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Input: NAOC is the industry trade association representing companies who perform Military Munitions Response Program (MMRP) work and related services. Our association is made up of a wide variety of nationwide business that consist of large business, small business, service disabled, and small disadvantaged business.

As a global leader for munitions response services, our membership has a wide variety of experiences in LPTA. The NAOC appreciates the opportunity to provide an industry perspective on the perceived risks identified when proposing on Low Price Technically Acceptable (LPTA) acquisitions and Task Orders (TO).

NAOC is seeing the munitions response procurement strategy shift to using LPTA award criteria rather than the traditional best-value tradeoff criteria.

While there is certainly a place for the low-price strategy in federal procurements, it is definitely not suitable for procurements with complex services or uncertain performance risk associated with MMRP. Munitions-related work is complex, with minimum acceptable technical and performance requirements difficult to describe, and the consequences from failure are considerable. Normally requests for proposals are based on historical evidence and previously conducted environmental studies to determine that an area was used for military training. Typically the historical data are incomplete, do not capture historical munitions use and actual site boundaries, leaving contractors to guess during proposal development on the type and extent of the munitions hazards. It is our concern that if LPTA continues to be available as a selection criteria for MMRP projects, it will become an attractive option for cleanup projects with limited budgets.

LPTA is currently used as an option for evaluation on MMRP IDIQ contacts or where military munitions are a component of a remedial environmental action; and its use as a selection criteria (even under the auspices of best value) continues to increase. In these cases, contractors bid on projects with incomplete information and held accountable to execute the "newly defined" project site at the original bid price. Many times, project execution is delayed by government review, thereby dissolving any pricing efficiencies that may have been employed as a bid strategy. The lack of accurate information and delays incurred by the government often results in companies submitted Requests for an Equitable Adjustment (REA). These REAs can take years to resolve, requiring companies to carry the financial loss for a lengthy period of time and results in a cost claim that adds additional time/money to litigate and negotiate the final adjustment; with the resolutions typically being pennies on the dollar. It goes without saying that this process has a negative effect on the relationship with the government and can hinder the future activities or appetite to bid on work, thereby limiting the competitive pool.

Another concern of LPTA is that it provides the opportunity not to evaluate technical proposals. Using LPTA as an opportunity to save government time and money, the government may deem all contractors "technically acceptable" as a premise of being a contract holder, thereby making price the sole selection criteria.

Presently there are a number of policy memorandums issued by the Under Secretary of Defense office addressing the appropriate use of LPTA. Although the memorandums clearly state that LPTA has a clear but limited place in the source selection "best value" continuum, it does not give definitive direction on limiting the use of LPTA. Therefore, NAOC requests consideration to exclude the use of LPTA for MMRP or Munitions Response projects in the FY2017 Defense Authorization Bill.