USAID Iraq Infrastructure Reconstruction Program

Prime Contract EEE-C-00-03-00018-00
Capital Construction
Conference agenda

Introductory Remarks

Bob Ragan Bechtel, Manager of Washington Office
Washington, D.C. Conference

Tim Beans USAID, Director of Procurement
Washington, D.C. Conference

Lindsey Holbrook, Bechtel Representative
London Conference

TBA
Kuwait Conference

Safety Message and Program Overview

Cliff Mumm Bechtel, Chief of Party

Acquisition Process

Tom Elkins Bechtel, Acquisition Services Manager

Questions and Answers
Bechtel Staff
Program mission and goals

**USAID’s mandate**
“... rebuild infrastructure and public facilities and services in a post-war Iraq”

**USAID’s goal**
“... provide tangible evidence to the people of Iraq that the country is given the opportunity to prosper”

**Mission-specifics**
“... provide resources and technical expertise to rebuild potable water and wastewater treatment facilities, schools and health facilities; seaport and airports, the electrical power system. Roads and bridges, railroad infrastructure, solid waste management, irrigation systems and selected buildings”

**Priority medium-term objective**
Institutional strengthening and self-sufficiency
Program overview

ORHA Sectors
- North
- Central
- Heartland
- South
On the ground in Iraq

- Security and self-sufficiency
- Scope of work
- Program description
- Subcontracting approach
- Progress to date
- Integration with Iraq capability
Acquisition services facts and processes

- Participation interest is global
  - Portal data

- Current status—30-day view
  - Commitments

- Standard Bechtel tendering processes applied
  - Registration
  - Dun & Bradstreet
  - Determining qualifications
  - Establishing tendering lists
  - Tender evaluations
  - Subcontracting and purchasing formats

- Program-specific considerations
  - Special insurances
  - Performance securities

- U.S. Government rules
  - Compliance/export control
Bechtel’s portal

- A single Internet gateway for suppliers and contractors to interact with Bechtel worldwide

**Features**

- Allows suppliers and contractors to register with Bechtel, list goods or services they provide, and communicate unique vendor characteristics (qualifications, markets, capacity, etc.)

- Allows companies to self-maintain their data (contacts, addresses, experience, safety, etc.)

- Allows companies to control users through an administration module
Visitors to portal since award

86,759 total visitors
Interested companies by country

- **U.S.** 2826
- **UK** 326
- **Turkey** 122
- **Italy** 80
- **India** 78
- **Australia** 77
- **Spain** 72
- **Canada** 68
- **Poland** 54
- **Others** 645
  (63 countries averaging 10 companies each)

**Total registered:** 4,348

**Participating countries:** 72
About Bechtel’s use of Dun & Bradstreet

- Data Universal Numbering System—D-U-N-S
- Currently over 80 million companies in D&B database;
  - 36 million U.S. and Canada
  - 34 million Europe
  - 8 million Asia Pacific
  - 2 million Latin America
  - 300,000 Africa and Middle East
- D&B provides numbers in 30 days for no charge, $40 for an expedited turnaround (about 5 days)
- Bechtel uses D&B system as an initial assessment of a company’s capacity and basic financial status
Procurement and Subcontracts functions are responsible for:
- Tendering
- Award
- Administration

The tendering process is carried out on-project, including:
- Qualification of potential bidders
- Bidder selection
- Solicitation
- Evaluation and award
Who can participate?

**Participation**

- Tender documents will be offered to qualified firms from the global contracting community, excluding restricted countries, companies, and individuals.

- Qualification is based on demonstrated experience, financial capability, current capacity, and other objective criteria.

**How can potential bidders apply?**

- Register through Bechtel’s Supplier Portal at https://contractor.bechtel.com for help with the registration process, e-mail: iraqacqu@bechtel.com.
Who will receive a tender?

- Bechtel will evaluate a potential bidder’s capability to perform a specific scope of work based on the information provided by the interested party, and
- Bechtel will evaluate other information available from third-party sources, e.g., D&B.
- A representative group from the list of qualified firms will be invited to submit offers on specific tenders.
- The number of bidders invited to participate will vary

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<th>Master Bidder List</th>
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<td>Company W</td>
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<th>Registration</th>
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<th>Pre-qualification</th>
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<td>Financial information</td>
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<td>Register on supplier web site</td>
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<td>Safety compliance commitment</td>
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<th>Project qualification</th>
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<td>Shop visits</td>
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<td>Quality assurance program assessment</td>
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<td>Safety program assessment</td>
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| Specific job order tenders issued—6-10 bidders |
How is a subcontractor/supplier selected?

- Offers are evaluated on the basis of criteria clearly set forth in the tender documents, including safety, quality, schedule, and price.
- Only responsive bids and responsible bidders will be considered in the selection process.
- Award may be made without discussions.
- If additional information is required, a short list of bidders may be invited to participate in discussions.
- Unsuccessful bidders will be informed, but formal debriefings will not normally be held.
What insurance will be required?

Standard

- The types and levels of basic insurances will vary based on scopes of work and services to be provided; however,
- Generally, the required coverages will be third-party liability insurance; automobile liability insurance; and first-party property insurance for subcontractor/supplier business personal property.

Program-specific

- Defense Base Act Workers’ Compensation and Medevac insurance for employees working at the various in-country sites and in neighboring countries in accordance with USAID instructions.
- **Bid securities**, when required, will be in the form of a certified or cashier's check in the amount of 10% of the proposed price.

- **Performance securities**, when required, will be in the form of an unconditional and irrevocable bank guarantee in an amount typically equal to 10% of the awarded subcontract value.

- **Upon final acceptance**, the amount of the bank guarantee may be reduced to 5% to cover the warranty period.

- **The bank guarantee form** will be provided by Bechtel. Failure to use the proper form may be cause for rejection of a proposal. Bechtel reserves the right to approve the proposed bank supplying the security.
Background for subcontractors

- The contract to be performed is subject to full compliance with domestic and applicable international law and governed by U.S. Government procurement rules and regulations.

- Those contractors that are not familiar with these rules and regulations are encouraged to review the Federal Acquisition Regulations (FAR) and the USAID Supplements (AIDAR).

- Subcontractors and potential subcontractors will also be expected to operate in full compliance with domestic and applicable international laws and the various procurement regulations of the U.S. Many of the regulations found in the prime contract will be passed down to subcontractors by means of flowdown clauses.
Subcontractor responsibilities

- BNI and its subsidiary Bechtel International Systems, Inc. (BISI) maintain accounting and procurement systems that are subject to **constant oversight and approval** by U.S. Government Audit Agencies.

- Subcontracts awarded for this effort will be subject to oversight by BNI/BISI and one or more of the following organizations or agencies:
  - USAID’s Office of the Inspector General has broad oversight and review responsibilities for contracts awarded by USAID, and
  - Certain efforts may also be performed by the Defense Contract Audit Agency when and where appropriate.
U.S. Government rules—export control

- Certain shipments associated with Bechtel’s USAID Reconstruction Contract will be subject to export control laws.

- If subcontractors or suppliers have questions about export control laws, we strongly encourage them to seek legal guidance.

- Bechtel will typically need all subcontractors and suppliers to provide it with U.S. Export Control Classification Numbers (ECCNs)—and information about where the item was produced and where the item’s parts were sourced—for all items to be shipped in support of work for Bechtel.
If you would like to learn more about U.S. export control laws, and how to determine ECCN numbers, you can access the web site of the U.S. Department of Commerce, Bureau of Industry and Security.

If you would like to access a copy of the Commerce Control List, which is a list of dual-use items that may be subject to certain export controls, you can find the list at the GAO web site (here you can review the items in the 10 categories associated with Part 774). As you will see if you access the list, each item is assigned an ECCN. Typically, Bechtel will need the ECCN from all subcontractors and suppliers.
Summary

- **Mission**—Reconstruction of existing infrastructure to provide the people and country of Iraq the opportunity to prosper

- **Sequence**—Urgency in all areas of infrastructure but particularly those most directly connected to delivery of humanitarian assistance; such as water, food, and basic utilities

- **Worldwide response**—Interest in the program is unparalleled. Competition is global and standard tendering processes are applied, inclusive of applicable FARs and AIDARs

- **Evaluation criteria**—A combination of safety, quality, price, and delivery/schedule. The paramount factor will vary for different services.
Questions and answers