



SPAWAR Industry Executive Council  
October 22, 2015

Synopsis:

*Tripwires*

- NDIA presented the findings of their member survey about tripwires and how their membership base perceives their impact to industry and government behavior.
- Industry in some cases are making decisions on staffing and bidding solutions because of the existence of tripwires in a way that may not be in the best interest of the government as relevant to the requirements.
- Tripwires were originally intended to affect behaviors for internal government to provide more visibility into decision making process; didn't necessarily take into account the effect on the way industry would approach bidding on solicitations.
- The word "tripwire" was a poor choice of words. "Tripwire" has an immediate negative connotation that should be feared although tripwires in this case were not meant to be bad.
- SPAWAR is in the process of updating tripwire guidance and policy – will eliminate several tripwires, increase labor rate because of inflation and change visibility level.
- Highlights that SPAWAR does in some cases award for best value item at greater than 10% differential.
- To mitigate industry fears of setting off tripwires, solicitations need to include more definitive specifications so that industry can bid to it more accurately – sophistication that goes into modeling the workforce, experiential and educational requirements, the challenges the industry team will have to support. If a solicitation expects a tripwire to be tripped in order to get what the government needs, say so in the solicitation. Will bring best value premium in a tighter range and will give industry more confidence in whether they can provide the work.
- Include clauses that addresses expensive, highly talented people either by specifying the labor mix that is needed or carving out some percentage of total value of the contract that is reserved for high-end talent/people. Are there categories that SPAWAR should be considering carving out that are expected to bust the tripwire? (ex: cyber expertise, high-end strategic guidance, etc.?)
- Need to treat labor categories across the board a little different; add language about key labor categories that will likely exceed tripwire.
- Make companies certify what they are offering and individuals' rates to force companies to not take the risk of finding loop holes in solicitations to beat competitors.
- Government could consider allowing contractor to submit justification for rates that exceed tripwire – proposal, industry studies, recent comps in labor category, etc. If this is allowed, say so in solicitation.
- San Diego does not compare with other parts of the country in terms of salary and cost of living – we don't have data in place at a local level to help indicate what labor categories actually cost in San Diego.
- Revisit cyber in San Diego with an annual study to constantly update newer broader job categories.
- Tripwires being changed: Eliminate early exercise option, raising rate threshold from \$150-\$165, making some of the monthly review to quarterly.

Outcome / Takeaways:

- SPAWAR to review and update tripwire guidance and policy and make available to industry groups.
- Industry groups to identify categories/highly specialized areas where market drives labor to exceed the normal tripwire amounts.
- SPAWAR to review how long it is taking to do sub-contractor add-ons.
- SPAWAR to consider changing the word "Tripwire" in updated guidance and future discussions.

## ***Industry Collaboration***

- There needs to be an increased opportunity for cyber collaboration and innovation in San Diego; cross-industry collaboration is key to innovation.
- This collaboration should include technical collaboration opportunities to gather and solve real world problems.
- Research Think Tanks like C3E (Computational Cybersecurity in Compromised Environments) gather thought leaders across government, industry and academia by invite only to come up with topics that they don't know how to solve. The three-day working sessions leads to a report that makes recommendations.
- MITRE industry days – pick a topic, identify leaders around topics, form panels for discussion. This collaborative approach is good for discussion around a focused problem.
- These type of industry days deal with classified information by not using real data, do not require attendees to have clearances and explain only the overall problem not specific data sets.
- The problem that is focused on at industry days needs to be intellectually stimulating to attract the best, brightest people to attend. This gives exposure to the different cross-section of solutions.
- SPAWAR is not easy to collaborate with if you don't already work with them. There's not a mechanism set up to do so. How can we increase government and industry collaboration to make it easier to collaborate across non-traditional defense sector entities that could bring innovation with a smaller, technically focused event?
- Losing people to out of the area because of wages, cost of living, lack of collaboration and career stimulation.
- There is a risk with a lack of collaboration. Talent may drain into other commercial industries and other geographical locations (San Francisco, Boston, etc.).
- How do you create a sense of community locally and regionally – CCOE is critical to putting the stake in the ground on why San Diego is a cyber-capital; unique because crossing over all sectors – cyber for biotech, cyber for hospitality, etc.
- Need to work with universities to get cyber roadmap for careers. CCOE is working Cal State San Marcos on their cyber programs.
- Need to work with universities on practical applications in the cyber environment. The job fair of the future is real application event like the hack-a-thon. That's how companies and organizations are recruiting talent.
- Local problem in terms of attracting and retaining talent in a high cost of reasons.
- We have to give talent multiple reasons to want to be here in San Diego.

### **Outcome / Takeaways:**

- **How can we increase government/industry collaboration across non-traditional defense sector? CCOE to create a proposal to host MITRE-like technical information industry day.**
- **SPAWAR to identify stimulating topics to be used in technical exchange industry collaboration event.**

Industry Attendance

Erik Basu  
Board Member, CCOE  
President/CEO, Sentek Global

Scott Zoldi  
Board Member, CCOE  
Vice President, FICO

Amanda Lamb  
Board Member, AFCEA San Diego  
Program Director, Serco Inc.

Jesse Hamilton  
President, AFCEA San Diego  
Director of Sales, Sentek Global

Paul Cassani  
President, San Diego Military Advisory Council  
Business Development Director, Lockheed Martin

Brick Nelson  
Board Member, San Diego Military Advisory Council  
Corporate Lead Executive, Northrop Grumman Corporation

Terry McKearney  
Executive Vice President, NDIA San Diego  
President, The Ranger Group

Eric Lester  
Board Member, NDIA San Diego  
Principal, Booz Allen Hamilton

Mark Cafferty  
President and CEO, San Diego Economic Development  
Corporation

Mike Twyman  
Board Member, San Diego Economic Development Corp.  
EVP Training and Communication Systems, Cubic Global  
Defense.

David Hamburger  
President, Charleston Defense Contractors Association  
President and CEO, Evolve-Tec LLC

Red Hoover  
Board Member, Charleston Defense Contractors Association  
Vice President and Division Manager, ManTech

SPAWAR Attendance

Pat Sullivan  
Executive Director, SPAWAR

RDML Christian Becker  
PEO C4I / PEO Space Systems

RDML John Ailes  
Chief Engineer, SPAWAR

RDML John Neagley  
Deputy Commander Fleet Readiness , SPAWAR

Mike Spencer  
Deputy Chief Engineer, SPAWAR

Nancy Gunderson  
Director of Contracts, SPAWAR

Steve Dunn  
Chief Management Officer, SPAWAR

CAPT Kurt Rothenhaus  
Commanding Officer, SPAWAR Systems Center Pacific

Carmela Keeney  
Executive Director, SPAWAR Systems Center Pacific

Craig Madsen  
Acquisition and Program Management National  
Competency Lead, SPAWAR

Conference Line:

CAPT Paul Ghyzel  
PEO Space Systems

Steve Harnig  
Contracts, SPAWAR Systems Center Atlantic