

Army Contracting Command-Rock Island
40mm Grenade Family System Procurement
Solicitation W52P1J-13-R-0078
QUESTIONS AND ANSWERS
16 October 2014

QUESTION #1: (Pre-Industry Day) Is the intent of the System to be dual sourced or is a single source possible?

ANSWER #1: The Government intends to award one (1) or two (2) contracts. At time of award the Government will decide what is in its best interest.

QUESTION #2: (Pre-Industry Day) Is it the USG's intent to make 1 award?

ANSWER #2: The Government intends to award one (1) or two (2) contracts. At time of award the Government will decide what is in its best interest.

QUESTION #3: (Pre-Industry Day) Has the government any data on the increased reliability of 40mm ammunition, since increase in quality has been heavily underway?

ANSWER #3: The Government does not have data to share, but has experienced significant improvements in the performance of all 40mm ammunition.

QUESTION #4: (Pre-Industry Day) Has the increased quality requirements on 40mm contracts leveled off, or will there be additional increase in requirements in the future (AAIE, SPC, CCC, etc.)?

ANSWER #4: Quality requirements will remain the same as in the past. AIE/SPC/CCC/FAAT, etc., will all remain requirements.

QUESTION #5: (Pre-Industry Day) What does the anticipated funding look like?

ANSWER #5: The table below reflects the most likely quantities, subject to requirements and funding:

CTG:	FY15:	FY16:	FY17:	FY18:	FY19:
M430A1	0	0	0	0	0
M433	0	0	50,000	0	0
M583A1	0	0	0	0	0
M781	351,279	429,874	420,450	416,310	345,517
M918	92,992	70,208	49,824	50,080	27,200
MIXED BELT	1,500,000	1,500,000	5,000,000*	5,000,000*	5,000,000*
M385A1	427,298	325,716	396,064	318,257	82,350
M992	0	0	0	0	0
M585	10,032	0	0	0	0
M661	0	0	0	0	0
M662	0	0	0	0	0

* Reflects quantities for any potential delay with the 40mm Day Night Trainer Procurement

QUESTION #6: (Industry Day) What are the potential splits for two awards? 60%/40%, 55%/45%, 51%/49%?

ANSWER #6: The Government anticipates making a 60%/40% split, in the case of two (2) awards.

QUESTION #7: (Industry Day) The government has indicated that only the base is guaranteed. This seems to heavily favor the incumbent contractor for options, since they have no ramp up. What specific reasons would the government not go to both contractors for option awards besides those listed in FAR 17.207?

ANSWER #7: Option award decisions are made in accordance with FAR 17.207 and DFARS 217.207.

QUESTION #8: (Industry Day) Will some consideration be given to the 'new' contractor, since a new ramp up should take longer than the incumbent?

ANSWER #8: For the formal RFP, the time allowed for a contractor to complete First Article Testing (FAT) and commence delivery will be greater than what was stated in the Draft RFP. The contractor must be prepared to commence deliveries within 450 days where FAT is not required, or 540 days where FAT is required, versus the 270 days and 360 days, respectively, cited in the draft RFP. Note that, as briefed at the Industry Day, prior to conducting FAT, the contractor must obtain Quality Plan approval, General SPC Plan approval, AIE/AAIE approval, FAAT Plan approval, and provide at least 15 calendar days notification to the PCO prior to commencement of testing (for purposes of allowing time for Government to participate, if desired).

QUESTION #9: (Industry Day) Will barrel life limits still be in effect on contractor barrels? I.E. – Current LV requirement is that barrels must be discarded after 1000 rounds.

ANSWER #9: Barrel life limits are in effect as stated in Narrative E0002 of the solicitation. After contract award, the contractor can submit a VECP (value engineering change proposal) with the appropriate documentation to support any possible change, however, for proposal purposes, the offeror's pricing should be based on the requirements stated in Narrative E0002.

QUESTION #10: (Industry Day) Will there be another industry day?

ANSWER #10: Another Industry Day for this acquisition is not anticipated at this time.

QUESTION #11: (Industry Day) Is there any possibility to postpone this contract to combine base and option 1 quantity?

ANSWER #11: No, the base and option quantities, if any, will not be combined.

QUESTION #12: (Industry Day) What rounds are anticipated to be directed to Iowa AAP?

ANSWER #12: The following HV items will be directed to Iowa Army Ammunition Plant (IAAAP), for the Load, Assemble and Pack (LAP) of a quantity up to and including 250,000 per month, subject to funding and requirements: M430A1, M918, M385A1, and Mixed Belt. Any HV cartridge LAP needed above the 250,000/month may be obtained from AO/IAAAP or from other sources within the National Technology and Industrial Base (NTIB).

QUESTION #13: (Industry Day) If a contractor is challenged and found 'guilty' of ostensible subcontracting what is the result? A- Contractor Bid is rejected. B – Contractor must revise proposal C – Other

ANSWER #13: Because this is a Small Business Set Aside (SBSA), if the Small Business Administration (SBA) determines the Small Business is in a Joint Venture with a Large Business, the Small Business Prime can no longer be considered small and becomes ineligible for award.

QUESTION #14: (Industry Day) Since this is a SBSA contract and since there are no quantities anticipated for 5 of the 11 possible items, is it possible to limit the proposal requirements to only 'price' for these 5 items? This would significantly reduce the time and effort required to bid this proposal.

ANSWER #14: In order for the proposal to be acceptable, the Government requires that pricing be provided for all items requested in the RFP, regardless of whether requirements are anticipated at this time.

QUESTION #15: (Industry Day) Since this is a SBSA contract and since there are limited quantities anticipated for 2 of the 11 possible items, is it possible to limit the proposal requirements to only 'price' for these 2 items? This would significantly reduce the time and effort required to bid this proposal.

ANSWER #15: In order for the proposal to be acceptable, the Government requires that pricing be provided for all items requested in the RFP, regardless of whether requirements are anticipated at this time.

QUESTION #16: (Industry Day) Since this is a SBSA contract and since there are no/limited quantities anticipated for 7 of the 11 possible items, is it possible to no bid these items?

ANSWER #16: In order for the proposal to be acceptable, the Government requires that pricing be provided for all items requested in the RFP, regardless of whether requirements are anticipated at this time.

QUESTION #17: (Industry Day) If a contractor is awarded the contract, however no funding is available for one of the items – I.E. M433, then the contractor is not required to perform any work on the item? I.E. – PCA, FAT, etc.

ANSWER #17: The contractor must be prepared to commence deliveries 450 days after award where First Article Test (FAT) is not required, or 540 days where FAT is required. This should be considered by the contractor when determining whether any work must be performed prior to funding. Note that, as briefed at the Industry Day, prior to conducting FAT, the contractor must obtain Quality Plan approval, General SPC Plan approval, AIE/AAIE approval, FAAT Plan approval, and provide at least 15 calendar days notification to the PCO prior to commencement of testing (for purposes of allowing time for Government to participate, if desired).

QUESTION #18: (Industry Day) The government has indicated that the DNT effort may effect HV mixed belt quantities. Will there be any effect on LV M781?

ANSWER #18: Yes, the Low Velocity Day Night Thermal (DNT) may affect future M781 production.

QUESTION #19: (Industry Day) The government has indicated that the DNT effort may effect HV mixed belt quantities. Is there no way for the government to solidify these numbers, since the

additional 10,500,000 units over 3 years represents around 4/5 of the potential revenue of this contract?

ANSWER #19: All procurement quantities are continuously reviewed. The Government has provided its best estimate for future procurement. There is no way to solidify these quantities further at this time.

QUESTION #20: (Industry Day) There are several items required to bid this proposal that are controlled by a 'sole source,' who is also the incumbent.

- a) How does the government recommend contractor proceed with getting quotations if the incumbent/sole source decides to 'no-bid' other SB's?
- b) How can we get the TDP or specific drawings released to foreign suppliers?

ANSWER #20: a) The Government is expecting offerors will be quoted by current producer(s) for these items. However, offerors are reminded that other sources for these items can also be developed and considered, as these are not source controlled nor restricted items.
b) Appropriate US Department of State export licensing or exemption will be required prior to release to foreign suppliers (including Canada) of any TDP/drawings marked as export controlled. Distribution D documents, as contained in the TDPs for this acquisition, are export controlled. If releasing this data to foreign suppliers in support of a response to the RFP is desired, the offeror should pursue the export license or exemption with the US Department of State as soon as possible.

QUESTION #21: (Industry Day, Slide #7) If a draft RFP is not provided by the Government, can contractors assume the previous (2009) RFP to be representative of the upcoming RFP?

ANSWER #21: A draft RFP has been released.

QUESTION #22: (Industry Day, Slide #10) If two qualified and competitive small businesses submit acceptable proposals, does the Government anticipate awarding two systems contracts?

ANSWER #22: The Government intends to award one (1) or two (2) contracts. At time of award, the Government will decide what is in its best interest.

QUESTION #23: (Section B, Option Ranges) While it is understood that the anticipated option ranges are established based on current requirements, we believe they should be revised as shown in the attached table. Revising the ranges in this manner provides two distinct benefits to the Government with no negative impact:

1. Should a situation(s) arise that leads to a conflict where more tactical ammunition is needed, the additional ranges would provide the Government the ability to procure accordingly within the established contract.

2. As the ranges being proposed in the table below are identical in most cases to the current 40mm system contract, the Government can use the current 40mm system contract prices when determining price reasonableness during proposal evaluation.

Option Ranges, Proposal Changes

<u>Cartridge</u>	<u>Current Anticipated Option Ranges</u>	<u>Proposed Option Ranges</u>
M430A1	30,000 – 99,999 100,000 – 249,999 250,000 – 499,999	30,000 – 99,999 100,000 – 279,999 280,000 – 399,999 400,000 – 699,999 700,000 – 1,199,999 1,200,000 – 2,090,000
M433	25,000 – 99,999 100,000 – 249,999	25,000 – 99,999 100,000 – 249,999 250,000 – 499,999 500,000 – 1,000,000
M583A1	10,000 – 24,999 25,000 – 99,999	10,000 – 24,999 25,000 – 99,999 100,000 – 250,000
M781	200,000 – 499,999 500,000 – 1,000,000 1,000,001 – 2,000,000	200,000 – 499,999 500,000 – 1,000,000 1,000,001 – 2,000,000 2,000,001 – 4,000,000
M918	10,000 – 24,999 25,000 – 99,999 100,000 – 249,999	No Change
Mixed Belt	500,000 – 1,499,999 1,500,000 – 3,000,000 3,000,001 – 5,500,000	No Change
M385A1	90,000 – 250,000 250,001 – 400,000 400,001 – 600,000	90,000 – 124,999 125,000 – 199,999 200,000 – 399,999 400,000 – 600,000
M992 IR	10,000 – 29,999 30,000 – 60,000	10,000 – 15,999 16,000 – 29,999 30,000 – 60,000
M585 WS, M661 GS and M662 RS	10,000 – 29,999 30,000 – 60,000	No Change

ANSWER #23: The Government will take this suggestion under review and will consider prior to final RFP release.

QUESTION #24: (Economic Price Adjustment (EPA)) The current clause requirement to provide actual price paid information within 60 days of option award has been very problematic. In cases where the actual product deliveries are scheduled 18 months or more out, suppliers are very reluctant to accept a purchase order with a firm price relative to EPA metals for which they will not take delivery that far out. They also are not in a position to buy the EPA metals right away and store them for years, due to issues with cash flow, storage space and the potential for corrosion. Since the EPA clause only allows for downward adjustment of actual price paid relative to the price established prior to option award, it is recommended that the clause be revised to state that actual price paid data be provided to the Government no later than 120 days prior to the first scheduled delivery of the respective option award. If this is not feasible because of varying delivery schedules under the same option award, increase the time frame from 60 days to one year. This change would present no risk to the USG, as any increases in price over the period between award and actual P.O. placement would be borne by the contractor, and would allow the contractor and their vendors to better manage the process.

ANSWER #24: The Government will take this suggestion under review and will consider prior to final RFP release.
