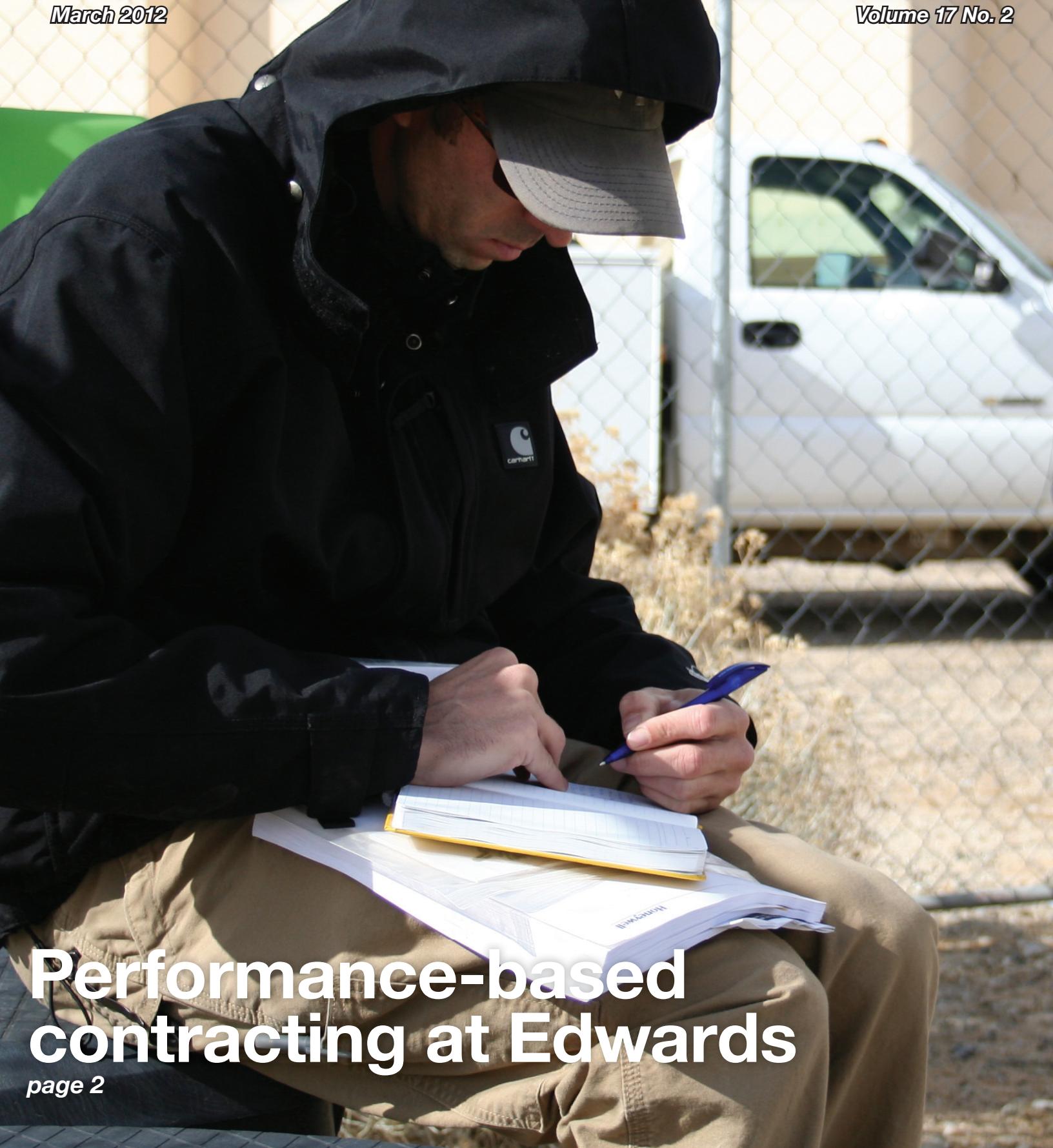




Report to **STAKEHOLDERS**

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Performance-based contracting at Edwards

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ON THE JOB — JT3/CH2M HILL contractor Manuel Jaramillo cleans equipment while a nitrogen-powered free product recovery pump removes jet fuel floating on the groundwater from a well at Site 24.

Performance-based remediation comes to Edwards Air Force Base

When a homeowner pays a carpenter to do something like build a simple gate, that homeowner generally doesn't get into the nitty-gritty details. Whether the carpenter builds the gate using a hand-held circular saw on site or cuts the wood using a table saw back in their workshop usually isn't a concern. They just want a gate and are probably concerned about how well the gate will work, what it will look like, how much it will cost and how long it's going to take.

This focusing on the end product, rather than the steps along the way, is an idea in environmental cleanup called performance-based contracting. Starting in 2014, the restoration program at Edwards will transition to this new process.

Current Process

Right now, Edwards restoration managers actively manage contracts for each of the 10 operable units through the four phases of the remedial action process. The phases are site discovery, site assessment, remedial investigation/feasibility study and remedial design/remedial action.

Contractors compete for work in each step of the process in each operable unit. Sometimes large or complicated sites are pulled out and worked on separately. For each step, the government identifies a need, puts it out for contract, the contract is awarded, and the work is done.

Depending on the type of work, these contracts can be for a firm-fixed price or based on time and materials. "It depends on the level of uncertainty for the project," explained Stephen Watts, section chief for restoration support. If the Air Force is uncertain about a project, the contract will be based on time and materials. The contractor will get paid for their employees' time and the materials required to get the job done. Within the Edwards restoration program, these kinds of contracts are used for investigating unknowns. "We used these contracts for most of the remedial investigation work where you don't know what you're getting into," said Paul Schiff, Operable Unit 1 manager.

If the Air Force knows a lot about a site and the type of work that needs to be done, they'll use a firm/fixed-price contract. "We've used firm/fixed-price contracts for operations and maintenance work," said Schiff. The Air Force pays the contractor a

Report to STAKEHOLDERS

Report to Stakeholders is a publication of Edwards Air Force Base, 95th Air Base Wing, Civil Engineer Division, Environmental Management. Its purpose is to inform and educate the public, base workers and residents about continuing environmental efforts on base. It currently has a circulation of 6,000, including about 2,000 subscribers.

Contents of the *Report to Stakeholders* are not necessarily the official view of, or endorsed by, the U.S. government, the Department of Defense or the Department of the Air Force.

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Any comments or questions about the contents of the *Report to Stakeholders* may be directed to: Gary Hatch, 95 ABW/PAI, 305 E. Popson Ave., Edwards AFB, CA 93524, (661) 277-8707.

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WHAT'S ON THE COVER?



JT3/CH2M HILL contractor, Jonathan Waldron records information at Edwards AFB Environmental Restoration Program Site 24, which is located on Operable Unit 1.

negotiated price for the work.

Regardless of the types of contracts used to get the work done, under the old contracting process, the Air Force actively manages the work through many separate contracts. Air Force program managers review all the plans and reports, make decisions on technologies and activities, coordinate plans with regulatory agencies and the public, and monitor day-to-day work.

New Process

The restoration program has used traditional contracts to focus on the process or technologies for remediation activities within an operable unit or individual. Now the base plans to use a performance-based contract that covers most of the remaining restoration work on the base. The contract will have goals for each individual site and the Air Force will specify the desired outcome for each site in this "fence-to-fence" contract.

Performance-based contracting is not a new concept, but the Air Force is implementing a new process which involves: 1) the statement of objectives instead of statement of work to allow greater innovation and creative responses; 2) minimum performance objectives and stretch goals so that contractors provide a range of proposed approaches and end points that allow the Air Force to see more creative ideas and make a true best-value determination, rather than a low-cost selection; and 3) Air Force commitment to maximize site closeouts (closure to residential standards for unrestricted use), not just achieve response complete.

"The Air Force will set the goals for each individual site and the contractor will do the work to reach those goals," Schiff said. Goals for each site will be remedy-in-place, response complete or site closeout. "It depends on the site," he said. "Some sites will take much longer than others to reach response complete or site closeout."

Remedy in place means that the final method to clean or manage the site is in place and operating properly and successfully. Response complete means that the Air Force has cleaned the site to the point where cleanup equipment can be turned off. Site closeout means that the Air Force has completed all active management and monitoring, no further money will be spent on the site, and all the regulatory agencies agree with the Air Force's decision.

The value in performance-based contracting comes from this "fence-to-fence" contract being a firm/fixed-price contract. In theory, it should save money because the contractor will apply innovations and creativity from the private sector to get the job done. The Air Force expects costs to be reduced by up to 30 percent.

Although contractors will come up with the ideas for getting the site to goal, the current program managers will still be involved. "The government is still in charge; we have to buy off on their plans," said Watts. "Regulators and the public will be involved, just as they are now."

Watts also said that individual pieces of the contract can be modified in the future if necessary.

Transition

The transition to this new way of doing things is scheduled to begin in fiscal year 2014, starting in October 2013.

In the 22 years of the Environmental Restoration Program at Edwards, a lot of work has already been accomplished. In anticipation of the new process, the Air Force has intentionally delayed some milestones. For example, the Operable Unit 1 proposed plan has been delayed to fall into the new program. "We were originally going to publish the proposed plan in 2012. Now it's been moved to 2015," Schiff said.

Other parts of the program will probably not go into performance-based restoration at all. "We are trying to get exclusions for the technical impracticability sites, most of the Operable Units 4 and 9 and Site 25," Schiff said. These sites are very large, complicated and Edwards already has, or will soon have, agreements with the regulatory agencies and contracts already in place.

Where to find more INFORMATION

Published data and documents relating to Environmental Management are available for public review at three information repositories. They are updated when new documents are released. Here is a list of our current information repositories:

Edwards Air Force Base Library

5 W. Yeager Blvd.
Edwards AFB, Calif.
(661) 275-2665

Hours of operation: Mon-Thu 9:30 a.m. – 7 p.m.
Fri 9:30 a.m. – 6 p.m.
Sat-Sun 10:30 a.m. – 6 p.m.

Kern County Public Library

Wanda Kirk Branch
3611 Rosamond Blvd.
Rosamond, Calif.
(661) 256-3236

Hours of operation: Wed 11 a.m. – 7 p.m.
Fri-Sat 9 a.m. – 5 p.m.

Los Angeles County Public Library

601 W. Lancaster Blvd.
Lancaster, Calif.
(661) 948-5029
Hours of operation: Mon-Wed 10 a.m. – 8 p.m.
Thu-Fri 10 a.m. – 5 p.m.
Sat 11 a.m. – 5 p.m.

For questions about information in the repositories, you may contact Gary Hatch, Public Affairs chief of Current Operations, at (661) 277-8707 or by e-mail at 95abw.pae@edwards.af.mil.

For general information about Edwards or other documents of public interest, you may visit the following links:

www.edwards.af.mil/library/environment
www.facebook.com/RAB.Edwards



Restoration Advisory Board (RAB) Information

The RAB is made up of appointed representatives from communities in and around Edwards Air Force Base, regulators from federal and state agencies and base officials. The board's purpose is to provide a forum for two-way communication among base restoration officials, regulators and the community representatives regarding the cleanup of contamination from past military activities.

The board meets formally, twice a year, rotating meeting locations in communities surrounding the base. The public is welcome to attend. Those who have ques-

tions or concerns about cleanup activities at Edwards may contact any RAB member or Gary Hatch, Public Affairs chief of Current Operations, at (661) 277-8707.

NEXT QUARTERLY MEETING

Date: May 17, 2012

Time: 5:30 p.m.

Location: 10350 Heather Ave.
Strata Sports Center

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