

**Source Selection Statement
for the
Facilities Operations and Maintenance Support Services (FOMSS) Procurement**

On January 21, 2015, I, along with senior officials from the George C. 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 Facilities Operations and Maintenance Support Services (FOMSS) procurement to determine the successful Offeror for award of the FOMSS contract.

I. PROCUREMENT HISTORY

The FOMSS Request for Proposal (RFP) was released on June 14, 2013. The RFP identified the services necessary to support MSFC in the Performance Work Statement (PWS) as follows:

- PWS 1.0 General Requirements;
- PWS 2.0 Definitions and Acronyms;
- PWS 3.0 Documentation and Work Control;
- PWS 4.0 Trouble Calls and Trouble Call Services;
- PWS 5.0 Engineering;
- PWS 6.0 Environmental Management Support;
- PWS 7.0 Facility Alarm and Monitoring Systems;
- PWS 8.0 Fire Suppression Systems;
- PWS 9.0 Buildings, Structures, Utilities, and Surfaced Areas;
- PWS 10.0 Mechanical Systems;
- PWS 11.0 Steam Distribution System Operation;
- PWS 12.0 Heating, Ventilation, and Air Conditioning Systems;
- PWS 13.0 Electrical Distribution and Emergency Generating Systems; and
- PWS 14.0 Emergency Management Support.

The FOMSS effort will be performed under a firm-fixed-price (FFP) contract with indefinite-delivery/indefinite-quantity (IDIQ) task orders. The resulting contract will have a one-year base period with seven one-year option periods. The contract will also contain the Option to Extend Services clause, which may extend the contract for an additional six months beyond eight years. The effort will utilize a 30 to 45-day phase-in period via a separate FFP purchase order.

Five amendments to the RFP were issued. Amendments 1-3 and 5 provided answers to questions regarding the RFP and made changes, when necessary, to the RFP based on those answers. Amendment 4 provided more specific instructions regarding information that could be submitted in fonts less than 12 point and extended the due date for proposals.

The FOMSS procurement was conducted as a full and open competition in accordance with FAR Part 15, entitled "Contracting by Negotiation." On or before September 16, 2013, MSFC received eight acceptable proposals from the following companies:

CB&I Federal Services, LLC (CB&I)
4150 South Sherwood Forest Boulevard
Baton Rouge, LA 70809

CH2M Hill
15010 Conference Center Drive, Suite 200
Chantilly, VA 20151

Exelis Systems Corporation (Exelis)
655 Space Center Drive
Colorado Springs, CO 80915

Fluor Federal Solutions, LLC (Fluor)
100 Fluor Daniel Drive
Greenville, SC 29607

IAP Worldwide Services (IAP)
7315 N. Atlantic Avenue
Cape Canaveral, FL 32920

KIRA, Inc. (Kira)
2595 Canyon Boulevard, Suite 240
Boulder, CO 80302

PAE Applied Technologies, LLC (PAE)
6500 W. Freeway, Suite 600
Ft. Worth, TX 76116

URS Federal Services, Inc. (URS)
20501 Seneca Meadows Parkway, Suite 300
Germantown, MD 20876

II. EVALUATION FACTORS AND INITIAL PROPOSALS

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, the SEB determined that each proposal received was 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, Price, and Past Performance. The RFP stated that these three factors are considered to be essentially equal to each other. The RFP further stated that all evaluation factors other than Price, when combined, are significantly more important than Price. Selection and award is in accordance with the best value approach delineated in the RFP and FAR Part 15.101-1.

In accordance with Sections L and M of the RFP, the three factors were evaluated as follows:

Mission Suitability: The proposals were analyzed for the excellence of the work proposed to be performed, as well as proposal risk. Mission Suitability consisted of four subfactors, and each subfactor received both an adjectival rating and a numerical score:

Management and Technical Approach	400 points
Staffing and Total Compensation	400 points
Safety, Health, and Environmental (SHE)	100 points
Small Business Utilization	<u>100 points</u>
	1,000 points

Overall, each Offeror could receive a total of 1000 points. Offerors were evaluated in each of the above subfactors using the applicable adjectival ratings and scoring approach set forth and described in the NASA FAR Supplement Subpart 1815.3.

Price: The reasonableness and realism of the Offeror's proposed firm-fixed-price Lump Sum, including price components as stated in the RFP, were evaluated. The Government evaluated offers for award purposes by adding the Offeror's proposed price for the total Lump Sum and the total calculated price for IDIQ which was calculated by multiplying the proposed coefficients by the Government's model for bare costs for the base year and all option periods. The SEB identified and documented risks relative to Price. Based on the risks identified, the SEB assessed the price risk level as Low, Medium, or High. Finally, each Offeror's proposed phase-in price (\$150K maximum) was identified separately.

Past Performance: The Offeror's overall corporate past performance, to include the corporate past performance of any proposed major subcontractors, was evaluated. This area was not numerically scored, but was assigned an adjectival rating. The adjectival rating system/definitions set forth in NFS Part 1815.305 (a)(2)(A) were utilized in the evaluation of past performance. In addition to Offeror-provided references and completed past performance questionnaires, the Government's Past Performance Information Retrieval System (PPIRS) database records and references known to the

SEB were considered in the evaluation. The baseline for the FOMSS contract size relevancy was approximately \$9,000,000 per year for prime Offerors and commensurate with the percentage of the proposal effort for subcontractors per year (e.g., approximately \$900,000 per year for a subcontractor proposed to perform approximately 10% of the FOMSS effort).

The SEB presented its initial findings to me, the Source Selection Authority (SSA), on August 8, 2014. Based on these findings, I concurred with the Contracting Officer's establishment of a competitive range of the most highly rated proposals on September 11, 2014. Included in the competitive range were proposals from CH2M Hill, Exelis, PAE, and URS. CB&I, Fluor, IAP, and Kira were not included in the competitive range because those proposals were not among the most highly rated. Each of the unsuccessful Offerors received a pre-award debriefing between September 29 and October 1, 2014.

By letters dated September 12, 2014, the four Offerors included in the competitive range were notified and provided with their respective weaknesses and clarifications identified during the evaluation of their proposals. The due date for all written responses was October 1, 2014. Written and telephonic discussions were held with each of the Offerors between October 22 and December 16, 2014.

On December 22, 2014, a letter requesting final proposal revisions (FPRs) was sent to the Offerors with a due date of January 5, 2015. Subsequently, four timely FPRs were received, and the SEB evaluated these proposals consistent with the criteria identified in the RFP.

As a result of the discussion process, all four Offerors increased their Mission Suitability scores with submission of their FPRs. In addition, all four Offerors revised their Price proposals with submission of their FPRs. However, the Past Performance adjectival rating for all four Offerors did not change. The final evaluation results of the FPRs are summarized below.

Offeror	Mission Suitability	Past Performance	Price Risk
CH2M Hill	941	Very High	Low
Exelis	937	Very High	Low
PAE	951	Very High	Low
URS	958	Very High	Low

Upon completing the final evaluation, the SEB prepared and presented its findings to me. The final evaluation results for each of the four proposals are summarized below.

III. SUMMARY OF THE FINAL EVALUATION

1. CH2M Hill

Under the Mission Suitability factor, CH2M Hill's proposal received an overall score of 941. Across the four subfactors, the proposal had nine significant strengths, five strengths, no significant weaknesses, and no weaknesses.

Under the Management and Technical Approach subfactor, CH2M Hill's proposal received an adjectival rating of "Excellent." The proposal received two significant strengths and four strengths. The significant strengths related to (1) the integrated management and technical approach based upon the use of a project execution plan and (2) the approach for quality control.

Under the Staffing and Total Compensation subfactor, CH2M Hill's proposal received an adjectival rating of "Excellent." The proposal received four significant strengths and one strength. The significant strengths related to (1) the proposed Program Manager, (2) the proposed Facilities Operations and Maintenance Manager, (3) the proposed Deputy Program Manager/Systems Engineering & Integration Manager, and (4) the proposed Human Resources/Labor Relations Manager.

Under the Safety, Health, and Environmental (SHE) subfactor, CH2M Hill's proposal received an adjectival rating of "Excellent." The proposal received one significant strength. The significant strength related to the SHE Plan that was comprehensive and thoroughly addressed all MSFC core program requirements.

Under the Small Business Utilization subfactor, CH2M Hill's proposal received an adjectival rating of "Excellent." The proposal received two significant strengths. The significant strengths related to (1) the outstanding commitment to promote small business opportunities and (2) the small business subcontracting plan that included goals that greatly exceed the recommended goals in the RFP.

Under the Past Performance factor, CH2M Hill's proposal received a "Very High Level of Confidence." The proposal received three significant strengths, six strengths, no significant weaknesses, and no weaknesses. The significant strengths related to (1) performance on the Navy's Regional Base Operating Contract, (2) performance on the US Air Force Academy Civil Engineering/Cadet Support Services contract, and (3) an extremely low total reportable injury rate (TRIR) on a number of referenced contracts.

Under the Price factor, CH2M Hill's total evaluated price was the second lowest of the four proposals. The SEB assigned CH2M Hill's proposal a "Low" price risk.

2. Exelis

Under the Mission Suitability factor, Exelis' proposal received an overall score of 937. Across the four subfactors, the proposal had nine significant strengths, four strengths, no significant weaknesses, and no weaknesses.

Under the Management and Technical Approach subfactor, Exelis' proposal received an adjectival rating of "Excellent." The proposal received two significant strengths and two strengths. The significant strengths related to (1) the integrated management and technical approach and (2) the approach for quality control.

Under the Staffing and Total Compensation subfactor, Exelis' proposal received an adjectival rating of "Excellent." The proposal received four significant strengths and two strengths. The significant strengths related to (1) the proposed Program Manager, (2) the proposed Systems Engineering Manager, (3) the proposed Safety Manager, and (4) the proposed Work Control Business Manager.

Under the Safety, Health, and Environmental (SHE) subfactor, Exelis' proposal received an adjectival rating of "Excellent." The proposal received one significant strength. The significant strength related to the SHE Plan that was comprehensive and thoroughly addressed all MSFC core program requirements.

Under the Small Business Utilization subfactor, Exelis' proposal received an adjectival rating of "Excellent." The proposal received two significant strengths. The significant strengths related to (1) the outstanding commitment to promote small business opportunities and (2) the small business subcontracting plan that included goals that greatly exceed the recommended goals in the RFP.

Under the Past Performance factor, Exelis' proposal received a "Very High Level of Confidence." The proposal received three significant strengths, seven strengths, no significant weaknesses, and no weaknesses. The significant strengths related to (1) performance on the Maxwell-Gunter Air Force Base, Base Operating contract, (2) performance on the Qatar Base Operations Support Services contract, and (3) performance by a major subcontractor (Pegasus) on the US Strategic Command Facility Maintenance and Repair contract.

Under the Price factor, Exelis' total evaluated price was the highest of the four proposals. The SEB assigned Exelis' proposal a "Low" price risk.

3. PAE

Under the Mission Suitability factor, PAE's proposal received an overall score of 951. Across the four subfactors, the proposal had eight significant strengths, seven strengths, no significant weaknesses, and no weaknesses.

Under the Management and Technical Approach subfactor, PAE's proposal received an adjectival rating of "Excellent." The proposal received one significant strength and five strengths. The significant strength related to the approach for quality control.

Under the Staffing and Total Compensation subfactor, PAE's proposal received an adjectival rating of "Excellent." The proposal received four significant strengths and two strengths. The significant strengths related to (1) the proposed Program Manager, (2) the proposed Operations and Maintenance Manager, (3) the proposed Safety and Mission Assurance Manager, and (4) the proposed Business Manager.

Under the Safety, Health, and Environmental (SHE) subfactor, PAE's proposal received an adjectival rating of "Excellent." The proposal received one significant strength. The significant strength related to the SHE Plan that was comprehensive and thoroughly addressed all MSFC core program requirements.

Under the Small Business Utilization subfactor, PAE's proposal received an adjectival rating of "Excellent." The proposal received two significant strengths. The significant strengths related to (1) the outstanding commitment to promote small business opportunities and (2) the small business subcontracting plan that included goals that greatly exceed the recommended goals in the RFP.

Under the Past Performance factor, PAE's proposal received a "Very High Level of Confidence." The proposal received three significant strengths, four strengths, no significant weaknesses, and no weaknesses. The significant strengths related to (1) performance on the Keesler Air Force Base Operations Support Services contract, (2) performance on the Johnson Space Center Facilities Support Services contract, and (3) an extremely low Lost Time Case (LTC) rate on a number of referenced contracts.

Under the Price factor, PAE's total evaluated price was the lowest of the four proposals. The SEB assigned PAE's proposal a "Low" price risk.

4. URS

Under the Mission Suitability factor, URS's proposal received an overall score of 958. Across the four subfactors, the proposal had nine significant strengths, six strengths, no significant weaknesses, and no weaknesses.

Under the Management and Technical Approach subfactor, URS's proposal received an adjectival rating of "Excellent." The proposal received two significant strengths and three strengths. The significant strengths related to (1) the methodology for leveraging management techniques and systems and (2) the approach for quality control.

Under the Staffing and Total Compensation subfactor, URS's proposal received an adjectival rating of "Excellent." The proposal received four significant strengths and three strengths. The significant strengths related to (1) the proposed Program Manager, (2) the proposed Operations and Maintenance Manager, (3) the proposed Indefinite Delivery/Indefinite Quantity Manager, and (4) the proposed Quality and Safety Manager.

Under the Safety, Health, and Environmental (SHE) subfactor, URS's proposal received an adjectival rating of "Excellent." The proposal received one significant strength. The

significant strength related to the SHE Plan that was comprehensive and thoroughly addressed all MSFC core program requirements.

Under the Small Business Utilization subfactor, URS's proposal received an adjectival rating of "Excellent." The proposal received two significant strengths. The significant strengths related to (1) the outstanding commitment to promote small business opportunities and (2) the small business subcontracting plan that included goals that greatly exceed the recommended goals in the RFP.

Under the Past Performance factor, URS's proposal received a "Very High Level of Confidence." The proposal received one significant strength, seven strengths, no significant weaknesses, and no weaknesses. The significant strength related to performance on the Marshall Space Flight Center/Center Operations Support Services contract.

Under the Price factor, URS's total evaluated price was the second highest of the four proposals. The SEB assigned URS's proposal a "Low" price risk.

IV. DECISION

I determined that the findings presented by the SEB, as documented in the report, were reasonable and valid for purposes of making a selection decision. I then analyzed more closely the SEB's findings for the three evaluation factors listed in Section M of the RFP: Mission Suitability, Past Performance, and Price. The RFP specified the relative order of importance of the factors as follows: Mission Suitability, Price, and Past Performance are considered to be essentially equal to each other. Therefore, all evaluation factors other than Price, when combined, are significantly more important than Price.

The SEB presented its evaluation findings for each proposal to me, and we thoroughly discussed all findings. The findings developed by the SEB were detailed, consistent with the evaluation criteria in the RFP, and provided clear descriptions of the merits of each proposal. I questioned the SEB with regard to its rationale for the findings, the adjectival ratings, and point scores under the Mission Suitability subfactors. I also probed the SEB to ensure that I understood how all significant weaknesses, weaknesses, and clarifications had been addressed in the final proposal revisions. Further, I solicited the views of my advisors in their areas of expertise. Finally, I carefully considered the findings in relation to the evaluation criteria in the RFP, and exercised my independent judgment regarding the significance of the findings as discriminators between proposals in accordance with the evaluation criteria.

First, I began my analysis with a review of the Mission Suitability factor. The SEB's evaluation of proposals under the Mission Suitability factor resulted in an overall score of 958 for URS's proposal, 951 for PAE's proposal, 941 for CH2M Hill's proposal, and 937 for Exelis' proposal out of an available 1,000 points. Each of the four proposals had a number of similar significant strengths and strengths in this factor which is demonstrated by the nominal differences between the overall numerical scores. In fact,

I recognized that only 21 points separated the highest-scored proposal (URS) from the lowest-scored proposal (Exelis) in the Mission Suitability factor. I next reviewed the individual subfactors in order to identify any discriminators among the proposals.

I noted that all four proposals received adjectival ratings of "Excellent" in two of the subfactors, i.e., Safety, Health and Environmental (SHE) and Small Business Utilization. In addition, each of the proposals received one similar significant strength in the SHE subfactor and two similar significant strengths in the Small Business subfactor. These similar findings resulted in virtually identical subfactor scores across the four proposals. Upon my review of the evaluation criteria, I determined that these two subfactors, when combined, comprised 200 points of the available 1,000 points in Mission Suitability. Therefore, it was my determination that no discriminators existed in either the SHE or the Small Business Utilization subfactors to aid in my selection decision. I next focused upon the two remaining subfactors which, when combined, comprised 800 points of the available 1,000 points in Mission Suitability.

Comparing the four proposals under the Management and Technical Approach subfactor, CH2M Hill's proposal received an adjectival rating of "Excellent," resulting from the merit of its two significant strengths and four strengths. URS's proposal received an adjectival rating of "Excellent," resulting from the merit of its two significant strengths and three strengths. PAE's proposal received an adjectival rating of "Excellent," resulting from the merit of its one significant strength and five strengths. Exelis' proposal received an adjectival rating of "Excellent," resulting from the merit of its two significant strengths and two strengths. As a result of my detailed review, I concluded that the ratings and scores assigned to each of the proposals under this subfactor were an accurate reflection of the SEB's underlying findings. All four proposals were extremely thorough and received significant strengths for their excellent quality control techniques, and three proposals received significant strengths for their management techniques (i.e., CH2M Hill, Exelis, and URS). I noted that the PAE proposal had the most strengths which resulted in an identical numerical score with URS. Moreover, I recognized that only 12 points of the 400 available points separated the highest-scored proposal (CH2M Hill) from the lowest-scored proposal (Exelis), and I determined that no proposal truly distinguished itself over the other three proposals in this subfactor.

Comparing the proposals under the Staffing and Total Compensation subfactor, URS's proposal received an adjectival rating of "Excellent," resulting from the merit of its four significant strengths and three strengths. PAE's proposal received an adjectival rating of "Excellent," resulting from the merit of its four significant strengths and two strengths. Exelis' proposal received an adjectival rating of "Excellent," resulting from the merit of its four significant strengths and two strengths. CH2M Hill's proposal received an adjectival rating of "Excellent," resulting from the merit of its four significant strengths and one strength. As a result of my detailed review, I concluded that the ratings and scores assigned to each of the proposals under this subfactor were an accurate reflection of the SEB's underlying findings. All four proposals provided very strong key personnel teams with four similar significant strengths for the various proposed key personnel,

including the Program Manager. In addition, I noted that all four proposals received a strength related to their staffing approach to hire a high percentage of incumbent staff; the remaining strength for Exelis, PAE and URS related to the various proposed key personnel. Moreover, I recognized that any advantage between the highest scored proposal (URS) and the lowest-scored proposal (CH2M Hill) was virtually negligible.

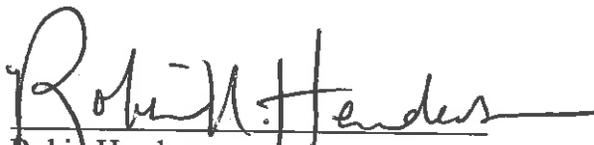
Based on the above, I concluded that no proposal had a clear advantage over the other three proposals under the Mission Suitability factor.

Next, I reviewed the Past Performance factor. The SEB's evaluation of Past Performance resulted in the assessment of a "Very High Level of Confidence" for all four Offerors. I noted that Exelis received three significant strengths and seven strengths. CH2M Hill received three significant strengths and six strengths. PAE received three significant strengths and four strengths. URS received one significant strength and seven strengths. I reviewed the evaluation criteria for the Past Performance factor. I noted that this factor is important to assess risk and to determine how well the Offeror is likely to perform on the future contract. While I noted that Exelis, CH2M Hill and PAE had three significant strengths compared to URS' one significant strength, all four Offerors demonstrated successful performance history on contracts similar to FOMSS (i.e., FFP mission with IDIQ task orders), and each Offeror received an assessment of "Very High Level of Confidence." I therefore concluded that no discriminators existed among the Offerors under the Past Performance factor.

Finally, I reviewed the Price factor. In accordance with the terms of the RFP, the SEB evaluated the reasonableness and realism of the Offeror's proposed firm-fixed-price Lump Sum and price components. The SEB evaluated offers for award purposes by adding the Offeror's proposed price for the total Lump Sum and the total calculated price for IDIQ which was calculated by multiplying the proposed coefficients by the Government's model for bare costs for the base year and all option periods to establish the total evaluated price. The SEB then identified and documented risks relative to Price. Based on the risks identified, the SEB assessed a price risk level. Finally, each Offeror's proposed phase-in price (\$150K maximum) was identified separately to me. I questioned the SEB carefully in order to understand the Price elements for both the Lump Sum and IDIQ efforts, and I probed the Offerors' resolutions to their various Price risks/concerns in the final proposal revisions.

All Offerors resolved their various price risks during discussions and in their FPR, and all four proposals received a Price risk of "Low." Upon probing the SEB and reviewing the resolutions to the Price risks, I agree with this assessment. Also, I recognized URS and CH2M Hill proposed \$0 in phase-in costs while Exelis and PAE proposed \$150K in phase-in costs. Next, I reviewed the total evaluated price for each proposal. Exelis' proposal had the highest total evaluated price. URS's proposal had the second highest total evaluated price. CH2M Hill's proposal was the second lowest total evaluated price, and PAE's proposal was the lowest total evaluated price at \$327.6M (\$156M for Lump Sum/Total Proposed Price and \$171.6M for IDIQ). Based upon my review, I determined that PAE's proposal offered an advantage in this factor over the other three proposals.

As stated in the RFP, the Government is seeking the best value proposal for the FOMSS contract with the Mission Suitability, Past Performance, and Price factors being essentially equal in importance. In terms of Mission Suitability, all proposals were of exceptional merit with identical adjectival ratings and similar findings and numerical scores across each of the four subfactors. No proposal provided a clear advantage over the other three which is reflected in the overall numerical scoring. Further, all four Offerors received a "Very High Level of Confidence" in the Past Performance factor, the highest rating possible under this factor, and demonstrated exceptional performance in prior contract efforts that were very highly relevant to the FOMSS acquisition. Under the Price factor, the PAE proposal had the lowest total evaluated price with a "Low" Price risk assessment. After polling all of my advisors and obtaining their inputs, I concluded that PAE Applied Technologies, LLC provided the best value for the Government; therefore, I select PAE for award of the Facilities Operations and Maintenance Support Services contract.


Robin Henderson
Source Selection Authority


Date