

April 9, 2014

The Honorable Rand Paul
United States Senate
Washington, DC 20510

Dear Senator Paul:

Thank you for your recent letter to former Acting Administrator Markowitz regarding the Multi-Temperature Refrigerated Container System units (MTRCS) Army procurement.

The U.S. Small Business Administration (SBA) reviewed the requirements for these units in accordance with the current Federal Acquisition Regulations (FAR). The Army had procured this product with another business, under a prior contract which expired. The basic requirement for this acquisition is for a refrigerated unit that can hold 3 days of food for 800 soldiers. The unit has to have the capability of maintaining temperatures for up to 12 hours without power. The unit also has to be able to be deployable to the field by a palletized system that is currently in use. The major components of this system consist of the container, refrigeration unit and engine. The Army acknowledged within its acquisition plan that any of these components may be procured from a different manufacturer (procurement sensitive information).

The SBA reviews the requirements of Federal agencies in order to ensure that small businesses are given every opportunity to compete for Federal contracts. In this case, SBA reviewed the market research conducted by the Army and conducted an independent market research review. The Army initially published an announcement for this procurement on the Federal Business Opportunity (FBO) website as an unrestricted procurement. The SBA Procurement Center Representative (PCR) found at least two small businesses that could provide an offer and perform this contract as a prime contractor. Having met the criteria of FAR 19.502-2(a) and the "rule of two", the PCR issued an SBA Form 70 small business set-aside recommendation requesting the Army to re-advertise this procurement as a small business set-aside.

The Army did re-advertise the solicitation in FBO as a small business set-aside acquisition. The Army will evaluate those offers from the small businesses to ensure that they meet the specifications and can perform at a fair and reasonable price.

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We appreciate your support of SBA and the Kentucky small business community. If you or your staff have any additional questions, please contact the SBA Office of Congressional and Legislative Affairs at (202) 205-6700. A similar letters has been sent to Senator McConnell.

Sincerely,

Ali J. Shoraka
Associate Administrator
Office of Government Contracting
and Business Development