

Notification of Intent to Invite International Competitive Bids

Evolution for Functional Services for Logistics C2 (LOG FS Evolution 1)

IFB-CO-14621-LOGFS

EUR 29,406,015

(estimated value)

The LOG FS Evolution project is intended to build on the foundations being established by the LOG FS Consolidation and Development projects. It will provide the Alliance with additional logistics, medical and military engineering applications to improve key aspects of operations support on missions. The project is focused on software development, including the configuration and integration of any Commercial Off The Shelf elements (if offered), and delivery will use Agile methods.

The formal IFB is planned to be issued in Q1 2018 with contract award anticipated in Q1 2019. These dates are subject to confirmation.

NCI Agency Senior Contracting Officer: Mr Peter Kowalski

E-mail: peter.kowalski@ncia.nato.int

To: Distribution List

Subject: **Notification of Intention to Invite International Competitive Bids for the Project: PROVIDE THE EVOLUTION FOR FUNCTIONAL SERVICES FOR LOGISTICS C2 (LOG FS)**

References: A. AC/4-D/2261 (1996 Edition)
B. AC/4-D/2261-ADD2 (1996 Edition)
C. AC/4-D(2008)0002-REV2
D. C-M(2002)49
E. LOG FS Evolution 1 TBCE, NCIA/SSTRAT/NLO/2016/08526 /TT3339, dated 22 Dec 2016
F. AC/4(PP)D/27586 dated 14 Apr 2016
G. AC/4-DS(2016)0010 (APF Authorisation), dated 19 Apr 2016
H. AC/4(PP)D/27586-ADD2 dated 10 Jul 2017
I. AC/4-DS(2017)0018

1. In accordance with References A through I, notice is hereby given of the intent of the NATO Communications and Information Agency (NCI Agency), as Host Nation, to issue an Invitation for Bids (IFB) for the provision of the Logistics Functional Services (LOG FS) Evolution project, to be subject to International Competitive Bidding (ICB). The release of this IFB is subject to prior authorization from the Investment Committee, currently envisaged for Q1 2018.
2. The LOG FS Evolution project will build on the foundations being established by the LOG FS Consolidation and Development projects. It will provide the Alliance with additional logistics, medical and military engineering applications to improve key aspects

of operations support on missions. The project is focused on applications, including software development and the configuration and integration of any Commercial-Off-The-Shelf (COTS) elements (if offered). Delivery will use Agile methods such that software will be delivered regularly and incrementally throughout the project. This is a significant departure from a traditional 'waterfall' approach and the IFB documentation will reflect this change. A fixed price contract is envisaged.

3. Attached to this letter (Annex A) is a summary of the project's requirements. These requirements are being refined and detailed as part of the preparation for the proposed contract. The scope includes applications to support and enhance planning and collaboration across and within the three domains (logistic, medical, and military engineering). It also includes applications to support logistics chain management and visibility, sustainment, logistics and medical simulation (including casualty rate estimation), and the management of diverse data sets including information relating to Host Nation Support (including the Host Nation Catalogue), ammunition interoperability, military engineering, health and medical capabilities.
4. The reference for the Invitation for Bid is IFB-CO-14621-LOGFS, and all correspondence concerning the IFB should reference this number.
5. The estimated investment cost for the services and deliverables included within the scope of the intended contract is EUR 29,406,015. It is anticipated that, subject to confirmation, Life-Cycle support of the capability will be included in the bid for a total of five years. The price of the bid used in the evaluation will be composed of the investment price plus the optional life-cycle support. Funding for this project is provided by the Investment Committee "at 28".
6. In accordance with Reference B, the not-to-exceed investment cost for bids submitted shall be EUR 36,757,519 (125% of the estimated investment cost stated in paragraph 5), or the equivalent expressed in any other allowed currency calculated in accordance with the currency conversion prescriptions that will be expressed in the IFB. The not-to-exceed threshold pertains to the investment portion only and does not cover life-cycle costs.
7. The NCI Agency has been authorised to use the International Competitive Bidding (ICB) Best Value procedures. The successful bid pursuant to this IFB will be that bid which is deemed to offer the best value for money in accordance with predefined bid evaluation criteria which will be detailed in the IFB as prescribed by the Best Value Procedures. Agreed Top level criteria are 40% Price and 60% Technical. The second level Technical sub-criteria are Engineering (27%), Supportability (12%) and Management (21%).
8. The NCI Agency anticipates the use of "Optional Preliminary Bidding Procedures" as described in Annex II to Reference A. Therefore, a Request for Bidders' Views (RFBV), which provides the draft IFB documentation to nominated Bidders for comments, will precede the IFB.
9. The RFBV release is planned for October 2017, with a closing date for the provision of comments in January 2018.
10. The NCI Agency will review the comments provided by Bidders and conduct a series of meetings with responding firms. Feedback and findings from RFBV reviews will be incorporated, if and where appropriate, into the formal IFB documentation.
11. The formal IFB is planned to be issued in Q1 2018 with contract award anticipated in Q1 2019. These dates are subject to confirmation.

12. National responsible authorities are kindly requested to provide a list to the NCI Agency with Declarations of Eligibility, not later than **20 September 2017**, of qualified and certified firms which are interested in bidding for this project. In addition to the certification of the firm's security clearances required under this NoI, the Declarations of Eligibility should include the following information for each of the nominated firms: **Name of the Firm, Telephone number, E-mail address and Point of Contact**. This information is critical to enable prompt and accurate communication with prospective Bidders and should be sent to the following address:

NATO CI Agency
Boulevard Leopold III
1110 Brussels, Belgium
Attention: Mr Peter Kowalski – Senior Contracting Officer

Fax: +32 (2) 707 8770
E-mail: Peter.Kowalski@ncia.nato.int

13. It is emphasised that requests for participation in this competition received directly from individual firms cannot be considered.
14. Bidders will be required to declare a bid validity of twelve (12) months from closing date for receipt of bids, supported by a Bid Guarantee of EUR 300,000 (three hundred thousand Euro). Should the selection and award procedure exceed the Bid Closing Date by more than twelve (12) months, firms will be requested to voluntarily extend the validity of their bids and Bid Guarantee accordingly. Bidders may decline to do so, withdraw their bid and excuse themselves from the bidding process without penalty.
15. National authorities are advised the IFB package is anticipated to be NATO UNCLASSIFIED; however, the bidding and the contractual documents are expected to contain references to other NATO documents classified as "NATO RESTRICTED".
16. The successful Bidder will be required to handle and/or store classified information up to the level of "NATO SECRET" during the execution of the Contract. In addition, contractor personnel will be required to work unescorted in Class II Security areas and therefore, in accordance with paragraph 8(b) of Enclosure D of Reference D access can only be permitted to cleared individuals. Only companies maintaining such cleared facilities and the appropriate personnel clearances will be able to perform the resulting contract.
17. Please note that it is anticipated that the IFB at the time of its issuance will contain an Organizational Conflict of Interest (OCI) provision to exclude any Bidder who is deemed to be in a position to unfairly influence the IFB as a result of being selected for the work performed or to be performed under other Contracts with NATO. This project is listed in the Excluded Project List under reference NCIA/EM/NLO/2014/03155 dated 22 July 2014.
18. The NCI Agency point of contact for all information concerning this IFB is Mr. Peter Kowalski (Senior Contracting Officer), email: peter.kowalski@ncia.nato.int.
19. Your assistance in this procurement is greatly appreciated.

FOR THE GENERAL MANAGER:

[Original Signed By]

Peter Kowalski
Senior Contacting Officer

Attachment(s):

Annex A: Summary of Requirements

Distribution List

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NATO Office of Resources, Attn: Mr Jose M. Rodriguez Arroyo
Director, NATO HQ C3 Staff, Attn: Executive Co-ordinator
SACTREPEUR, Attn: Infrastructure Assistant

Strategic Commands

HQ SACT, Attn: Lt Col Jeffrey Gomes, NSIP
ACO Liaison Office

Annex A- Summary of the Requirements

1. Introduction

- 1.1. The Capability Package. The base Logistics Functional Services Capability Package (CP) 9C0103 was approved in June 2007 comprising four projects, the first two of which were LOG FS Consolidation and Development (OIS03042 and OIS03043 respectively). A contract was awarded on 27 February 2015 and the capability scheduled to deliver the full authorized scope as “Version 1” is expected to complete delivery between late 2018 and 2019.
- 1.2. The remaining two ‘Evolution’ projects (OIS03044 and OIS03046) were to be submitted as an Addendum to the CP. In the event all known functionality from both projects was combined into OIS03044 (Evolution 1, also referred to as ‘Project 44’) and it is this project that is the subject of this NoI. The future of project OIS03046 remains undecided at this time.

2. Implementation Approach

- 2.1. **Agile.** The project has been authorised to adopt an Agile development approach. The approach will be based on the DSDM¹ Agile Project Framework, tailored appropriately. The emphasis, as promoted by DSDM, is to deliver working software, on time and to cost. DSDM is a relatively formal version of Agile and has been selected because it fits well within the NATO context and it will be integrated with the PRINCE2 project management approach. The IFB documentation will reflect this approach.
- 2.2. **Implementation Strategy.** Implementation will involve evolutionary development based on an iterative and timeboxed development strategy. Sets of timeboxes will deliver software that will be released (or at least be ‘release-ready’) approximately every 6 months. To deliver these user applications in a reasonable timeframe a significant amount of parallel development activity across three largely discrete communities of interest may be required.
- 2.3. **Development.** Standard timeboxes will be used to develop and test specified elements of software. Development will include the support of end users based on an agreement between the NCI Agency and the Strategic Commands. Requirements will be presented in the form of User Stories. These will have been prioritised and an estimate of their complexity (based on story or function points) will be provided to prospective bidders. An underpinning Solution Architectural Definition (SAD) will be included as part of the IFB to assist with planning, in particular relating to integration with the existing LOG FS software.
- 2.4. **Testing.** Testing will be carried out to the maximum extent possible at the close-out of each timebox. Incremental integration testing suggests there will be value in automating at least some tests to ensure core functionality isn’t compromised with the addition of new software elements.
- 2.5. **Estimation.** Bidders will be requested to evaluate the NCI Agency’s complexity estimation and provide a clear delivery plan, including the number of timeboxes required to complete each user application. Combined, this information may be used to derive a price per user story and ultimately (if required) a price ‘per point’.

¹ Dynamic Systems Development Method; Agile Business Consortium.

- 2.6. **Change.** Clear and transparent pricing information will also assist with what is planned to be a dynamic change management process, allowing flexibility to include new scope, dropping lower priority scope to maintain the schedule.

3. Project scope

- 3.1. The LOG FS Evolution 1 project scope supports the NATO Command Structure and the highest levels of the Force Structure.
- 3.2. The scope builds upon and is to be fully integrated with the scope delivered by the LOG FS Consolidation and Development projects. The set of User Applications that will be delivered by LOG FS Evolution are shown in figure 1 below.

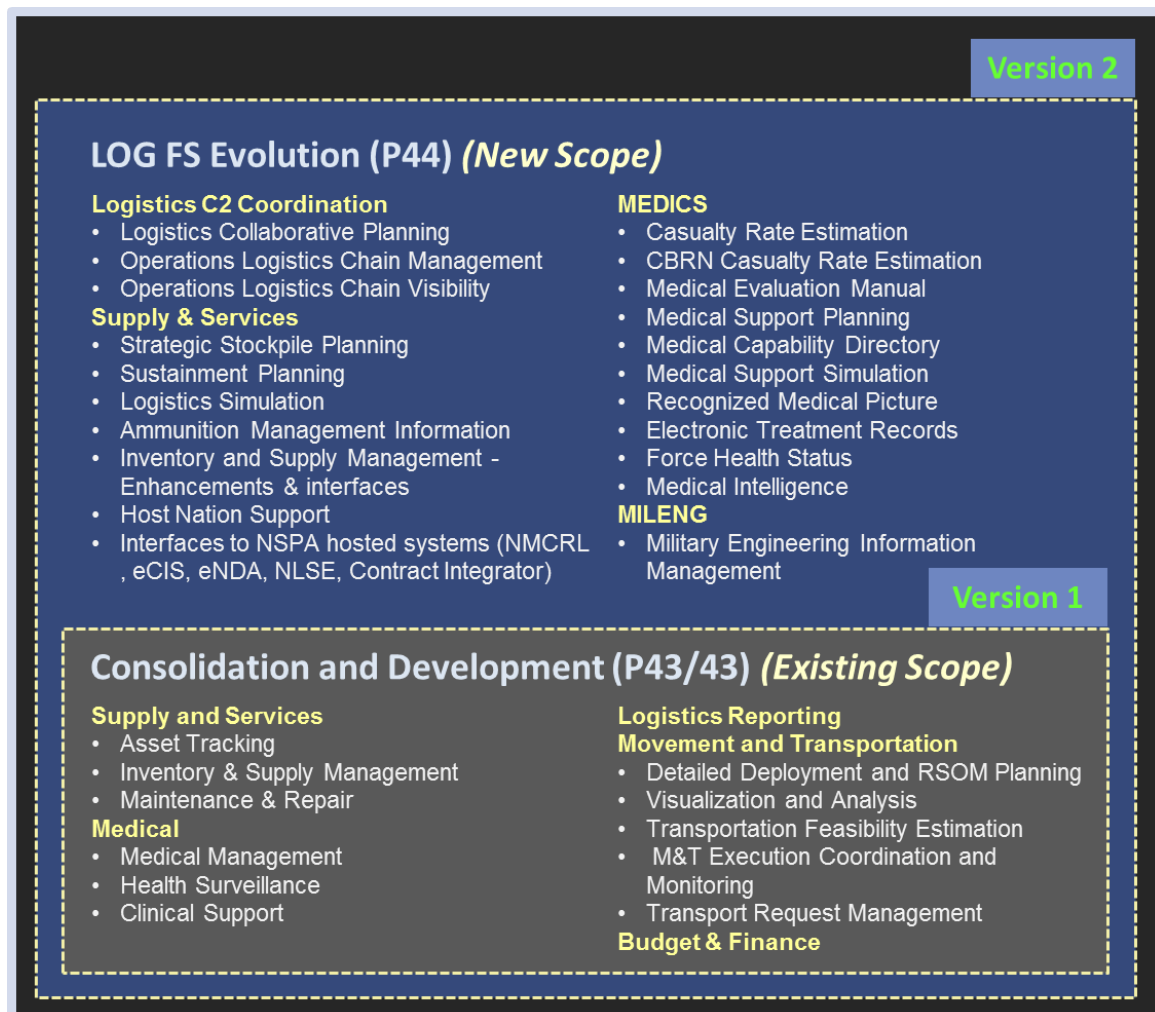


Figure 1 - LOG FS Scope, existing and new²

4. Technical Constraints

- 4.1. **Deployment.** Deployment will be to the new NATO Data Centres being delivered under 'IT Modernisation'. The software will become an integral part of the LOG FS suite. LOG FS Version 1 will already be installed and will be subject to updates upon

² Note: NSPA: NATO Support Agency; NMCRL: NATO Master Catalogue of References for Logistics; cCIS: Electronic Customer Information; eNDA: NATO Deployable Assets system; NLSE: NATO Logistics Stock Exchange; CBRN: Chemical, Biological, Radiological and Nuclear.

each Version 2 release. It is expected that there will be a minimum of three releases during the life of the project, possibly more.

- 4.2. **Deployability.** The software should also be able to be installed and operated on deployable CIS for NATO-led missions. The software will routinely be installed on the NATO UNCLASSIFIED and NATO SECRET networks with most user applications being operated in one or other. Some user applications may require data to be automatically transferred from the 'low' to the 'high' side to maintain situational awareness, normally via a data diode which is expected to have been installed as part of LOG FS Version 1.
- 4.3. **Architecture.** The IFB will contain a baseline architecture elaborating notional services, functions, and system components as well as depicting the existing services and components of the LOG FS Version 1 solution. This will provide the necessary information to facilitate planning of the development effort. The underpinning LOG FS architecture is web-based and is implemented using SOA principles, employing an Enterprise Service Bus for service hosting and a portal server to provide user interface components.

5. Warranty

- 5.1. Warranty will be provided by the WP1 contractor(s). It will apply from the relevant release date (for interim releases) for a period of one-year. It should be noted that the support authority for LOG FS Version 1 will be (or be in transition to) the NCI Agency as Host Nation, but warranty may still apply to elements of that delivered solution. The Host Nation will be responsible for managing potential conflicts and for maintaining appropriate configuration control of the baseline.