SELECTION STATEMENT
FOR
OMNIBUS MULTIDISCIPLINE ENGINEERING SERVICES
RFP-NNG11281303R

On May 21, 2012, I along with senior officials from the National Aeronautics and Space Administration (NASA) Goddard Space Flight Center (GSFC) met with members of the Source Evaluation Board (SEB) to hear their findings based on the evaluation of proposals for the Omnibus Multidiscipline Engineering Services (OMES) contract.

PROCUREMENT DESCRIPTION

The OMES requirement was issued as a full and open competitive procurement for multidiscipline engineering expertise (Electrical, Instrument, Mechanical, Systems Engineering, and Software) for both in-house and out-of-house instrument and spacecraft programs, including the Joint Polar Satellite System (JPSS) and the Space Servicing Capabilities Project (SSCP), to fulfill the responsibilities of the Applied Engineering and Technology Directorate (AETD). The purpose of the OMES contract is for the study, design, systems engineering, development, fabrication, integration, testing, verification, and operations of space flight, airborne, and ground system hardware and software, including development and validation of new technologies to enable future space and science missions. The contractor will provide on/off-site multidiscipline engineering services, pursuant to task orders issued by the Contracting Officer. These services shall include the personnel, facilities, and materials (unless otherwise provided by the Government) to accomplish the task orders. In addition, security clearances may be required for some task orders ranging from Secret to Top Secret and Sensitive Compartmented Information (SCI).

ELIGIBILITY REQUIREMENT

The Contracting Officer determined that this acquisition may give rise to an organizational conflict of interest (OCI). For consideration of the Offeror's proposal and award of the OMES contract, an acceptable OCI Avoidance Plan (including mitigation strategies for any identified OCIs) was an eligibility requirement. The OCI Avoidance Plan was not evaluated as part of mission suitability. As such, the Government was permitted to communicate with any Offeror at any time during the evaluation process concerning its OCI Avoidance Plan.

EVALUATION PROCEDURES

The Request for Proposals (RFP) defined the evaluation factors as Mission Suitability, Cost and Past Performance. The RFP specified the relative order of importance of the evaluation factors as follows:

"The Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual Factors, the

Cost Factor is less important than the Mission Suitability Factor but more important than the Past Performance Factor."

The RFP established that only the Mission Suitability factor would be point scored in the evaluation process. The Mission Suitability factor consisted of the following three sub-factors with assigned points as indicated:

SUBFACTOR		POINTS
A	Representative Task Orders	500
B	Management Approach	400
C	Small Business Utilization	100
	TOTAL	**1000**

Prior to the issuance of the RFP, the SEB developed detailed evaluation criteria and the numerical scoring system for Mission Suitability as delineated above. In explaining the detailed evaluation procedures, the RFP described the evaluation factor and subfactors, provided the Mission Suitability numerical scoring scheme, and specified the criteria to be used in the evaluation.

Regarding the Cost Factor, the RFP stated that the cost evaluation would be conducted in accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1)(B). Offerors were referred to FAR 2.101(b) for a definition of "cost realism" and to FAR 15.404-1(d) for a discussion of "cost realism analysis" and "probable cost". The proposed costs of the Representative Task Orders (RTOs) and the rates proposed in the Direct Labor Rates, Indirect Rates and Fixed Fee Matrices would be assessed to determine reasonableness and cost realism. The proposed and probable RTO costs would be presented to the Source Selection Authority, along with any issues and risks associated with the Direct Labor Rates, Indirect Rates and Fixed Fee Matrices.

For the Past Performance Factor, the RFP stated the past performance evaluation would be conducted in accordance with FAR Part 15. Each offeror's contract references (including significant subcontractor(s) defined as any proposed subcontractor that is estimated to meet/exceed an average annual cost/fee of $12M), would be evaluated to determine initial relevance and subsequently the degree of relevance based on size, content, and/or complexity. In evaluating Past Performance, the SEB relied on telephone and written responses received on recent Past Performance questionnaires, the government-wide Past Performance Information Retrieval System (PPIRS) database, in addition to the narrative on relevant past/current contracts provided by the offerors. The Past Performance factor was not point scored, but was assigned an adjectival rating of "Very High Level of Confidence", "High Level of Confidence", "Moderate Level of Confidence", "Low Level of Confidence", "Very Low Level of Confidence", or "Neutral".

EVALUATION PROCESS

NASA's Source Selection Authority (SSA) for this procurement appointed the SEB which included a team of technical and business members and consultants from appropriate disciplines, to assist in proposal evaluation. The SEB developed a set of detailed criteria for evaluation and incorporated it into the RFP. NASA issued the RFP on May 13, 2011. Amendments were issued on June 8, 2011, and June 17, 2011 to (1) change the offer receipt time and (2) revise the Basis of Estimate page limitations under the Cost Volume.

The following companies submitted initial proposals by the June 27, 2011 due date:

Orbital Sciences Corporation, Greenbelt, MD
QinetiQ North America, Inc., Fairfax, VA
SGT, Inc., Greenbelt, MD

On August 16, 2011, all three offerors were notified that (1) the Government had accepted the submitted OCI plan as meeting the Government's eligibility requirement and determined the offeror's proposal would be considered for award of the OMES contract, and (2) if discussions were necessary, the Government would provide offerors OCI Avoidance Plan feedback during discussions and offerors in the competitive range would be required to provide a revised OCI Avoidance Plan with their Final Proposal Revision.

The SEB presented its initial findings to the SSA on February 14, 2012. At this meeting, the Contracting Officer recommended that a competitive range be established and discussions be held.

With the SSA's concurrence, the Contracting Officer established a competitive range that included all three offerors. Requests for FPRs were issued on April 2, 2012, and timely FPRs were received by the due date of April 12, 2012 established in Amendment 3 to the solicitation. Subsequent to the competitive range determination, and after the receipt of FPRs, QinetiQ was eliminated from the competition.

MISSION SUITABILITY EVALUATION

After re-evaluating each subfactor in accordance with the weights delineated in the RFP, the SEB rated the FPRs in the following order, based on their total Mission Suitability score:

1. SGT, Inc.
2. Orbital Sciences Corporation

The table below provides the adjectival ratings assigned in each Mission Suitability sub-factor for the two OMES proposals.

Subfactor Adjectival Ratings		
Subfactor	**SGT Inc**	**Orbital**
A – RTOs	Very Good	Very Good
B – Mgmt App	Excellent	Excellent
C – SBU	Excellent	Very Good

Numerical scoring was based on the above assigned adjectival ratings, as prescribed in the RFP. The total Mission Suitability score for each offeror is shown below, from the highest to the lowest.

Mission Suitability Scoring	
Offeror	**Total Points Awarded**
SGT Inc	888
Orbital	873

The substance of the SEB's evaluation of Mission Suitability for the Offeror's FPR is presented below.

SGT Inc.

The SGT Inc. proposal received an overall Mission Suitability score of 888.

Under Subfactor A, SGT Inc. received an adjectival rating of "Very Good" with two significant strengths, ten strengths, no significant weaknesses, no weaknesses, and no deficiencies.

> SGT Inc. received one significant strength for its comprehensive response to RTO #1, Subtask 2 (AbbySat Study – Detail Design Study), which demonstrated a thorough understanding and excellent technical approach to the design study in defining AbbySat, and;
>
> A second significant strength for its INSTR Electronics Front End Analog to Digital Converter (EFEADC) Recovery Plan for RTO #3, INSTR Instrument. SGT presented a clear process, logic and flow of activities in developing and executing the EFEADC Recovery Plan.
>
> SGT Inc. received one strength for its response to RTO #1, Subtask 1(LBRS Development – LBRS Prototype Testing) by demonstrating a good understanding of the test process, purpose and sequences. SGT's test approach was well defined, with details covering specific test events at each step, along with good technical discipline and coverage;

A second strength for identifying and mitigating its short duration Announcement Opportunity (AO) schedule risk for RTO #1, Subtask 2 (AbbySat Study);

A third strength for proposing a Government interface for RTO #1 (Earth Observation Mission Concept Proposal) that was well understood, defined, and detailed specific activities performed with each Code;

A fourth strength for addressing in its assumptions the potential OCI issue in RTO #1 (Earth Observation Mission Concept Proposal);

A fifth strength for its overall response to RTO #2, Subtask 1(Spacecraft C Ground System Upgrade) which demonstrated a sound approach, including good trade studies and an understanding of the existing ground system;

A sixth strength for its good grasp of its thermal model development via its data collection methods, and of its subsequent software development model in response to RTO #2, Subtask 3(Spacecraft A Support);

A seventh strength for demonstrating a clear understanding of risks, critical issues and mitigation strategies in Subtasks 2 (Ground System Testing for Spacecraft B) and 3 (Spacecraft A Support) for RTO #2 (Ground System Representative Task);

An eighth strength for demonstrating a good appreciation for Engineering Test Unit and Flight Unit development and test and development gates, as well as an experienced understanding for Field Programmable Gate Array development and test and sparing in response to RTO #3 (INSTR Instrument);

A ninth strength for its good use of Government interface, especially with specific Goddard branches and their expected activities for RTO #3 (INSTR Instrument), and;

A tenth strength for its thorough concept and understanding of the Mission Readiness Test for RTO #2, Subtask 2 (Ground System Testing for Spacecraft B).

Under Subfactor B, SGT Inc. received an adjectival rating of "Excellent" with two significant strengths, five strengths, no significant weaknesses, no weaknesses, and no deficiencies.

SGT Inc. received one significant strength for its outstanding discussion on its organization, people, experience and interface with the Government. SGT's response showed an organization structure that is aligned with the Applied Engineering Technology Directorate (AETD) division, whose personnel are experienced, and whose interface with the Government provides insight to those outside of OMES, and;

A second significant strength for its wealth of corporate resources, including hardware and software development capabilities via its local facilities, a significant depth of personnel within itself and teammate companies, mature set of tools and processes, and comprehensive set of tools to manage the Indefinite Delivery, Indefinite Quantity (IDIQ) tasks.

SGT Inc. received one strength for proposing a sound overall approach in its subcontractor selection, role, and management;

A second strength for its sound overall approach in the Total Compensation Plan;

A third strength for its understanding the specifics in performing Top Secret (TS) and Sensitive Compartmented Information (SCI) work in terms of personnel, requirements, and procedure;

A fourth strength for demonstrating a good understanding of OMES Quality Assurance requirements, and;

A fifth strength for proposing a Safety & Health Plan that demonstrates a very good understanding of NASA and Occupational Safety and Health Administration (OSHA) safety program requirements.

Under Subfactor C, SGT Inc. received an adjectival rating of "Excellent" with two significant strengths, no strengths, no significant weaknesses, no weaknesses, and no deficiencies.

SGT Inc. received one significant strength for its Small Business Subcontracting Plan for Total Small Business concerns by significantly exceeding the Government's recommended goals and exceeding the Government's recommended goals for all socioeconomic categories, and;

A second significant strength for demonstrating its commitment to Small Business by establishing enforceable SB teaming agreements along with identifying numerous Small Businesses to support specialty work and technology services combined with SGT having a NASA approved mentor-protégé agreement.

Orbital

Orbital received an overall Mission Suitability score of 873.

Under Sub-factor A, Orbital received an adjectival rating of "Very Good" with one significant strength, ten strengths, no significant weaknesses, no weaknesses, and no deficiencies.

Orbital received one significant strength for proposing a well thought out and clearly outlined technical approach and flow of activities for producing the

spacecraft C operations concept, ground system requirements, and associated communications trade study, along with the associated critical impacts from start to finish for RTO #2, Subtask 1 (Spacecraft Ground System Upgrade).

Orbital received a strength for its technical approach to the Laser Beam Reference System (LBRS) technology advancement effort for RTO #1, Subtask 1 (LBRS Development) that explicitly details and includes numerous insights;

A second strength for proposing a sound approach and providing additional insights in its design study to define AbbySat for RTO #1, Subtask 2(AbbySat Detailed Design Study);

A third strength for recognizing in its assumption the pragmatic side to the RTO #1 (Earth Observation Mission Concept Proposal), namely the potential Organizational Conflict of Interest (OCI) issue;

A fourth strength for demonstrating a thorough understanding of ground systems and GSFC processes in its tests and mission operations participation for RTO #2, Subtask 2(Ground System Testing for Spacecraft B);

A fifth strength for proposing a sound approach and providing additional insights to developing the thermal model and incorporating it into the overall ground system in response to RTO #2, Subtask 3(Spacecraft A Support);

A sixth strength for proposing several innovative risk management and mitigation strategies which are not only extensive but addresses atypical risks for RTO #2 (Ground System Representative Task);

A seventh strength for recognizing in its assumptions the practical side to the RTO #2 (Ground System Representative Task), namely the assumptions related to spacecraft A's schedule and the potential OCI issue;

An eighth strength for demonstrating a good recovery plan via its discussion of Electronics Front End Analog to Digital Converter (EFEADC) Analog-to-Digital Converter (ADC) failures/causes and underlying tests for RTO #3 (INSTR Instrument);

A ninth strength for demonstrating a clear, credible plan for manufacturing and assembly of the flight printed wiring assemblies for RTO #3(INSTR Instrument), and;

A tenth strength for presenting a well defined staffing plan for the EFEADC for RTO #3 (INSTR Instrument).

Under Sub-factor B, Orbital received an adjectival rating of "Excellent" with three significant strengths, two strengths, no significant weaknesses, no weaknesses, and no deficiencies.

Orbital received a significant strength for proposing a response that clearly displays the importance of OMES within the corporate hierarchy at Orbital. Orbital's proposed organizational approach is flexible in addressing the evolving needs of the contract;

A second significant strength for its wealth of corporate resources that includes complete spacecraft development capabilities via its local facilities, significant depth of personnel within itself and teammate companies, mature set of tools and processes, and approach to managing Indefinite Delivery, Indefinite Quantity (IDIQ) tasks, and;

A third significant strength for its outstanding Quality Assurance Plan with established and mature Quality Assurance processes in place, providing an effective compliance of the OMES QA requirement.

Orbital received a strength for its sound overall response in its subcontractor selection, role, and management, and;

A second strength for its sound overall response in its Total Compensation Plan.

Under Sub-factor C, Orbital received an adjectival rating of "Very Good" with one significant strength, one strength, no significant weaknesses, no weaknesses, and no deficiencies.

Orbital received a significant strength for demonstrating its commitment to Small Business (SB) by establishing enforceable SB teaming agreements along with identifying numerous Small Businesses to support specialty engineering and technology services combined with Orbital establishing mentor relationships.

Orbital received a strength for its Small Business Subcontracting Plan for Total Small Business concerns by exceeding the Government's recommended goals and exceeding the Government's recommended goals for all socioeconomic categories.

COST EVALUATION

The offerors' proposed costs of the RTOs and the rates proposed in Attachment B, Direct Labor Rates, Indirect Rates and Fixed Fee Matrices were assessed to determine reasonableness and cost realism. The evaluation was conducted in accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1)(B). The cost realism analysis was the basis of the determination of the probable cost for each offeror to perform the effort. (FAR 2.101(b) refers to the definition of "cost realism" and FAR 15.404-1(d) refers to a discussion of "cost realism analysis" and "probable cost").

In conducting its assessment, the SEB evaluated the estimated proposed cost elements to determine if the cost elements were realistic for the work to be performed, reflect a clear understanding of RTO requirements, and were consistent with the unique methods of performance (technical and management approach and utilization of proposed personnel) and materials described in the offeror's technical proposal. The SEB had the direct and indirect rates verified by either DCAA or cost supporting data provided by the offeror. The SEB also verified that the proposed indirect rates were correctly applied to the RTOs. After the SEB's initial evaluation, calculation anomalies and mission suitability weaknesses leading to probable cost adjustments were conveyed to the offerors through requests for clarification and discussions. In their FPRs, both offerors corrected all costs for which a probable cost adjustment had been made based on a mission suitability weakness. In each offeror's FPR cost proposal, minimal probable cost adjustments were made. SGT was evaluated as the lowest probable cost, which was lower than the Orbital probable cost. The SEB determined the estimated proposed cost elements for both offerors were realistic for the work to be performed, reflected a clear understanding of RTO requirements, and were consistent with the unique methods of performances and materials described in the offeror's technical proposal. Consequently, the SEB determined that the cost risk for both offerors was low.

PAST PERFORMANCE EVALUATION

In evaluating Past Performance, the SEB gave both offerors an overall rating of "Very High Level of Confidence". Both offerors demonstrated significantly relevant experience in content, complexity and size, and received very high performance ratings from their customers.

DECISION

In addition to the presentation materials, I carefully reviewed the SEB's detailed cost and past performance reports. I also reviewed the evaluation criteria, which stated that the Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual Factors, the Cost Factor is less important than the Mission Suitability Factor but more important than the Past Performance Factor.

Regarding the Mission Suitability evaluation, I reviewed the Significant Strengths and Strengths associated with both offerors and agree with the SEB's assignment of Significant Strengths and Strengths based on the relative benefit and value of the various proposal features. Both offerors received an overall adjectival rating of "Very Good" for subfactor A and I did not find any significant advantages between the offerors in this subfactor. SGT Inc. and Orbital each received adjectival ratings of "Excellent" for subfactor B. Both SGT Inc. and Orbital responded with Management Plan approaches that were detailed, thorough, and responsive, including multiple significant strengths and no weaknesses. Therefore, I did not find any significant advantages between the offerors in this subfactor. SGT received an adjectival rating of "Excellent" and Orbital received

an adjectival rating of "Very Good" for subfactor C. Overall, while SGT received a slightly higher Mission Suitability score, which was consistent with their proposal receiving slightly more Significant Strengths, Strengths, and a higher rating in Subfactor C, I did not find any compelling discriminators between the offerors within the Mission Suitability factor. Based on my detailed review of the documentation, I found that both offerors' proposals provided numerous Significant Strengths and Strengths and were relatively equal in total benefits to NASA and overall merit. Therefore, the Mission Suitability factor was not a discriminator in my selection decision.

I noted that both offerors received a "Very High Level of Confidence" rating for Past Performance for their significantly relevant experience and very high level of performance in the past; therefore, the Past Performance factor provided no meaningful discriminator in my selection decision.

Regarding the cost evaluation, the SEB found the SGT Inc. proposal to be significantly lower than the Orbital proposal in both the proposed and probable costs. The SEB made relatively minor probable cost adjustments to both offerors, but these adjustments did not have a significant impact on the significant cost advantage proposed by SGT. There was a low level of cost risk associated with both offerors, and I agree with the SEB's findings that both offerors submitted reasonable and realistic cost proposals. The SEB informed me that there are multiple areas that contribute to SGT's lower costs. More than half of the cost difference is based on SGT's less costly approach to accomplishing the requirements in RTO 3. While both offerors provided effective technical approaches to RTO 3, SGT's approach yielded multiple cost efficiencies. Additionally, while both offerors provided adequate substantiation of their direct and indirect rates, the SGT team had an overall cost advantage in this area in comparison to the Orbital team. I find the cost difference between SGT and Orbital to be a meaningful discriminator in my selection, and that SGT's lower costs in the RTO's represent a significant savings to NASA.

In summary, I concluded that SGT and Orbital were essentially equal under the Mission Suitability and Past Performance factors, and that neither factor was a discriminator in my selection decision. I further determined that SGT offered a significantly lower proposed and probable cost than Orbital, and I agree with the SEB's finding that the costs proposed by SGT were reasonable and realistic. Based on my review of Mission Suitability, Past Performance, and Cost, I have concluded that SGT's proposal represents the best value to NASA on the basis of significantly lower cost. Consequently, I have selected SGT Inc. for the award of the Omnibus Multidiscipline Engineering Services (OMES) contract.

Arthur F. Obenschain
Source Selection Authority

5/29/12
Date