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Purpose: Iterative Phase Two Proposals

HOSPITAL REPLACEMENT PROGRAM
FORT LEONARD WOOD (FLW), MO

US ARMY CORPS OF ENGINEERS
KANSAS CITY DISTRICT
MILITARY PROGRAMS
6 MARCH 2018; 1030-1115 CST

US Army Corps of Engineers.

U.S. Army
CALL/LOG IN INFORMATION

• Teleconference - USA Toll-Free 888-675-2535
  • Access Code: 7309217
  • Security Code: 1234

• WebEx Meeting Info:
  • URL: https://usace.webex.com/join/kelly.b.miller
  • Enter Your Name
  • Enter Your Email Address
  • Click “Join Meeting”

• Please remember to MUTE your phones
INTRODUCTION

• Thank you for your participation today

• Government team members participating:
  o Kelly Miller, Hospital Program Manager
  o Lacy Kay, Contracting Officer
  o Carmen Hopkins, Contract Specialist

• Today’s briefing; 30-45 minutes including Q&A
AGENDA

• Traditional Design Build (DB) Phase 2 Selection Process
  • Potential Risks
• Recent DB Lessons Learned
• Proposed “Iterative” Process
  • Iterative Phase 2 Proposals explained
  • Benefits
  • Milestone Schedule
  • Request for Feedback
• Q & A Session
• Adjournment
TRADITIONAL PHASE 2 PROCESS

• Government receives full proposals without discussions
• Technical Boards & Advisory Board evaluate proposals
• A full report is prepared detailing strengths & weaknesses of Offeror proposals
• SSA makes selection or determines that discussions are necessary
TRADITIONAL PROCESS RISKS

• Hospitals are complex and technologically sophisticated facilities. Traditional Phase 2 process is not designed to facilitate mutual understanding of requirements.

• Government and Offeror feedback is provided after substantial effort has been undertaken, potentially resulting in rework (time & cost impacts).

• Unscheduled discussions create considerable schedule delays.

• Process can result leave participants dissatisfied. Counter to our desire to produce a win-win outcome and build momentum moving into design after award.
Recent Design Build (DB) Hospital Project:

**Observation:**
The Two Phase DB Source Selection Process did not foster an environment in which the Government could get the best design solution.

**Discussion:**
The DB Project was a Two-Phase Procurement. Phase 1 (Request For Qualifications) was 60 days. Both the Government and Offerors felt this was more than adequate. Phase 2 proposals, including technical submittals, were due in 90 days and then 30 days later the price proposals were due. The Two Phase DB Source Selection Process did not allow for communication between Offerors and the Government. The Offerors only means of communication with the Government during Phase 2 was through a Request For Information (RFI) which is shared with all bidders. The Offerors felt there were ambiguities and contradictions in the RFP regarding how the Government intended to operate the hospital that were not fully resolved during the RFI process. The Offerors took calculated risks in developing their proposal solutions.

**Recommendation:**
The magnitude of Hospital Replacement projects and traditional Phase 2 proposal process did not lead to effective opportunities for communication with DB Offerors. Early discussions with the Offerors is an industry best practice.
PROPOSED PHASE 2 PROCESS

• Incorporates LL from previous DB medical projects, including hospitals. Recognizes that early Government feedback is essential

• Recognizes that the design process is iterative, and that discussions can (and should) be aligned

• Incorporates Offeror presentations

• Prior to Advertisement:
  • Plan to release Draft & Final RFP documents for review and comment by Offerors.
  • Plan to conduct multiple pre-proposal engagements
ITERATIVE PROPOSAL PROCESS

• Once we’ve down-selected to 3 firms, the Government intends to enter into early discussions

• Proposals:
  • Advertise + 30 days (Conceptual Design)
  • Advertise + 60 days (MEP & Comms)
  • Advertise + 90 days (All Phase 2 Factors*)
  • Advertise + 120 days (Revised Final Proposal – if necessary)

• Pricing will be provided with each proposal submission

• Oral presentations at each iteration (exception - no presentation for Revised Final). Presentation durations: Initial proposal – 2.0 hrs; Interim proposal – 2.0 hrs; Final Proposal – 2.5 hrs

• Government responses provided via Evaluation Notices (EN). Focus is on identifying weaknesses or deficiencies.

* Phase 2 Technical Factors include Design Concept/Technical Solution, Key Personnel, Key Subcontractor/Consultants, & Small Business Plan Participation.
ITERATIVE PROPOSALS BENEFITS

• In alignment with Design Build Institute of America (DBIA) best practice
• Acknowledges that early feedback for both Offerors & Government is critical
• Provides a framework for “managing” discussions
• Should reduce rework (lost design effort) by Offerors
• Discussions now aligned with design process and project risks
• Transparency – RFP will include all iterative Phase 2 proposal and evaluation requirements
• Will facilitate improved transition to design after award
## PROPOSED SCHEDULE

### Phase 2 Milestone Dates:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 Jan 19</td>
<td>Advertise</td>
</tr>
<tr>
<td>28 Feb 19</td>
<td>Receipt of Initial Proposals (Conceptual Design &amp; Price Proposal)</td>
</tr>
<tr>
<td>1 Mar 19</td>
<td>Oral Presentations of Initial Proposals</td>
</tr>
<tr>
<td>8 Mar 19</td>
<td>Government Feedback via Evaluation Notices (EN)</td>
</tr>
<tr>
<td>1 Apr 19</td>
<td>Receipt of Interim Proposals (MEP/Comms Design &amp; Price Proposal)</td>
</tr>
<tr>
<td>2 Apr 19</td>
<td>Oral Presentation of Interim Proposals</td>
</tr>
<tr>
<td>9 Apr 19</td>
<td>Government Feedback via EN</td>
</tr>
<tr>
<td>30 Apr 19</td>
<td>Receipt of Final Proposals (All Evaluation Factors &amp; Price Proposal)</td>
</tr>
<tr>
<td>1-2 May 19</td>
<td>Oral Presentation of Final Proposals</td>
</tr>
<tr>
<td>10 May 19</td>
<td>Government Feedback via EN</td>
</tr>
<tr>
<td>3 Jun 19</td>
<td>Receipt of Revised Final Proposals (If Necessary)</td>
</tr>
<tr>
<td>27 Aug 19</td>
<td>Contract Award</td>
</tr>
</tbody>
</table>
QUESTIONS

1. Describe the best DB selection process you’ve participated in and identify what made it exceptional. What can the Government take away from your experience?

2. Assuming the overall time frame from advertisement to award is inflexible, do the proposal iterations make sense to you, e.g. submittal requirements and performance periods? If not, what would you propose?

3. Do the oral presentation requirements make sense to you, e.g. initial, interim & final presentations and the time allotted to each. If not, what would you propose? What can the Government do to maximize the benefits of these presentations?

4. The Government wants to understand your conceptual design approach early in the proposal process. It is so important to us that we plan to have each Offeror submit them at Advertise + 30 days. The Government intends to require at minimum: building floor plans, building sections, and site development plans. The Government also desires to have a 3D computer simulation of the proposed buildings/structures and site development, but we are unsure what to require given the compressed schedule. What do you suggest?
5. The Government wants to understand your proposed MEP & Communications systems prior to submission of a final proposal. It is so important to us that we plan to have each Offeror submit them at Advertise + 60 days. The Government intends to require at minimum “high level” schematics for each system as well as cut sheets for key equipment. Is this reasonable given the compressed schedule?

6. Drilling down further, the Government perceives Hospital Information Management, Information Technology, and Low Voltage (IM/IT/LV) system requirements as high risk due to their technical complexity, interoperability requirements, and cybersecurity concerns. The Government desires to ensure a mutual understanding of the IM/IT/LV requirements prior to submission of your Final Proposal. What submission requirements would you suggest to ensure mutual understanding?
FEEDBACK

• Your feedback is critically important. Those who have participated in previous Hospital Replacement industry engagements know that we take your responses very seriously. Numerous industry recommendations have already been included in our current acquisition strategy.

• Please submit any project related questions or feedback to:
  Ms. Carmen Hopkins
  Kansas City District
  Contract Specialist
  Carmen.e.Hopkins@usace.army.mil

• We will post all materials on FBO under solicitation W912DQ-18-R-4018