Tim Psomas <tpsomas@psomas.com> 12/18/2002 07:30:50 PM

Record Type:Record

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

December 18, 2002

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

Re: Support of Circular A-76 Revisions

Dear Mr. Childs:

I am writing to support the revisions proposed to OMB Circular A-76. Our company and our 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 Architectural-Engineering 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. The conflict exists because 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 organizations 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.

Our company provides design and related services to the National Park Service, the U.S. Dept. of Commerce, NOAA, other federal agencies and many state and regional governments that would come under the requirements of

A-76 by virtue of Federal funding participation. We employ over 400 professionals who stand ready to provide asneeded services to the government

Sincerely yours,

PSOMAS

Timothy Psomas, Chairman of the Board

TGP:jcc

<<Childs,OMB,ReSupport of Circular A-76 Revisions,TGP121802.doc>> Jamie Couch PSOMAS Corporate Administration 11444 W. Olympic Blvd., Suite 750 West Los Angeles, CA 90064-1549 310/954-3700 FAX 310/954-3777 jcouch@psomas.com www.psomas.com

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