

# OASIS+ on the Horizon: Discussing the Ins and Outs of GSA's \$60 Billion Services Opportunity

*Wiley Government Contracts Podcast*  
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Craig Smith and John Prairie, partners in Wiley's Government Contracts practice group, discuss the OASIS+ contract vehicle. GSA estimates that OASIS+ purchases will total \$60 billion over its ten-year life, making the opportunity a significant one for professional services contractors. John and Craig discuss the context for this competition, lessons GSA has learned from recent GWAC competitions, what contractors can expect in the coming months, and more.

## Transcript

Craig Smith

Welcome everybody to our podcast kicking off the limited multi-platform series that we here at Wiley's Government Contract practice are starting up to take a look at OASIS+, the big, multi-billion, multi-year, almost a decade-long procurement that has been hard to avoid reading about these days. I'm Craig Smith, a partner in our Government Contracts group. Joining me today is my partner John Prairie, and John, the OASIS+, the one acquisition solution for integrated services plus contract, it's got some history both linearly and maybe more broadly in industry, and perhaps for folks who either are new to this or just starting to think about their procurement strategy now that the final solicitations are out, maybe some of that history would be a good place to start thinking about forming a

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strategy for the competition.

John Prairie

Yeah, Craig, thanks for having me. So this is for non-IT professional services and solutions, it's the, some kind of successor to the very successful OASIS vehicles that GSA has had for the last almost ten years, I think they were awarded in 2014, as well as a couple other contracts that we're going to fold up into this. Unlike the prior OASIS which had separate contracts, they're doing this all in one shot for large businesses and small. In all, there'll be six groups, one unrestricted and then five separate vehicles for small businesses – women-owned small business hub zones, service-disabled veteran-owned small business, veteran-owned small business, and then just normal small business. There'll be multiple domains within each of these vehicles that contractors can bid on. They can bid on one or multiple, and it covers a wide range of professional services, so it's going to be I think the contract to be on for the next ten years for an awful lot of work that typically comes out for a federal agency.

Craig Smith

What's the estimate, \$60 billion over ten years, I think? And the term domain is not one that I think registers right away for many contractors, but when you said there's a number of them, maybe the way to think of it is just groups of services, and so they're management advisory-type services or technical engineering, and there are a few more that are on the contract initially: research and development, intelligence services, environmental services, facilities, logistics, and then only on the unrestricted vehicle there's what are called enterprise solutions, which are intended to be kind of \$250 million dollar and up big, high attention, high touch kind of work that's limited to that one vehicle but could reach across any of these other domains. And there could be more coming later. One thing that GSA has said is we may add some other domains later on, and you'll have a chance to compete for those as well. And, you said, John, you can win a contract for one of the domains, you can win a contract for six, and if you're a small business, you could compete for, say, a total small business. I mean if you're a hubzone, maybe one of those two and an unrestricted, right?

John Prairie

Yes, Craig. There will be different size standards for each of the domains, and so if you're a small business you might be eligible for some but not others, you might have experience that's relevant for some and not others, and you can pick and choose which of the domains that you want to pursue.

Craig Smith

But one thing that I think with all the different combinations of domains and contract vehicles, you know one thing we've looked at is maybe there's some uncertainty about, especially if you're a small business, how you might be able to structure your team, and with the Q&A deadline looming, it's just been pushed back. Maybe that's an area for attention.

John Prairie

Yeah, I think one of the key decisions that offerors are going to have to make here is what their team looks like. You can go alone, you can go as part of a joint venture, you can go as part of a prime sub arrangement. And each of those paths comes along with some impacts on what your proposal will look like. For example, it may place some limits on what experience you can use. It certainly could expand the experience you could use. You have a teammate and can use their experience. But if you've got affiliated companies that are also pursuing a contract on OASIS+, there are certain restrictions on the ability to use certain experience references more than once, and so you have to think through and do the math on what experience you have and you want to use and create your team accordingly. Same for mentor-protégé joint ventures that I'm sure will be a feature of many of the small business proposals that get submitted here as has been the case in some other GWACs that have come out in recent years, and they have some special rules along that on whose references you can use, what certain thresholds they have to meet, and so determining what your team strategy is going to be is going to be really key for figuring out how many points you can get and which experience references you want to use.

Craig Smith

I think that's right, John, and one other thing, when it comes to the who's on your team, is who is on your team can affect your pricing, and this is an area where some of the more recent additions to this version of the solicitation, which hadn't been really part of the drafts that GSA had issued before, are pricing terms at the IDIQ level. It's fair to say based on what GSA has said and just the context that they are paying attention to some of the bid protests, litigation that's been in the news, and with the Polaris GWAC contract vehicle, the Board of Federal Claims had problems with that vehicle not having price competition at the IDIQ level, and so now we see some measure of competition here in the OASIS contract. It's not the same sort of there are six of us competing for the task order, we're going to sharpen our pencils, it's a more fair and reasonableness type of competition where we're certain to find labor categories. You submit prices, if they're within a range for those labor categories specified by the solicitation, then GSA's generally going to find them to be fair and reasonable. If you go above, you can explain why, and GSA might accept it. There's also a risk that they don't accept your explanation and actually find your proposal unacceptable as a result. You can go higher but seller beware. And then the other consideration is that these rates are intended to serve as ceiling rates for certain task orders in certain situations in the future, generally noncompetitive ... labor hour. So, on one hand, you want to be cautious about going too high. Of course, you also want to be cautious about going too low if that doesn't work with your team's pricing structure. And so just an area to pay attention to that has developed more recently. John, I know we've talked about some other thoughts on pricing, and you wanted to add one too.

John Prairie

Yeah. One thing I would just highlight is, I'm not sure if we're seeing this before, they've asked offerors to propose rates going out 16 years from the date of the proposal, which in the current inflationary environment is quite a daunting task. The way the RFP is set up is basically you show your rate buildup for the base year.

And that's something worth noting as well, some companies may not be all that comfortable showing the ins and out of their labor rate build up including profit, but that's the way it's set up. But then the solicitation applies an automatic I think it's 4.15% escalation annually to those rates. That's below inflation today. If you know what inflation is going to be five, ten, or fifteen years from now, you can make a whole lot of money in some other line of business. So it's really I think put pressure on contractors to, as you said, propose rates low enough so it falls within the range of reasonableness that GAO has identified but high enough that it's something they can live with until 2038.

Craig Smith

Yeah, no, it's a real challenge. Heck, trying to figure out what college is going to cost in the decade is enough of a challenge. I can't imagine trying to predict the broader economic trends for that far out.

One thing that's a little more short-term though is some of the companies that are considering a proposal may have a transaction either they're thinking about now, a corporate transaction, or one that springs up between now and either proposal, submission, award, or even afterwards, and I think that's another area that companies that are in that position should really be paying attention to the solicitation terms.

John Prairie

Yeah, it's another area where I think GSA has clearly learned some lessons from prior contracting vehicles including their own. So there are a number of restrictions and requirements on ability of offerors to use experience of corporate affiliates or experience of companies that have been recently acquired. If you're a company that has recently gone through a transaction, on either end, pay close attention to that so you can use experience that you want to use. Looking forward, post award, there are some neat restrictions in here on the ability to novate the contract to another company following some kind of transaction. I've personally been involved in multiple novations under the current OASIS vehicle. Some have gone very smoothly, some have not gone smoothly at all, it's been very hit or miss in the way that GSA has handled those. And I think they're responding to a concern, rightly or wrongly, that companies are basically selling these vehicles after they win them, or if at some point they're just not using them as much as they thought. So there's some specific restrictions in there on the ability to novate a contract. There's clearly an expectation that not just assets will move from one company to another, but the people at the company that were working on the contract will move. There's also requirements in there that the company who's going to receive the contract effectively submitting new proposal showing that they can meet the minimum qualification threshold standards that were required.

Craig Smith

That was a real interesting one.

John Prairie

Yeah. And I've certainly seen in the novations I've done under OASIS that they've required, as is required by DFAR, kind of a capability statement. In the ones we've done, it looks a lot like a proposal but it's clearly a requirement now. In this vehicle, unlike the prior one, clearly there looks like there's going to be a preference for GSA to do frequent on-ramps of new companies. And so reading all that together I think it looks like GSA's view is, look, if you want to be on OASIS+ three years from now, submit a proposal as part of an on-ramp. You don't have to go out and buy a contract from somebody else.

Craig Smith

Yeah, and I think the consideration away is that GSA said in solicitation if you on-ramp later, your contract's still going to end at the same time as everyone else's who gets an initial award. The ten year starts when it starts the five-year base plus the five-year option period, and so I think that's a consideration, how do I weigh the timing with some of the interesting novation and other transaction-related considerations. The other thing that I, kind of looking ahead, that I found interesting is thinking about success. So you've won the contract, what do you need to be thinking about now, if you're going to be an OASIS+ vendor? And there are some provisions that in some places I think almost are saying the quiet part loud, and others that were rather striking. So one is a provision in the H clause that takes a strong stand against what are called proprietary solutions and any kinds of services, or even I guess you could imagine software or products associated with services, that increase the likelihood of what's commonly called vendor lock, and so you can think about what agencies who are ordering against this might do with data rights or similar terms in the future. That would be one consideration I think I'd want to give thought to before submitting a proposal.

Another is I think you're starting to see some of the recent developments around climate risk and supply chain and cybersecurity. It's almost like some of the language in the solicitation and the resulting contract is intended to future-proof against changes that are expected in the next ten years, and you can see GSA almost saying, look, for those of you who are predominantly or purely on the civilian side, you can probably expect some more of the DOD-type cyber security requirements among others to be coming your way.

Now then even some of the smaller, they might seem rather granular but are certainly interesting, terms that you just need to make sure you understand so that you can comply after award. One that was striking just to illustrate this point is some of the rather aggressive reporting requirements that are imposed on contractors who submit a business system that's approved, a purchasing system, accounting system, and GSA wants more information about updates or changes to those systems than you might be expecting to even give the approving agency like DCAA or DCMA.

Not going to drive probably your overall strategy but things to have in your timeline for. We hope to win at an FY25 when the contract hopefully kicks off. We're going to be ready to comply from day one. And speaking of FY25, there's quite a road ahead, John, with solicitation out, Q&As in process, what should contractors plan on as we get out of the end of the summer here with this competition?

John Prairie

Yeah, so questions on the final RFP were due yesterday, July 6. That date was just extended so now it's going to be July 14 is when questions are due on the final RFP, which was a welcome relief probably for folks coming out of the July 4th holiday. I would fully expect they're going to publish the Q&As and likely make some additional modifications to the RFP. In fact, they just released the very first amendment to the final RFP a few days ago on July 5th, so I would fully expect there will be more. For now, proposals are due on September 13th. That date is likely to slip, as is often the case. One reason could be further modifications to the RFP. I would imagine GSA is going to get a ton of questions and it's going to take some time for them to work through them, develop answers, and make the necessary modifications to the final RFP, and so I would expect that date will slip further into the fall. I think also GSA is going to be paying close attention to what happens with some of these other procurements. So, you mentioned the Polaris decision that came out in April. GSA has already reacted to that and made some changes to its RFP. GAO announced just a week or so ago in June that it has sustained a bunch of protests of CIOs before. Those are not pre-award protests or at least pre-proposal protests, those are more evaluation-type errors, but I still think GSA will probably want to take a close look at that opinion and take any lessons learned from that. And then I'll note that the T4NG2 procurement is currently the subject of multiple protests at the court of federal claims. That is a pre-proposal solicitation challenge, and so again, depending on how that turns out, GSA may want to adopt some lessons learned and make final or additional changes to the RFP.

Craig Smith

And they could get a pre-award or pre-proposal protest here and make some changes.

John Prairie

In fact they have, someone already filed a protest right after the final RFP came out in mid-June. Kind of a curious decision, I think, because there were still Q&As to be had. There will, as I said, likely be changes to this RFP, and so I don't know what the issue was or why they felt the need to file so far before proposals are due, but clearly GSA is going to have to sort out that protest over the next 100 days one way or another before it accepts proposals and starts evaluating them.

Craig Smith

Yeah, a lot to look forward to, I think, and it'll be interesting to see if GSA litigates that one to decision or if there's any indication that there may be some corrective action, and I think a total solicitation may be the place to look.

And with a lot to look forward to, we thank you for joining, John. Thank you for joining me. We both thank you for joining us on this kickoff to our limited series on OASIS+. Keep an eye out in your inboxes for an invitation to a more in-depth webinar. We'll also have some articles or shorter pieces coming up in writing as well, and we may get back on the podcast horn soon again too. So, thanks everyone and good luck to, if you haven't already started, good luck to starting your B&P efforts. Take care.