

NREL

NATIONAL RENEWABLE ENERGY LABORATORY

1617 Cole Blvd.

Golden, CO 80401-3393

AMENDMENT OF SOLICITATION

Solicitation No. RFJ-8-77550 Request for Proposal	Amendment No. 04	Date: February 21, 2008
ISSUED BY: National Renewable Energy Laboratory 1617 Cole Blvd. Golden, CO 80401-3393	PROJECT NAME & LOCATION Design/Build Subcontract for the Research Support Facility Golden, CO	
The above numbered solicitation is amended as set forth below. The hour and date specified for receipt of offers [X] is not extended and remains 4 p.m. MDT, 3/27/08. [] is hereby		
FAILURE TO ACKNOWLEDGE THIS AMENDMENT MAY RESULT IN REJECTION OF YOUR OFFER. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE SOLICITATION DOCUMENT REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.		
Subcontract Administrator: Karen Leitner		

This Amendment No. 4 to the Request for Proposal, RFJ-8-77550, is being issued to delete pages 3 and 4 of 300 of Appendix A, Conceptual Documents, Part 1 – Procedures, in their entirety and replace with the revised pages 3 and 4 of 300, dated 2/20/08, which are included as part of this Amendment, and to answer questions that have been received since the issuance of the Request for Proposal.

Question No. 1:

The answers you have provided to date have indicated that the phrase “firm fixed price” or “guaranteed price” would be deleted as NREL as had limited interaction during Preliminary Design – Phase I, and a guarantee is not appropriate. We are proceeding on the understanding and intent that the costing data provided is a budget, that we have confidence in, but is not guaranteed. The firm fixed price or GMP will be at the end of Phase II.

Answer No. 1:

The subcontract consists of two Phases. Phase I is through the completion of Preliminary Design. Phase II is for design development/final design and construction. The initial subcontract award will be for Preliminary Design (Phase I) work only. A firm-fixed price subcontract will be awarded for the design work associated with the preliminary design; preliminary design work includes a conceptual construction cost estimate and proposed scope of work for Phase II defined by Project Objectives Checklist (Mission Critical, Highly Desirable, and If Possible. Once subcontract award is made for Phase I work only, NREL will engage in full collaboration with the subcontractor.

Question No. 2:

The language on page 3/300 (last paragraph, first sentence) can be read with two points of view, all turning on the use of the words “for” and “completion”. The paragraph at the bottom of the page we believe intends to read:

“Unsuccessful negotiations for [prior to] Phase II work will result in the completion [termination] of the subcontract.”

We expect that negotiations on terms will be a **preceding event** of Phase II, and if unsuccessful, the work will not be done.

Answer No. 2:

The scope of work for the initial subcontract award is for Preliminary Design (Phase I) work, conceptual construction cost estimate and a proposed scope of work for Phase II work. Upon completion of Phase I work of the subcontract, NREL will enter into negotiations with the subcontractor for a firm-fixed price for the design development/final design and construction (Phase II work), which includes an actual scope of work defined by Project Objectives Checklist (Mission Critical, Highly Desirable, and If Possible). If negotiations for Phase II work are unsuccessful because we are unable to agree on a scope of work and a firm-fixed price, Phase II of the subcontract will not be exercised and the subcontract will be considered complete. Termination of the subcontract would not be required because the initial and agreed upon scope of work is for preliminary design work (Phase I) only. If negotiations for Phase II work are successful, a well defined scope of work and firm-fixed price will be established and Phase II will be incorporated into the subcontract by a modification to the subcontract. The Subcontract Schedule contains Articles and Terms and Conditions for both Phase I and II of the subcontract. Relevant and applicable terms and conditions for Phase I and II will be outlined in Article 34 – Alterations to Terms and Conditions. In other words, NREL will identify which Articles of the Subcontract and which Clauses of the B-10 Terms and Conditions apply to Phase I and which apply to Phase II of the subcontract in Article 34 of the Subcontract Schedule at subcontract award for Preliminary Design (Phase I). Subcontract Articles and B-10 Clauses will be agreed upon before the execution of the signed subcontract for Phase I.

Question No. 3:

The issue of greatest concern is the amount of work (compensation) that is at risk, and turns on what is meant by the phrase in the two paragraphs of page 3 and 4/300, last sentence, when it states:

“In the event of unsuccessful negotiations for Phase II work, NREL/DOE will agree to pay up to half of the proposed amount of Preliminary Design”

There are several different versions of phasing and distinctions between the steps in the total RFP. The language of the Performance Specifications is the most distinct and the basis of our interpretation. We have attached a diagram of the process to illustrate the sequence of events:

- Proposal Phase – This is a conceptual design effort, with a parallel level of development in pricing information.
- Interview and Award – based on the Proposal submission
- Preliminary Design – develops from the Proposal and ends before the start of Design Development. If the project is terminated, the successful team will receive \$200,000 and one half of the fee for the Proposal and the costs to complete Preliminary Design.
- Design Development – Continues the work of Preliminary Design and concludes with a Firm Fixed Price, as referenced on page 30/300 under Definitions.
- Contract Documents
- Construction Administration and Post Occupancy Evaluation

Answer No. 3:

At the conclusion of Phase I (Preliminary Design), the subcontractor and NREL will move into negotiations for Phase II (design development/final design and construction). There is a total not-to-exceed budget amount of \$64,261,000.00 for all work on the Research Support Facilities. Risk was determined to be high for signing a subcontract which includes performance requirements (outlined in Part 3 – Performance Specifications) prior to completion of preliminary design work. Therefore, the subcontractor will not be required to commit to a specific

scope of work for Phase II at a firm-fixed price until preliminary design work has been completed. This has resulted in a risk transfer to NREL. In an attempt to equally share in this risk, the subcontract will include language stating that in the event of successful negotiations for Phase II work, the subcontractor will be paid 100% of the firm-fixed amount of preliminary design (Phase I). In the event negotiations are unsuccessful and an actual scope of work for a firm fixed price amount cannot be reached, the following will apply: 1) the subcontractor will be paid up to 50% of the firm-fixed amount of preliminary design (Phase I); 2) the subcontract will be considered complete and will be closed out; and 3) Phase II of the subcontract will not be pursued under this subcontract.

One of three scenarios is anticipated:

Scenario 1 – Preliminary Design completed. Phase II (design development/final design and construction) negotiations successfully completed including an actual scope of work defined by Project Objectives Checklist (Mission Critical, Highly Desirable, and If Possible) for a firm-fixed price which is agreeable to both parties:

- Proposal Phase – This is a conceptual design effort, with a parallel level of development in pricing information.
- Interview and Award – based on the Proposal submission.
- Preliminary Design – developed from the Proposal and ends before the start of Design Development.
- Construction Documents
- Construction Administration and Post Occupancy Evaluation

Scenario 2 – Preliminary Design completed. Phase II (design development/final design and construction) negotiations are unsuccessful and Phase II of the subcontract will not be pursued:

- Proposal Phase – This is a conceptual design effort, with parallel level of development in pricing information.
- Interview and Award – based on the Proposal submission
- Preliminary Design – developed from the Proposal and ends before the start of Design Development.
- Negotiations for Phase II of the subcontract are unsuccessful. The subcontractor will be paid up to half of the fixed price preliminary design amount for Phase I work in the subcontract
- Phase II of the subcontract will not be pursued under this subcontract and the subcontract will be closed-out

Scenario 3 – If at no fault of the subcontractor the Research Support Facilities project is unilaterally suspended by NREL/DOE after subcontract award, the subcontractor will be eligible for the payment of a stipend in the amount of \$200,000.00 and up to half of the fixed-price amount of preliminary design.

- Proposal Phase – This is a conceptual design effort, with parallel level of development in pricing information.
- Interview and Award – based on the Proposal submission
- Preliminary Design – developed from the Proposal and ends before the start of Design Development
- NREL/DOE unilaterally decides not to pursue Phase II work
- Subcontract will be considered complete and subcontractor will be eligible for payment of \$200,000.00 stipend and up to half of the fixed-price subcontract amount for preliminary design work.

Question No. 4:

Natural ventilation may be an appropriate strategy to help meet the overall energy budget. Will NREL allow summer interior design conditions (page 251 of 300) to be relaxed when natural ventilation is used to condition the naturally “ventilated” spaces?

Answer No. 4:

This question has already been answered. Reference question/answer no. 75 in the “Master List of Questions Submitted Prior to 12/6/07”. Question no. 75 and the answer are repeated below:

75. Page 246, Paragraph A1a. Natural ventilation may be an appropriate strategy to help meet the overall energy budget. Will NREL allow summer interior design conditions to be relaxed when natural ventilation is used to condition the naturally “ventilated” spaces?

- a. The interior design conditions identified in the RFP shall be maintained within the limits of ASHRAE 55.
- b. We will consider adjustments to ASHRAE 55 based on the current research using natural ventilation in spaces.

Question No. 5:

Will the scope of commissioning (those building components and systems to be commissioned) exceed those required by the LEED-NC rating system? If so, please indicate all building components to be commissioned by the design-build team.

Answer No. 5:

As required by the RFP Part 1 – Procedures, Design and Construction Procedures, Quality Requirements, F – Field Testing and Inspection, the design-builder is required provide a full commissioning plan and conduct all commissioning activities for the RSF. Also as required by the RFP Part 1 Procedures, Attachment to Proposal Form, Project Objectives Checklist, the design-builder is required to deliver a LEED™ Platinum building as certified by the US Green Buildings Council. The substantiation requirements for these tasks are in the Part 3 – Performance Specifications. Both these requirements must be met by the design-builder

Question No. 6:

Can we assume that our submission (in both design and costing) does not need to provide any response to the ‘Proposed Action description for the South Table Mountain Supplemental Site Wide Environmental Assessment’?

Answer No. 6:

Yes.
In response to proposed actions on the NREL South Table Mountain Site (STM), DOE is examining the potential environmental impacts of these actions. A Supplemental Environmental Assessment (SEA) is in progress and is expected to be completed in March of 2008. At this time, it is not expected that there will a specific response required by the design-build team for the RSF in response to the SEA.

Solicitation Process

The solicitation process will include the following:

1. A total of two One-on-One meetings will be conducted with limited but meaningful collaboration during competition.
2. Offerors are to respond to RFP requirements with a conceptual approach including a fixed price for preliminary design with proposed scope of work defined by Project Objectives Checklist (Mission Critical, Highly Desirable, and If Possible).
3. Offerors are to include in their price proposal cost and schedule to complete preliminary design.
4. The offerors will also include in the price proposal costs for work outlined in Part 1 – Procedures, Proposal Form, Item B. Decisions under this Subcontract, Page 33 and 34 of 300, for Phase II and Add Alternate No. 1 work. Pricing for Phase II and Add Alternate No. 1 must be obtained in a competitive environment because of the dollar value of this work. Pricing included in the proposal for Phase II and Add Alternate No. 1 will be utilized in future negotiations with the successful offeror for that work if/when Phase II and Add Alternate No. 1 work is pursued.
5. Offerors are to include in their price proposal cost element breakdown including:
 - a. Overhead, G&A, Profit
 - b. Build-up of Fully burdened rates for staff which include base rate, overhead, General and administrative, and profit.
 - c. General construction costs
 - d. Costs associated with self performance of work
 - e. Indirect work costs
 - f. Other Direct Cost
 - g. Handling Fees (material and sub-tier), if applicableDCAA audited rates are acceptable. If proposing DCAA audited rates, provide a copy of the applicable DCAA audit to support proposed rates.
6. Selection for award will be based on offerors response to the evaluation criteria, conceptual approach, preliminary design cost and cost proposal.
7. A Stipend in the amount of \$200,000.00 will be paid to unsuccessful offerors at the conclusion of Phase I who submit a responsive proposal in response to this RFP. Should an offeror decide to withdraw from this competition, the stipend amount of \$200,000.00 shall be forfeited.

The solicitation process will end with the award of the subcontract for preliminary design of the RSF.

Subcontract Process:

The subcontract will consist of a two phases. Phase I of the subcontract will be for the preliminary design of the RSF. Phase II of the subcontract will be for design development/final design and construction of the RSF.

Phase I of the Subcontract:

The successful offeror shall complete the preliminary design for the RSF; preliminary design includes a conceptual cost estimate. NREL/DOE engages in complete collaboration during Phase I of the subcontract.

Phase II of the Subcontract:

1. At the completion of Phase I of the subcontract, the successful offeror will be asked to submit a proposal for Phase II work as outlined in the subcontract. The successful offeror will be asked to provide the following information at or near the completion of Phase I work.
 - a. Firm-Fixed Price for Design Development/Final Design work under the subcontract. Requested
 - b. Phase II schedule for completion
 - c. Actual scope of work defined by Project Objectives Checklist (Mission Critical, Highly Desirable, and If Possible)
 - d. Number of occupants defined by Planning Units Checklist
 - e. Preliminary design substantiation

Negotiations will be entered into with the successful offeror for design development and construction (Phase II of the Subcontract) work at the completion of preliminary design of the RSF. Negotiations will be deemed successful for Phase II of the Subcontract work if NREL/DOE and the Subcontractor agree to a complete scope, firm-fixed price, and a fixed schedule.

Unsuccessful negotiations for Phase II work will result in the completion of the subcontract. In the event of unsuccessful negotiations for Phase II work, NREL/DOE will agree to pay up to half (1/2) of the proposed amount of preliminary design.

If NREL/DOE should unilaterally decide not to pursue the Phase II work with the successful offeror, the offeror will be entitled to the stipend in the amount of \$200,000.00 and up to half (1/2) of the fixed-price amount of preliminary design.

Prior to subcontract execution for preliminary design (Phase I), terms and conditions relevant and applicable to Phase I of the subcontract will be specified in Article 34 – Alterations to Terms and Conditions.

END OF SECTION - INTRODUCTION

