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Web Site: <http://acqnet.saalt.army.mil/acqref/acqref7.htm> Questions?
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SENTINEL CONTRACTOR DELIVERY SYSTEM (CDS)

CDS is life cycle support of the Sentinel radar system, which is a key element of the Short Range Air Defense (SHORAD) System. The prime contractor for the Sentinel is Thales Raytheon System Company (TRS). The purpose of CDS is to provide affordable readiness support through a partnership between the Sentinel Product Office, the Department of Defense (DoD) Depot System, Air Defense Units and the contractor. The instant contract involves an initial (Basic) effort by TRS to develop processes, procedures and methods for implementing a CDS. After this effort has been completed, the limited user implementation (LUI), placed in the contract as an option for a three month actual field test, will verify the contractor's ability to perform. A long-term commitment by the Government will be made based on the success of this effort. The CDS Program could generate a potential savings of 42% over a standard organic approach.

The Sentinel Product Manager received approval to pursue CDS in March 2001. An Integrated Product Team (IPT) was established with members from the Sentinel Product Office, Integrated Materiel Management Center, Sentinel support contractors and members of the Sentinel contracting team, Systems Acquisition Directorate, and the AMCOM Acquisition Center. The team recommended using the ALPHA contracting approach because the critical timeline required award by the end of FY 01 to ensure full scale implementation of CDS by Nov 02. Both the contractor and the government signed a memorandum of agreement which contained the commitment of both parties to cooperate in the process, have the right people at the table to make the decisions, and confirmed the elements of trust, honesty, empowerment and teamwork.

The team met and negotiated off-site, building the framework of the scope of work as well as the basic provisions of the contract. Negotiations resulted in a cost plus fixed fee (CPFF) contract for the basic effort of developing a "how to" guide and a cost plus award fee (CPAF) contract for the option effort to put the guide into practice in real time. The CPAF was utilized to encourage contractor excellence. Excellent performance, in this case, requires the contractor to maintain or exceed an equipment readiness rate of 90%. Three weighted criteria were agreed to during the process. They included the Reported Equipment Readiness Rate (65% of available award fee), Stock Availability (20% of available award fee) and Technical Interface (15% of available award fee).

The ALPHA contracting process involved the Army and TRS Company working together in partnership. This partnership faced and met numerous challenges, identified key program issues and lessons learned, and built trust and maturity that will continue throughout the Sentinel Program. The goal of the ALPHA contracting process was not only to build a contract for award, but to build a closer relationship between the contractor, the Sentinel Program Office, and the contracting office. This close relationship is essential as the Sentinel radar program grows and becomes an increasingly more important part of the SHORAD program.

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