

## TEAMS-Next

### MDS Engineering

#### Substantial Bundling White Paper

FAR 7.107-4(b) requires the agency to provide additional documentation to support substantial bundling for the TEAM-Next MDS Engineering solicitation. The required considerations are addressed as follows:

*(1) The Specific benefits anticipated to be derived from substantial bundling:*

To enhance mission effectiveness, requirements supporting the Sensors Program from the TEAMS Specialty Engineering contract (a small business set aside) were identified for inclusion in the TEAMS-Next MDS Engineering contract (full and open). Per the FAR, this constitutes bundling given this consolidation combines two or more requirements for supplies or services, previously provided or performed under separate smaller contracts, into a solicitation for a single contract that is likely to be unsuitable for award to a small business concern. In addition, with the bundled contract exceeding the \$8M threshold, the MDS Engineering contract is considered to be substantially bundled, requiring identification of specific benefits anticipated to be derived from substantial bundling.

**Table 5 – Specialty Engineering Substantial Bundling**

TEAMS Contracts	TEAMS-Next Contract
BMDS Systems Engineering Weapons & Missiles System Engineering C3BM Engineering Specialty Engineering (SBSA) (portion)	MDS Engineering (F&O)
Predictive Engineering (SBSA) International Engineering (SBSA) Cybersecurity Engineering (SBSA) Specialty Engineering (SBSA) (portion)	Specialized Engineering Analyses (SBSA)

Approximately 60% of the TEAMS Specialty Engineering scope will remain on the SBSA Specialized Engineering & Analyses contract for TEAMS-Next, but the remaining 40%, comprised of Sensors Engineering efforts, is being reallocated to the full and open MDS Engineering contract for TEAMS-Next, resulting in substantial bundling.

Significant mission benefits are anticipated through the reallocation of Specialty Engineering Sensors Program Requirements. In the future, MDA requires a single contract to provide Systems Engineering across the Layered Missile Defense System (LMDS). The system architecture for LMDS includes the ‘neural network’ of the system (C2BMC), the

'eyes' of the system (Sensors), and the System-to-Elements/Components that must engage and negate any manner of adversarial missile threats. In addition to the Sensors Program requirements discussed previously, this approach consolidates the requirements of three TEAMS Full and Open contracts into the TEAMS-Next MDS Engineering contract. This approach aligns A&AS support to the LMDS and directly complies with 2019 Missile Defense Review guidance to "pursue more integrated approaches to the missile defense mission that leverage the full range of assets available", linking the system's 'eyes' with the rest of the system to provide a complete detection-to-negation Systems Engineering approach for the LMDS. The planned TEAMS-Next MDS Engineering contract will enable MDA's Single Technical Authority (STA) to provide systems engineering across the entire system down to the components. This capability is essential to obtain MDA's top three goals to: 1) support the warfighter, 2) prove the power of missile defense through testing, and 3) continue development and fielding of an integrated, layered Missile Defense System for homeland and regional defense.

***(2) Specific impediments to participation by small business concerns as contractors that result from substantial bundling:***

As indicated above, with the requirements supporting the Sensors Program from the TEAMS Specialty Engineering contract (a small business set-aside) being moved to the TEAMS-Next MDS Engineering contract (full and open), the incumbent's ability to prime that portion of the scope would be limited, but not completely eliminated. Movement of the sensors scope may impede the current incumbent and other small businesses from priming consolidated and expanded scope under MDS Engineering. While the incumbent and other qualified small businesses could compete in the F&O environment, it is acknowledged that they would be doing so in a more competitive environment with a larger potential pool of large and small business competitors.

***(3) Actions designed to maximize small business participation as contractors, including provisions that encourage small business teaming:***

TEAMS-Next includes a sizable portion of the requirement set aside for small business primes. MDA plans to set aside 13 of 18 requirements specifically for small business priming opportunities. TEAMS-Next will have 12 competitive set-asides for small business, making up approximately 66% of the Agency's support services requirement.

***(4) Actions designed to maximize small business participation as subcontractors (including suppliers) at any tier under the contract, or order that may be awarded to meet the requirements:***

MDA has conducted substantial outreach to small businesses, including extensive market research, a robust Request for Information, three industry days, and multiple small business conferences. The small business industrial base has shown keen interest in pursuing the 13 out of 18 requirements set aside for small business and to partner with other businesses (large and small) to pursue the 5 F&O opportunities. MDA has encouraged industry to establish joint ventures and to take advantage of mentor protégé opportunities. In addition,

the MDA small business office has facilitated matchmaking through an online portal. MDA plans to enhance and encourage small business participation at both the prime contractor and subcontractor levels. F&O contract awards under TEAMS-Next will have a small business utilization statement of work requirement and a small business participation plan with subcontracting goals and objectives. Prime contractor's small business utilization performance will be routinely assessed against the participation plan. MDA will routinely monitor small business prime contractor compliance with Limitations on Subcontracting for small businesses throughout the contract's period of performance. The contractor's compliance with small business requirements will be documented in the annual Contractor Performance Assessment Reporting System (CPARS).

***(5) The determination that the anticipated benefits of the proposed bundled contract or order justify its use:***

Analysis indicated measurably substantial cost benefits exceeding the threshold of 5% outlined in the FAR. In addition to the substantial benefit anticipated from cost savings, significant mission benefits are anticipated through the reallocation of Specialty Engineering sensors requirements to align them with the LMDS and comply with the 2019 Missile Defense Review guidance to "pursue more integrated approaches to the missile defense mission that leverage the full range of assets available". The planned TEAMS-Next MDS Engineering contract will enable MDA's Single Technical Authority (STA) to provide systems engineering across the entire system down to all components.

***(6) Alternative strategies that would reduce or minimize the scope of the bundling, and the rationale for not choosing those alternatives.***

Alternative strategies were assessed to determine the acquisition strategy for TEAMS-Next. These strategies included maintaining the TEAMS construct (status quo) with the same number of contracts (31), decentralization of certain requirements by MDA Program Element (moving away from 100% consolidated approach); and further consolidation by alignment of similar requirements. Acquisition of the TEAMS-Next requirements across 18 stand-alone contracts by alignment of similar requirements was determined to be the best approach. While the alternative approaches were potentially viable, the strategy to consolidate to 18 contracts was found to be the best approach to enhance mission effectiveness with considerable cost savings. This strategy maintains a significant small business footprint with 13 of 18 contracts being set aside for small businesses.