

CIC Attendees:

Government	Industry
Steve Harnig	Manny Lovgren
Robin Rourk	Claire Allen - Absent
Lisa Rosenbaum	Scott Varn
Michelle DeForest - Absent	Camila Anderson
Kristy Penninger	Patrick Burnette
Kelly Cannady	Malcolm Potts
Audrey Orvin	Lana Thomas
Jesse Seaton	
Erica Smoak	
Sheela Casper	
Todd Rollins	
Don Sallee	
Christy Christopher - Absent	

Opening Remarks: Steve welcomed everyone and went right into the Best Practice topic presented by Scott Varn.

Discussion Topics

CIC Special Topic/Best Practices: Proposal evaluations, for ID/IQ contracts, without a pricing requirement

Introduction: Most ID/IQ Proposals include requirements for Price/Cost. We’re constantly being asked to do things faster and cheaper. Removing the Cost/Price Eval from ID/IQ requirements may help save time and money!

Alternative Idea:

- Remove Pricing from an Evaluation Factor
- Focus efforts on Technical Approach and/or Capability, Past Performance, and

Corporate Information (systems, approvals, policies, etc.)

- Insert Pricing Capability and/or Estimating system requirements into solicitation to ensure corporations are able to price at order level.

Pros:

- Focus will be on Technical Approach and Capabilities Eval and no time spent on Cost Eval (which is very time consuming, especially if DCAA gets involved)
- Broader reach – facts are...people know who’s doing business with LANT, and some companies may fear they’re unable to compete as the cost points are too low. This approach could attract Contractors.
- Less time and money spent by Contractors generating a price proposal supporting rates that will never be used again
 - Price proposals take a substantial amount of time and effort within industry
 - Audit support post proposal are also very time consuming and increase OH costs
 - Less \$\$ spent supporting proposals will equate to lower indirect rates across the board

- Quicker Awards!
- Eliminate false sense of reality regarding rates.
 - Contractors may bid lower than normal rates supporting ID/IQs as the need to bid the more specialized categories doesn't exist, as it does supporting Order Proposals.
 - Helps avoid the 'sticker shock' of order proposal rates; when actually having to bid the specialized individuals for specific scope.

Cons:

- Bar won't be set. If nothing else, ID/IQ rates provide a baseline where Contractors may be when pricing actual requirements for Task Orders. This information can be used to create IGE's or serve as a comparison basis when evaluating Order Proposals.
- Less insight into Contractor pricing and methods

Solicitation Examples:

GSA ASTRO – Huge effort, no pricing requirements, in support of a contract that could be worth several \$100M. The focus on was Technical Ability, Past Performance, and Corporate Structure. Huge emphasis on Past Performance. Capability had to be proven and was scored accordingly.

NIWC PAC Opportunity N6600120R3412 for ISR IO from Seabed to Space – Shared Ceiling/Cost/Fee (7% on labor) was defined upfront (\$250M). The Focus was on Organizational experience, Past Performance, Corporate structure, and Corporate policies, procedures, and certifications, as well as SB performance/Plan (Liquidated Damages clause 52.219-16 inserted)

Conclusion: We saw something similar with CME (bid base year only), and we've seen Sample Tasks used. If we abandon the Pricing Requirement all together at ID/IQ level, we could save time, \$\$, and help ensure the focus of the Eval is where it should be; especially considering the rates bid against an ID/IQ aren't needed.

An Alternative to the Alternative: Ask Contractors to bid a set of rates for informational purposes only, and not something for Eval or audit. These rates can be used by the Government to help generate more accurate IGE's, as the rates will tend to be more realistic for the resulting orders.

Parameters for Services Acquisition Workshop (SAW) Process:

- 20 Deputy referenced DOD Instruction 5000.74 that support services acquisition requirements which provides that a total contract value of \$500 million or more or an annual value of \$250 million or more must participate in a services acquisition workshop (SAW), or equivalent program. A SAW is an interactive workshop built around a specific acquisition and its' multi-functional team. Defense Acquisition University staff facilitates a workshop tailored to a given requirements set with participants using the 7-Step Services Acquisition. This process may found in the Defense Acquisition Guidebook (DAG) Chapter 10. The SAW program is intended to significantly improve the quality of requirements documents while reducing costs, increasing effective competition, and shortening lead times.
- For multiple award, indefinite delivery, indefinite quantity (IDIQ) contracts, a SAW is not required for the base contract, but is required for any task order valued at \$100 million or

more.

- Effective November through 30 September 2021, except for Special Interest acquisitions, the mandatory requirement to conduct a SAW is waived. However, requiring activities are highly encouraged to apply SAW-like steps to all services acquisitions valued at greater than \$10 million. Steve mentioned we did SAW like process for the CORP OPS contract, worked well and very successful.

Opportunity for Government to pair with Industry to discuss “max telework”

- The CIC mentioned the changed environment due to COVID-19 and there was a recommendation made for the government and industry get together to discuss the max telework environment.
- Team would review the language that may need to be incorporated into contracts to allow for max telework.
- Jesse noted there is no change as of yet to cost modeling, RFP language or clauses yet for NIWC government contracts.
- Jesse stated that IPTs, the requirement owners are not yet ready to commit to max telework.
- Contractor rates for telework versus on site may need to be established.
- Industry is working now with DCAA to establish rates for max telework.
- Steve mentioned that NIWC Atlantic is definitely moving towards the admin support competencies to max telework in order for the command to have more space for onsite work.
- Contractors may be asked to do the same
- **ACTION:** Manny and Steve to get together to look at SAMPLES of contracting language / clauses that may potentially be used in NIWC Atlantic contracts. More to follow...

LOE/Fee per Hour

- Jesse mentioned that he is considering possible changes to the current terms for fixed fee determination and payment. He gave an example where fee could be paid out as a percentage of cost, with the final fee determination based on the delivery/expenditure of a certain minimum percentage of total labor hours.
- Industry said some of the Clauses and language being used does not specify the LOE
- Jesse mentioned that the current terms for fixed fee payment and determination for LOE task orders is also very labor intensive for Post Award team.

Office of Small Business Programs (OSBP)

The SBA has proposed a rule to adjust the size standards of the professional services NAICS:

<https://www.federalregister.gov/documents/2020/11/13/2020-24903/small-business-size-standards-professional-scientific-and-technical-services-management-of-companies>

The DON OSBP has an updated webpage with the ability to subscribe. The page includes new links, and events page and you tube videos:

<https://www.secnav.navy.mil/smallbusiness/Pages/default.aspx>

A NAVAL X connector guide has been posted to the NIWC LANT public page to facilitate industry connecting DoN across the enterprise:

<https://www.public.navy.mil/navwar/Atlantic/Documents/ForIndustry/NavalX-Connect-Guide-for-Industry.pdf>

General Comments from CIC

- Don Sallee mentioned the next IWRP Industry Day will be virtual and in February. The PTB-Stage 1 submissions for the prize Challenge was 6 Dec but it has now been extended to 20 Dec.
- Both industry and government are looking at the date for the next SBIOI, it was supposed to be rolled into the CDCA summit in March but this is looking less likely. A separate date may be looked at and held virtually.
- Manny mentioned Pat Burnette rolling off of the CIC.
- See upcoming events below.

Upcoming Meeting/Events

SBIOI –TBA

Contracts Industry Council –22 Jan 21

CDCA Summit 2-4 Mar 21

