

Record Status: Approved

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Small Business Coordination Record		Report Control Symbol DD-AT&L (AR) 1862	
1. CONTROL / REVISION # FY17-APR03-77 Rev. 5 of 5	2. PURCHASE REQUEST / REQUISITION # 1300264351	3. TOTAL ESTIMATE VALUE (with options) \$ 1,763,688,981.00	
4A. PIID N6600117R0189	4B. IDV PIID (IF APPLICABLE)	5. MODIFICATION / ORDER #	
6A. CONTRACT SPECIALIST / BUYER NAME (last, first, mi) Mahelona, Shane	6B. DODAAC / MAJOR COMMAND N66001/Space and Na...	6C. OFFICE SYMBOL 22550	
6D. EMAIL ADDRESS shane.mahelona@navy.mil	6E. PHONE NUMBER (include area code) 6195535663		
7A. ITEM AND / OR SERVICE DESCRIPTION The Space and Naval Warfare Systems Center Pacific (SSC Pacific), intends to award a single-award Indefinite Delivery/Indefinite Quantity (IDIQ) contract to Microsoft Corporation for the procurement of Microsoft Enterprise Services (MES) (inclusive of Microsoft Premier Support [MPS] and Microsoft Product Engineering Services[MPES]). Microsoft will provide MES that requires access rights to Microsoft proprietary code (closed-source), which is licensed under exclusive legal right of Microsoft Corporation. MPES provides access to Microsoft technical experts services for planning, developing/coding and deploying new software programs as well as access to Microsoft software developers and source code for current and future products. MPS includes tools and knowledge databases, problem resolution assistance from product developers, and access to Microsoft source code when applicable to support DoD's mission. This proposed contract has security requirements at the Top Secret level with SCI access. The scope of ordering for the proposed IDIQ will be DoD-wide supporting decentralized ordering and will result in the issuance of task orders. The contract will be a DoD ESI ESA as defined in DFARS SUBPART 208.74 and will be a five-year contract with one base year and four one-year option periods.			
7B. PRODUCT AND / OR SERVICE CODE D308	7C. NAICS CODE 541511	7D. SIZE STANDARD	
8. PERIOD OF PERFORMANCE / DELIVERY DATES (with options) FY18 to FY22			
9. TYPE OF COORDINATION Change			
10. RECOMMENDATION Other Than Full and Open Competition (attach J&A) ADDITIONAL INFORMATION: N/A			
11A. MARKET RESEARCH Attach supporting analysis, including results of sources-sought or request-for-information synopsis, J&A, etc. A synopsis was posted on FedBizOpps in April 2017 that provided notice of intent to award a Sole-Source contract to Microsoft. No responses were received and this is consistent with a previous notice to intent to sole source posted in July 2012. To date, no alternative sources have expressed interest in this procurement. Microsoft will not disclose its proprietary source code to any of its service partners/resellers. Therefore, other companies do not have access to Microsoft's proprietary source code nor do they have access to Microsoft engineers and technicians that develop it. Therefore, competition for MPS and MPES is not achievable amongst Microsoft's authorized service partners and service partners are not able to provide MPS and MPES services with their own employees. They can only function as pass-through to MES in exchange for pass-through costs with no added value to the Government. There are no subcontracting possibilities. Under all known IDIQ contracts for MES services, there were no subcontracting opportunities (e.g. W91QUZ-09-D-0038 awarded by the Army, HC1028-17-D-0001 & HC1028-13-D-0013 awarded by DISA, M67854-13-D-4033 awarded by the United States Marine Corps, etc.). All of the small businesses that are authorized re-sellers of Microsoft services act as a total pass-through to Microsoft. They do not perform any of the work and will only subcontract the work directly to Microsoft employees and collect a fee on the resale. All of these re-			

sellers are required to charge, at a minimum, Microsoft's commercial rate for these services, after which they add their additional fee. Draft J&A is attached.

11B. SYNOPSIS REQUIRED (if No, provide FAR Part 5.202 Exception)

Yes

11C. SMALL BUSINESS PROGRESS PAYMENTS

No

12. CONSOLIDATED OR BUNDLED**12A. CONSOLIDATED BUT NOT BUNDLED REQUIREMENT** Attach required documentation per DFARS Subpart 207.170

No

12B. BUNDLED REQUIREMENT Attach required documentation per FAR Subpart 7.107 including benefits analysis

No

13A. SUBCONTRACTING PLAN REQUIRED

Yes

13B. For recommendations 10g., 10h., 10i., and 12a. or 12b., specify actions taken to maximize small business participation in subcontract performance (e.g., subcontracting plan requirements of FAR 19.7 and anticipated subcontracting goals, market research to identify small business capability at the subcontracting level, source selection evaluation factor for small business utilization, DFARS Subpart 215.304, 215.305). Attach additional pages as necessary.

A subcontracting plan is required per FAR 19.7, however, there are no subcontracting possibilities as indicated in Market Research (Block 11a).

14. ACQUISITION HISTORY**14A. THIS IS A NEW REQUIREMENT**

No

PREVIOUS SOLICITATION / CONTRACT #

W91QUZ-09-D-0038

PREVIOUS ORDER NUMBER**RECOMMENDATION HISTORY**

Other Than Full and Open Competition (attach J&A)
ADDITIONAL INFO:

(10) MAC / ORDER

N/A

14B. WAS THE PREVIOUS CONTRACT:

(1) CONSOLIDATED? No (2) BUNDLED? No

14C. LIST NAME, CONTRACT NUMBER(S), CAGE CODE(S), AND DUNS OF CONTRACTOR(S) THAT RECEIVED PREVIOUS AWARD(S). INCLUDE TYPE(S) OF BUSINESSES FOR EACH CONTRACTOR (e.g., SB, HUBZone SB, SDB, SDVOSB, EDWOSB, WOSB, other than small business), **AND TYPE(S) OF CONTRACT. INCLUDE PERIOD OF PERFORMANCE WITH OPTIONS, AND TOTAL CONTRACT VALUE INCLUDING ALL MODIFICATIONS AND EXERCISED OPTIONS.** If previous contract was consolidated or bundled, list all contractors that received previous awards for any portion of this work; if previous contract was a MAC, list all previous contractors and indicate if reserves were used and if orders could be set aside for small business. Attach additional pages as necessary.

Previous IDIQ contracts awarded include W91QUZ-09-D-0038 under the Army Computer Hardware Enterprise Software and Solutions (CHESS) contract; HC1028-17-D-0001 & HC1028-13-D-0013 awarded by DISA; and M67854-13-D-4033 awarded by the United States Marine Corps. There were no subcontracting opportunities.

15. CONTRACTING OFFICER REVIEW**A. NAME** (last, first, mi)Sedgwick, Stacie L.  CONCUR**B. DATE** (YYYYMMDD)
20170717**C. EMAIL ADDRESS**

stacie.sedgwick@navy.mil

D. SIGNATURE (Digital Signature) SEDGWICK.STACIE.L.1230097816**E. DATE ACQUISITION PACKAGE PROVIDED TO SBP** (YYYYMMDD)

20170717

F. CONTRACTING OFFICER REMARKS

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16. SMALL BUSINESS PROFESSIONAL / SMALL BUSINESS DIRECTOR REVIEW**A. NAME** (last, first, mi)Mclain, Mark A.  CONCUR**B. DATE** (YYYYMMDD)
20170717**C. EMAIL ADDRESS**

mark.mclain@navy.mil

D. SIGNATURE (Digital Signature) MCLAIN.MARK.A.1081543840**F. SMALL BUSINESS PROFESSIONAL / SMALL BUSINESS DIRECTOR REMARKS**

SOLE source to LB OEM, the source code is proprietary to LB and it is not shared with distributors. Therefore there are no SB subcontracting opportunities for this effort. IAW FAR 19.705-2(c) A MFR with

detailed rationale and approval at a level above the contracting officer will be placed in the contract file.

17. SBA PROCUREMENT CENTER REPRESENTATIVE REVIEW

A. NAME (last, first, mi) Parra, Aaron J.  CONCUR	B. DATE (YYYYMMDD) 20170718	C. EMAIL ADDRESS aaron.parra@sba.gov
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D. SIGNATURE (Digital Signature)
 **PARRA.AARON.JR.1387948615**

F. SBA PROCUREMENT CENTER REPRESENTATIVE REMARKS
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18. CONTRACTING OFFICER REVIEW

If the SBP or the SBA PCR rejects the contracting officer recommendation, the contract specialist and contracting officer use Modify to make change or to add remarks, upload any associated rationale, and proceed to signatures within 5 working days IAW FAR 19.505.

Supporting Documentation

File Name	Short Description	Loaded By	Date	Delete
2 Justification and Approval 17-015....docx	MES Draft LSJ	MAHELONA.SHANE.K.1180321574	07/17/2017	Delete

File: Short Description: