

DOCKETED

Docket Number:	16-MISC-01
Project Title:	DCBO Selection Process Workshop
TN #:	212432
Document Title:	Michelle Everett Comments: DCBO Selection Process Workshop Questions
Description:	N/A
Filer:	System
Organization:	Michelle Everett
Submitter Role:	Public
Submission Date:	7/23/2016 11:55:20 AM
Docketed Date:	7/25/2016

Comment Received From: Michelle Everett

Submitted On: 7/23/2016

Docket Number: 16-MISC-01

DCBO Selection Process Workshop Questions

Additional submitted attachment is included below.

Responses and Questions to DCBO Selection Process Workshop

Docket Number: 16-MISC-01

GENERAL

- What is driving the need for the change in the DCBO selection process? Why is it being implemented now?
- Will list of attendees and WebEx participants be made available?
- How were stakeholders chosen for participation in the workshop? Who received invitations for participation?
- What is the anticipated implementation time frame for this new selection process?
- During the meeting it was stated that the Commission intends to complete “market standard” research to determine fair and appropriate fees for these services.
 - o How can this research be completed given that most firms with specialized experience in the delivery of DCBO services for energy projects are likely to submit qualifications packages in response to these solicitations?
 - o Note that regular code compliance and engineering review teams do not have the qualifications necessary to respond to these RFQs. This specialized experience requires that firms pay higher wages to employees which significantly increases the cost of service delivery. It may not be appropriate to compare to other code compliance firms in this way.
 - o Given that the CEC’s DCBO program is unique and not replicated in any other state/agency how will a similar market rate be established? How would these firms be chosen?
 - o Will the results of this study be published once/if completed?
- If negotiated on-call DCBO rates are used as the basis for project specific rates for project specific assignments does this effectively mean that all DCBOs must agree to and bill at rates agreed upon for the on-call DCBO? Some specific differences in project assignments may make this difficult. For example, fuel types, geography/location, project duration, project size, etc.
- Are fees with overhead factors and wage rates to be made public when contracts are finalized?
- Are per diem rates specified in the documents to apply to both on-call and project specific assignments?
 - o Per diem rate schedule as indicated in RFQ will not cover travel/lodging actual costs.
- Equipment (e.g. vehicles, off road vehicles for large sites, etc.) is not addressed in RFQ documents.
- What is the Commission’s role in rate negotiations for project specific awards? Does acting as a 3rd party beneficiary give the energy commission the right to negotiate rates on behalf of either the DCBO or the Applicant/Owner?
 - o As a part of the negotiation does the Commission set a ceiling for fees, a firm not to exceed amount for projects, total fixed fee, etc.
- Option to be paid in advance has been removed and only the option to be paid in arrears is now available according to RFQ documents.

- What role do the Owners/Applicants play in fee negotiations for the on-call award or work orders that stem from these awards? What role do Owner's/Applicants play in the negotiation of fees for project specific assignments under this new system?
 - o If owner plays role in fee negotiations how does the Commission ensure that the owner not control involvement of the DCBO? It is in their interest to work to control costs in this area for all assignments.
- If the Commission is negotiating rates for project specific assignments with, or on behalf of, the DCBO or Owner/Applicant do these fees then become public record?
- Who will be included in the review for qualifications packages? Will the review committee be the same for the on-call and project specific packages? Will owners/applicants be a part of the review committee? If so what role will they play on these committees.
- Will the commission establish common criteria for satisfactory performance of DCBOs?
 - o How often will CEC audits be performed for on call services? For project specific assignments?
 - o Will CEC establish performance standards applicable to all DCBOs and projects?
 - o Will performance standard expectations be made available prior to the submission of qualifications packages? Prior to contract?
 - o Will a third party auditor be used in the evaluation of DCBO performance?
- What role will Owners play in the RFQ and selection processes?
- Anticipated contract processing time: 21+ weeks is often too long a process if it begins with the issuance of an FSA.
 - o Owners typically want to start the process of engineering review, etc. much sooner than this.
 - o Significant changes in staff availability may occur within this time frame. For example, a staff person deemed as not available to work at qualification submittal may become available to work in a half year and vice versa. This may affect conflict of interest statements, etc.
 - o How can the CEC assure DCBOs and Owners that the contract process will be 21 weeks? How is time for contracting/DCBO selection controlled?
- Are all RFQ submissions, in their entirety, to be made public?
 - o What stops competition from utilizing data from previously awarded CBO.
 - o In most cases other agencies make only to executed contract public record rather than documents from every firm throughout the submission process.
 - o DCBO programs are proprietary that includes confidential processes and data including pricing.
 - o Can DCBOs request that submittals remain confidential?
- Page 19 – States that DCBOs are required to cover every position in the table. Some projects may not require that all of these positions be covered. Specifically, on-call does not require all positions.
- Are questions, comments in response to this workshop to be made available to participants? May other interested parties comment on these responses or make additional comments if they choose to? Will the CEC entertain an additional comment period for this workshop once all comments are received?

Evaluation Criteria

- Page 28 – No evaluation criteria speaks to cost-effective service delivery. How will the Commission evaluate this during the RFQ process and throughout project delivery? How will it evaluate contract management?

SOQ Format, Required Documents and Delivery

- Page 17 – What is page limitation inclusive of? What can be provided as an appendix (required forms, resumes, etc.)?
- Page limitations stated (15 pages double spaced) is not sufficient for DCBOs to present the processes and qualifications asked for in the RFQ. It does not allow space for DCBOs to address all evaluation criteria included in the RFQ.

On Call

- How will priorities for on-call services be established in the event that multiple owners need DCBO services?
 - o Who will be billed overtime in cases where DCBO staff works on more than one owner's project and overtime is necessary?
- Page 11 - File name requirements contain more information than will be permitted on most document transfer systems. Most systems have a character limitation of 10-20 characters.

Project Specific

- Are all change orders and amendments also to be negotiated through the CEC since they will participate in contract fee negotiations for project specific assignments?
 - o Are these to be made public record when finalized?
 - o How will the Commission's involvement in change order/amendment negotiations affect construction scheduled, etc.
 - o In fixed fee or not to exceed contracts how will overtime, holiday, subsequent submittals, equipment replacements, project shutdowns, re-mobilization, etc. be controlled in terms of cost to the owner, DCBO? How will these limitations be established? What will the CEC's role be in these instances? How will quick approvals from CEC be accomplished without negatively impacting construction schedules? These are not covered in contract included with RFQ documents?
- Fees based on a percentage of construction valuation may help develop a base-line for estimated fees to be charged on a specific project.
 - o Fees will have to be scaled for industrial projects
 - o Design-build projects often have unique complexities that may make this difficult (field changes, etc.)

- However, this approach does develop a baseline for the Commission to estimate “reasonable” fee proposals.
- Commission has a 19-year history of fees charged for over 60 power plants to use a baseline to establish “reasonable” fees.
- If an FSA for a project is implemented prior to the award of an on-call DCBO contract how are fees to be reviewed? What will the basis for the fees be? Will the project specific fees become the fees that on-call work is based upon?

BMP Guide

- Page 6, paragraph 2 – Can DCBO firm contract with Owner to provide special inspections and still state that there is no conflict of interest?
 - Do Biological, Cultural, Paleontological services, etc. also present a conflict although they have no impact on DCBO responsibilities for the project.
 - Does this change the role of oversight for special inspections if this were to occur?
- Page 7 – Approved fabricators – It is not clear here who is approving the fabricators. Is this the responsibility of the owner, the CEC or the DCBO?
 - Approved fabricator program already exists in the code.
- Page 10 - States that Commission utilizes 2013 California Code of Regulations. Will the utilized code follow California’s adoption cycle of enforced codes? For example, will this be updated in January to reflect the utilization of 2016 codes? Most decisions have a statement of current code in effect at that time.
- Page 14 – For process piping, if the DCBO is to perform periodic material QA/QC process checks, but no formal submission to the DCBO is required, under what CoC of authority can the DCBO request these records? Owners often request that each request and document submission be tied to a Condition of Certification. Many Conditions of Certification do not include the DCBO and the DCBO often struggles with the Owner to get documents and maintain knowledge of project specific data.
- Page 30 – No. 10 states that the DCBO may authorize work to proceed by project developers at risk under special “approved” circumstances. This entry should specify who approves these circumstances: the CPM, DCBO or other.
- Page 36- 5.3.B states that the DCBO office should be equipped with the best available communication for voice and internet access. It is not specified who is responsible for the furnishing of this infrastructure. For example, is the developer responsible for ensuring that adequate internet access is available to the DCBO office or is this a responsibility of the DCBO firm?
 - Is a separate voice line and internet line to be supplied? This should be required to ensure confidentiality for CBO and the CEC.