



August 24, 2015

Steven W. Francoeur,
Contracting Officer
Defense Information Systems Agency
2300 East Dr. Building 3600
Scott AFB, Illinois 62225-5406

Re: ENCORE III Draft RFP, Solicitation Number: HC1028-15-R-0030

Mr. Francoeur:

The Coalition for Government Procurement (“the Coalition”) appreciates the opportunity to provide feedback on the Defense Information Systems Agency (DISA) August 10th Draft Request for Proposals (RFP) for the upcoming ENCORE III Services (E3) contract.

The Coalition is a non-profit association of firms selling commercial services and products to the Federal Government. Our members collectively account for a significant percentage of the sales generated through IT GWACs and other enterprise-wide contract vehicles, including ENCORE II. Coalition members are responsible for many of the commercial item solutions purchased annually by the Federal Government. Members include small, medium and large business concerns. The Coalition is proud to have worked with Government officials for more than 35 years towards the mutual goal of common sense acquisition.

According to the Draft RFP, E3 will be a multiple-award, Indefinite Delivery/Indefinite Quantity (IDIQ) contract, with a 5-year base, plus 5, one-year option periods. E3 will provide DISA with a wide variety of complex IT services in support of the Joint Information Environment (JIE) worldwide. Areas to be supported by the contracts include Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) areas, as well as all elements of the Department of Defense Information Network (DoDIN). Based on Section C and the labor category descriptions, contractors under ENCORE III will be performing complex IT functions, including but not limited to the enterprise-wide planning analysis, design and construction of information systems and information assurance.

Section M1.1.2 notes that the procurement is a “best value lowest price technically acceptable source selection conducted in accordance with Federal Acquisition Regulation (FAR) 15.3, Source Selection, as supplemented by the Defense Federal Acquisition Regulation Supplement (DFARS) section 215.3, and the DISA Acquisition Regulation Supplement (DARS).”

The Draft RFP also states that the evaluated price will be calculated by applying the offerer’s proposed labor rates to the estimated number of hours for each year of contract performance. The estimated labor hours used for the cost/price evaluation will not be provided to the offerors until after award. See generally M1.3.2. After receipt of proposals, the Government will first evaluate the lowest price proposal. The Government will then evaluate the next lowest price

proposal for acceptability in accordance with this solicitation and so on until it has a pool of acceptable contractors.

Given the complex nature of the services asked for under the E3 contract, a lowest price technically acceptable (LPTA) source selection raises significant concerns. LPTA will reduce access to best in class IT services, limit access to innovation and increase performance risk. LPTA will limit effective, best value competition at the task order level for complex IT mission requirements supporting the warfighter. Furthermore, the source selection and evaluation criteria outlined in the draft RFP are inconsistent with recent Department of Defense policy regarding LPTA.

The March 4 memorandum from Undersecretary of Defense for Acquisition, Technology & Logistics (AT&L) Frank Kendall notes that LPTA has a “limited place in the source selection ‘best value’ continuum.” Used inappropriately, the Department of Defense (DoD) can “miss an opportunity to secure an innovative, cost-effective solution to meet Warfighter needs.” The memo stresses that LPTA is appropriate only when the following factors are met:

1. There are well-defined requirements,
2. The risk of unsuccessful contract performance is minimal
3. Price is a significant factor in the source selection
4. There is neither value, need, nor willingness to pay for higher performance.

The complex professional IT services sought under E3 do not meet the criteria outlined in the March 4 memorandum. Moreover, the Draft RFP’s lack of information regarding estimated hours essentially “doubles down” on LPTA by driving offerors to offer the lowest possible rates without regard to the actual volume of work to be performed.

Moreover, implementing guidance for Better Buying Power 2.0 addressed the appropriate use of LPTA, providing that LPTA should only be used if the contracting officer can “clearly describe the minimum requirements that will be used to determine the acceptability of the proposal.” Also, LPTA is appropriate only when the DoD “would not realize any value from a proposal exceeding its minimum technical or performance requirements.” This criteria is not met for the E3 contract. The memorandum goes on to say, “when standards of performance and quality are subjective, another approach should be used. Professional services are often in this latter category.”

A contract requiring complex professional services does not lend itself to the current lowest price technically acceptable source selection. Members of the Coalition are ready to work with DISA to identify appropriate, transparent best value evaluation criteria. Thank you for the opportunity to comment and if you have any questions, please contact me at 202-331-0975.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roger Waldron', with a long horizontal flourish extending to the right.

Roger Waldron
President