Sections L.8.2 & M.4. Government delays will be handled IAW sections F.4 and F.5 of the solicitation. ([Maxwell/Amendment#9/Q31](#))

Q2. As to Section C.13.4, what will be inventoried?

A2. Everything that is being transferred. ([TRD/Amendment#3/Q37](#))

Q3. What latitude will offerors be given as to installing new meters within 30 days of contract award? Section C.13.4.2.

A3. The RFP indicates 30 days or otherwise agreed upon. In the offer, alternate schedules can be provided with an explanation as required in section L.8.2. ([TRD/Amendment#3/Q38](#))

Q4. Section C.13.4.3 requires offerors to submit a plan for upgrades. Will offerors be given additional access to the physical site to do this?

A4. Additional site visits may be considered upon request. ([TRD/Amendment#3/Q39](#))

Section C.13.5: Questions and Answers

Q1. Will offerors be given additional access to facilities other than at the site visit? If so, how will that be arranged. As to Section C.13.5, other than environmental permits, what other notifications will be given?

A1. A follow-up site visit will be available upon request through DESC. The Government will initiate all notifications that result in the termination or transfer of permits. ([TRD/Amendment#3/Q40](#))

Section F: Questions and Answers

Q1. If a curtailment is cancelled, will the Government compensate the contractor for the added costs of a directed work cessation? Is this grounds for a Section G.3 charge adjustment?

A1. See Section F, FAR 52.242-15, Stop Work Order and FAR 52.242-17, Government Delay of Work. ([TRD/Amendment#3/Q116b](#))

Section F.1: Questions and Answers

Q1. As to Section F.1, it references Section H-4, which does not exist.

A1. Correct, see amendment. ([TRD/Amendment#3/Q41](#))

Section F.2: Questions and Answers

Q1. Section F.2 is inconsistent with Section C.13, which gives 30 days to transition to full services.

A1. See C.13.2 paragraph 3, the Contractor will be fully operational and responsible on contract start. The 30 days beyond will be provided only if Government funding and employees are available. During this period, if it occurs, the Government will only be available in an advisory capacity. ([TRD/Amendment#3/Q42](#))

Section F.3: Questions and Answers

Q1. F.3 Extension of Contract Performance Period p. 39. This subsection states, "The monthly service charge may only be adjusted as a result of revision to prevailing labor rates provided by the Secretary of Labor." This statement seems to contradict several other provisions, including subsection G.3, that expressly allow service charge adjustments for reasons other than labor rate revisions. Is there some distinction between the service charge referred to in this section versus other sections of the solicitation?

A1. This clause will only take effect in the event of an extension beyond normal contract end date and a new contract has not been completed. If the contract is extended, the service charge will remain the same. The only exception is if the Secretary of Labor is a revision to the prevailing labor rates. If this happens, an adjustment would then be required to incorporate any changes to the labor rates. ([Maxwell/Amendment#9/Q32](#))

Q2. Section F.3 appears to violate the 50 year statutory limit on utility services.

A2. An option provision of this nature is not a violation of the statutory limit. ([TRD/Amendment#3/Q43](#))

Section G.3: Questions and Answers

Q1. G.3 Service Charge Adjustment p. 40. Who decides what constitutes a "reasonable period of time" for the purpose of invoking the Disputes Clause of the contract?

A1. See section B.8.6 "Disagreements" which states "If the Contractor and the Administrative Contracting Officer fail to agree upon redetermined prices for any price redetermination period within 90 days (or within such other period as the parties agree) after the date on which the data required....the Contracting Officer shall promptly issue a decision in accordance with the Disputes clause." ([Maxwell/Amendment#9/Q33](#))

Q2. Referencing Section G.3 (Change of Rates), under what circumstances could the contractor recover any unanticipated costs that were incurred sooner than two years from contract award? Are there any provisions for a retroactive rate adjustment?

A2. The Government will not compensate the contractor for costs that the contractor failed to include in their proposal. There are no provisions in the contract for retroactive rate adjustment. ([Maxwell/Amendment#10/Q18](#))

Q3. Would a contract modification in accordance with the Section G.3 change of rates provisions/adjustment be required for the recovery of any associated costs? Please note that in accordance with Section C.9.3, the addition or deletion (but not a relocation) of a connection may not necessarily be the basis for a rate redetermination. Would such a rate redetermination be prohibited during the first two contract years?

A3. Such rate redeterminations are not prohibited. ([TRD/Amendment#3/Q113a](#))

Q4. What is a reasonable cause for a change in a service charge?

A4. See RFP section B.6, G.3 and the Changes clause, FAR 52.243-1 Alt 1. ([TRD/Amendment#3/Q113b](#))

Q5. If a curtailment is cancelled, will the Government compensate the contractor for the added costs of a directed work cessation? Is this grounds for a Section G.3 charge adjustment?

A5. See Section F, FAR 52.242-15, Stop Work Order and FAR 52.242-17, Government Delay of Work. ([TRD/Amendment#3/Q116b](#))

Q6. Referencing Section G.3 (Service Charge Adjustment), under what circumstances, if any, would the contractor be able to recover any unanticipated costs that were incurred sooner than two years from contract award? Are there any provisions for a retroactive rate adjustment?

A6. See amendment for new G.3 paragraph wording. There will be no retroactive adjustments. ([TRD/Amendment#3/Q120](#))

Q7. Referencing Section G.3 (Service Charge Adjustment), the clause seems to give the Government the authority to decide rate adjustments initiated either by the Government or the contractor. This process is in direct contravention of the regulatory approval process for rate changes which would violate the contract provision for compliance with all federal, state, and local regulations and ordinances.

A7. The offeror could propose a regulatory approval process in lieu of G.3. ([TRD/Amendment#3/Q121](#))

Q8. Referencing Grant of ROW (General), to the extent the Government s exercise of its rights under the ROW impose new/modified requirements on the contractor, how will a contractor recover its costs? Would this be grounds for a Section G.3 charge adjustment?

A8. Yes. ([TRD/Amendment#3/Q128](#))

Section G.4: Questions and Answers

Q1. Referencing Section I, will the cost accounting standards be applicable if the contractor is a regulated public utility?

A1. Accounting procedures shall be in accordance with G.4. ([Maxwell/Amendment#10/Q20](#))

Section H.1: Questions and Answers

Q1. H.1 Mobilization and Other Contingencies p. 4.1. Will the Contractor be entitled to reimbursement or other compensation if the Contractor's efforts to respond to the mobilization or emergency result in additional costs to the Contractor for which it is not entitled to an "equitable adjustment" under the Changes Clause of the contract?

A1. Please clarify this question. (The contractor will not receive reimbursement or compensation if the contractor is not entitled.) ([Maxwell/Amendment#9/Q34](#))

Section H.2: Questions and Answers

Q1. With respect to insurance matters, will the Government be named as an additional insured, or are there other considerations or requirements?

A1. No, the offeror must meet all insurance requirements of section H of the solicitation to include General Liability, automotive liability, and worker compensation and employee liability. All such policies of insurance shall be for the mutual benefit of the Government and Contractor. ([Bolling/Amendment#3/Q9](#))

Section H.5: Questions and Answers

Q1. H.5 Rights of the Government to Perform Function with Its Own Personnel p. 42. Allowing Government performance of contract functions appears to interfere with the Contractor's lawful rights as owner of the utility system(s) pursuant to the Bill of Sale (See Attachment J42). Is this the Government's intent? As a minimum, any such provision should be carefully crafted to include mutually agreeable procedures and restrictions.

A1. The Government anticipates this clause will only be invoked after catastrophic events and will work with the Contractor to define those situations where the Government needs to perform or supplement performance to effect repairs. ([Maxwell/Amendment#9/Q35](#))

Q2. Referring to Section H.5 (Rights of the Government to Perform Function with Its Own Personnel), if the Government performs work during the periods described, which is in charge of coordinating the work: the Government or the contractor?

A2. See Amendment 0009, response to question 35. ([Maxwell/Amendment#10/Q19](#))

Q3. Section H.5 is inconsistent with an outright sale of the utility system. Which controls -- the Bill of Sale or this provision?

A3. H.5 has been revised. There is no conflict. See amendment. ([TRD/Amendment#3/Q45](#))

Q4. Does the RFP contemplate a complete transfer of ownership of the utility system. See the restrictions in H-5. It is apparently being sold, but what happens at the end of the contract.

A4. The sale of the system assets is permanent and forever. See answer to 45. ([TRD/Amendment#3/Q46](#))

Q6. Does Section H-5 prohibit the resale of the utility system?

A6. H.5 has been rewritten into a notification provision. See amendment. ([TRD/Amendment#3/Q48](#))

Q7. What does the Government consider its remedies to be if the notice provision in H.5 is breached?

A7. The contract can not be sold and the ROW/Easement can not be transferred unilaterally by the owner of the system. This can only be done with the consent of the Government. If the Government is not provided adequate time to review the matter, the new owner will not have access to the system and/or the new owner will not have the right to perform the service contract. ([TRD/Amendment#6/Q9f](#))

Section H.6: Questions and Answers

Q1. Referring to Section H.6 Rights of the Government to Perform Function with Its Own Personnel. If the Government performs work in time during the periods described, who is in charge of coordinating the work, the government or the contractor? Communication among all personnel is imperative during emergency restoration for the safety of those performing the work and other in the vicinity of the affected facilities.

A1. The Government will contact the contractor prior to invoking H.6 and will coordinate the work with the contractor. ([TRD/Amendment#3/Q179](#))

Section H.7: Questions and Answers

Q1. H.7.1 Hazardous Substance Remediation pp. 42-43. This paragraph calls for the Contractor to cease all work at a site at which hazardous substances are discovered. What if ceasing work would result in a loss of service or otherwise constitute a breach of the contract? Contractor should not be liable if the cessation is due to pre-existing contamination or contamination not caused by Contractor. Moreover, this subsection states, "This contract does not include hazardous substance remediation." How is such a contingency to be handled? Contractor should not be held liable for pre-existing contamination that is not caused by Contractor's activities.

A1. IAW Paragraph 14 of Attachment J-41 "Example Right of Way", the Contractor will not be responsible for existing hazardous substances. In the event that such a contingency is encountered, the Contractor shall cease all work at the site and immediately notify the COR and the Administrative Contracting Officer of the presence of hazardous substances and of any potential loss of service. ([Maxwell/Amendment#9/Q36](#))

Section H.8: Questions and Answers

Q1. As to Section H.8, what existing hazardous substances are part of, connected with, or associated with the electric utility system at Randolph AFB and Lackland AFB.

A1. If any exist they will be identified in the information provided in the technical library. ([TRD/Amendment#3/Q49](#))

Q2. Is it correct that under Section H.8.1 the Government will do remediation for existing hazardous substances at Government expense?

A2. The resulting service contract is not a remediation contract. The Government will be responsible for handling existing hazardous substances and contamination that occurred prior to the sale of the system. ([TRD/Amendment#3/Q50](#))

Section H.10: Questions and Answers

Q1. As to Section H.10, are initial capital upgrades, renewals, and replacements only those items that need to be done as of the date of award as opposed to items that presently can be forecasted to be needed to be done at a specific date in the future?

A1. Initial capital upgrades are those that are contained and specifically priced in the proposal.

[\(TRD/Amendment#3/Q47\)](#)

Section I: Questions and Answers

Q1. Referencing Section I, will the cost accounting standards be applicable if the contractor is a regulated public utility?

A1. Accounting procedures shall be in accordance with G.4. ([Maxwell/Amendment#10/Q20](#))

Q2. Section I, para. 1.4 and 1.5, should reference 29 CFR § 4.120.

A2. Deleted, see amendment. ([TRD/Amendment#3/Q51](#))

Section I.2: Questions and Answers

Q1. Section I.2 incorporates FAR 52.232-23 Assignment of Claims. Will an offeror be deemed non-responsive by taking exception, and requesting that Alternate I to this clause be used? Would the Government amend the solicitation at this time to incorporate Alternate I?

A1. Under a negotiated procurement, offerors are not precluded from submitting exceptions to the terms and conditions of a solicitation. The Government may consider these exceptions during the evaluation of offers. ([Bolling/Amendment#3/Q2](#))

Section I.6: Questions and Answers

Q1. Where are the rates referenced in Section I.6.1 for Randolph AFB and Lackland AFB?

A1. See answer to # 4. ([TRD/Amendment#3/Q52](#))

Section I.7: Questions and Answers

Q1. Will the Air Force accept (as advantageous) exceptions that require that a privatized service be subject to state or local rate and service regulation? That will allow the Alabama Public Service Commission (APSC) or other independent regulatory authority, in the exercise of its oversight and/or ratemaking and cost of service jurisdiction, to modify the level or structure of a Section B utility service payment? Please explain.

A1. The price redetermination clause I.7 applies to all entities. ([Maxwell/Amendment#14/Q26d](#))

Attachment J: Questions and Answers

Q1. Kelly AFB recently sold all electric and gas utilities to CPS, including those utility lines in the realigned portion of Kelly AFB which will become part of Lackland AFB. This sale conflicts with Section J.11.1. and Section J12.1. Therefore, the RFP needs to be amended to make it clear that realigned part of Kelly AFB is excluded from the contract. The following paragraph in Sections J.11.1 and J12.1 needs to be deleted:

“Recent Base Realignment and Closure (BRAC) actions have transferred several missions from Kelly AFB to Lackland AFB. These include Kelly AFB s flight line and its associated missions and facilities, such as the 433rd Military Airlift Wing, the 149th Air National Guard, and HQ Air Intelligence Agency.”

In addition, the reference in Section J.11.3 to the Air Intelligence Agency area needs to be deleted.

Attachments J11 and J12 need to be amended to make it clear that electric and gas facilities serving realigned Kelly AFB is not part of this RFP.

A1. The Government is not offering for sale any system that is already privatized. Section J.11.3 refers to the AIA Medina Annex which is part of Lackland and was not included in the Kelly AFB Privatization. See amendment. ([TRD/Amendment#3/Q135](#))

Q2. J.19.9 provides that the proposed sale and contract covers the Sequin Auxiliary Field, even though it is under a different Certificate of Convenience and Necessity (CCN) than Randolph AFB is. Is it proper under state law for these two areas under different CCNs to be combined under a single new entity to operate both utility systems?

A2. The contract resulting from this RFP will be governed by Federal law. ([TRD/Amendment#3/Q136](#))

Attachment J.1: Questions and Answers

Q1. J1.10, Specific transition Requirements, lists 5 facilities but does not specify whether these are connects or disconnects. Please clarify.

A1. (Section J1.10): The five buildings listed are all new construction projects and will require CONNECTION to all utility systems upon construction completion. ([Maxwell/Amendment#4/Q1c](#))

Q2. J5.2, Table 1, Fixed Inventory, Gunter Annex. What does the small 1 as in note 1 signify on If measurement of circuits in the table?

A2. (Section J5.2, Table 1): Note 1 indicates that all conductor material take-offs from the record drawings are shown in total linear feet of wire. Therefore, offerors should NOT multiply the numbers in this table by four since the system is a four-wire system. ([Maxwell/Amendment#4/Q1d](#))

Q3. Since neither Maxwell nor Gunter Annex have any requirements for new electrical meters listed in Attachment J, please clarify the requirement for a transition plan for installing new meters.

A3. At present, there are no known requirements for new electric meters at Gunter Annex or Maxwell AFB identified by the Government. ([Maxwell/Amendment#4/Q1e](#))

Q4. J5.11, Gunter Annex system deficiencies, is the recommended correction to replace all underground aluminum cable with new copper for both primary and secondary circuits?

A4. The Government will no longer own the distribution system and will no longer specify materials used. Therefore, it becomes incumbent on the Contractor to determine materials that best meet the Government's needs IAW the terms and conditions of the contract. ([Maxwell/Amendment#4/Q1f](#))

Q5. When will the substation construction be complete?

A5. The estimated completion date is May '00. ([Maxwell/Amendment#8/Qb1](#))

Q6. Are parking lot lights included in the RFP?

A6. Yes. Per Attachment J-1 (Section J1.1, Last Para) excluded items are:

- Airfield Lighting, to include the lighting vault, runway and taxiway edge markers, approach indicator lights, etc.
- Generators, to include transfer panels and disconnect devices
- Traffic lights ([Maxwell/Amendment#8/Qb2](#))

Q7. Is the air brake switch Alabama Powers?

A7. Yes. ([Maxwell/Amendment#8/Qb3](#))

Q8. Who owns the poles?

A8. They belong to the Government but Alabama Power Company has the maintenance contract. ([Maxwell/Amendment#8/Qb4](#))

Q9. Does the Government conduct training on the poles?

A9. Yes. ([Maxwell/Amendment#8/Qb5](#))

Q10. Are all 6 weather sites part of the contract?

A10. No. However, the utilities serving the sites are part of the distribution system to be privatized. ([Maxwell/Amendment#8/Qb6](#))

Q11. Who owns the telephone lines on base?

A11. The Communications Squadron except for the poles on the construction sites.
([Maxwell/Amendment#8/Qb7](#))

Q12. Are the golf carts electric or gas powered?

A12. There is a mixture. ([Maxwell/Amendment#8/Qb8](#))

Q13. What are the blue stickers on the transformers?

A13. Blue stickers indicate transformers have all been tested and are PCB free. ([Maxwell/Amendment#8/Qb9](#))

Q14. Does the base have any SF6 switches?

A14. No. ([Maxwell/Amendment#8/Qb10](#))

Q15. Is there SCADA (Supervisory Control and Data Acquisition) on base?

A15. The two substations on base are SCADA ready but the Government does not utilize SCADA technology.
([Maxwell/Amendment#8/Qb11](#))

Q16. Is there a detailed inventory list of switches that are SCADA capable in the technical library or available somewhere?

A16. No. ([Maxwell/Amendment#8/Qb12](#))

Q17. Are there lead cables on base?

A17. No. ([Maxwell/Amendment#8/Qb13](#))

Q18. Are the manholes all the same?

A18. Some have T-splices. ([Maxwell/Amendment#8/Qb14](#))

Q19. How do you tell which manholes have T-splices and which don't?

A19. The technical library contains this information. ([Maxwell/Amendment#8/Qb15](#))

Q20. How often is the VWTS used?

A20. Approximately once per month. ([Maxwell/Amendment#8/Qb16](#))

Q21. Where is metering on the schools?

A21. See attachments J-1 and J-5 of the RFP. ([Maxwell/Amendment#8/Qb17](#))

Q22. Are the houses metered?

A22. See attachments J-1 and J-5 of the RFP. ([Maxwell/Amendment#8/Qb18](#))

Q23. How many feeders? Substations? Regulators?

A23. See attachments J-1 and J-5 of the RFP. ([Maxwell/Amendment#8/Qb19](#))

Q24. Is this the only substation on site?

A24. Yes. ([Maxwell/Amendment#8/Qb20](#))

Q25. Do you have more than one source of power?

A25. Yes. ([Maxwell/Amendment#8/Qb21](#))

Q26. Are design drawings for the substation available in the technical library?

A26. Yes. ([Maxwell/Amendment#8/Qb22](#))

Q27. What type of work is being done at the substation?

A27. The overhead lines are being placed underground. ([Maxwell/Amendment#8/Qb23](#))

Q28. Are lights for parking lots, athletic fields, etc., included as part of the RFP? Are weather stations included?

A28. See attachments J-1 and J-5 of the RFP. ([Maxwell/Amendment#8/Qb24](#))

Q29. Will we get an updated list of equipment? Some of the transformers & switches we looked at are not on the original list.

A29. The technical library includes a list of any known equipment. ([Maxwell/Amendment#8/Qb25](#))

Q30. Are outages due to lightening data available?

A30. Comprehensive outage data is provided in the technical library. ([Maxwell/Amendment#8/Qb26](#))

Q31. How many primary feeders coming out of substation?

A31. Four circuits. ([Maxwell/Amendment#8/Qc1](#))

Q32. Are there any PCBs on Gunter?

A32. None known. ([Maxwell/Amendment#8/Qc2](#))

Q33. Is there a report we can access on the transformers?

A33. There is a transformer inventory available. ([Maxwell/Amendment#8/Qc3](#))

Q34. Is the equipment/inventory behind the gate at the Gunter Storage yard adjacent to the substation going to be sold as part of the contract?

A34. No. ([Maxwell/Amendment#8/Qc4](#))

Q35. How long is the land leased for at Gunter Annex?

A35. Sixteen (16) acres are leased from the City of Montgomery. The lease term ends in the year 2039. A copy of the lease will be provided in a future amendment. ([Maxwell/Amendment#8/Qc5](#))

Q36. Are the houses individually metered?

A36. The 131 new housing units under construction at Gunter and the 12 new housing units under construction at Maxwell AFB will be individually metered. ([Maxwell/Amendment#8/Qc6](#))

Q37. Is the installation of meters for housing part of the housing contract?

A37. Yes. ([Maxwell/Amendment#8/Qc7](#))

Q38. J1.2.1.2 This paragraph provides a general listing of electrical system fixed assets at Maxwell AFB to be sold. Has a PCB analysis been performed on the equipment?

A.38. Yes, a PCB analysis has been performed on the equipment and is provided in the Technical Library. ([Maxwell/Amendment#3/Q7a](#))

Q39. J1.9 This paragraph describes the Vigilant Warrior Training Site. Is there an equipment inventory for this Site? Has a PCB analysis been performed on the equipment at this Site?

A39. The inventory for the Vigilant Warrior Training Site was included with the Maxwell AFB equipment since it is such a small site. Contractors will be given a chance to visit the site. The transformer was installed by the utility company in 1995. ([Maxwell/Amendment#9/Q37b](#))

Q40. J5.2.1.2 This paragraph provides a general listing of electrical system fixed assets at the Gunter Annex to be sold. Has a PCB analysis been performed on the equipment?

A40. Yes, a PCB analysis has been performed on the equipment and is provided in the Technical Library. ([Maxwell/Amendment#9/Q38](#))

Q41. Is there any other oil filled electrical equipment, i.e. lighting ballast, etc. that have not been tested for PCB? If so, can you identify them?

A41. There are six oil-filled, high-voltage switches at Maxwell that have not been tested for PCB's. These locations are identified in the technical library. ([Maxwell/Amendment#11/Q1](#))

Q42. Will only the street lighting (not parking lot lighting, horse track lighting, ball/athletic fields lighting, airfield lighting, etc. and their respective electrical systems) be included in privatization?

A42. At present, all street lights, area lighting, parking lot lights, and athletic field lighting are included in the RFP. The airfield lighting system is not included. ([Maxwell/Amendment#11/Q2](#))

Q43. Are there electrical drawings for each generator installation?

A43. Most generator installations drawings are available in the technical library. ([Maxwell/Amendment#11/Q3](#))

Q44. Once the system is privatized, can the notification process as defined by State Law in Alabama concerning digging/excavation, be utilized or will written permission from Maxwell/Gunter still be required? If written permission for excavation is required, how will a permit be obtained?

A44. Instructions and standard base procedures for obtaining digging/excavation permits are provided in the Technical Library. Also, please refer to Item E of attachment to the Right of Way.

([Maxwell/Amendment#11/Q4](#))

Q45. The “base general plan” indicates that the electrical system is unbalanced and lacks back feeding capabilities. Have there been any studies to indicate what these unbalances are and what the existing feeder loadings are? If so, will these studies be available?

A45. There is additional feeder information available in “Electrical Distribution Study, Maxwell AFB by Southern Engineering Company, 1997”. This report is available in the Technical Library.

([Maxwell/Amendment#11/Q5](#))

Q46. The disaster response plan indicates that there are detailed pole spotting maps (21 sheets) available? Are they available now? Are there street light maps available also?

A46. The latest system record drawings provided have pole locations and street lights shown. However, the Contractor is cautioned that all drawings should be field verified. A revised Attachment J-45 is provided with this amendment. ([Maxwell/Amendment#11/Q6](#))

Q47. Under the reoccurring work program, what is the process of testing grounds? Is this related to the electrical system to be privatized or is this internal to the buildings?

A47. The base uses the three point vibroground test as well as clamp on meter tests. Ground testing is part of the operation and maintenance for the electrical distribution system, therefore a part of this requirement.

([Maxwell/Amendment#11/Q7](#))

Q48. Is there space available on base for locating personnel? Is there a storage area for equipment, material, etc?

A48. In some cases, and if space is available, the Government may rent the Contractor the needed space. Offerors should address the need for on-site office and storage space in their proposal(s).

([Maxwell/Amendment#11/Q8](#))

Q49. What are the restricted areas on base that would require escorts?

A49. Please see question 3 of Amendment 0009. ([Maxwell/Amendment#11/Q9](#))

Q50. Does the inventory provided in the RFP include ALL equipment to be privatized, including substation equipment? If not, will the remaining equipment be listed?

A50. The inventory is a list of major items determined by review and takeoff from record drawings. It does not include all small system components (i.e. cross-arms, insulators, stand-offs, guys, disconnect devices, etc.) The latest information for the substations will be provided upon completion of present construction project.

([Maxwell/Amendment#11/Q10](#))

Q51. Will spare equipment be included in the sale? If so, is there an inventory of spare equipment and material?

A51. No spare equipment is included in the sale. ([Maxwell/Amendment#11/Q11](#))

Q52. Do you have a listing of underground cable that has been replaced or spliced? Will this list be made available?

A52. No. ([Maxwell/Amendment#11/Q12](#))

Q53. Do you have a list of underground cable that is in need of replacement? Will this list be made available?

A53. No. ([Maxwell/Amendment#11/Q13](#))

Q54. Do you have a list of meters in place to monitor transformer loading? Will this list be made available?

A54. A list of all known meters is provided in Attachments J1 and J5. ([Maxwell/Amendment#11/Q14](#))

Q55. Service to Pool and Budget Information Systems on Gunter– It is our understanding that the electrical facilities are located on leased property. What are the terms of this lease and will the rights-of-way be transferred to the successful offeror? If so, under what terms and/or conditions?

A55. This area is leased property and we are currently reviewing the terms of the lease agreement. A copy of the lease will be provided in a future amendment. ([Maxwell/Amendment#11/Q15](#))

Q56. Will electric service to all installations presently under construction be completed by the existing building contractors? If so, is a copy of the building contractor's service plan available? If not, is the successful offeror expected to provide said service?

A56. Yes, all material installation presently under construction will be completed by the existing building contractors. Design drawings are available in the Technical Library. ([Maxwell/Amendment#11/Q16](#))

Q57. Flood plains – Are there any specific design criteria for electrical facilities installed in flood plain areas?

A57. The Government assumes the Contractor will follow best engineering practices for design and construction of electrical facilities they will own and this should include identification of any special design criteria for facilities installed in flood plain areas. The Contractor shall follow Executive Order 11988, Flood Plain Management, as well as the provisions of the Right-of-Way document for activities in flood plains. ([Maxwell/Amendment#11/Q17](#))

Q58. Will the 4KV system serving the runway lighting, control tower, FAA building, etc, be included in the privatization? If so, where is the point of demarcation?

A58. No; the 4KV system is not included. The Point of Demarcation will be the first disconnection device on the upstream side of the airfield lighting vault. ([Maxwell/Amendment#11/Q18](#))

Q59. Are the current transformers, CTs, for metering included with the privatization? Are the CTs included in the inventory lists? Are there any potential transformers, PTs, for metering included with the privatization? Are the PTs included in the inventory lists?

A59. CTs or PTs are included with the privatization. Any known devices are included in the inventory. Again, the offeror is advised that the inventory is based on record drawings. ([Maxwell/Amendment#11/Q19](#))

Q60. Is the amount of conductor/cable shown on the inventory sheets the amount of individual conductor/cable length or the amount of circuit length? For example, Attachment J1, Table 1, page J1.6 lists 3 – 1/c 350 MCM CU and 1# 2/0 Cu Neutral at 272,000 LF. Does this 272,000 LF represent the circuit length or is 68,000 LF (272,000 divided by 4) the circuit length?

A60. The length shown is total linear feet of cable. Typically, the circuit length is obtained by dividing by four. Again, the offeror is advised that the inventory is based on record drawings. ([Maxwell/Amendment#11/Q20](#))

Q61. Are there any updated lists of electrical equipment/conductor inventory? Will these be made available?

A61. None, other than system drawings. The offeror is advised that the inventory is based on record drawings. ([Maxwell/Amendment#11/Q21](#))

Q62. The Maxwell inventory lists 597 Aluminum poles. What size are they?

A62. Aluminum pole sizes vary in size and shape. Pole sizes are identified on the drawings. ([Maxwell/Amendment#11/Q22](#))

Q63. The Maxwell inventory lists 100 "Switchgear 1200 Amp or less". Does this include the padmounted switchgear and all overhead switches? If so, does each cutout (overhead switch) in a three phase line count as one or do the three at the same location count as one?

A63. No. The inventory list does not include overhead switches. ([Maxwell/Amendment#11/Q23](#))

Q64. A PCB survey was previously conducted. No PCBs are currently associated with the bases (with the exception of light ballasts). Will the contractor be required to conduct a new PCB survey to ensure that all transformers are currently PCB free?

A64. The Contractor will be provided all known PCB information and survey results completed by the Government in the Technical Library. The Government assumes this information will be acceptable to regulatory agencies. However, the Contractor may perform any further testing deemed necessary or as required when transformers are taken out of service. ([Maxwell/Amendment#14/Q14](#))

Q65. Are removed treated wood poles and mercury vapor streetlights considered hazardous waste? How does Maxwell currently dispose of the poles? Will the same disposal method be available to the successful contractor?

A65. The Contractor must comply with all federal, state, and local environmental laws concerning Hazardous Waste or Materials IAW Paragraph H.8 of the solicitation and the Right-of-Way (ROW). ([Maxwell/Amendment#14/Q20](#))

Q66. How many mercury vapor, incandescent, and HID streetlights are on Maxwell AFB?

A66. Drawings were provided as attachment J-45 and indicate existing light fixtures by type, size, and material. ([Maxwell/Amendment#14/Q21](#))

Q67. Are there streetlights that are not elevated?

A67. None known. ([Maxwell/Amendment#14/Q22](#))

Q68. Is the contractor required to have a state of Texas electrical utility permit to operate the electrical utility systems at the time of contract award.

A68. No. ([TRD/Amendment#3/Q2](#))

Q69. For Attachment J15, is the secondary portion of the electric distribution system included in the privatization of the system?

A69. The secondary systems are included. The demarcations in the ROW will refer to this. ([TRD/Amendment#3/Q182](#))

Q70. For Lackland, will there be individual or master electrical metering on the new residential units in the privatized housing areas? Will the successful contractor be required to design, install, maintain, test and/or calibrate this metering?

A70. The new privatized housing will have master meters installed by the Government for water and electrical main distribution systems. The utility services contractor will own, maintain, test, calibrate, and read these meters. In addition to the master meters, privatized housing has meters installed for the leasing office and common areas. These meters are owned by the privatized housing contractor. The utility services contractor will only read these meters and show the results in an itemized meter reading report. ([TRD/Amendment#3/Q188](#))

Q71. What is the current number of positions utilized to operate and maintain the electrical distribution system? Please provide breakdown by job classification (i.e. Supervisors, Lineworkers, Servicemen, Clerical, etc.).

A71. This information is not available. ([TRD/Amendment#3/Q189](#))

Q72. Are historical records available for electrical loading per circuit? Electrical outages per circuit?

A72. Will be available in the technical library. ([TRD/Amendment#3/Q191](#))

Q73. For Lackland, are capacitors utilized for power factor correction or voltage improvement on the electrical distribution system? What type and sizes are utilized? Are the capacitor banks switched or fixed? Are all the capacitors non-PCB?

A73. Capacitor banks are installed on each of the three circuits incoming into the main base. Capacitor banks are also installed on the other internal circuits in the base. For location, review the utility drawings in the technical library. ([TRD/Amendment#3/Q192](#))

Q74. Is there a formal multi-year capacity plan for the electrical distribution system?

A74. Please clarify the question. ([TRD/Amendment#3/Q193](#))

Q75. Are the Air Intelligence Agency (AIA) area power requirements of Voltage, Availability and Dynamic of Transient Variation metrics noted in Section J11.3 of attachment J11 currently met throughout the installation?

A75. Yes. ([TRD/Amendment#3/Q194](#))

Q76. For Lackland, are there current motor starting limits in place? Is the current system in compliance with these limits?

A76. Yes, the current system is in compliance with the motor starting limits. ([TRD/Amendment#3/Q195](#))

Q77. For Lackland, is the contractor responsible for the control systems associated with the traffic lights?

A77. Yes. ([TRD/Amendment#3/196](#))

Q78. For Lackland, what emergency backup is provided for critical loads? Is the operation, testing and maintenance of the backup equipment excluded from the proposal?

A78. Emergency backup systems for the water wells and sanitary lift stations are part of the proposal. This includes the operation, testing, and maintenance of these systems. A list of these emergency backup systems is provided at the technical library. If the equipment is part of the system being transferred, the contractor is responsible for the equipment. ([TRD/Amendment#3/Q197](#))

Q79. For Lackland, are there any PCB or PCB-contaminated transformers or other electrical devices on the installation?

A79. All PCB transformers have been replaced. ([TRD/Amendment#3/Q198](#))

Q80. Can any additional information (i.e. Engineering Designs or Drawings, Preliminary Cost Estimates, Scope of Proposed Projects, etc.) be provided for the Government Recognized System Deficiencies noted in Table 8 of Section J11.11?

A80. Yes, the scope of proposed projects for section J11.11 will be provided in the technical library. ([TRD/Amendment#3/Q199](#))

Q81. Are the required monthly meter readings for kilowatt-hour consumption only or for both kilowatt-hour consumption and kilowatt demand?

A81. Both for kilowatt-hour consumption and kilowatt demand. ([TRD/Amendment#3/Q200](#))

Q82. Has any meter calibration testing been conducted or will such testing be required on the existing and/or future secondary meters noted in Section J11.5?

A82. Yes, meter calibration testing has been conducted and yes, such testing will be required on the existing and/or future secondary meters noted in Section J11.5. ([TRD/Amendment#3/Q201](#))

Q83. What is the maximum load capacity of the substations at Sheppard AFB?

A83. 4000 Amps. ([TRD/Amendment#6/Q3a](#))

Q84. How many low side feeders are there at Sheppard AFB?

A84. 11 Feeders ([TRD/Amendment#6/Q3b](#))

Q85. Where is change of ownership with TXU?

A85. The ownership starts at the disconnect switch at the A-Frames. ([TRD/Amendment#6/Q3c](#))

Q86. What is the minimum height of the substation fence from ground line outside of the substation to the top of the fence?

A86. Seven feet is the minimum height of the substation fence. ([TRD/Amendment#6/Q3d](#))

Q87. What types of recording meters are there in the station?

A87. GE Analog Meters. ([TRD/Amendment#6/Q3e](#))

Q88. Are there any spare low side breakers?

A88. Yes, 2 each. ([TRD/Amendment#6/Q3f](#))

Q89. How often has low side metaclad switchgear been maintained?

A89. Every two years. ([TRD/Amendment#6/Q3g](#))

Q90. Are there any critical loads that do not have local backup generation?

A90. None. All critical loads have generation backup. ([TRD/Amendment#6/Q3h](#))

Q91. Have there been any oil spills in that substation?

A91. None. ([TRD/Amendment#6/Q3i](#))

Q92. Can the low side breakers be taken out of service for maintenance?

A92. Yes, all low side breakers can be removed at one point or another by tying feeders together in the field. We safely tie 2 or 3 feeders together to remove 1 to 2 breakers at a time to perform maintenance. However, during summer months it may be required to tie no more than two feeders together due to the high load factor at that time of the year. (Local military policy) ([TRD/Amendment#6/Q3j](#))

Q93. Is the AFB distribution system on a "loop" system that would allow de-energization of portions of the substation for maintenance or restoration of service?

A93. Yes, main base is loop fed with multiple tie points to backfeed the 11 feeders we have. The exception is feeder #6 which the majority is loop fed except from North Bridwell Street out along Avenue J and Avenue G to the north side of the base which feeds the 80th Flying Training Wing. However, facilities identified as critical based on mission requirements have backup generation. Also, have loop feed capabilities on feeder #10 up to Building 1402 north along 9th Avenue. However, from that point on to Capehart Housing Area, the feeder does not have loop feed capabilities. ([TRD/Amendment#6/Q3k](#))

Q94. Please provide a copy of the PCB transformer inventory report done for NAS JRB Ft. Worth.

A94. The report is now available in the tech library. It's not available digitally and it's not practical for us to send copies to all potential bidders. It's contents may be summarized as follows: there are no known PCB transformers on station. There are over 200 that were manufactured after '78 and are, therefore, presumed to be PCB free. These have not actually been tested. All are tested before disposal. ([TRD/Amendment#6/Q4e](#))

Q95. Are the athletic field lighting fixtures and system included in the privatization solicitation?

A95. No. ([TRD/Amendment#6/Q4f](#))

Q96. Is the number of streetlights on base known?

A96. More information will be forthcoming on this. ([TRD/Amendment#6/Q4k](#))

Q97. Is the total number of electrical connections known?

A97. No. ([TRD/Amendment#6/Q4l](#))

Q98. Reference answer to question 188 in amendment 0003. Which entity owns the portions of the electrical system between the master meter and the meters which are owned by the privatized housing contractor?

A98. The point of demarcation will be the master meter to the housing area. The housing contractor owns the lines between the master meter and the end users. The contractor will be responsible only for reading the identified meters within the housing area. ([TRD/Amendment#6/Q19](#))

Q99. Reference answer to question 227 in amendment 0003. How is the LTEP operated in relation to the rest of the facilities on base. Is the contractor required to provide backup system support to the LTEP and Wilford Hall?

A99. The TEP generates power for Wilford Hall. There are two dedicated feeders from the switchgear building to the TEP that provide for backup to Wilford Hall in the event that generation at the TEP fails. A minimum power flow (approximately 200 kW) to the TEP is maintained on one circuit to prevent exporting power from the TEP to the base distribution system. The privatization Contractor will own the two feeders up to the termination point at the TEP. In the event of generation failure at the TEP, the operators of the TEP will control the load flow from the Lackland distribution system to provide backup power to Wilford Hall. The TEP operators will switch to the second feeder, if necessary. ([TRD/Amendment#6/Q20](#))

Attachment J.2: Questions and Answers

Q1. Referencing Attachments J-2 and J-6 (Natural Gas Systems), Attachment J-2 states that Alagasco “meters” gas and Attachment J-6 states that Alagasco “supplies” gas. Is Alagasco the natural gas utility service provider for both Maxwell AFB and Gunter Annex? Is Alagasco the natural gas commodity provider? Is there a difference between a service and a commodity provider?

A1. Currently Alagasco is the natural gas (commodity) supplier for both Maxwell and Gunter. However, there is a difference between a service provider and a commodity provider in regard to this solicitation. The commodities are not included in this RFP. ([Maxwell/Amendment#10/Q24](#))

Q2. Please provide the specifications for the gas piping being installed as part of the new construction currently underway at Maxwell AFB and the Gunter Annex. Please include material (and pipe manufacturer), fabrication and joining procedures, qualification procedures, installation requirements (depth, methods, offsets, etc.), and procedure for abandonment of retired facilities. Records were unavailable on site, and there a number of alternatives allowed under 49CFR Part 192.

A2. Design documents for the construction projects will be made available at the Technical Library by contacting Lt. Sutherland at Maxwell AFB. ([Maxwell/Amendment#14/Q3](#))

Q3. How many request for location of facilities are received monthly at the bases. What are the peak months for request?

A3. See amendment 0009 question 7 and 8. ([Maxwell/Amendment#14/Q4](#))

Q4. How many gas leak reports of outside leaks, and inside leaks, are received per month?

A4. This information is available in the technical library. ([Maxwell/Amendment#14/Q5](#))

Q5. It was observed that certain external improvements of structures have resulted in substandard gas installations, and that rectification of the problem will result in removal of, or damage to some of the improvements. What will be the utility owner’s responsibility to repair affected external improvements? It is assumed that any violations found within the one-year warranty period will be the responsibility of third party contractor.

A5. In order to respond to the issue of responsibility, please provide areas deemed by the offeror to be substandard. The Contractor should clearly identify the locations referred to in this comment and propose a repair project that considers all necessary action to affect repairs to include any damages to existing property. Cost for the repairs should be clearly identified in the proposal IAW Paragraph C.11 of the RFP. ([Maxwell/Amendment#14/Q6](#))

Q6. What are the MAOPs of the Alagasco gas mains supplying Maxwell AFB and the Gunter Annex? (This should be publicly available. It is common for gas utilities to provide this information to larger customers on request.) What is the maximum and minimum delivery pressures to be provided to the bases under the Alagasco contract?

A6. This information is presently provided in Attachment J.2 (Paragraph J.2.4) for Maxwell AFB, and Attachment J6 (Paragraph J.6.4) for Gunter Annex, respectively. ([Maxwell/Amendment#14/Q7](#))

Q7. Has there been any additional work performed on the cathodic protection system since September 1999?

A7. No additional work has been performed beyond the routine monthly maintenance. ([Maxwell/Amendment#14/Q8](#))

Q8. What are the protocols for notifying Alagasco of potential leaks on their facilities located on site? Does Alagasco personnel respond to leak calls on base that are not associated with their facilities. What level of support is Alagasco required to provide under the gas sales/transportation contract? Is there a “mutual aid” agreement between the base and Alagasco to provide support in an emergency?

A8. Alagasco is called by 42nd CES Service Call if their (Alagasco) equipment is affected. No, Alagasco does not respond to leaks not associated with their facilities. A copy of the commodity contract is available in the Technical Library. Yes, a “mutual aid” agreement is in effect at the present time.
([Maxwell/Amendment#14/Q9](#))

Q9. What is the current number of positions utilized to operate and maintain the natural gas distribution system? Please provide breakdown by job classification (i.e. Supervisors, Servicemen, Clerical, etc.).

A9. This information is not available. ([TRD/Amendment#3/Q190](#))

Q10. What party owns the service line that delivers gas to an individual building or meter (main to meter or main to building if there is no meter)?

A10. Points of demarcation are defined in the ROW. ([TRD/Amendment#3/Q210](#))

Q11. Is contractor responsible for leak repairs beyond the meter or inside of any building if there is no meter?

A11. The contractor is responsible for the system up to the point of demarcation defined in the ROW.
([TRD/Amendment#3/Q211](#))

Q12. Is contractor required to investigate leakage or fumes complaints inside buildings?

A12. See # 211. They may have to investigate inside buildings if necessary to determine if leak is inside or outside the building. ([TRD/Amendment#3/Q212](#))

Q13. Is the contractor involved in the repair, maintenance on or adjustment of any gas burning equipment, boilers and/or appliances?

A13. No. ([TRD/Amendment#3/Q213](#))

Q14. Are there specific procedures in place for red-tagging (shutdown of unsafe equipment) and subsequent safety inspections once repairs have been effected?

A14. If the equipment is part of the system being transferred, the contractor is responsible for proposing procedures. ([TRD/Amendment#3/Q214](#))

Q15. Is contractor responsible for meter accuracy, proving and testing?

A15. Yes, see section C.3.3. ([TRD/Amendment#3/Q215](#))

Q16. Is there a timetable for the installation of new secondary meters?

A16. See section C.13.4.2. ([TRD/Amendment#3/Q216](#))

Q17. For Lackland, based on the RFP, City Public Service is the main feed to the system. Under what conditions can the PG&E – Valero feed be utilized?

A17. This feed is mainly for supporting the TEP. However, there is a tap into this line. In case of emergency, the feed can be utilized to supply natural gas to the base. ([TRD/Amendment#3/Q217](#))

Q18. Is the contractor responsible for the failure of either supplier to deliver gas of sufficient quantity, quality or pressure to adequately operate the system?

A18. If the failure is due to the commodity supplier, the system owner is not responsible.
([TRD/Amendment#3/Q218](#))

Q19. Who is responsible for the installation of new service lines or upgrading existing lines when new structures are built or existing structures are modified?

A19. The owner of the system is responsible, see section C.11. ([TRD/Amendment#3/Q219](#))

Q20. For Lackland, what is the percentage of lost and unaccounted for gas for the previous five years?

A20. Information is not available. ([TRD/Amendment#3/Q220](#))

Q21. For Lackland, how many outstanding leaks by classification?

A21.

	1995	1996	1997	1998	1999
Class 1	5	60	4	5	13
Repaired	5	60	4	5	13
Class 2	17	28	16	4	16
Repaired	17	27	16	4	16
Class 3	83	361	35	173	148
Repaired	70	257	29	120	101 (TRD/Amendment#3/Q221)

Q22. For Lackland, how many leaks were repaired per year over the last five years?A22. See # 220. ([TRD/Amendment#3/Q222](#))**Q23. For Lackland, is there a computerized leak information system?**A23. No. ([TRD/Amendment#3/Q223](#))**Q24. What are the current and historic employment levels (five year total request)?**A24. Not releasable. ([TRD/Amendment#3/Q224](#))**Q25. Is the use of contractors prevalent?**A25. This varies from base to base and system to system. ([TRD/Amendment#3/Q225](#))**Q26. What are the historic O&M costs over the last five years?**A26. Not releasable. See # 185. ([TRD/Amendment#3/Q226](#))**Q27. Is there any operational significance to the Lackland Total Energy Plant (TEP)?**A27. There is no operational significance. It is not relevant for this RFP. ([TRD/Amendment#3/Q227](#))

Attachment J.3: Questions and Answers

Q1. How old is the water system?

A1. The age varies significantly at the different locations on the base. The inventory provided at Attachment J3 is based upon record drawings. ([Maxwell/Amendment#8/Qa1](#))

Q2. Is irrigation part of the RFP?

A2. Per Attachment J43, Lawn Irrigation Systems are excluded. ([Maxwell/Amendment#8/Qa2](#))

Q3. At the prison is there a single entry or multiple entry for water?

A3. Per Tab G-1, Sheet 2 and 3 of 21 of the Maxwell AFB drawings, there is a single 6" main feeding this area. ([Maxwell/Amendment#8/Qa4](#))

Q4. How many entry points are there to Maxwell?

A4. 5. ([Maxwell/Amendment#8/Qa5](#))

Q5. Is the old hospital being demolished (Bldg. 52)? Are the backflows on the maps?

A5. Yes, the old hospital is being demolished. Maps won't be available until construction is complete. ([Maxwell/Amendment#8/Qa6](#))

Q6. A report prepared in 1995 by CH2M Hill Consulting Engineers titled Water System and Sanitary Sewer System is mentioned frequently in the project documentation especially in regards to water and sewer pipe conditions. Please provide a full copy of this important resource.

A6. This report is provided in the Technical Library. ([Maxwell/Amendment#14/Q15](#))

Q7. Site spot inspection indicated several differences in water and sewer pipeline sizes from those indicated in RFP. Will ___ be able to obtain fair value adjustments for additional costs resulting from such incorrect RFP information, as there is no realistic opportunity for verification prior to Contract?

A7. The utility system sale is "As Is, Where Is". The information contained in the RFP is the best available to date. It is incumbent upon each offeror to verify the information provided in the RFP and include inconsistencies in their proposals. Site visits have been extended through 29 Sep 00 to allow for additional opportunities to review each system. ([Maxwell/Amendment#14/Q16](#))

Q8. 6 phases are identified for government recognized water and wastewater facilities deficiencies, what is the time frame for each phase?

A8. The offeror should submit their proposal in accordance with Attachments J-3, J4, J-7 and J-8 respectively. ([Maxwell/Amendment#14/Q17](#))

Q9. Will additional water facilities be required to handle deficient fire flow to buildings 845 and 1404?

A9. Any future upgrade projects should take these deficiencies into account and water lines sized appropriately. ([Maxwell/Amendment#14/Q18](#))

Q10. Where can the type and depth of water and wastewater pipe be found. There are several thousand feet that will be replaced with some as deep as 25"?

A10. Any known information on material type and depth is available on system drawings provided as part of the solicitation and also in previous studies available in the Technical Library. ([Maxwell/Amendment#14/Q19](#))

Q11. At Laughlin AFB what is the extent of slip-lining that is anticipated to repair the wastewater and water piping system.

A11. This is up to the offeror. ([TRD/Amendment#3/Q148](#))

Q12. For Lackland, how many water softening facilities are located on the base and will the successful bidder be responsible for the operation and maintenance of those facilities?

A12. All water softening systems are not included in this RFP. ([TRD/Amendment#3/Q228](#))

Q13. What are the limits of the watermain replacement on Tenth Street, Avenue H, and Missile Road? In particular how far south on Missile Road is the 10" main to be replaced?

A13. See Drawing VNVP 981007. Drawings provided upon email request sent to private@desc.dla.mil. ([TRD/Amendment#6/Q2a](#))

Q14. When were the water tanks, both types ground and elevated, (maintained) painted inside and outside?

A14. The 1.5 million gallon tank and the elevated water tower were painted approximately 9 years ago. The elevated tower received exterior paint only. The other two 0.5 million gallon tanks have not been painted in many years. Records are not available. ([TRD/Amendment#6/Q2b](#))

Attachment J.4: Questions and Answers

Q1. A report prepared in 1995 by CH2M Hill Consulting Engineers titled Water System and Sanitary Sewer System is mentioned frequently in the project documentation especially in regards to water and sewer pipe conditions. Please provide a full copy of this important resource.

A1. This report is provided in the Technical Library. ([Maxwell/Amendment#14/Q15](#))

Q2. Site spot inspection indicated several differences in water and sewer pipeline sizes from those indicated in RFP. Will ___ be able to obtain fair value adjustments for additional costs resulting from such incorrect RFP information, as there is no realistic opportunity for verification prior to Contract?

A2. The utility system sale is "As Is, Where Is". The information contained in the RFP is the best available to date. It is incumbent upon each offeror to verify the information provided in the RFP and include inconsistencies in their proposals. Site visits have been extended through 29 Sep 00 to allow for additional opportunities to review each system. ([Maxwell/Amendment#14/Q16](#))

Q3. 6 phases are identified for government recognized water and wastewater facilities deficiencies, what is the time frame for each phase?

A3. The offeror should submit their proposal in accordance with Attachments J-3, J4, J-7 and J-8 respectively. ([Maxwell/Amendment#14/Q17](#))

Q4. Will additional water facilities be required to handle deficient fire flow to buildings 845 and 1404?

A4. Any future upgrade projects should take these deficiencies into account and water lines sized appropriately. ([Maxwell/Amendment#14/Q18](#))

Q5. Where can the type and depth of water and wastewater pipe be found. There are several thousand feet that will be replaced with some as deep as 25'?"

A5. Any known information on material type and depth is available on system drawings provided as part of the solicitation and also in previous studies available in the Technical Library. ([Maxwell/Amendment#14/Q19](#))

Q6. At Laughlin AFB what is the extent of slip-lining that is anticipated to repair the wastewater and water piping system.

A6. This is up to the offeror. ([TRD/Amendment#3/Q148](#))

Q7. Repair sewer lines Wherry Housing Phase 2. What is the scope of the project? Please list streets and housing unit numbers on which sewer are to be replaced. If a drawing is available please provide a copy. Why is pipe bursting and trenchless pipe replacement being proposed rather than open cut methods?

A7. See AutoCad Drawings. Drawings provided upon email request sent to private@desc.dla.mil.

Project VNVP 994001-2, Wherry, Phase 2

i. Scope of the project: Replace sanitary sewer mains at various locations in Wherry Housing. Work includes pipe bursting, service reconnection, and lining existing manholes. Some approximate quantities of work include:

-Replace 3,500 LF of 8" sanitary sewer main pipe.

-Replace 1,850 LF of 6" sanitary sewer main pipe.

-Line 16 each existing manholes.

ii. A drawing of VNVP 994001-2, Replace Sewer Lines, Wherry, Phase 2 has been provided. The drawing clearly describes the location and type of work to be performed.

(Matt Tyler has this CD, too.)

iii. Pipe bursting reduces site disruption. ([TRD/Amendment#6/Q2c](#))

Q8. What is the scope of the sewer replacement for Capehart Housing Phase 1 and Phase 2? Please list streets and housing unit numbers on which sewer are to be replaced. Are the building laterals in poor condition as well? Should they be replaced at the same time?

A8. Scope of project: Repair/Replace sanitary sewer mains in the Capehart housing area. Specific locations/quantities/conditions have not yet been determined. Replacement should minimize impact to residents. ([TRD/Amendment#6/Q2d](#))

Q9. When were the sewage lift station pumps last replaced?

A9. Approximately 5 years ago. ([TRD/Amendment#6/Q2e](#))

Q10. The drawing shows a "Gunk Treatment Plant" and a separate collection system for "gunk". Are these included in the systems to be privatized? If so, we need to know what this system comprises and how it functions.

A10. No. These systems are no longer active. ([TRD/Amendment#6/Q4a](#))

Q11. The drawing shows four "Industrial Waste Interceptors" and one "Industrial Waste Oil Interceptor". These appear to be 'end of pipe' stormwater treatment facilities. If these are included then again we need to know some details of each and how they function.

A11. These systems are included. They are pretty old and consist primarily of collection pits and pumps. They do discharge (to open channels). If more detail is desired please arrange for a site visit. ([TRD/Amendment#6/Q4b](#))

Q12. The R.F.P.document Section J36.2.1.1 states "The system currently includes 27 oil and water separators that are either in operation or about to be brought on line. All of the oil and water separators are believed to discharge to the sanitary sewer. The operating capacity when written on the plans is provided. If not available, the volume from the bottom of the separator to the invert of the discharge pipe was calculated and reported." This is apparently an extract from a report which has not been made available. The Table 1 Fixed Inventory contains none of this information and does not list the Oil Water separators, the "Two surface water lift stations" nor the "two lift stations ...that are part of the Industrial Waste Treatment /Disposal Facility".

A12. Assuming the direct question here is: "are the Oil Water separators, the lift stations, and the industrial waste treatment/disposal facility included in the system to be privatized?". The answer is "yes". None of these systems are very sophisticated. Again, the best way for any potential bidders to get an understanding of these systems is to arrange to come to the base and look at them. ([TRD/Amendment#6/Q4c](#))

Q13. There are many stormwater ditches and culverts around the Base, none of these are listed in the Fixed Inventory. Are they included in the system to be privatized?

A13. No. ([TRD/Amendment#6/Q4d](#))

Attachment J.40: Questions and Answers

Q1. Referencing Attachment J40 (Example Schedule B-1), the example suggests allocating 15 percent of a system purchase price for the non-Government use of excess system capacity. Any such allocation would then be locked into the proposed Section B fixed-price monthly service charge.

A1. Attachment J40 is only an example of one possible cause reducing the purchase price recovery. It is assumed that Offerors will each determine their own intrinsic value to owning the system.

[\(TRD/Amendment#3/Q127\)](#)

Attachment J.41: Questions and Answers

Q1. Will an offeror be deemed non-responsive if it proposes exceptions to the terms of the R-O-W, but not to the description of the premises covered by the R-O-W?

A1. Technically, the term "non-responsive" is not applicable to negotiated procurements but only to offers submitted in response to an "Invitation to Bids." Under the subject solicitation, however, the Government will not consider any exceptions to the Bill of Sale, Right-Of-Way, and property descriptions (no award will be made to an offeror with a final proposal containing such an exception). Additionally, any offeror submitting such an exception would be at risk of being excluded from the competitive range prior to negotiations. This does not preclude an offeror identifying perceived deficiencies in these documents or the advantages of an alternate approach as long as, in doing so, the offeror does not make their offer contingent on the government's acceptance of an exception to these documents. Please refer to FAR 52-215-1 ALT II, which allows alternate proposals. ([Bolling/Amendment#3/Q1](#))

Q2. Do any environmental baseline surveys exist to define current conditions? Are past environmental compliance records and citations (if any) available?

A2. Information regarding the Environmental Baseline Survey is provided at Exhibit D, Appendix J05 of the right-of-way for each system. This information is available as part of the technical library. ([Bolling/Amendment#3/Q3](#))

Q3. Are reportable toxic chemicals used at Bolling in connection with the electric plant, facilities or infrastructure?

A3. Information regarding the Environmental Baseline Survey is provided at Exhibit D, Appendix J05 of the right-of-way for each system. This information is available as part of the technical library. ([Bolling/Amendment#3/Q6](#))

Q4. Are annual or other reports being filed related to Class One toxic chemicals?

A4. Information regarding the Environmental Baseline Survey is provided at Exhibit D, Appendix J05 of the right-of-way for each system. This information is available as part of the technical library. ([Bolling/Amendment#3/Q7](#))

Q5. If chemicals are used to any extent, are they exempt?

A5. Information regarding the Environmental Baseline Survey is provided at Exhibit D, Appendix J05 of the right-of-way for each system. This information is available as part of the technical library. ([Bolling/Amendment#3/Q8](#))

Q6. Please clarify for the electrical system, where is the demarcation line as between the equipment to be purchased and that to remain in Bolling AFB's control? Specifically, do we stop at the secondary of the 13.2kv to 480 or 240-volt transformers, or do we continue to some place such as the building line, the meter, or the building switchboard?

A6. Please refer to the Right-Of-Way Appendix J05, Part II, Exhibit B for Electrical Utility System. ([Bolling/Amendment#3/Q11](#))

Q7. Also, the sale of all the secondary metering suggests that the secondary wiring, at least to the meter, is in the package as well.

A7. Please refer to the Right-Of-Way Appendix J05, Part II, Exhibit B for Electrical Utility System. ([Bolling/Amendment#3/Q12](#))

Q8. To the extent environmental problems have been identified in the Assessment, have they been addressed and corrected subsequently?

A8. Information regarding the Environmental Baseline Survey is provided at Exhibit D, Appendix J05 of the right-of-way for each system. This information is available as part of the technical library.

([Bolling/Amendment#3/Q14](#))

Q9. Are there any continuing environmental problems of any kind associated with the Electrical Infrastructure, at Bolling AFB?

A9. Information regarding the Environmental Baseline Survey is provided at Exhibit D, Appendix J05 of the right-of-way for each system. This information is available as part of the technical library.

([Bolling/Amendment#3/Q16](#))

Q10. Upon any conveyance, will there remain any environmental problems at that point, for which the Government will remain responsible? Example: Building 18 has underground storage tanks. Would a contractor have any concern about pre-existing conditions there? Is Building 18 a restoration site? Any other areas associated with the Electric distribution system?

A10. Refer to Appendix J05, Right Of Way. ([Bolling/Amendment#3/Q17](#))

Q11. Is there any likelihood that while no problem may exist today, that something could arise in the future that could be attributable to an event, product or oversight that occurred, prior to conveyance?

A11. Refer to Appendix J05, Right Of Way. ([Bolling/Amendment#3/Q18](#))

Q12. My reading of the 20-page study shows no environmental issues of any kind related to the electric facilities and operations. I assume this condition remains and will be in effect upon any conveyance?

A12. Refer to Appendix J05, Right Of Way. ([Bolling/Amendment#3/Q19](#))

Q13. A detailed review of the Solicitation documents indicates that for most of the electric distribution system, the demarcation line between the equipment which the Contractor will own, and that which will remain in Bolling AFB ownership, is the secondary terminals of the transformers (which have 13.2 kV primaries). Note that there are several exceptions; these have secondary loops or underground conductors to either the building meter, or to the weatherhead for overhead lines. This constitutes an inconsistency and our question is whether the line of demarcation can be made to conform. To the extent possible, can the secondary terminals of the transformer be made the line of demarcation for all locations? In this manner, all lower voltage feeders would remain Bolling AFB property, and the 13.2 kV system (including transformers and switches) would become property of the Contractor. This clear demarcation will be very helpful to both parties, particularly in emergencies.

A13. The Governments requirement as currently specified by Demarcation Points and as currently delineated in the RFP document to include Utility Specific Attachments as well as the Right-Of-Way, will remain as specified. ([Bolling/Amendment#4/Q1](#))

Q14. (Condition 5) This condition states that "Grantee has inspected and knows the condition of the Premises." Has the Physical Condition Report already been prepared? Is the final or draft report available for our review?

A14. The Physical Condition Report has not been prepared . The final Physical Condition Report is an inspection of the premises, after acceptance of the ROW by all parties, to be included in the grant reflecting the condition "at the time of the grant" and will be completed jointly by the Government and Contractor upon contract award. ([Maxwell/Amendment#9/Q39a](#))

Q15. (Condition 9) This condition requires Grantee, upon termination of the Right-of-Way, to remove contamination caused by Grantee. What is the standard for removal? Is it removal as required by applicable environmental laws or a more stringent standard?

A15. Applicable environmental laws and as documented by the Physical Condition Report.

([Maxwell/Amendment#9/Q39b](#))

Q16. (Condition 16) This condition deals with historic preservation. It states that the Grantee shall cease activities in the event that cultural, historical, etc. sites or objects are discovered, and shall wait for clearance before continuing work. The condition places the costs of this delay on the Grantee. Have any cultural resource surveys been conducted at the Installations?

A16. Yes, the Government has identified several known historical, cultural, and other sites. The Government typically does not advertise these locations in order to minimize site damage by unauthorized personnel. These locations will be made available to the Contractor upon contract award. Again, this clause is intended to protect both the Contractor and the Government from violations of federal, state, and local environmental laws and policies and is standard throughout the construction industry. In the event of possible loss of service, the Contractor shall notify the Government immediately. The Contractor will not be responsible or liable for unknown pre-existing historical or cultural conditions. ([Maxwell/Amendment#9/Q39c](#))

Q17. Condition 17: This condition deals with the listing of the Installations on the National Priorities List (NPL) under CERCLA. Have any portions of the Installations been placed on the NPL? Are there any current Federal Facility Agreements (FFA) in effect?

A17. This information is included as part of the EBS and Environmental Impact Analysis performed at the Installations and is provided in the Technical Library. ([Maxwell/Amendment#9/Q39d](#))

Q18. Condition 19. This condition deals with the Environmental Baseline Study (EBS) and references Exhibit D. Where do we obtain a copy of the diagram identifying the Category areas which Exhibit D states is located in Appendix D? How will the EBS be used to settle factual aspects of restoration claims if it did not specifically include sampling of the Premises before and after Grantee's use of the Right-of-Way? This provision should be modified to allow use of other relevant information to settle such disputes in addition to an EBS. Also, the EBS referenced in Condition 19 covers the property", which apparently includes the entire installation. Does the Government intend for the EBS conducted at the termination of the Right-of-Way to cover the "property" or the "Premises"? Does the government intend for Grantee to pay one-half of the costs of an EBS for the entire installation or just the Premises?

A18. Exhibit D only contains the Executive Summary from the EBS. The complete EBS is available in the Technical Library. Sampling was not included in this EBS; it examined records only. The condition assessment will only effect the premises covered in the Right-Of-Way. The parties will share equally in the cost of the EBS that determines the end condition of the premises. ([Maxwell/Amendment#9/Q39e](#))

Q19. Attachment 1, Paragraph F states that Grantee will comply with Air Force Instruction 32-7061 Environmental Impact Analysis Process. Where do we obtain a copy of this document?

A19. The Contractor shall follow requirements in Air Force Instruction 32-7061, "Environmental Impact Analysis Process". The Government provides access to the Installation Environmental Impact Analysis Procedures/Process via the Internet. This guide prescribes scope, significance, decision-maker, etc. for environmental impact analyses. ([Maxwell/Amendment#9/Q39f](#))

Q20. Exhibit A: Where do we obtain copies of the maps referenced in this exhibit?

A20. The drawings are now available electronically via the Internet per Amendment 0001. ([Maxwell/Amendment#9/Q39g1](#))

Q21. Exhibit D: The EBS covers 25-foot corridors centered on utility lines, whereas the Right-of-Way covers 26-foot corridors. Why is there a discrepancy? Where is Appendix D which shows where these Category areas are located?

A21. The 25-foot corridor stated in the EBS is correct. Other references will be corrected. Exhibit D only contains the Executive Summary from the EBS. The complete EBS is available in the Technical Library. ([Maxwell/Amendment#9/Q39g2](#))

Q22. Asbestos or Hazardous Waste. Recommend using the following language:

- (a) Upon discovery of pre-existing hazardous environmental conditions, Contractor shall give notice thereof to the Government, who shall be solely responsible to remediate such conditions. Contractor will, however, deliver any transformers containing PCBs to the Government for its handling and disposal.
- (b) Contractor shall only be obligated to dispose of hazardous material it creates, and shall have no responsibility to dispose of pre-existing hazardous materials or those, which are created by third parties.

A22. The Government requirements will remain as stated in Attachment J41, Part 1, Paragraph 13. ([Maxwell/Amendment#14/Q1](#))

Q23. For underground service not metered at the transformer or at the building, the point of demarcation (ownership change) is the building wall per the RFP. That is usually in the middle of a cable run. Electric utilities usually prefer an ownership point to be a connection; that is, at the end of a cable. Will the Base consider moving the demarcation point to where the cables connect to the building main distribution panel?

A23. See Amendment 0013, Attachment J-41, "Right-of-Way". ([Maxwell/Amendment#14/Q1](#))

Q24. Referencing the response to Question 15 (contractor facilities), the response states that the Government will provide the commodity and distribution services. We do not understand how the Government can provide a distribution service if another entity owns the facilities that represent the exclusive physical means to provide that service. The RFP clause cited in the response (Section C.5.1.3) clearly provides that the contractor shall "acquire, install, and operate and maintain all facilities." Please clarify.

A24. See Attachment J-41, "Right-of-Way", paragraph 8. ([Maxwell/Amendment#14/Q26r](#))

Q25. Referencing Grant of ROW (General), to the extent the Government's exercise of its rights under the ROW impose new/modified requirements on the contractor, how will a contractor recover its costs? Would this be grounds for a Section G.3 charge adjustment?

A25. Yes. ([TRD/Amendment#3/Q128](#))

Q26. Referencing Grant of ROW (Condition 1), the ROW shall automatically terminate if any part of the service premises is not used to provide services to customers. Please define the term customers. Does the term refer only to connection points within the service premise?

A26. "Customers" means the Government. ([TRD/Amendment#3/Q129](#))

Q27. Since the Grantor has discretion in granting a ROW renewal, standard utility practices would view a non-renewal as a termination of a customer's (i.e., an installation) service requirement and as such remove any further obligation to provide service to that customer. Does DESC concur?

A27. The length of the ROW is longer than any contract awarded under this RFP. ([TRD/Amendment#3/Q129a](#))

Q28. To the extent there is a joint use of privatized facilities, please describe the related consequences if a ROW is terminated? Would the contractor be entitled to any compensation under the related service contract? Would there be a basis for an automatic rate adjustment?

A28. Do not want to anticipate the consequences absent a specific set of facts. ([TRD/Amendment#3/Q129b](#))

Q29. Referencing Grant of ROW (Condition 4.2), the Government may require the removal or relocation of the Grantee's property. Under standard utility practices, this is a change in method of service for the convenience of a customer (the Government), and as such the cost of any removal or relocation would be the responsibility of the customer. Please clarify which party is responsible for any such removal or relocation.

A29. The Contractor is responsible for removal and/or relocation, any costs associated will be handled through the Changes clause, FAR 52.243-1 Alt 1. ([TRD/Amendment#3/Q130a](#))

Q30. Does the condition require the physical removal of underground facilities such as a duct bank? The normal method of service is to abandon such facilities in place.

A30. Unknown. ([TRD/Amendment#3/Q130a](#))

Q31. Referencing Grant of ROW (Condition 4.5), the condition appears to give the Government the right to sell or transfer facilities (such as poles) that are included in the system inventory and as such the ownership of the same presumably would be transferred to the contractor.

A31. No contractor property can be transferred. ([TRD/Amendment#3/Q131](#))

Q32. Referencing Grant of ROW (Condition 6), the term as written literally requires that the contractor shall maintain the entire premises and not just the portion of the premises where utility facilities are located. Please confirm what is correct.

A32. See definition of premises in the introduction to the ROW. ([TRD/Amendment#3/Q132](#))

Q33. Referencing Grant of ROW (Condition 20), there should be a companion indemnification to hold the Grantee harmless from the actions of the Government.

A33. 20.2 of the ROW indicates that the grantee is liable for the results of its actions and states that the grantee is not liable if the Government is grossly negligent. No further indemnification is necessary. ([TRD/Amendment#3/Q133](#))

Q34. Referencing Attachment J49 (Example Easement), please explain the differences in use/application between an easement and a right-of-way.

A34. The easement is for the Army and the right-of-way is for the Air Force and Navy. ([TRD/Amendment#3/Q134](#))

Q35. How will the easement apply for a privatized service?

A35. See # 130. ([TRD/Amendment#3/Q134a](#))

Q36. If an easement is applied, will any Section 15 Relocation of services be at the sole expense of the Grantee? It would be difficult to develop a post proposal without resolution of this issue.

A36. See # 130. ([TRD/Amendment#3/Q134b](#))

Q37. If a right of way terminates, what is the status of the equipment and lines on it? Must they be removed? If so, when?

A37. See ROW Section 9. ([TRD/Amendment#6/Q9g](#))

Attachment J.42: Questions and Answers

Attachment J.43: Questions and Answers

Q1. Is irrigation part of the RFP?

A1. Per Attachment J43, Lawn Irrigation Systems are excluded. ([Maxwell/Amendment#8/Qa2](#))

Attachment J.44: Questions and Answers

Section K: Questions and Answers

Q1. Section K Representations, Certifications, and other Statements of Offerors – 52.223-1 Clean Air and Water Certification requests that the offeror certify that the facilities are or are not listed on the Environmental Protection Agency (EPA) list of violating facilities. Since these facilities are currently government owned, the offeror cannot reasonably certify that the facilities are or are not listed on the EPA list of Violating Facilities. Will this section be removed or will the government provide sufficient information so that the offeror can respond to the certification statement?

A1. Due to revisions in the Clean Air and Water Act, this clause is no longer required and has been deleted. See amendment. ([TRD/Amendment#3/Q60](#))

Q2. Section K Representations, Certifications, and other Statements of Offerors – 52.223-13 Certification of Toxic Chemical release Reporting requests that the offeror certify that the facilities are or are not subject to the requirements of Section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 and Section 6607 of the Pollution Prevention Act of 1990. Will the government provide the Standard Industrial Classification (SIC) Code for all facilities so that a determination by the offeror can be made?

A2. The facilities do not fall within SIC codes 20-39. ([TRD/Amendment#3/Q61](#))

Q3. Where can we find specific goals for Small Disadvantaged Business?

A3. The Small Business Administration has a web site where the goals are listed. They are also contained Section K of the RFP. ([TRD/Amendment#3/Q140](#))

Section L.3: Questions and Answers

Q1. We understand an SOQ is to be prepared and presented within 15 working days followed in 5 more working days by Past Performance information. It appears Comparable Experience (L.3.2) in the SOQ is the same as Past Performance (L.7). Could you help me differentiate the two?

A1. Past performance information from customers (L-7) will be used to evaluate how well an offeror is or has performed in current or past efforts; SOQ information is an offeror's assessment of his experience and qualifications.

The SOQ information allows the Government to advise potential Offerors about their viability as a competitor. This process will allow potential offerors to make informed business decisions related to investing additional resources to preparation and submittal of a detailed technical proposal.

The references provided by the offeror in the Past Performance Information will be asked by the Government to complete a past performance questionnaire (provided as attachment J-43A of the RFP). In addition, the Government may conduct Due Diligence site visits based on the responses to the Past Performance Questionnaire.

The comparable experience requested in the SOQ process and the Past Performance information required as part of the offeror's technical proposal, may in fact be the same information; but it will be used by the Government to paint a more complete picture of experience and capability. ([Maxwell/Amendment#1/Q2](#))

Q2. Have you established a date for sending the initial conditional/unconditional qualification ratings of SOQ. Will these be announced publicly to all or are they sensitive to each offeror?

A2. Respondents to the SOQs were notified of their status on 03 Mar 00. The information will only be released to the respondent as it is proprietary and source selection sensitive. ([Maxwell/Amendment#9/Q1](#))

Q3. Section L.3.1.5 Site Visits – How many persons from each offeror can attend each site visit and how many site visits can be made for each base between February 3, 2000 and February 15, 2000. Also, will follow-up site visits be allowed after February 15, 2000 if necessary?

A3. Follow-up visits will be allowed after February 15, 2000 if necessary. The need for a follow-up should be brought to DESC's attention. ([TRD/Amendment#3/Q57](#))

Q4. Section L.3.1.5 Site Visits – Will each installation have a specific schedule and timeframe for a group site visit or can each offeror schedule its own site visit independently?

A4. There is a specific schedule for site visits. Follow up visits will be allowed but they must be scheduled through DESC. ([TRD/Amendment#3/Q58](#))

Q5. Section L.3.1.6 states that a technical library will be available beginning January 28, 2000. Where is the technical library located, is there one on each base? Also, will a list be provided identifying what information is available in the technical library?

A5. There will be one at each base. POCs are as follows:

Lackland Alan Bast	(210) 671-5233
Randolph Clarence Denis	(210) 652-4212
Sheppard Roberto Huevo	(940) 676-5682
Dyess Tom Denslow	(915) 696-5628
Goodfellow Chuck Kirking	(915) 654-3439
Laughlin Lt Dana Repak	(210) 298-5960
Ellington Maj Chuck Phillips	(281) 929-2638
Ft Bliss Joe Mathis	(915) 568-3107
Ft Worth JRB LCDR Simmons	(817) 782-7446

([TRD/Amendment#3/Q59](#))

Q6. Referencing Section L.3.1.4 (Non-Government Advisors), there is objection to CH2M/Hill. This company is or has stated an interest in submitting proposals to provide privatized service. CH2M/Hill is thus a potential competitor. The use of CH2M/Hill also raises at least the perception of bias. For example, it would not be in CH2M/Hill's interest to support the value of regulated service or to contend that a service is regulated in that the company is not a public utility. Because the RFP is a demonstration project, it is possible that the processes, results, etc. may set a precedent for actions elsewhere. It is also understood that CH2M/Hill is or is seeking to team with other concerns. This also raises the prospect of at least an appearance of bias or conflict. We note that the RFP seems to have a bias against a local public utility. An example is the Past Performance Information form (see question 43, below). CH2M/Hill provides contracted O&M services for large Federal, municipal, and industrial customers.

A6. We do not perceive any conflict in CH2MHills work on the procurement. ([TRD/Amendment#3/Q122](#))

Q7. Referencing Section L.3.1.4 (Non-Government Advisors), there is objection to CH2M/Hill. This company is or has stated an interest in submitting proposals to provide privatized service. CH2M/Hill is thus a potential competitor. The use of CH2M/Hill also raises at least the perception of bias. For example, it would not be in CH2M/Hill's interest to support the value of regulated service or to contend that a service is regulated in that the company is not a public utility. Because the RFP is a "demonstration" project, it is possible that the processes, results, etc. may be a precedent for actions elsewhere. It is also understood that CH2M/Hill is or is seeking to team with other concerns. This also raises the prospect of at least an appearance of bias or conflict.

A7. See # 122. ([TRD/Amendment#3/Q169](#))

Section L.4: Questions and Answers

Q1. Is the use of 12-point Times Roman font for the proposal equivalent to 11-point Arial font as required in Section L.4.5 Pages and Typing?

A1. Please use the required font. ([TRD/Amendment#3/Q71](#))

Q2. The draft RFP contained a reference in Section L.4 to a Certificate of Convenience and Necessity (CCN) which is typically associated with regulated public utility service. Why was the reference to a CCN (or CPCN) removed? Is there a requirement for a CCN/CPCN? How will a requirement for or inability to secure a CCN/CPCN be factored into the Government's review of a Statement of Qualifications (SOQ)?

A2. A CCN is not required. ([TRD/Amendment#3/Q72](#))

Q3. In accordance with Section L.4.4, does DESC believe that a single entity will have or be able to obtain a CPCN for both premises within 90 days, if at all?

A3. No CCN or CPCN is required. There is no requirement for this to be done within 90 days. The 90 day requirement is from the Draft RFP issued in October 1999 not in the RFP issued in Jan 2000. ([TRD/Amendment#3/Q86](#))

Q4. Since state law requires a CCN to operate a utility, why is it not required to identify the offeror's CCN as part of Section L.4, Statement of Qualifications?

A4. The CCN is required as a matter of Texas law. The RFP and the resultant contract are governed by federal law. ([TRD/Amendment#3/Q138](#))

Section L.5: Questions and Answers

Q1. Referencing the response to Question 2 (regulated service exceptions), neither the reply to this question nor to Questions 2, 6 and 21 are responsive. The RFP at Clause L.8.2 does allow an “alternative” proposal, but requires that an offeror identify each excepted term and condition and point out the advantages to the Government. What are the consequences if an exception is not accepted? Could this result in a proposal with unaccepted/unacceptable exceptions being deemed non-responsive and as such not considered further for award? The Air Force replied that an offeror’s proposal will not be penalized for taking exceptions. Please reconcile this statement with the potential that an exception may not be accepted.

A1. Refer to response to Question 2 in amendment 0010. The Air Force intends to hold discussions with offerors in accordance with paragraph L.5 of the RFP. ([Maxwell/Amendment#14/Q26b](#))

Section L.7: Questions and Answers

Q1. We understand a SOQ is to be prepared and presented within 15 working days followed in 5 more working days by Past Performance information. It appears Comparable Experience (L.3.2) in the SOQ is the same as Past Performance (L.7). Could you help me differentiate the two?

A1. Past performance information from customers (L-7) will be used to evaluate how well an offeror is or has performed in current or past efforts; SOQ information is an offeror's assessment of his experience and qualifications.

The SOQ information allows the Government to advise potential Offerors about their viability as a competitor. This process will allow potential offerors to make informed business decisions related to investing additional resources to preparation and submittal of a detailed technical proposal.

The references provided by the offeror in the Past Performance Information will be asked by the Government to complete a past performance questionnaire (provided as attachment J-43A of the RFP). In addition, the Government may conduct Due Diligence site visits based on the responses to the Past Performance Questionnaire.

The comparable experience requested in the SOQ process and the Past Performance information required as part of the offeror's technical proposal, may in fact be the same information; but it will be used by the Government to paint a more complete picture of experience and capability. ([Maxwell/Amendment#1/Q2](#))

Q2. Past Performance Information: We believe that Section L.7 (past performance instructions) and the related Section M evaluation factors are prejudicially biased in favor of an entity that provides O&M services and against a local public utility such as _____ . Referencing the past performance information required in RFP Attachment 1, the form emphasizes "contract" specifics. That is, it seeks specific information on "contract" number, type, period of performance, value and completion dates. The applicable points of contact use terms typically associated with a Government service contract (e.g., the project manager, ACO, COR, and QA/COR).

An O&M service contractor may have comparable past experience to the extent it performs work on customer-owned utility systems. An O&M contractor would invariably perform this work under a contract with its customers. The customer may be a Government installation, a private concern or even a public utility that outsources some of its requirements as a supplement to the use of in-house resources. For a Government installation, an O&M contract would cover work on the on-Base distribution system, which in general refers to the pipes and wires inside (downstream) of a revenue meter. Such a meter typically is the demarcation point between the upstream system owned by a local utility and the downstream system owned by the Government. There is an analogous situation for a private customer that owns distribution facilities downstream from a revenue meter.

These contractors may operate and maintain systems, but they do not "own" them. We note that the evaluation factors relate to experience in "owning and/or operating and/or maintaining utility systems" (emphasis added). Even though a fundamental intent of the privatization program is to transfer "ownership" of the Government's utility systems, the RFP is structured in a way that an offeror need not have any experience actually owning a comparable utility system.

The above is in direct contrast to how public utilities operate. While a Government contractor may perform O&M services under contract within an installation, public utilities deliver services to an installation or other customers. The vast majority of customers of _____ and other public utilities are not served under a specific contract. Even when the service is under contract, the scope of work invariably relates to delivering gas (or power or water) to the customer's revenue meter. It does not involve "owning and/or operating and/or maintaining (a customer's) utility systems."

Maxwell AFB is one of _____ largest customers. _____ serves the Base under _____. The nature of our service is to deliver _____ to the Base. How we operate our system upstream of a revenue meter is largely transparent to the Base and our other retail customers. It would thus be a stretch at best for customer responses to virtually all of the factors identified in the Attachment J-43A Past Performance Questionnaire and Attachment J-43B Due Diligence Customer Reference Interview Survey to be anything other than "not applicable."

Compounding the prejudicial aspects of the RFP is the apparent lack of a required section of a technical proposal or a related Section M evaluation factor that addresses a local utility's experience in providing comparable services collectively to its hundreds of thousands of retail service customers. We could provide information in our technical and past performance proposals on the number of customers, area served, miles of pipes and mains owned and operated, valuation of the system and more. However, proposals are not evaluated on overall corporate capabilities or experience. The RFP instead evaluates past performance and experience exclusively in terms of service under specific customer contracts.

Another major concern is that the information sought in the attachments is burdensome and in some instances proprietary. Public utilities may not divulge information regarding customer usage or service characteristics without permission, and many commercial and industrial customers treat service information as proprietary. Some of the references we previously provided to the Air Force have objected to the questionnaires and at least one (a Defense installation) indicated it will not cooperate. That there is no apparent means to modify the previously supplied list of references only compounds the problem.

We hope that the Air Force agrees that _____ owns, operates and maintains an extensive distribution system and possesses the very kind of comparable experience that should be relevant to a best value selection of a privatization contractor. We thus urge the Air Force to reconsider its approach to past performance to allow local utilities to present, and be evaluated on, their corporate experience without regard to specific contracts.

A2. Experience in actual ownership of a utility system will be considered in the best value determination. Offerors will be evaluated on their corporate experience in addition to specific contracts."
([Maxwell/Amendment#14/Q24](#))

Q3. Referencing Attachment 1 (Past Performance Information), the form is inappropriate for these utility services because it is form tailored for a traditional Government contractor that provides contracted goods and services. It is not appropriate for a local public utility that provides service in accordance with a broad service obligation to a geographic area instead of discrete contracts. Also, a utility's largest customers based on demand are typically served at higher voltages (pressure) while the scope of the RFP is for a distribution service provided at lower (primary and secondary) voltages and pressure. Another concern is that the form apparently is the exclusive means to evaluate past performance.

A3. The form is the method of getting references, external to the company, that can verify a company's capability. ([TRD/Amendment#3/Q124](#))

Q4. Is it appropriate for a public utility to provide the information on the basis for broad classes of customers (residential or commercial), or for regions or total systems/subsystems?

A4. We need POC's who can provide details on company capabilities. What/who these POC's represent is up to the offeror. Just explain who they are, what work is done for them, etc.
([TRD/Amendment#3/Q124a](#))

Q5. May an offeror provide past performance information not using the form? Will the DESC consider this information in its evaluations of proposals?

A5. Yes, but we need at a minimum the following information: Name of contact, phone number, fax, address, email (if available), who they represent, a description of work performed, when, etc.
([TRD/Amendment#3/Q124b](#))

Q6. Is ownership of comparable facilities relevant? How so?

A6. Yes, because this provides a basis for a determination as to whether a company is capable.
([TRD/Amendment#3/Q124c](#))

Section L.8: Questions and Answers

Q1. L.8.2 Exceptions to Terms and Conditions p. 76. How does the Government perceive the submission of exceptions? Will the submission of exceptions affect the Government's evaluation of the conformity of the offeror's proposal?

A1. The Contractor shall follow the format provided in the section referenced. The Government will review the exceptions IAW the requirements in Section M of the solicitation. The Contractor shall fully substantiate the reasons for exceptions and state instances that the exception will be advantageous to the Government.

([Maxwell/Amendment#9/Q37](#))

Q2. Referencing Section L.8.2 (Exceptions to Terms and Conditions), would the Air Force accept exceptions (even if they are quite extensive) that collectively would make the service contract subject to the jurisdiction of the APSC and require that the Air Force and the contractor must comply with any APSC orders, tariff revisions, etc.?

a. Could the exceptions fundamentally alter the rate structure (e.g., from firm fixed price with prospective rate changes at defined intervals to cost of service rates that may be changed by order of the APSC)?

b. Could an exception provide that any contract must be subject to the review, approval and as necessary modification by the APSC? Would this be deemed an acceptable exception? Alternatively, would this be characterized as a contingent offer and as such be grounds to reject a proposal containing the exception?

c. Please identify any contract terms that an offeror may not take exception to?

Revised wording in the template states "Exceptions are not allowed to the Bill of Sale and real estate document"

d. Will the Air Force accept an exception only if it is advantageous to the Government? Does the Air Force accept that exceptions that would provide a regulated public utility service that is consistent with the terms and conditions of local public utility tariffs is advantageous?

e. Under what circumstances could one or more exceptions result in a determination by the Air Force that an offeror is not within the competitive range? Should the Air Force disagree/not accept one or more exceptions, will an offeror be afforded the opportunity to revise its proposal before a contractor be selected?

A2. See responses to questions 1b, 2, and 6 above. Exceptions are not allowed to the Bill of Sale and real estate document. ([Maxwell/Amendment#10/Q21](#))

Q3. Referencing the response to Question 2 (regulated service exceptions), neither the reply to this question nor to Questions 2, 6 and 21 are responsive. The RFP at Clause L.8.2 does allow an "alternative" proposal, but requires that an offeror identify each excepted term and condition and point out the advantages to the Government. What are the consequences if an exception is not accepted? Could this result in a proposal with unaccepted/unacceptable exceptions being deemed non-responsive and as such not considered further for award? The Air Force replied that an offeror's proposal will not be penalized for taking exceptions. Please reconcile this statement with the potential that an exception may not be accepted.

A3. Refer to response to Question 2 in amendment 0010. The Air Force intends to hold discussions with offerors in accordance with paragraph L.5 of the RFP. ([Maxwell/Amendment#14/Q26b](#))

Q4. Referencing Section L.8.2 (Alternate Proposals), if a local utility provides and the Government accepts an alternate proposal, will the Government be able to award a contract based on the alternate proposal without the need to modify the RFP?

A4. Yes. ([TRD/Amendment#3/Q123](#))

Q5. Would an accepted alternate proposal be deemed within the scope of the RFP?

A5. Yes. ([TRD/Amendment#3/Q123a](#))

Q6. While exceptions to the deed of sale or real estate document are not allowed, are there other portions of the RFP that similarly may not be changed? Please identify them.

A6. The Government will evaluate any alternative proposed. ([TRD/Amendment#3/Q123b](#))

Q7. Under what circumstances would taking an exception result in a downgrading of an offeror's technical proposal? Could a single exception or the cumulative weight of all exceptions result in a determination that a proposal is non-responsive or not within the technical range?

A7. The Government will evaluate each proposal to determine its overall advantage or disadvantage to the Government. A proposal deemed to be disadvantageous may be downgraded. A proposal will not be downgraded simply because it takes exception to RFP terms and conditions. It is unlikely that exceptions will cause a proposal to be deemed non responsive. It is possible that the total weight of exceptions deemed to be disadvantageous could make an offer's rating fall outside the competitive range. ([TRD/Amendment#3/Q123c](#))

Section L.9: Questions and Answers

Q1. Section L.9.2 (General), the section refers to the Section H.4 termination liability. However, Section H.4 is blank. What is the basis for any termination liability?

A1. H.4 was deleted. Termination is handled by clause FAR 52.249-2, Termination for the Convenience of the Government (Fixed-Price) or FAR 52.249-8, Default (Fixed-Price Supply and Service). ([TRD/Amendment#3/Q170](#))

Section M: Questions and Answers

Q1. Section M of the solicitation is unclear with regard to the level of scrutiny, which will be applied to offerors' cost proposals. Given the price redeterminable nature of this contract, the cost risk of the offerors' technical approaches will ultimately be borne by the Government. Will the Government closely scrutinize the relationship between the technical approach offered and the cost proposed, and will the Government analyze the cost realism of the costs proposed, or will the Government merely perform a very general price reasonableness analysis?

A1. The Government will be performing a cost realism analysis. Realism will be based on an evaluation of costs to determine if the costs reflect a clear understanding of the requirements; are consistent with the various elements of the offeror's technical proposal; are not unbalanced; and are neither excessive nor insufficient for the effort to be accomplished. ([TRD/Amendment#6/Q23](#))

Section M.2: Questions and Answers

Q1. Referencing Section M.2 (Evaluation of a Statement of Qualifications), the last subfactor refers to a capability to perform the necessary operations and maintenance. Will the Government consider a capability of an offeror to legally own the system for which O&M is to be provided?

A1. If a company feels this is a requirement they should address it in their proposal. It is the Government's opinion that state rules do not limit the ownership of a utility system located on a Department of Defense installation. ([TRD/Amendment#3/Q125](#))

Section M.3: Questions and Answers

Q1. Referencing Section M.3 (Basis for Award), while the evaluation of an SOQ considers a capability to provide the service, the evaluation of proposals apparently does not. We note that an SOQ is not a precondition to submitting a proposal. Will the Government consider a capability to provide service? If so, how?

A1. Capability will be evaluated as part of the technical proposal ([TRD/Amendment#3/Q126a](#))

Q2. Does the Government intend to consider regulatory risks? Such risks may include: A violation of an external utility's sale for resale provisions.

A2. It is the Government's position that this does not apply since the owner of the system will not be buying commodity. ([TRD/Amendment#3/Q126bi](#))

Q3. A determination that only the local utility has the legal right to provide service.

A3. It is the Government's position that this does not apply. ([TRD/Amendment#3/Q126bii](#))

Q4. Any service contract must be approved by the cognizant regulatory authority, and that authority might direct changes to the contract.

A4. See # 79. ([TRD/Amendment#3/Q126biii](#))

Q5. Conversely, has the Government determined that there is no regulatory risk. If so, what is the basis for this determination.

A5. See # 78-80. ([TRD/Amendment#3/Q126c](#))

Section M.4: Questions and Answers

Q1. Does the Bolling Request for Proposal (RFP) specify the order of importance in evaluating factors and subfactors?

A1. Yes, see para M.4.1, page 80 of the solicitation. ([Bolling/Amendment#1/Q2](#))

Q2. What is the difference between the Small Business Plan and the Subcontracting Plan?

A2. The Small Business Plan is a subfactor that will receive a color and a risk rating. Offerors must address all of the 6 items under the subfactor at section M.4.2.6 of the RFP. This plan must be based on total acquisition dollars (not subcontracting dollars) in the offeror's price proposal.

The Subcontracting Plan is based on the total subcontracting dollars that the offeror wants to commit to the program. As indicated in section M.5 of the RFP, the Subcontracting Plan will be evaluated separately for compliance with FAR 52.219-9, DFARS 219.705-4, and the statutory goals applicable to all Federal Agencies of a total of 23% commitment of total subcontracting dollars to small businesses (5% of which is committed to Small, Disadvantage Business, 5% to Women-Owned Business, and 1.5% to HUB Zone Business). ([Maxwell/Amendment#8/Qe1](#))

Q3. Referencing Section M.4.1 (Order of Importance), relatively more weight will be given to the Mission Capability and Proposal Risk evaluation factors. The subfactors all deal with how the work will be performed. However, will the Air Force consider whether a contractor has the legal ability to provide all or part of a privatized service? For example, it is possible that a Federal court may determine that ownership of a gas system by other than the local certificated public utility is subject to the jurisdiction of the Alabama Public Service Commission. While it is understood that the Air Force may believe that the contractor and service is not jurisdictional, what if this belief is not the case?

A3. See response to question 6 above. ([Maxwell/Amendment#10/Q22a](#))

Q4. Should an offeror address performance risk from this perspective? If so, to what extent and where should the discussion be included? If risk is so addressed, will the Air Force consider this in its evaluation? If so, how?

A4. No. This solicitation and the resultant contract are subject to Federal law. ([Maxwell/Amendment#10/Q22b](#))

Q5. Does the Air Force plan to consider regulatory risk on a binary basis? That is, the privatized service either will or will not be jurisdictional? Or does the Air Force plan to consider risk on a relative basis? For example, would an offeror (all else being equal) be afforded greater weight if the service could be provided under an existing CPCN?

A5. See the responses to questions 6 and 22a above. ([Maxwell/Amendment#10/Q22c](#))

Q6. Referencing Section M.4.3 (Past Performance), will the Air Force afford relatively more weight to past performance that involved the ownership, operation and maintenance of similar utility systems versus only the operation and maintenance of systems?

A6. The government will take all factors into account when evaluating proposals in accordance with Section M. Relevancy of past performance information in relation to the requirements of this solicitation will be considered in the evaluation process. ([Maxwell/Amendment#10/Q23](#))

Q7. Referencing Section M.4.1 (Order of Importance), relatively more weight will be given to the Mission Capability and Proposal Risk evaluation factors. The subfactors all deal with how the work will be performed. There is no consideration whatsoever regarding whether a contractor has the legal ability to provide all or part of the service. For example, it is possible that a state or Federal court may determine that ownership of a gas or electric system by other than the local certificated public utility is subject to the jurisdiction of the Public Utilities Commission of Texas (PUCT) or the Texas Railroad Commission (TRC) or a municipal

government, such as the City of San Antonio. While we understand that the DESC/DoD may believe that the contractor and service is not jurisdictional, what if this belief is not the case?

A7. This RFP and resulting contract is subject to Federal Law. ([TRD/Amendment#3/Q155a](#))

Q8. Should an offeror address performance risk from this perspective? If so, to what extent and where should the discussion be included? If risk is so addressed, will DESC consider this in its evaluation? If so, how? If not, why not?

A8. No. See #155. a. ([TRD/Amendment#3/Q155b](#))

Q9. Does DESC plan to consider regulatory risk on a binary basis? That is, the privatized service will either be jurisdictional or it will not. Or does DESC plan to consider risk on other an absolutist basis? For example, would an offeror (all else being equal) be afforded greater weight if the service could be provided under an existing CPCN? Conversely, how would DESC consider an offeror's statement that the service is not jurisdictional notwithstanding the lack of any definitive State or Federal rulings to support its contentions?

A9. See #155. a. and 78-80. ([TRD/Amendment#3/Q155c](#))

Q10. Referencing Section M.4.2.1 (Service Interruption Plan), the clause covers contingencies such as Acts of God. Please define the term "Acts of God."

A10. Singular unexpected and irregular visitation of a force of nature. ([TRD/Amendment#3/Q156](#))

Q11. To the extent an Act of God may be defined as an event beyond the control of a contractor, would an Act of God be the basis for a Section G.3 change in the applicable Section B charges?

A11. Yes. ([TRD/Amendment#3/Q156a](#))

Q12. If not, does DESC intend that a contractor must adsorb all associated risks? If so, please reconcile this with the otherwise-applicable proscription on charge adjustments during the first two years of the contract.

A12. An equitable adjustment may be applicable. ([TRD/Amendment#3/Q156b&c](#))

Q13. Will the technical evaluations and review of the offerors' statements of qualifications take into account the corporate form of the actual entity bidding on the solicitation. For example, if the bidding entity is a limited liability partnership formed for the purpose of that contract alone, will the Government's evaluation take into account the fact that such an entity poses greater risk to the government because the parent companies would thereby be shielded from liability to the Government in the event of nonperformance?

A13. We will evaluate the Proposal Risk (See M.4.4) and the financial strength of the offeror (See M.4.2.5). ([TRD/Amendment#6/Q22](#))

Section M.5: Questions and Answers

Q1. What is the difference between the Small Business Plan and the Subcontracting Plan?

A1. The Small Business Plan is a subfactor that will receive a color and a risk rating. Offerors must address all of the 6 items under the subfactor at section M.4.2.6 of the RFP. This plan must be based on total acquisition dollars (not subcontracting dollars) in the offeror's price proposal.

The Subcontracting Plan is based on the total subcontracting dollars that the offeror wants to commit to the program. As indicated in section M.5 of the RFP, the Subcontracting Plan will be evaluated separately for compliance with FAR 52.219-9, DFARS 219.705-4, and the statutory goals applicable to all Federal Agencies of a total of 23% commitment of total subcontracting dollars to small businesses (5% of which is committed to Small, Disadvantage Business, 5% to Women-Owned Business, and 1.5% to HUB Zone Business). ([Maxwell/Amendment#8/Qe1](#))

General: Questions and Answers

Q1. Why wasn't the Bolling AFB utility privatization effort part of a regional approach with other Department of Defense Installations in the local area?

A1. The Government seeks to regionalize utility privatization efforts as much as possible; however, customer requirements do not always make this a possibility. ([Bolling/Amendment#1/Q1](#))

Q2. When will the contract be awarded?

A2. The Government stated during the pre-proposal conference that we would like to award the Bolling AFB privatization effort at the end of the year. Since acquisition milestones are Procurement Sensitive, the actual proposed award date cannot be released. ([Bolling/Amendment#1/Q3](#))

Q3. Can the Government provide the appraisal for the capital equipment (by system) to offerors? This would assist in determining the value of the equipment being purchased from the Government.

A3. Information is procurement sensitive and not releasable at this time. ([Bolling/Amendment#1/Q4](#))

Q4. Please list all licenses, permits and certificates held by Bolling AFB as an entity, and by its individual employees, separately. This relates to all operations associated with the electric plant, equipment, facilities and infrastructure.

A4. This information is not releasable. ([Bolling/Amendment#3/Q4](#))

Q5. Regarding environmental issues are there any adverse developments subsequent to 19 August 1999 that we should know about. Is the status today the same as it was when the study was completed?

A5. There are no adverse developments subsequent to 19 August 1999. The status is the same as it was when the study was completed. ([Bolling/Amendment#3/Q5](#))

Q6. There is a provision in the document prohibiting the application of mortgages or liens on the property being sold. Does this mean that over the life of the contract, a purchaser must always pay cash for replacement and for new equipment?

A6. The property consisting of the utility system infrastructure, when sold, will belong to the new owner, as such, the owner may use appropriate financial avenues to purchase or replace equipment. The premises (land) is not being sold, as such, the new owner will be prohibited from placing a lien or mortgage on said premises. ([Bolling/Amendment#3/Q10](#))

Q7. We have a copy of a 20-Page Environmental Assessment Study done by Avila Government Services, Inc., dated 19 August 1999. Are there any additional pages? Should we have Appendix A to which the document refers? Does Appendix A shed additional light on any environmental problems?

A7. Appendix A to the EA contains the figures associated with the report, and is available in the Technical Library. ([Bolling/Amendment#3/Q13](#))

Q8. Have any new environmental issues arisen since 19 August 1999? If so, what were they, and how have they been resolved?

A8. There are no adverse developments subsequent to 19 August 1999. The status is the same as it was when the study was completed. ([Bolling/Amendment#3/Q15](#))

Q9. After initial review of solicitation I have a question and a concern. 1. I can't find the number of copies required of SOQ due 10 Feb. 2. The tech library and site visits don't start until after site visit which is 60 days away and then leaves only 60 days until proposal is due. Is it possible to consider site visits and tech library visits beginning immediately?

A9. Please provide an original and three copies of the SOQ. The technical library is currently being established and will not be available until the date of the first site visit. Site visits were established at the earliest possible

date in the solicitation process. The time before the site visits is being used for review of the RFP by offerors, prepare SOQ's, prepare Past Performance information, and allow time for the Government's evaluation of SOQ's and Past Performance information. ([Maxwell/Amendment#1/Q1](#))

Q10. Can you please inform me why/how a critical piece of the proposal, which was due 17 Feb at 1500 hours, can be amended to be postponed on the day following the due date? I have got to believe that all serious and capable bidders had to have sent their Past Performance Information to Tyndall no later than the 16th to make sure it arrived on time. Now what does it mean to see an amendment calling for delay of the due date AFTER bidders were cautioned to have this required piece on information delivered? An incapable competitor needed a delay? What about those companies that fairly made an effort to get their information in on time in spite of the hardship caused by the short timetable? Do they get anything extra? They were forced to rush their work because of the due date and didn't know about the change until after the fact. Do they get their work back for an additional two weeks? What about the time missed for notification and mailing from Tyndall? Will you be paying for these extra mailings? This hardly seems a fair way of handling this process. Will you please inform all interested parties who it was that couldn't get their package in on time?

A10. In accordance with Federal Acquisition Regulation (FAR) 5.203(c), Agencies must allow at least a 30-day response time for receipt of bids or proposals from the date of issuance of a solicitation. The proposal was issued on 20 Jan 00 and required Past Performance Information by 17 Feb 00 (less than 30 days). The date for receipt of Past Performance Information was revised to allow at least 30 days in accordance with FAR. ([Maxwell/Amendment#4/Qg](#))

Q11. What does "IWTP" indicate on Page 79?

A11. "IWTP" means "Industrial Water Treatment Plant". "WTP" is "Water Treatment Plant". ([Maxwell/Amendment/Q5.2](#))

Q12. What is the status of the A-76 at Maxwell AFB?

A12. Questions regarding the A-76 solicitation should be addressed to the Air University Public Affairs Office, (334)953-2014. ([Maxwell/Amendment#8/Qd1](#))

Q13. Would (could) a privatized service be implemented under an existing GSA Areawide Contract if the local public utility is selected as the contractor?

A13. No. The Government intends to use a contract awarded under this RFP as a contract vehicle. In addition, the utility service contract(s) resulting from this RFP will be for 50 years. Since the GSA does not have authority to contract for utility services for periods exceeding ten year, it would neither be feasible nor practical to implement this privatization action under an existing GSA contract. ([Maxwell/Amendment#10/Q1b](#))

Q14. Both bases have an NPDES permit (Maxwell AFB [NPDES Permit No. AL0003727] and Gunter AFB [NPDES Permit No. AL0003719]). Will the contractor be required to conduct the monitoring and reporting activities as listed in the permits?

A14. No. ([Maxwell/Amendment#14/Q10](#))

Q15. Why do some stormwater discharge points have sluice gates and some do not?

A15. The stormwater system is not included in the RFP. ([Maxwell/Amendment#14/Q11](#))

Q16. Will the contractor be responsible for operation of the sluice gates in the event of a spill?

A16. The contractor will be required to respond to the Base Spill Plan or Contractor's accepted Spill Plan. ([Maxwell/Amendment#14/Q12](#))

Q17. Will the contractor be responsible only for those solid wastes generated by the activities associated with the gas, electric, water and wastewater activities?

A17. Please clarify which part of the RFP your question refers to. ([Maxwell/Amendment#14/Q13](#))

Q18. Adequacy of Technical Library Information: Our review of the information contained in the technical library indicates serious problems with its usefulness in preparing a privatization proposal in general and a fixed price bid in particular. The library essentially contained a general plan, a leak survey and maps. There are problems even with the rudimentary information provided, such as the following:

- a. There is a recent natural gas leak survey for Maxwell AFB, but none for Gunter;
- b. There is a general plan for Maxwell AFB, but none for Gunter, and there are only two brief paragraphs on natural gas service in the Maxwell AFB plan;
- c. There are hundreds of system maps and drawings (for which we were able to obtain copies on CD), but they are not labeled and we thus are not able to determine if we are viewing a map of an electric, gas or other system; and
- d. There are no independent records to indicate when facilities were installed, yet the RFP specifically states that price adjustments will not be based on the accuracy of the system inventory data.
- e. Follow-on site visits could be scheduled until 24 April 2000 upon one week notice. Since the noted CD was not provided until 21 April 2000, we were unable to identify the noted problems until after the notice time passed. There is no apparent authorization for any further due diligence assessment of the systems.

We urge the Air Force to reconsider the adequacy and accuracy of the information in the technical library. This is especially important since the Air Force stated that it will not allow either retroactive rate adjustments or adjustments based on the accuracy of RFP inventory data.

A18. The technical library contains all available information. Amendment 0013 provided for additional site visits starting 31 Jul 00 and ending 29 Sep 00. ([Maxwell/Amendment#14/Q25](#))

Q19. Referencing the response to Question 2 (regulated service), the 24 February 2000 memorandum from the DoD General Counsel on the role of state law concluded that, with limited exceptions, state and local utility regulations do not apply to the privatization program. It is our understanding that neither the DoD nor the Air Force will submit a privatized service contract or arrangement to the jurisdiction of a state or local regulatory agency, especially with respect to matters affecting service, contract and rate regulation. Are we correct in the stated view regarding jurisdiction?

A19. The Air Force will not comment on your view or interpretation of subject memorandum.

([Maxwell/Amendment#14/Q26c](#))

Q20. Referencing the response to Question 2 (regulated service), we note that elsewhere the Air Force indicated it did not wish to offer conjecture. However, the issue of regulatory jurisdiction is fundamental to the nature of the service provided by every local public utility. We are concerned that the Air Force's unwillingness to address this issue directly could make it very difficult for any local utility to submit a responsive bid. We similarly are concerned that, in the interest of promoting competition, the Air Force may well limit competition by not allowing or by tacitly discouraging proposals by public utilities based on what they do: provide a regulated utility service. Please respond.

A20. We have noted your concerns. ([Maxwell/Amendment#14/Q26e](#))

Q21. Referencing the response to Question 3 (best value), the reply is not responsive. The question related to whether the Air Force places a value on regulated service, but the reply merely referred to the reply to Question 2, which describes the exception process. Considering the noted General Counsel memorandum and recent statements by various Defense personnel, we are concerned that the RFP may present an insurmountable bar to the acceptance of regulation-based exceptions. Neither the substantive sections of the RFP (B through H) nor the proposal instructions contain references to such terms as public utility, regulated public utility, public service commission, regulated service, certificated service territory, tariffs, etc. This absence is telling as these terms readily identify and distinguish public utility service from the services provided by non-utilities. The RFP in structure and content is written more as a solicitation of a typical Government service contract and very little as a typical public utility contract. We thus are concerned that the Air Force will not be able to find that a regulation-based exception will be advantageous if the Air Force neither values regulated service nor is willing to submit the service to the jurisdiction of an independent regulatory authority. Please respond.

A21. We have noted your concerns. ([Maxwell/Amendment#14/Q26f](#))

Q22. Referencing the response to Question 5 (service obligation), the reply defined obligation in terms of fulfilling the terms of the contract. It is our understanding that a distinction between an obligation based solely on contract and one that also incorporates public utility regulation is that the Government is limited in its ability to compel “performance” whereas a regulatory agency is not so constrained. It is also our understanding that the Government’s remedies under contract are effectively limited to determinations of prices and contract termination (for convenience or default). However, contract termination would not seem to be an effective remedy since an unregulated contractor would still own the exclusive means to distribute utilities within an installation. If a contract is terminated by the Air Force, would the Government (pursuant to the Bill of Sale, etc.) then have to repurchase a utility system? At its fair market value? Does the Government believe that the implications addressed in this question are relevant? If not, the Section M evaluation factors do not appear to address performance, default and other similar risks. Please indicate which evaluation factors or subfactors, if any, address these risks.

A22. Your comments are noted. We cannot speculate on scenarios that may or may not occur in the future. Terminations will be handled in accordance with the applicable FAR clauses. ([Maxwell/Amendment#14/Q26g](#))

Q23. Referencing the response to Question 6 (applicable laws and regulations), the reply states that the effect of regulation will be subject to negotiation. Given the fixed-price rate structure, it would seem that the determination of regulated status is a threshold issue rather than one that may be addressed after a proposal is submitted. How can a regulated utility submit an FFP bid if its regulatory status (and hence the applicability of PSC regulations, etc.) will not be known until negotiations?

A23. Your comments are noted. We cannot speculate on scenarios that may or may not occur in the future. ([Maxwell/Amendment#14/Q26h](#))

Q24. Referencing the response to Question 6 (applicable laws and regulations), the response states that “changes proposed by the state or local authority would be subject to the approval of the Government.” Since the Air Force previously initiated a formal proceeding before the APSC (see in Docket No. U-4034), we assume that it is aware that regulatory authorities do not typically issue informal opinions. There is thus a very real potential for a “Catch 22” situation. That is, the Air Force wants regulatory changes to be identified in a proposal, yet it would be difficult procedurally for a PSC to identify such changes absent a contract for review. Must regulatory agency “changes” be identified in a proposal?

A24. Your comments are noted. We cannot speculate on future scenarios and events. ([Maxwell/Amendment#14/Q26i](#))

Q25. Referencing the response to Question 6 (applicable laws and regulations), the response states that privatization actions are governed by Federal law. The response also suggests that conflicts between rulings of the APSC and the solicitation should be identified and appropriate exceptions taken. Given what seems to be an unambiguous statement regarding the supremacy of Federal law, there does not appear to be any basis for the Air Force to accept regulation-based exceptions. Please clarify. Could disapproval of a regulation-based exception result in a determination that a proposal is non-responsive? It appears that the Air Force has predetermined that it will not accept regulation-based exceptions. This is based on the text of the noted response, the Air Force’s response to the Declaratory Ruling of the APSC in Docket No. U-4034 and the Air Force’s responses to questions on the draft solicitation filed by at least two local public utilities. Please respond.

A25. Your comments are noted. We cannot speculate on future scenarios and events. ([Maxwell/Amendment#14/Q26j](#))

Q26. Referencing the response to Question 6 (applicable laws and regulations), the APSC’s declaratory ruling in Docket No. U-4034 addresses many of the issues raised herein and in earlier questions submitted by _____. Does the Air Force accept, in whole or in part, the findings of the APSC?

A26. This question is not germane to the instant RFP. ([Maxwell/Amendment#14/Q26k](#))

Q27. Referencing the response to Question 7 (redistribution of natural gas), the question referred to the tariff provisions of the upstream utility service provider yet the reply was solely based on the terms of the solicitation. It is our understanding that the noted 24 February 2000 General Counsel Memorandum relates to privatized utility service within an installation and not to the provision of service to an installation. That is, the supremacy and other issues addressed in the memorandum cannot be used to

compel an upstream utility to provide service to an installation in a manner that is not consistent with its tariffs, etc.

(1) Has the Air Force unilaterally determined that the noted tariff provisions do not apply? If so, what is the basis for this determination?

(2) Here as well it does not appear that the Section M evaluation factors address this and other related risks. Please confirm.

A27. Your comments/questions are noted. Our previous responses remain unchanged.

[\(Maxwell/Amenment#14/Q26l\)](#)

Q28. Referencing the response to Question 8 (system reacquisition), the response states that the Air Force will not speculate on events. The issues raised relate to service risk, yet it does not appear that the Section M evaluation factors address this and other related risks. Please confirm.

A28. Your comments/questions are noted. Our previous responses remain unchanged.

[\(Maxwell/Amendment#14/Q26m\)](#)

Q29. Referencing the response to Question 12 (commodity supply), please clarify the identity of the “commodity provider.” Is it the contractor selected by the DESC under a commodity acquisition solicitation (which is not a FAR Part 41 contract)? Or is it the upstream public utility that is providing a FAR Part 41 utility service? Referencing the response to Question 12 (commodity supply), the Air Force states that the “point” of purchase of the commodity will not change and concludes that the commodity will be owned either by the Government or by the commodity provider.

(1) Please reconcile this response to the provisions in the APSC’s Declaratory Ruling to the effect that the Air Force would not be the upstream local utility’s customer of record if another entity owned the on-Base utility system. For example, does the Air Force believe either that the tariff provisions of an upstream public utility do not apply with respect to service to an installation or that it has the right to unilaterally interpret the applicability/intent of tariff provisions?

(2) If ownership of an on-Base utility system is owned by an entity other than the local upstream public utility, who will then be utility service customer of that utility? The Government or the entity? Please relate the response to the utility service customer and not the commodity.

A29. Your comments/questions are noted. Our previous responses remain unchanged.

[\(Maxwell/Amendment#14/Q26n\)](#)

Q30. Referencing the response to Question 12 (commodity supply), the Air Force’s replies here and elsewhere at a minimum strongly infer that there will be no change in upstream utility or commodity delivery relationships. Will the Air Force consider in its best value assessment any change in the nature, cost or reliability of upstream service arrangements? If so, please identify the Section M evaluation factor that would apply to such consideration.

A30. Your comments/questions are noted. Our previous responses remain unchanged.

[\(Maxwell/Amendment#14/Q26o\)](#)

Q31. Referencing the response to Question 12 (commodity supply), the APSC’s Declaratory Ruling indicates that, if a third party acquires the on-Base electric distribution system, then the Air Force would no longer be eligible for service under _____ special military tariff rates. This presumably would increase the Air Force’s purchased power costs because, regardless of the level of actual cost savings, it is assumed that the Air Force would not be taking service under the military tariff unless it was cost advantageous to do so. We collectively refer to impacts associated with changes (cost, reliability, etc.) in upstream service relationships as “externalities.”

(1) Does the Air Force’s privatization program allow for the consideration of externalities?

(2) If so, please identify the Section L proposal instruction and Section M evaluation factor that relates to externalities.

A31. Your comments/questions are noted. Our previous responses remain unchanged. [\(Maxwell/Amendment](#)

[#14/Q26p\)](#)

Q32. Referencing the response to Question 12 and the question above (commodity supply), the Air Force has not provided any support for its contention that privatization to another party will not alter current commodity (utility service) arrangements, notwithstanding clear indications to the contrary in the referenced APSC ruling. There is another possible consequence if another entity and not the Air Force becomes our customer of record; namely, that the party would violate our tariff provisions related to the resale or redistribution of natural gas. The context for this added concern again is that the application of Federal law to a privatized service does not affect the nature of service to Maxwell AFB and Gunter Annex. We do not believe that there is any basis for the DoD to contend that Federal law can be a basis to unilaterally change our tariff terms and service conditions.

- (1) Does the Air Force believe that ownership of a distribution system by another entity would (might) violate our tariff prohibitions on gas resale or redistribution? If not, what is the basis for this determination?**
- (2) Has the Air Force considered the potential service, reliability and/or cost risks associated with a potential liability?**
- (3) Is this concern relevant for our proposal (i.e., will it be considered in the best value selection of a privatization contractor)?**

A32. Your comments/questions are noted. Our previous responses remain unchanged.
([Maxwell/Amendment#14/Q26q](#))

Q33. Referencing the response to Question 22 (order of importance), here as well there appears to be a Catch 22 situation. Pursuant to the response to Question 6, an offeror may identify regulatory risks and constraints. However, this may be a futile exercise to the extent the Air Force has predetermined that “this solicitation and the resultant contract are subject to Federal law.” Please clarify.

A33. Again, we cannot speculate on the future of regulatory risk and constraints.
([Maxwell/Amendment#14/Q26t](#))

Q34. Who is to provide billings and to which entities for the commodity delivered by the utility system under the contract?

A34. Commodity billing will not be required. ([TRD/Amendment#3/Q3](#))

Q35. What are the applicable SCA wage determinations for San Antonio?

A35. When DESC receives the official rates from DoL, the RFP will be amended with the information. ([TRD/Amendment#3/Q4](#))

Q36. What is the Government’s valuation of the existing utility system and what was the basis used to come up with the value?

A36. Information is procurement sensitive and not releasable. ([TRD/Amendment#3/Q5](#))

Q37. Identify what costs are to be considered in determining the Government’s long term costs for utility services. This is not an A-76 cost study, so there should be a reason to not release the costs to be considered, the methodology to be used, and the cost figures themselves. Does the term utility services as it is used here mean only utility transmission services?

A37. The Government’s long term costs for utility services were based on the estimated operating and capital costs, including any cost to remedy system deficiencies, the costs of renewals and replacements and adjustments to the current operating costs to properly sustain the system over the long term. The actual costs determined for each system at each base are procurement sensitive and are not releasable. Yes, utility services means only utility transmission, no commodity. ([TRD/Amendment#3/Q6](#))

Q.38 Since nonregulated entities will receive contract price adjustments for increases in SCA wage rates, how will regulated utilities receive a price increase for their corresponding wage increases?

A38. During price redetermination. ([TRD/Amendment#3/Q7](#))

Q39. It would appear that initial capital upgrades under 0003AB could take place over a period longer than two years. Why is the price redetermination clause not applicable to line item 0003AB?

A39. We anticipate that offers will be able to propose firm fixed prices for this work. ([TRD/Amendment#3/Q8](#))

Q40. Will the Government make an election as to go overhead or underground prior to the inclusion of a project under line items 0003AB or 0003AC?

A40. Yes, Please refer to the requirements listed under Utility Specific Attachments. ([TRD/Amendment#3/Q9](#))

Q41. Please produce a copy of all reports or evaluations of the existing condition of the utility system with regards to:

- A. Needed repairs
- B. Needed upgrades
- C. Environment conditions
- D. Safety conditions
- E. Reliability problems

A41. Available in the Technical Library. ([TRD/Amendment#3/Q53](#))

Q42. If projects currently under construction are not completed at the time of contract award, how will they impact contractor operations and will the contractor have any additional responsibility with unanticipated operational failures during start-up?

A42. These, if any, will be negotiated on a case by case basis. Systems that are under construction will not be turned over until they are complete. ([TRD/Amendment#3/Q62](#))

Q43. Since most of the utility systems are underground, construction, repair, and replacement of the utility systems will require some amount of trenching. If during such procedures the contractor finds soil or other type of contamination, who will be responsible for the environmental compliance (i.e. clean-up, fines, etc.)?

A43. The entity responsible for the contamination will be responsible for all costs. If the contamination is clearly demonstrated to be the result of activities prior to ownership transfer the Contractor will not be responsible. ([TRD/Amendment#3/Q63](#))

Q44. Will the offeror have access to all utility components, facilities, records, and personnel at each installation? If not, which installation and what items at each installation will access not be allowed?

A44. Prior to receipt of proposals, all available information is provided in the technical library. Site visits will be available upon request. After contract award all available information will be provided to the contractor and access to the site is as provided in the ROW. ([TRD/Amendment#3/Q64](#))

Q45. Are there any written reports, evaluations, tests, engineering studies or other information that was not included in the RFP indicating the condition of the existing facilities and components including the distribution and collection systems? If yes, will this information be provided?

A45. All available reports should be in the technical library. ([TRD/Amendment#3/Q65](#))

Q46. Will the number of personnel for the daily operations of the utility systems be provided? If so, what is the number of personnel by installation, type of utility system, and percentage time dedicated to the utility?

A46. No. ([TRD/Amendment#3/Q66](#))

Q47. Will a detailed evaluation and assessment of the condition of the utility systems be required or allowed as a component of the Technical Proposal - Operational Transition Plan and/or Initial Capital Upgrades and Initial Renewals and Replacements Plan. If yes, should this also be included in the Cost Proposal? If no, will the military allow for the testing and evaluation of the utility systems during the scheduled site visits?

A47. No evaluation is required. However if additional testing is required the offeror needs to request a follow-up site visit through DESC. ([TRD/Amendment#3/Q67](#))

Q48. Will a detailed list of historical expenses (such as chemicals, sampling, electricity, wholesale contracts, sludge hauling) be provided?

A48. No. ([TRD/Amendment#3/Q68](#))

Q49. Will a list of existing contractors and subcontractors for utility services for each installation be provided?

A49. No. ([TRD/Amendment#3/Q69](#))

Q50. Have there been any non-compliance orders issued by state or federal environmental regulators for the potable water, wastewater or industrial wastewater pre-treatment systems at any of the installations?

A50. If any exist, they will be in the technical library. ([TRD/Amendment#3/Q70](#))

Q51. Attachment J33 at Section J33.4 states that to Fort Worth Naval Air Station is within Texas Utility CPCN. Is the existence of or ability to secure a CPCN a contract requirement?

A51. No. ([TRD/Amendment#3/Q73](#))

Q52. Would (could) a privatized service be implemented under an existing GSA area wide contract if a local public utility is the sale contractor?

A52. We intend to use a contract awarded under this RFP as the contract vehicle. Alternative proposals are permitted. ([TRD/Amendment#3/Q77](#))

Q53. Has the DESC made a determination that privatized electric or natural gas service is subject to the jurisdiction of any of the regulatory bodies: the Public Utility Commission of Texas (PUCT), the Texas Railroad Commission (TRRC), or the City Counsel of the City of San Antonio in the case of Lackland AFB and Randolph AFB?

A53. We have concluded that the privatization actions contemplated in this procurement are governed by Federal law. ([TRD/Amendment#3/Q78](#))

Q54. If so, what is the basis for this determination for each of the affected utility systems?

A54. See attachment 2. ([TRD/Amendment#3/Q78a](#))

Q55. If not, what is the basis for this determination for each of the affected utility systems?

A55. See attachment 2. ([TRD/Amendment#3/Q78b](#))

Q56. If not, please reconcile this determination with the Clause I.5 that provides for regulated utility FAR provisions.

A56. The Government may enter into a contract with a regulated utility. The effect of the regulated status of such an entity on the contract will be the subject of negotiation. ([TRD/Amendment#3/Q78c](#))

Q57. Since regulated utilities currently provide utility services to the locations in the RFP, would a proposal be considered nonresponsive if the contract was subject to regulatory approval? If so, would that be inconsistent with the contract provision to comply with all federal, state, and local regulations and ordinances? What would be the consequences if the regulatory authority reviewed a service contract and ordered changes to comport the contract with its rules and regulations and a utility's tariffs in general and with a cost of service basis for rates in particular?

A57. A regulated utility should note any requirement for regulatory approval in its proposal. Any changes proposed by the state or local regulatory authority would be subject to approval by the Government. ([TRD/Amendment#3/Q79](#))

Q58. Assuming further that a service contract is awarded to other than the local regulated public utility, what would be the consequences if the applicable regulatory authority determines:

a. That the system owner is subject to its jurisdiction and that it cannot provide the required service in accordance with the terms and conditions of the RFP, if at all.

b. Would this be grounds for a termination for default? For the convenience of the

Government?

c. What would happen to the sale of the utility system itself?

d. How would the price be determined if the Government needed to buy back the system because the owner could not operate it legally?

e. Will there be a reversionary provision?

A58. The Government believes this RFP and the resulting contracts are governed by Federal law. We will not speculate on the potential consequences if other parties take a different position.

Offerors may include provisions addressing these concerns in their proposals. ([TRD/Amendment#3/Q80](#))

Q59. What would be the consequences if the applicable regulatory authority orders a rate change? Would a rate change become effective prior to two years after a contract award? Would there be a mandatory renegotiation of contract rates?

A59. Alternate proposals are allowed. Offerors should define the consequences of rate changes in their proposal. ([TRD/Amendment#3/Q83](#))

Q60. The RFP contemplates that the contractor may later provide utility services to off-base locations. If that service by other than the local utility violated tariff restrictions on a resale (or redistribution) of gas or power, would this be grounds for a termination for default? For the convenience of the Government? Does an offeror or the Government assume regulatory approval risk?

A60. The contractor would be responsible for securing any necessary approvals for service off base. ([TRD/Amendment#3/Q82](#))

Q61. There are no apparent provisions to reflect the cost implications of potential changes to the rates or costs for the provision of upstream utility service to an installation. Does DESC assume that privatization will not change any upstream service arrangement or cost, regardless of which entity owns a privatized system, especially if a new system owner is not the upstream utility service provider? If so, please explain the basis for this assumption. Would not any analysis be flawed that did not take into account rate changes as a result of the privatization? How would a true life cycle cost be calculated, if the impact of this contract on the rate structure being paid for the utilities was not considered?

A61. To the extent that such changes are validated this will be taken into account in the price evaluation. ([TRD/Amendment#3/Q87](#))

Q62. Referencing Schedule B-1, capital cost recovery begins when facilities are used and useful. Where should AFUDC-like costs be included in a cost proposal? Is AFUDC an allowable cost?

A62. Any costs that the offerors are seeking to recover should be included in their bids. This may include AFUDC. ([TRD/Amendment#3/Q90](#))

Q63. Any privatized service contract would necessarily be subject to the review and approval by the Company's Board of Trustees and the City Council. Would a proposal subject to this approval be viewed as nonresponsive?

A63. No. See # 79. ([TRD/Amendment#3/Q139](#))

Q64. With the limited number of site visits how can the offerors make an assessment of work that needs to be done over the 50 year period on the systems?

A64. The offerors need to determine necessary information from the site visits and technical library. . If offerors need additional site visits (to see the system, not access to the technical library), please request the visits through DESC. ([TRD/Amendment#3/Q143](#))

Q65. Sheppard AFB and the Fort Worth Naval Air Station (NAS) are currently retail electric utility service customers of TXU's Texas Utilities Electric Company. Their Service Regulation No. 4.7.1.1, Resale of Company's Electric Service, provides as follows:

Customer(s) may not use electric service provided by Company except for the purposes specified in the rate schedules under which Customer receives electric service. Customer may not resell or otherwise dispose of electric service unless as provided by statute or as

specifically provided for in the rate schedule or Agreement for Electric Service. (emphasis added) Some entities have determined that the distribution of power within either Base by an entity other than TXU would be a prohibited sale for resale. What will be the consequences if an entity other than TXU acquires one or both of the electric utility systems and it is subsequently determined that there is a prescribed sale for resale? Has DESC considered this possibility?

A.65. The Government will remain the customer of record for the purchase of commodity. The owner of the on-base utility system will not buy or resell the commodity. ([TRD/Amendment#3/Q149a](#))

Q66. Will this be a factor in the evaluation process? If so, how?

A66. No. ([TRD/Amendment#3/Q149b](#))

Q67. Who will be the local utility's customer if a system is privatized to another entity? The Government or the contractor? If the contractor, please provide the basis for this determination.

A67. Government. ([TRD/Amendment#3/Q150](#))

Q68. Please assume that there is a disagreement/dispute between the local utility and one of the installations regarding the post-privatization definition of a "customer" and the application on the sale for resale proscription. Please assume further that the local utility determines that the contractor and not the installation would be our customer and that the distribution of power within the service premise by the contractor is proscribed. Please explain how, given these assumptions, the installation will be assured that it will have access to electric power within the service premise to fulfill its mission requirements. If DESC determines that it is not proper at this time to address these and other regulation-related issues, how and when will they be considered? Conversely, has DESC determined that these issues are not germane? If so, please provide the basis for this determination.

A68. This issue is not germane. The Government is the customer of the commodity supplier. The contract for the commodity will remain between the Government and the commodity supplier. See # 78-80. ([TRD/Amendment#3/Q151](#))

Q69. Article 14.2 of the local utility's GSA Areawide Contract No. GS-00P-98-BSD-0085, provides that: The requirements of the Disputes clause at FAR 52.233-1 are supplemented to provide that matters involving the interpretation of retail rates, rate schedules, tariffs, riders, and tariff related terms provided under this contract and conditions of service are subject to the jurisdiction and regulation of the utility rate commission having jurisdiction. (emphasis added) Assuming again that there is a dispute between the local utility and one of the installations regarding the post-privatization definition of a "customer" and the application on the sale for resale proscription, please identify the "utility rate commission having jurisdiction." b. If DESC believes that there is no such commission, what is the basis for this determination?

A69. Provisions of the GSA areawide contract do not apply to the RFP. ([TRD/Amendment#3/Q152](#))

Q70. Please assume that the provision of utility service to a base is jurisdictional and subject to applicable contractual (e.g., the GSA Areawide Contract) and regulatory (e.g., PUCT) rules. How will the privatized service contract affect existing upstream service relationships? If there will be no impact (e.g., some have stated, we believe erroneously, that the contractor will merely "step into the shoes" of the Government), what is the basis for this determination?

A70. See #151 c. ([TRD/Amendment#3/Q153a](#))

Q71. If there is a conflict between the privatization and GSA contract, which prevails? Does DESC intend that the privatization contract will in any way supercede the GSA Areawide contract?

A71. See # 152, since the GSA areawide does not apply, there is no conflict and no need to supercede. ([TRD/Amendment#3/Q153b](#))

Q72. Should an offeror assume that all existing external service arrangements will continue unaffected by the Government's privatization action? If so, is the intent of DESC to indemnify a contractor if DESC view of the world is inaccurate?

A72. Yes. We do not anticipate that "indemnification" will be required. ([TRD/Amendment#3/Q153c](#))

Q73. Referencing Attachment J33 (NAS service requirements), section J33.4 (correctly) states that the Fort Worth Naval Air Station is within TXU's certificated service territory. Is the existence of or ability to secure a Certificate of Public Convenience and Necessity (CPCN) a contract requirement?

A73. See # 72. ([TRD/Amendment#3/Q154a](#))

Q74. How will a requirement for or inability to secure a CCN/CPCN be factored into the Government's review of a Statement of Qualifications (SOQ)?

A74. CCN/CPCN is not required. ([TRD/Amendment#3/Q154b](#))

Q75. Referencing Attachment J23 (Sheppard AFB Electric Service), must an offeror have the capability (and legal right) to serve both Sheppard AFB and Frederick Auxiliary Airfield in Frederick, Oklahoma? The two facilities are within different local utility service territories, thereby making it difficult for either installation's local utility to provide service to both. Can an alternate proposal take exception to service to one or the other installation?

A75. Alternate proposals are allowed. ([TRD/Amendment#3/Q157](#))

Q76. Referencing Attachment J23 (Sheppard AFB Electric Service), Section J23.2.2.1 states that a single utility line can serve the base in the event there is a problem with the second line into the Government-owned transformers. The standard retail method of service is to provide a single line that is adequately sized to meet a customer's needs and to provide service via a second line if necessary to meet capacity requirements. Has DESC contacted the local utility to determine if load switching will be provided at no additional cost if the electric system is owned by another entity?

A76. No. ([TRD/Amendment#3/Q158a](#))

Q77. Does DESC believe that there will be no change in the local utility's method of service? If so, what is the basis for this assumption?

A77. Yes. ([TRD/Amendment#3/Q158b](#))

Q78. Alternatively, is it relevant for the local utility to address whether existing, informal service arrangements will be maintained if another entity owns the system? How will DESC consider this information?

A78. The Government does not feel that privatizing these systems will have any effect on existing relationships. However, if the utility determines there may be a change, they can notify the Government with an explanation as to why. ([TRD/Amendment#3/Q158c](#))

Q79. Please characterize the service contract to be awarded under the RFP. Is it a utility service contract? Is it a FAR Part 41 contract? Does FAR Part 41 apply? Is the Government seeking a utility service?

A79. See # 75. ([TRD/Amendment#3/Q159a](#))

Q80. Would (could) a privatized service be implemented under an existing GSA Areawide Contract if the local public utility is the selected contractor?

A80. See # 77. ([TRD/Amendment#3/Q159b](#))

Q81. Has DESC made a determination that the provision of privatized electric or natural gas service is subject to the jurisdiction of the applicable regulatory body (e.g., The public utility commission of Texas (PUCT) or the Texas railroad commission (TRC))? If so, what is the basis for this determination for each of the affected utility systems? If not, what is the basis for this determination for each of the affected utility systems? If not, please reconcile this determination with the clause i.5 regulated utility far provisions.

A81. See # 78. ([TRD/Amendment#3/Q160](#))

Q82. Is payment for the system to be established at some agreed upon price by both parties and then that amount will be "credited" against the monthly use billings until the purchase price is exhausted? After that time monthly reimbursements to the utility would be through monthly government checks.

A82. a. The offeror offers a purchase price through Sub-CLIN 0001.
b. They also offer payment terms (amortization period and interest rate) to the Government
c. The offeror proposes the amount of the purchase price they plan to recoup from the Government (Sub-CLIN 0003AA) and the terms. We ask for this separate from other components so that it is visible and not hidden behind other costs like O&M.
d. Once the purchase price (0001) is fully paid by the new owner and the recovery of the purchase price (0003AA) is fully paid by the Government (end of the amortization periods) both Sub-CLINs will be dropped from the monthly invoices. ([TRD/Amendment#3/Q180](#))

Q83. What is the status on the water rights? Will they be part of the deal?

A83. Water rights will remain with the Government. ([TRD/Amendment#3/Q181](#))

Q84. What is the price that Sheppard is paying the city for the "reuse water" it gets from the city for golf course watering?

A84. Not releasable. ([TRD/Amendment#3/Q183](#))

Q85. How much does Sheppard pay to the City of Wichita Falls for WasteWater Treatment, what is the unit price and what is the quantity of sewage treated for the last 2-3 years?

A85. Not releasable. ([TRD/Amendment#3/Q184](#))

Q86. Please reconfirm the "System Deficiencies" section of each base and each system. There appear to be project that are identified as a deficiency that the contractor needs to fund for in the 1st 2 years that have already been funded and contracted for by the base and service. Additionally, there appear to be projects that require funding that are in the 5 year plan that have not been identified in the RFP.

A86. Offerors should only bid on the projects listed in Section J and any additional projects the offeror determines are necessary. Projects that have been funded but have not been initiated will not be completed by the Government. Only projects that are underway will be completed by the Government. Information on other projects that have been taken from the technical library materials (i.e. FYDP, or other forward planning documents) should be considered as "wish lists". ([TRD/Amendment#3/Q185](#))

Q87. Can historical cost data for the operation and maintenance of the electrical distribution and natural gas distribution systems be provided? Does such information exist in the technical library?

A87. Information on work order history for operations and maintenance is available in the technical library. Cost data is not releasable. ([TRD/Amendment#3/Q186](#))

Q88. Can historical cost data for the capital improvements and upgrades to the electrical distribution and natural gas distribution systems be provided? Does such information exist in the technical library?

A88. Information on capital improvements and upgrades history will be available in the technical library. Cost data is not releasable. ([TRD/Amendment#3/Q187](#))

Q89. Is there currently an inventory of spare equipment for major equipment failures? If so, is that inventory available to the contractor? Is there is no emergency inventory, how is the equipment currently acquired to address such failures?

A89. The inventory of spare parts and equipment is shown in the RFP. ([TRD/Amendment#3/Q202](#))

Q90. For Lackland, are any subcontractors currently used to supplement the existing workforce?

A90. Not releasable. ([TRD/Amendment#3/Q203](#))

Q91. For Lackland, are there mutual aid agreements with adjoining distribution system owners to provide emergency assistance in the case of a major system catastrophe?

A91. Yes. There are verbal agreements from both CPS and SAWS to assist in the case of a major catastrophe. ([TRD/Amendment#3/Q204](#))

Q92. Do any continued employment provisions currently in place for existing employees bind contractor?

A92. No. See clause FAR 52.207-3, Right of First Refusal of Employment. ([TRD/Amendment#3/Q205](#))

Q93. If contractor determines that fewer employees are needed to provide continued operations, does the contractor determine which employees are retained?

A93. It is the contractor's responsibility to determine which, if any, are hired for its operations. ([TRD/Amendment#3/Q206](#))

Q94. Should contractor at a later date define a need to increase staffing levels, do former employees retain any employment rights? If so, for how long?

A94. No. ([TRD/Amendment#3/Q207](#))

Q95. Are all current employees fully qualified to perform their current job assignments?

A95. It is up to the contractor to determine qualifications of employees. ([TRD/Amendment#3/Q208](#))

Q96. Although not listed in Attachment J11, will the contractor have the ability to offer to acquire the equipment and tools used in daily operations or will the contractor need to provide all equipment to continue operations?

A96. Offers for acquisition of Government equipment should be based on information in the Section J attachments. If additional equipment becomes available, the applicable attachments will be amended accordingly. The contractor is responsible for providing all necessary equipment. ([TRD/Amendment#3/Q209](#))

Q97. What holidays are observed by the Base? Is the contractor expected to adhere to specific NAS JRB Ft. Worth response times on holidays?

A97. The federal holidays observed by the base are: New Year's Day, MLK Jr. Birthday, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day. Also from time to time the President will declare Christmas Eve a Federal Holiday. These days will be considered "non-duty" days for the purposes of defining the emergency response time requirements. ([TRD/Amendment#6/Q4j](#))

Q98. Reference answer to question 7 in amendment 0003. The government indicated that contract adjustments for wage increases would be accomplished during price redetermination. The Service Contract Act requires that wages be revisited no less often than every two years. Adjusting the contract for wage increases only during price redetermination (every 36 months) would appear to violate the Act. Please clarify.

A98. Public utility services are not covered by the Service Contract Act (SCA). To the extent the service provider falls within the definition of public utility service, the Price Redetermination clause would apply to adjustments for wage increases; the SCA would not. If the SCA applies, a notice to the Department of Labor is required at least every two years. If a new wage determination required a change in contract price, it would take effect on the contract anniversary date in accordance with Clause FAR 52.222-43. A price increase occasioned by such a new wage determination would not be separately compensable under the Price Redetermination clause. ([TRD/Amendment#6/Q5](#))

Q99. Has the Government submitted an SF98 for this contract to the Department of Labor? When was it submitted?

A99. DESC has submitted the SF98 and have received the Department of Labor's response. See amendment. ([TRD/Amendment#6/Q6](#))

Q100. Reference answer to question 11 in amendment 0003. The current RFP includes the following clauses required by Part 41 of the FAR: 52.241-4, 52.241-7, 52.241-12. These clauses are required by FAR 41.501, but there are other clauses also required by FAR 41.501, which are not in the RFP: 52.241-1, 52.241-2, 52.241-3, 52.241-5, 52.241-6. Will the solicitation be amended to include all of these required clauses? If not, why not?

A100. Question 75 rather than Question 11 addressed Part 41. We stated that if there is substantially similar language in an RFP, there is no need to include the part 41 clause. See FAR 41.501 (c). Other clauses are only required if electricity is being purchased. DESC determined that the referenced clauses are covered elsewhere or do not apply to this procurement. ([TRD/Amendment#6/Q7](#))

Q101. Reference answer to question 13 in the amendment 0003. This response indicates that near the end of the contract, agreements would be reached varying the final period. Does this not violate the 50-year limit on such contracts under 10 USC ' 2688? If not, please identify the authority for your position.

A101. This applies to the last redetermination period of the contract. This has nothing to do with extension beyond the 50 year contract. For example if there were four years left in the contract, the Contractor and the Government could decide to forgo the redetermination at the third year since a new contract would have to be negotiated to start at the end of the fiftieth year (which is only four years away). ([TRD/Amendment#6/Q8](#))

Q102. Reference answer to questions 14, 41, 44, 45, 46, 48, 85, 129, 170 in amendment 0003. Prior to the issuance of amendment 0003, Section H.5 previous required Government approval prior to sale of the system by the successful contract. After Amendment 0003, Paragraph H.4 now requires only 120-day notification. This raises the following questions: What becomes of the utility system after termination?

A102. That question is not resolved by the contract. ([TRD/Amendment#6/Q9a](#))

Q103. Is the contractor required to remove the system? If so, when?

A103. See ROW, Section 9. ([TRD/Amendment#6/Q9b](#))

Q104. May the contractor sell it to other private entities?

A104. The Contractor is the owner of the system. See ROW, Section 21. ([TRD/Amendment#6/Q9c](#))

Q105. Does the Government expect the contractor to sell it back to the Government?

A105. The contract does not require such a disposition. ([TRD/Amendment#6/Q9d](#))

Q106. How will the Government obtain utility service thereafter if only one potential source owns the system? By sole source award?

A106. This question is beyond the scope of the RFP ([TRD/Amendment#6/Q9e](#))

Q107. Reference answer to question 19 in amendment 0003. This answer stated that if the purchase of commodity is regulated, commodity would be purchased separately from the required source. This raises the following questions: Does the Government consider the purchase of electric commodity for Lackland AFB and Randolph AFB to be regulated at this time?

A107. Yes, at this time. ([TRD/Amendment#6/Q11a](#))

Q108. If so, does the Government consider CPS to be the required source for the electric commodity for Lackland AFB and Randolph AFB?

A108. If they are the required provider of commodity. ([TRD/Amendment#6/Q11b](#))

Q109. Reference answer to question 25 in amendment 0003. This answer states that the accuracy of drawings indicating the location of utility lines varies from place to place. Does the agency consider the Texas One Call statute, House Bill 2295, to be applicable to this contract? That statute provides that the operator of a utility is always responsible for costs associated with location of utility lines, regardless of the defects in the owner's drawings or specifications.

A109. We have provided our views on the applicability of Texas law to the RFP and the resultant contract. We are unfamiliar with the cited bill and decline to interpret it. ([TRD/Amendment#6/Q12](#))

Q110. Reference answer to question 27 in amendment 0003. This answer suggests that some permits or licenses will be required prior to the contract start date. Please identify these permits or licenses as they relate to the electrical or gas systems at Randolph AFB and/or

Lackland AFB. With respect to the environmental permits, the answers indicate that the contractor will be the party of record with respect to EPA permits. If the contractor is the party of record, the contractor will have primary responsibility for remediation of hazardous materials. This conflicts with other indications in the contract and amendment 0003 that the contractor would not be responsible or liable for pre-existing contamination. Please resolve this conflict.

A110. It is up to the offeror to determine what environmental permits may be required. We do not agree that the requirement to secure environmental permits is in conflict with any other portion of the solicitations. If offerors discern such a conflict they are free to create an appropriate solution in their proposals. ([TRD/Amendment#6/Q13](#))

Q111. Reference answer to question 36 in amendment 0003. This answer states that the contract start date would be as proposed by the offeror and accepted by the Government. Is there any outside limit on the contract start date?

A111. No limit has been defined. ([TRD/Amendment#6/Q14](#))

Q112. Reference answer to question 99 in amendment 0003. This answer states that any dispute on the reading of a secondary meter will be between the Government and the contractor. This doesn't answer the question. If the contractor reads the meter and presents the reading to the Government, and the tenant disputes the accuracy of the reading, does the contractor have any responsibility or liability in the matter? How will the Government handle the tenant's dispute?

A112. The contractor is responsible for accurately reading meters. The Government will handle a dispute about this aspect of performance as it would any other. The contractor's liabilities are established by the terms and conditions of the contract. ([TRD/Amendment#6/Q15](#))

Q113. Reference answer to question 182 in amendment 0003. Will the Government's analysis of the cost realism of offers take into account the likelihood of regulatory approval or disapproval when analyzing any credits offered to the Government in the bid schedule for off base sale of excess capacity? Has the Government formally or informally requested from Texas regulatory authorities an opinion on whether such off base use is legally permissible at Randolph AFB or Lackland AFB? If so, which regulatory authorities have been contacted, and what opinion was received?

A113. Question 182 does not apply to this question. Question 82 addresses this issue. We have had no discussions with Texas regulatory authorities on this matter. We will not speculate on how we would evaluate offers, which have not been received. If sales of the electricity commodity to off base customers are regulated by the state, such sales would have to comply with the pertinent regulations. ([TRD/Amendment#6/Q16](#))

Q114. Reference answer to question 135 in amendment 0003. This response only answered part of the question asked. Even as amended, attachment J11 still indicates in paragraph J11.1 that the system being sold by the government include[s] Kelly's flightline and its associated missions and facilities, such as the 433rd Military Airlift Wing, the 149th Air National Guard, and HQ Air Intelligence Agency. Attachment J12 contains the same language. These facilities are not the property of the Government. Further, even if these areas which will become part of the Lackland utility system are excluded from the contract, how will the contractor operate the Lackland AFB electrical utility system if it does not own all of the system? Has the government considered the cost and administrative complications that would arise from having two contractors provide utility service for a single system?

A114. Section J11.1 is a general overview of the base. It provides no description of what is being sold. The statement about the Kelly flight line only indicates that its mission was transferred to Lackland. In no case does J11.1 state that the utility systems associated with Kelly AFB are being sold. This also applies to J.12. ([TRD/Amendment#6/Q17](#))

Q115. Reference answer to question 182 in amendment 0003. The demarcations in the ROWs indicates that for some areas, the point of demarcation will be within an existing structure. This puts primary conductors and transformers is located within a building. From previous experience, office and other

working spaces are frequently located adjacent to transformers with little or no protection for tenant or Government personnel. This practice is contrary to recognized procedures. What is the extent of the contractor's liability for consequential damages as a result of failures of the system within a building? For example, if a transformer were to fail within the interior of a building, is the contractor liable for personal injuries or property damage within the building, or will the Government indemnify the contractor in such instances?

A115. We will not indemnify contractors against tort liability. ([TRD/Amendment#6/Q18](#))

Q116. With respect to technical innovations discussed in proposals, will the Government require detailed specifics as to such innovations, providing costs and technical data, rather than generalized promises of offering next generation utility service?

A116. If the innovations are part of the proposed initial upgrades than an offeror needs to provide an in-depth description, a proposed cost, technical data, etc. If the innovations will not be part of the initial upgrades than the offeror can be more general in its description of its approach.

([TRD/Amendment#6/Q21](#))