

**Selection Statement for the
Mission Operations and Integration (MO&I) Acquisition
RFP NNM12407668R**

On January 31, 2013, I, along with senior officials from the Marshall Space Flight Center (MSFC), met with members of the Source Evaluation Board (SEB) to hear their findings based on the evaluation of proposals for the Mission Operations and Integration (MO&I) acquisition in order to make a source selection decision.

I. PROCUREMENT DESCRIPTION AND HISTORY

The MO&I Request for Proposal (RFP) was released on May 18, 2012. The scope of the MO&I contract, which includes a Core Services portion and an Indefinite Delivery Indefinite Quantity (IDIQ) Task Ordering component, consisting of mission preparation (plan), crew and flight controller training (train), and real-time operations (fly) requirements for spaceflight operations support. The scope of MO&I applies to operations support for all phases of flight (e.g. pre-launch, ascent, checkout, orbit determination, mission operations, de-orbit and descent, landing and post-landing). The Core Services portion of the contract establishes requirements for payload operations in support of the International Space Station (ISS) Program. Future IDIQ Task Orders issued will also provide the capability to add operations support for other Program or Project requirements for payloads or other cargoes, spacecraft facilities or carriers, spacecraft systems/sub-systems, launch vehicles, and/or crew or un-crewed spacecraft in the MOL operations discipline areas.

This effort will be performed under a cost-plus-award-fee contract. The potential 5-year contract consists of an 18-month base period with three 1-year option periods and one 6-month option period.

Two amendments were issued to the RFP. Both amendments addressed questions from potential Offerors and incorporated revisions providing clarification to the solicitation.

The MO&I procurement was conducted as a full and open competition in accordance with FAR Part 15, entitled "Contracting by Negotiation." As a result of the solicitation, NASA received proposals from the Lockheed Martin Company and Teledyne Brown Engineering, Inc., on July 10, 2012.

II. EVALUATION PROCEDURES

The SEB evaluated proposals in accordance with the procedures prescribed in FAR Part 15 and NASA FAR Supplement (NFS) Part 1815. The SEB evaluated the proposals in two general steps:

Step One – The SEB performed an initial evaluation to determine if each Offeror had provided all information required by the solicitation. As a result of this review, both proposals were determined to be acceptable.

Step Two – All proposals remaining after Step One were evaluated against the three evaluation factors contained in the RFP. Based on this evaluation, the Government had the option to either: (1) make selection and award without discussions; or (2) conduct discussions with all Offerors in the competitive range and make selection and award based on final proposal revisions (FPRs).

The RFP listed three evaluation factors: Mission Suitability, Past Performance, and Cost. The RFP stated that these three factors were considered essentially equal in importance. Therefore, all evaluation factors other than cost, when combined, are considered significantly more important than cost. Selection and award is in accordance with the best value approach delineated in the RFP.

Section M of the RFP described the following three evaluation factors:

Mission Suitability: Mission Suitability consisted of three (3) subfactors, and each subfactor received both an adjectival rating and a numerical score as follows:

A. Management and Technical Approach (MTA)	500 points
B. Staffing and Total Compensation (STC)	400 points
C. Small Business Utilization (SB)	<u>100 points</u>
	1,000 points

Overall, each proposal could receive a maximum of 1000 points. The applicable adjectival ratings for each subfactor were “Excellent,” “Very Good,” “Good,” “Fair,” and “Poor” as set forth and described in NFS 1815.305(a)(3)(A) (as referenced in Section M of the RFP).

Past Performance: The quality of the Offeror’s overall corporate past performance, including major subcontractors or teaming partners, on relevant programs comparable in size, scope, complexity, and to a lesser extent contract type, to the requirements of the proposed MO&I contract were evaluated. The Government’s evaluation gave emphasis to the following areas as relevant:

- Human spaceflight operations and integration experience, or
- High-risk, hazardous human operations and integration activities in closed environments other than space, or
- Unmanned spaceflight operations and integration experience

Past Performance was not numerically scored; however, a confidence rating was assigned. The applicable adjectival ratings were “Very High Level of Confidence,” “High Level of Confidence,” “Moderate Level of Confidence,” “Low Level of Confidence,” “Very Low Level of Confidence,” and “Neutral” as set forth and described in Section M of the solicitation (i.e., NFS 1815.305(a)(2)(A)).

Cost: The proposed costs and resources were evaluated for reasonableness and cost realism, for the base period and all option periods, plus an additional 6-month period (in accordance with the Option to Extend Services clause) in accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1)(B). The offeror’s total proposed cost for the contract was calculated as the sum of the proposed core mission cost for the contract period of performance, including all options and the additional 6-month period, and a Government-calculated IDIQ value using offeror-provided, fully-burdened labor rates applied to a Government model of labor hours. Adjustments were made to the individual elements of the total proposed cost in order to assess the total probable cost of doing business with each offeror. A cost confidence determination was then made for the total probable cost assessment for each proposal. Cost confidence was expressed as a “High,” “Medium,” or “Low” rating.

III EVALUATION OF INITIAL PROPOSALS AND COMPETITIVE RANGE DETERMINATION

The SEB presented its initial findings to me, the SSA, on January 16, 2013. Based on these findings, I determined that award on initial proposals was not appropriate and that establishment of a competitive range would be necessary. However, because the proposal submitted by TBE offered a substantial advantage in Mission Suitability, was lower in Cost, and both proposals were considered essentially equal in Past Performance, I concurred in the Contracting Officer decision to include only the proposal submitted by TBE in the competitive range. By letters dated January 18, 2013, both Lockheed Martin and TBE were informed of the decision. During the period of January 18-25, 2013, discussions were conducted with TBE. These discussions focused on (1) resolving and quantifying the impact of the only significant weakness identified in the initial evaluation relative to inadequate rationale for the staffing levels proposed, and (2) capturing proposed approaches and innovations determined to be beneficial to the Government in the model contract. Subsequently, TBE eliminated the identified weakness and as a result, improved their score under Mission Suitability. The evaluation of TBE’s Final Proposal Revision is described below.

IV EVALUATION OF FINAL PROPOSAL REVISIONS

As a result of the discussions process and the Final Proposal Revision, TBE increased its Mission Suitability numerical score. Specifically, in the MTA subfactor, TBE's response successfully addressed and resolved the only significant weakness identified in TBE's initial proposal. Therefore, as a result of discussions, TBE's proposal had no significant weaknesses remaining under the Mission Suitability factor and the 5 weaknesses that remained were weaknesses that were considered minor and could be resolved during the contract phase-in period with no impact on contract performance or cost.

The Contracting Officer also noted that TBE had increased its overall proposed cost to account for the staffing inadequacies and other elements that resulted in the assignment of a "Medium" cost confidence by the SEB. TBE's Past Performance rating did not change. The final evaluation results based upon discussions and the FPR are summarized below.

Teledyne Brown Engineering (TBE)

Under the Mission Suitability factor, TBE's proposal received an overall score of 941 points. Across the three subfactors, TBE had 10 significant strengths, 10 strengths, no significant weaknesses, and 5 weaknesses. It was noted that, although TBE had 5 weaknesses remaining at the conclusion of discussions, the subject of discussions centered primarily on elimination of the STC significant weakness in order to establish an appropriate contract value baseline and to solidify the contract terms and conditions. The remaining weaknesses were considered minor and could be addressed during the contract phase-in period with no impact to contract performance or cost.

Under the Management and Technical Approach (MTA) subfactor, TBE's proposal received an adjectival rating of "Excellent" and 475 points. The proposal received 3 significant strengths, 8 strengths, no significant weaknesses, and 2 weaknesses. The significant strengths related to: (1) the extensive application of a prioritized, balanced approach to maximize requirements implementation in support of multiple customers; (2) the comprehensive management approach for managing change in a dynamic environment; (3) and the proposal of 16 innovation recommendations to increase core mission effectiveness and efficiency.

Under the Staffing and Total Compensation (STC) subfactor, TBE's proposal received an adjectival rating of "Excellent" and 368 points. The proposal received 5 significant strengths, 2 strengths, no significant weaknesses, and 3 weaknesses. The significant strengths related to: (1) the proposed Program Manager; (2) the proposed Space Systems Operations Manager; (3) the proposed Training and Crew Operations Manager; (4) the proposed Planning Operations and Analysis Manager; and (5) the proposed approach for hiring, retaining, and compensating staff.

Under the Small Business Utilization subfactor, TBE's proposal received an adjectival rating of "Excellent" and 98 points. The proposal received 2 significant strengths, no strengths, no significant weaknesses, and no weaknesses. The significant strengths related to: (1) the extent of commitment to use small business subcontractors; and (2) the proposed subcontracting goals.

Under the Past Performance factor, TBE's proposal received a "Very High Level of Confidence." The proposal received 1 significant strength, 1 strength, no significant weaknesses, and no weaknesses. The significant strength related to excellent performance on the very highly relevant current Systems Development and Operations Support (SDOS) contact Task Order (the contract under which the MO&I scope is currently performed). Based upon TBE's performance record, there is a "Very High Level of Confidence" that they would successfully perform the MO&I effort.

Under the Cost factor, TBE's final proposed cost and probable cost were \$133.2M. This value included the total proposed cost for the core services, including all options, plus an additional 6-month period in accordance with the "Option to Extend Services" clause and the Government calculated IDIQ value commensurate with the RFP. As a result of discussions, no cost adjustments were necessary, and the SEB determined the proposed cost was reasonable, complete, and ensured that all PWS requirements were reflected in the cost. The SEB assigned TBE a "Medium" cost confidence rating, meaning that there is a reasonable level of confidence that the actual costs will track very closely to the contract value. Based on this rating, the Government has a medium level of confidence that the probable cost correlates very closely to the actual costs that TBE would incur to successfully implement its proposal.

V SELECTION DECISION

Immediately following the SEB presentation on January 31, 2013, I met with the key senior advisors, all of whom heard the presentation and were familiar with the RFP. I solicited and considered their views in reaching my decision. With respect to the process and findings, we concluded that the Evaluation Plan was followed, and the evaluation of Final Proposal Revision submitted by TBE was comprehensive, thorough, well-documented, and in accordance with the evaluation factors set forth in the RFP.

Under the Mission Suitability factor, I noted that TBE's proposal received "Excellent" ratings in all three subfactors, namely Management and Technical Approach, Staffing and Total Compensation, and Small Business Utilization. Although there were 5 remaining weaknesses, these were considered minor and could be satisfactorily addressed during the contract phase-in with no impact on contract performance or cost.

Under the Management and Technical Approach subfactor, TBE's proposal had 3 significant strengths, 8 strengths, and 2 weaknesses. The significant strengths related to the balanced approach to maximize requirements in support of multiple customers, the approach for managing change in a dynamic environment, and multiple innovation

recommendations to increase core mission effectiveness and efficiency. There were no significant weaknesses for this subfactor.

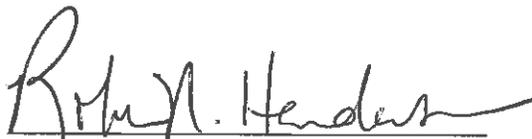
Under the Staffing and Total Compensation subfactor, TBE's proposal had 5 significant strengths, 2 strengths, and 3 weaknesses. The significant strengths related to all members of their proposed key personnel team and the proposed approach for hiring, retaining, and compensating staff. There were no significant weaknesses for this subfactor.

Under the Small Business Utilization subfactor, TBE's proposal had 2 significant strengths. These significant strengths related to the extent of commitment to use small business subcontractors and the proposed subcontracting goals. There were no significant weaknesses or weaknesses that TBE needed to address.

Under the Past Performance factor, TBE's proposal received a "Very High Level of Confidence" resulting from 1 significant strength and 1 strength, the significant strength resulting from performance on the incumbent contract.

Under the Cost factor, I noted that TBE had adjusted their proposed cost to \$133.2M as a result of discussions which resolved the significant weakness relative to the proposed staffing levels. The SEB determined that the probable cost correlated to the proposed cost of the Final Proposal Revision based on resolution of identified issues and the proposed approach. The SEB assigned a "Medium" cost confidence level to this value, meaning that there is a reasonable level of confidence that the actual costs will track very closely to the contract value.

Based on the findings provided by the SEB, I considered TBE's proposal overall to represent a proposal of exceptional merit. Furthermore, it represents an excellent approach to provide the services at an acceptable and reasonable cost. In accordance with Section M of the RFP, I hereby select Teledyne Brown Engineering's proposal for award of the Mission Operations and Integration (MO&I) contract.



Robin N. Henderson
Source Selection Authority

2/1/2013
Date