

**Commercial Activities Panel
August 15, 2001 Public Hearing**

Remarks by
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As a representative of EG&G Technical Services, I am pleased to have the opportunity to address the panel about the A-76 process. EG&G has participated in over a half a dozen A-76 Studies in the logistics and base operating support areas and we have won our fair share. For us its appropriate for the committee to meet here at Lackland to briefly outline the challenge of making the process fair, simple and above all achieve a result that provides the government the best solution for future. As you are aware, Lackland is currently undergoing an A-76 Study that began for us over two years ago. We put together a major effort to win the work, successfully made the down select, but were not selected as the best value contractor.

The fact that we lost isn't important to the committee. However, good, smart people in both the private sector and public sector went to a lot of effort to provide the government sound proposals. We have no doubt that the contracting officer and the evaluation team did their very best to ensure that the proposals were judged fairly and the process was done correctly. After two years, three if you count the amount of time that the government spent in preparing the Lackland A-76 Study, results have not been implemented. In the process, we all lost, the contractors - who spent a significant amount of resources to compete it, Lackland Air Force Base - who's mission must be supported with a budget significantly downsized because A-76 savings should have occurred by now, and the people of Lackland, particularly the Civil Service workers, who live in the shadow of a process that will impact their future. What is perhaps just as troubling is that the difficulties faced in completing an A-76 Study are not just unique to Lackland.

Clearly, the process is broke. Let me quickly express our view of three of the important problems.

First, the process takes too long and therefore is too expensive. It is not unusual for contractors to spend \$1M or more on a large A-76 Study during a 12 month period and then have to wait too long for an outcome that may have a substantial impact on future business plans and on retaining the key people required to do the job.

Second, there is the issue of a level playing field. Depending on the A-76 Study, there is a varying degree of reluctance to provide the contractor with good information to bid information that the MEO has access to nearly everyday. During one of the Q&A releases by the government, the MEO asked why the contractors were being given a tour during duty hours because they might learn something. The contracting office responded with a good answer. The more information contractors have the more valid the bid, and

the better the result for the government. When it comes to a level playing field, the MEO unlike the contractor doesn't have to have past performance evaluated. True, government employees that make up the MEO are performing the workload now but can they do it with the much smaller workforce that is being proposed? Generally the government in evaluating any proposal has the opportunity to evaluate how efficiently and effectively a contractor operates but the MEO's management plan is accepted without a review of the past performance of the current organization.

Third, there is the issue of comparing private sector proposals based on best value followed by a best cost comparison with the MEO. Adjusting the MEO's proposal and costs to match the private sector's proposal is extremely difficult and easily challenged.

We believe the process can be shortened considerably, the field can be leveled, and the compare process simplified by conducting an evaluation of all private sector proposals and the MEO management plan at the same time based on the same criteria. We believe developing a future A-76 Circular that allows us all the opportunity to compete on this basis would speed the process at far less cost for both the government and the participants and lead to fewer problems in implementing the results.