



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET NW
WASHINGTON, D.C. 20314-1000

1 AUG 07

CEPR-Z (714)

MEMORANDUM FOR COMMANDERS/DIRECTORS, ALL USACE COMMANDS
(DIRECTORS/CHIEFS OF CONTRACTING)

SUBJECT: Procurement Instruction Letter (PIL) 2007-07, Architect-Engineer (A-E) Contract Limits and Terms

1. This PIL is issued to implement an increase in the total contract limits and terms for A-E contracts as found in Engineer Federal Acquisition Regulation Supplement (EFARS) Part 36, Subsection 36.601-3-90(b). This change is effective immediately and concurrently updates EFARS. The change increases the limits set for A-E Indefinite Delivery Contracts to allow for a total contract value of \$12 million and a term not to exceed 5 years for all A-E IDCs.

2. Substitute the enclosed pages as follows:

Remove pages
36-4, 36-5

Insert pages
36-4, 36-5

3. If the subordinate command prefers to rely on a hardcopy EFARS instead of the electronic EFARS on the Directorate of Contracting (DoC) homepage, each substituted page should be annotated with the date and PIL number of this memorandum. The PIL should also be posted with the hardcopy EFARS for reference. Addressees shall make distribution of this PIL to all staff elements necessary (i.e., engineering, construction, and legal offices).

4. This change is a result of collaboration between the Environmental Community of Practice (ECoP) Contract Acquisition Working Group (CAWG), HQ Engineering and Construction Division, the Directorate of Small Business, and the Directorate of Contracting.

5. Questions concerning this PIL should be directed to Susan Yarbrough, at (202) 761-8644.

FOR THE COMMANDER:


NORBERT S. DOYLE
COLONEL, AC
Acting Director of Contracting

**ENVIROMENTAL COMMUNITY OF PRACTICE (ECoP)
CONTRACT ACQUISITION WORKING GROUP (CAWG)**

ACTIONS ON EFARS PART 36.601-3-90

Current EFARS	Proposed EFARS	Reason / Comments
<p>36.601-3-90 Applicable contracting procedures.</p> <p>...</p> <p>(b) An A-E IDC shall not exceed \$3,000,000 and a term of 3 years, except an A-E IDC set aside for small businesses (including HUBZones or 8(a) program) shall not exceed \$5,000,000 and a term of 5 years.</p> <p>...</p>	<p>36.601-3-90 Applicable contracting procedures.</p> <p>...</p> <p>(b) An A-E IDC shall not exceed a total contract value of \$12 million and a term 5 years. The PARC will periodically review and may make adjustments to these amounts, as deemed appropriate.</p>	<p>ECoP CAWG analysis estimates USACE-wide savings per year as a result of this change are:</p> <ul style="list-style-type: none"> ■ District Level: \$2.7M* cost reduction annually USACE-wide for preparation and review of formal acquisition plans, synopses / solicitations, A-E selection panels, negotiation, and award of A-E contracts. ■ Division / HQs / PARC Level: \$300K** cost reduction annually for review and comment of formal acquisition plans for A-E contracts.

* The cost savings at the District level is estimated at:

-- A-E Selection Panel Costs: \$350/hour for the PDT x 12 (average number of proposals received) x 8 hours of review per proposal = \$33,600. Each district does on an average of three new A-E contracts per year. 3 x \$33,600 = \$100,800. It is estimated that there would be approximately 23 districts submitting approval for A-E contracts per year. 23 x \$100,800 = \$2,318,400, or \$2.3M.

-- Acquisition Costs: \$115/hour for Contract Specialist / Contracting Officer x 50 hours = \$5,750 per acquisition x 3 contracts per year = \$17,250.

23 districts x \$17,250 per year per district = \$396,750, or \$400K.

** It was estimated that there would be approximately 45 fewer contracts per year sent to HQs if the contract limit was raised.

ENGINEER FAR SUPPLEMENT (EFARS)

PART 36 – CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

Insert the clause at 52.236-5000, Plant and Material Removal after Contract Termination, in solicitations and contracts when a civil works "continuing contract" (see 32.703-2-100) that also contains the clause at DFARS 252.236.7003, Payment for Mobilization and Preparatory Work, is contemplated.

SUBPART 36.6 — ARCHITECT-ENGINEER SERVICES

36.600-90 Authority for architect-engineer contracting.

Only centers and districts are authorized to procure A-E services. Other USACE commands will obtain contracting support for A-E services from a center or district.

36.601 Policy.

36.601-3 Applicable contracting procedures.

(S-100) The Directors/Chiefs of Contracting may, at their discretion, designate individuals to purchase A-E services by Government purchase card. Small business firms shall be used, unless there are fewer than three highly qualified small businesses that can perform the work. A-E selection must be conducted in accordance with FAR 36.602 and its supplements. The short selection processes in 36.602-5 may be used.

(S-101) The guidance and procedures in EP 715-1-7, Architect-Engineer Contracting, will be followed. Any variations must be documented in the contract file, provided the variations do not violate the acquisition regulations.

36.601-3-90 Applicable contracting procedures.

(a) Indefinite delivery contracts (IDCs) for A-E services shall comply with Subpart 7.1 and Subpart 16.5.

(b) An A-E IDC shall not exceed a total contract value of \$12 million and a term 5 years. The HQ Director of Contracting (DoC) will periodically review and may make adjustments to these amounts, as deemed appropriate.

(c) For any task order expected to exceed \$500,000, document the contract file to justify why a task order was used instead of publicly announcing the requirements.

(d) The contracting officer may include option periods in the contract (see FAR 17.2 Options) provided –

(1) The option(s) is publicized with the basic contract requirement in accordance with FAR Part 5;

(2) The scope of work under the option(s) is specified in the basic contract;

(3) The prices for services under the option(s) are specified in the basic contract; and

(4) There is a reasonable anticipation of the need for similar services beyond the basic contract period.

(e) Requests for individual or class waivers to the monetary limit in (b) may be submitted for approval, provided –

(1) The basis for the waiver is justified by a formal or informal acquisition plan (see 7.102) and is supported by quantitative information concerning specific anticipated requirements.

ENGINEER FAR SUPPLEMENT (EFARS)

PART 36 – CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

- (2) The approval is obtained prior to the public announcement.
- (3) Waivers of the five year term limit will typically not be granted, due to the adverse impact on competition.
- (f) Waivers for increases in the term limit should be approved by the PARC prior to public announcement.
- (g) Waivers approved after the issuance of the public announcement must be reflected in an amended public announcement.
- (h) A change in the terms of an IDC after the closing date of a public announcement requires a J&A in accordance with FAR 6.303 and 6.404.
- (i) The USACE procuring contracting officer shall provide written instructions to the installation contracting officer and facilities engineering personnel regarding the limitations and procedures for the negotiation, issuance and administration of task orders. These instructions will address USACE and installation responsibilities under FAR 36.604, 36.605, 36.606, 36.608, 36.609-1, and 36.609-2, and DFARS 236.606-70.

36.601-4 Implementation.

(a)(4)(A) In USACE "surveying and mapping services" includes activities associated with measuring, locating and preparing maps, charts, or other graphical or digital presentations depicting natural and man-made physical features, phenomena, and legal boundaries of the earth, such as:

(1) Topographic Engineering Surveying, which includes acquisition of topographic oriented surveying and mapping data for design, construction, master planning, operations, as-built conditions, precise structure stability studies utilizing conventional and electronic instrumentation, photogrammetric, remote sensing, inertial, satellite, and other survey methods as applicable.

(2) Hydrographic Engineering Surveying, which includes acquisition of hydrographic oriented surveying and mapping data for design, construction, dredging, master planning, operations, and as-built conditions utilizing conventional and electronic instrumentation, and photogrammetric, remote sensing, inertial, satellite, side scan sonar, subbottom profiling, and other surveying methods as applicable.

(3) Land Surveying, which includes property and boundary surveys, monumentation, marking and posting, preparation of tract descriptions, etc., utilizing conventional, electronic instrumentation, photogrammetric, inertial, satellite, and other survey methods as applicable.

(4) Geodetic Surveying, which includes 1st, 2nd, and 3rd order horizontal and vertical control surveys, geodetic astronomy, gravity and magnetic surveys utilizing conventional, electronic instrumentation, photogrammetric, inertial, satellite, and other survey methods as applicable.

(5) Cartographic Surveying, which includes acquisition of topographic and hydrographic oriented surveying and mapping data for construction of maps, charts, and similar products for general use other than those for engineering,