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12/19/2002 05:16:56 PM

Record Type: Record

To: David C. Childs A-76comments/OMB/EOP@EOP
cc:
Subject: Support of OMB Circular A-76 Revisions

December 19, 2002

Mr. David C. Childs
Office of Federal Procurement Policy
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Mr. Childs:

On behalf of TranSystems Corporation I am writing in support of several revisions to OMB Circular A-76 and several related policy documents that govern how the Federal Government obtains goods and services. Our company and its employees applaud the underlying premise behind these revisions, which is that all activities currently performed by the Federal government are presumed to be commercial in nature unless they are justified as inherently governmental.

Alignment of OMB Circular A-76 with the Federal Acquisition Regulations (FAR) is a very sound decision. With the exception of dealing with the procurement of Architectural-Engineering services that will be discussed later in this document, it will facilitate the Administration's competitive sourcing policy and ensure "apples to apples" comparisons in any resulting competition between the private sector and government agencies that are commercial in nature.

Leading edge companies such as ours provide the ideas, innovations, studies, designs, and related services upon which projects are based. These significantly impact life-cycle costs and ability to satisfy customers. We applaud the decisions to end "back door" inter- and intra-service agreements (ISSAS) that preclude our being considered and to restrict Federal agencies from aggressively marketing their services to our clients – state, local, and tribal governments – often using the gambit of partial funding at taxpayer expense.

I call to your attention, however, a conflict between the revised Circular A-76 and the statutory requirements for the procurement of Architectural-Engineering services. Since the procurement of these unique services is done through "Qualifications Based Selection" (QBS) and not simply

on the basis of cost, as prescribed under (40 USC Section 541 et seq.). An approach needs to be crafted to enable Federal agencies to compete in a manner consistent with the statute.

We strongly support the suggestions that are being made by our various industry organization to address this matter consistent with statutory requirements. Alternatively, since there is no justification for the Federal government to have this costly and redundant capability when such are readily available from a more efficient and innovative private sector. We respectfully urge that these be Directly Converted.

Our company and its employees applaud this courageous initiative to issue a revised OMB Circular A-76 and appreciate this opportunity to comment on them.

TranSystems Corporation provides a full spectrum of technical specialty and industry specific managerial competence to address the transportation challenges facing our clients. TranSystems is headquartered in Kansas City, Missouri with 28 offices throughout the United States and serves nine core market sectors comprising the transportation industry. They are Railroad Companies; Transit; Departments of Transportation and Municipalities; Airport Authorities and Air Carriers; Shippers; Port Authorities and Maritime Carriers; Trucking Companies; Energy and Communication Carriers; and U.S. Federal Government.

Sincerely yours,
Brian G. Larson, CEO & President

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