Outcome-Based Performance Contracting

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Outcome-based performance contracting is similar to a full delivery model and has three defining characteristics:

- Clear definition of **performance criteria and objectives** by which to measure project performance.

- Clearly defined **assessment methodology and collection of data** on the performance criteria to assess project performance.

- Schedule of **consequences** for Contractor, such as provision of rewards or imposition of performance adjustments, including clawbacks, based on meeting performance criteria and objectives set forth for the project.
Single Outcome Based Performance Contract between CPRA and Performance Contractor

Financing

Landrights

Permitting

Engineering & Design

Construction

Monitoring
Anticipated project components:

- Financing
Anticipated project components:

- Financing
- Property rights
Anticipated project components:

- Financing
- Property rights
- Design
Anticipated project components:

- Financing
- Property rights
- Design
- Permit
Anticipated project components:

- Financing
- Property rights
- Design
- Permit
- Construction
Anticipated project components:

- Financing
- Property rights
- Design
- Permit
- Construction
- Monitoring
Anticipated project components:

- Financing
- Property rights
- Design
- Permit
- Construction
- Monitoring
- Management
Reasons to Use Outcome Based Performance Contracting

- **Financing & Timing:** Opportunity to leverage up-front private investment and capital to get a project on the ground sooner with CPRA repaying that up-front investment over a specified period of time based on contractual project milestones and successful performance. This may also allow CPRA repayment to align with *Deepwater Horizon*-derived funding sources.

- **Value:** Obtain better overall value (quality, timing, and price), innovation, and efficiency since the contractor will be proposing and delivering all aspects of the project, including performance.

- **Risk:** CPRA shares and/or shifts the risk of project success to the contractor, rather than CPRA bearing all risk of project success like in other traditional delivery models.
Act 356

- Authorizes and creates a framework for CPRA to utilize Outcome-based Performance Contracts for Integrated Coastal Protection in accordance with La. R.S. 49:214.1, et seq., and subject to CPRA Board approval and review of Senate and House Natural Resources Committees

- Establishes competitive selection process for awarding an Outcome-based Performance Contract

- Sets forth minimum requirements for Outcome-based Performance Contracts, including maximum contract duration (25 yrs) and funding limits ($250m per project)

- Authorizes CPRA to promulgate rules, regulations, or guidelines as may be necessary
How does CPRA get a Pay for Success Project?

1. CPRA gets approval from the CPRA Board to use Outcome-based Performance Contracting PRIOR to soliciting for a project(s)

2. CPRA solicits for projects with a two-phase selection process (RSIQ followed by RFP)

3. CPRA selects a project(s) and executes a contract, if in the best interest of the State of Louisiana

4. CPRA reports to the Louisiana Senate Committee on Natural Resources and the Louisiana House Committee on Natural Resources and Environment for review.
Consistency with 2017 Master Plan:

State of Louisiana
The Honorable John Bel Edwards, Governor

Louisiana’s Comprehensive Master Plan for a Sustainable Coast

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Effective June 2, 2017
Integrated Coastal Protection Project Types:

- Barrier Island Restoration
- Hydrologic Restoration
- Marsh Creation
- Oyster Barrier Reefs
- Ridge Restoration
- Shoreline Protection
- Bank Stabilization
- Channel Realignment
- Sediment Diversion
- Earthen Levee
- Concrete Wall
- Floodgate
- Pumps
Initial project type (marsh creation):
Pending RSIQ project type: Marsh Creation and/or Ridge Restoration In the Barataria Basin
Marsh Creation and/or Ridge Restoration In the Barataria Basin
Monitoring Guidance:

Current Coastwide Reference Monitoring System (CRMS) SOP:
These are the detailed data collection procedures specific to the State’s cooperative Coastwide Reference Monitoring System with the Coastal Wetlands Planning, Protection, and Restoration Act (CWPPRA).

Current CPRA Quality Management Plan (QMP):
This includes the CPRA Coastal Information Management System (CIMS) data standards, data completeness protocols, etc and is cited for all data to be collected for CPRA.

CPRA Survey standards:
Contractor’s guide for surveying with GPS in the Louisiana Coastal Zone.
Adaptive Management:

• An adaptive management plan will be included in project Design Documents to provide criteria and triggers for managing the project site(s) for optimal provision of ecosystem services for the duration of the servitude. The following resources can serve as guidelines:


• Future Adaptive Management documentation from Deepwater Horizon (DWH) Natural Resource Damage Assessment
Possible schedule:
Advertise RSIQ – 2nd Quarter 2018
Issue RFP – 3rd or 4th Quarter 2018
RFPs, RSIQs – Contracts

As we continue our efforts to protect and restore coastal Louisiana, additional help will be needed. Information about upcoming projects, advertisements for contracts, grants and bids, and additional resources for potential vendors can be found in this section.

If you are having difficulty downloading documents please try using Google Chrome.

Click here for information on how to register as a CPRA vendor
Click here for information on CPRA Contracted Services
FUNDING OBPC:

Potential Use of *Deepwater Horizon* Natural Resource Damages (NRD) Settlement Funds

Samuel W. Plauché

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OBPC Funding: *Deepwater Horizon NRD Funding*

- Funds are managed by the Louisiana Trustee Implementation Group (LA TIG)
  - Comprised of State and four federal trustee agencies (Department of the Interior, National Oceanic and Atmospheric Administration, Department of Agriculture and Environmental Protection Agency)
- Prior to funding, LA TIG must complete:
  - Oil Pollution Act Restoration Plan for the project (examples: [https://www.gc.noaa.gov/natural-office2.html](https://www.gc.noaa.gov/natural-office2.html))
  - Associated National Environmental Policy Act review
OBPC Funding: *Deepwater Horizon NRD Funding*

  - Strategic Restoration Plan identifies broad categories of potential NRD funded projects within the Basin

- Phase II (project specific) Restoration Plan required before approval of funding
OBPC Funding: *Deepwater Horizon* NRD Funding

- LA TIG Restoration Planning process (contemporaneous steps in Louisiana’s OBPC process noted in parentheses)
  - Solicitation or Project Ideas (RFP)
  - Prepare draft Restoration Plan (review RFP responses)
  - Release of draft Restoration Plan/NEPA document for public comment (Recommend Contract Award)
  - Prepare final Restoration Plan/NEPA document (Review of Contract Award recommendation)
  - Release Final Restoration Plan/NEPA document (award contract)
  - State executes contract as LA TIG implementing Trustee
QUESTIONS?
A copy of the information presented today will be available through:

http://coastal.la.gov/calendar/?y=2018
Connect with us!

Website & Email sign up: www.coastal.la.gov
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Instagram @la_cpra

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