

**Source Selection Statement for the
Aircraft Operations Services (AOS) Contract
National Aeronautics and Space Administration (NASA)
Hugh L. Dryden Flight Research Center (NASA-DFRC)**

On April 29, 2013, I, the Source Selection Authority (SSA), along with other key officials of the NASA-DFRC met with the members of the Source Evaluation Board (SEB) appointed to evaluate proposals in response to the AOS solicitation NND12374506R. The AOS solicitation anticipates awarding a Cost-Plus-Award-Fee (CPAF) contract. The solicitation included a phase-in period from June 1-30, 2013; a base period of performance from July 1, 2013 through April 30, 2015; option 1 from May 1, 2015 through April 30, 2016; option 2 from May 1 through April 30, 2017; and option 3 from May 1, 2017 through June 30, 2018.

The AOS contract provides for aircraft maintenance and operational support at the NASA-DFRC and associated deployments of aircraft at other locations as required within the contiguous United States (CONUS) and outside the contiguous United States (OCONUS). The scope of the AOS contract is to support the operations of all aircraft (platform, research, and support) assigned to NASA-DFRC. Support includes aircraft maintenance (Organizational [O], Intermediate [I], and limited Depot [D] level); aircraft modification; flight aircrews; flight-line operations; and material control/procurement services.

Procurement History

In accordance with Federal Acquisition Regulation (FAR) 5.2, "Synopsis of Proposed Contract Actions," the AOS effort was synopsised on May 25, 2011 via the Federal Business Opportunities (FedBizOpps) website and was thereafter placed on the NASA Acquisition Internet Service (NAIS) business opportunities website. NASA issued a Request for Proposals (RFP) on June 19, 2012. The RFP included a Preproposal/Pre-Bid Conference that was held on July 10, 2012. In addition, there were four (4) subsequent amendments issued by the Contracting Officer.

- Amendment 1 dated June 26, 2012 updated Attachment L-2, "Past Performance Questionnaire Template, Revision 1," Attachment L-3, "Price Summary Table Workbook, Revision 1," Attachment L-4, "Maintenance and Modification Services Workbook, Revision 1," Attachment L-5, "Procurement/Material Control Workbook, Revision 1," Attachment L-6, "Cognizant Audit Office Template (CAOT), Revision 1," changed the Contracting Officer, and responded to questions.
- Amendment 2 dated July 25, 2012 extended the proposal due date from August 2 to August 14, 2012.
- Amendment 3 dated August 3, 2012 revised the following:
 - Clause B.2, "Estimated Cost and Award Fee"
 - Provision L.13, "Service of Protest"
 - Provision L.17, "Proposal Page Limitations"

- Provision L.19, “Safety and Health Plan”
- Provision L.25.1, “Proposal Copies, and Due Dates”
- Provision L.24.4, “Management Approach (MA)-Mission Suitability Sub-Factor 2 ”
- Provision L.25.5, “Safety, Health, and Environmental (SHE) Approach-Mission Suitability Sub-Factor 3”
- Provision L.25.7, “Past Performance Factor-Volume II”
- Provision L.25.8, “Cost and Price Factor-Volume III, 3. Specific Instructions Cost Volume Part I-Excel Pricing Model (EPM), and associated tables and references to tables”
- Provision M.4.1, “Technical Approach (TA)-Mission Suitability Sub-Factor 1,”
- Attachment J-1, “Statement of Work (SOW) for AOS at NASA-DFRC”
- Data Requirements Document (DRD) M08, “Contract Phase-In Plan”
- DRD M09, “Key Personnel”
- Updated the various U. S. Department of Labor Wage Determinations
- Attachment J-5-1, “Statement of Equivalent Rates for Federal Hires”
- Attachments L-4, “Maintenance and Modification Services Workbook”
- Attachment L-5, “Procurement Materials Control Workbook”
- Provision L.25.6, “Small Business Utilization (SBU)-Mission Suitability Sub-Factor 4” was deleted
- Published additional questions and answers
- Attached the Pre-proposal welcome package, conference presentation slides and list of attendees
- Amendment 4 dated August 9, 2012 published additional questions and answers

The RFP required that proposals be divided into four (4) volumes. The four volumes were Volume I—Mission Suitability, Volume II—Past Performance, Volume III—Cost/Price Proposal, and Volume IV—Model Contract. All volumes were due by August 14, 2012 at 2:00pm PDT. Offerors were requested, but not required, to submit Volume II early (July 16, 2012 at 2:00pm PDT). Three (3) Offerors, CSC Applied Technologies, LLC, (CSC), Jacobs Technologies, Inc. (Jacobs), and L-3 Vertex Aerospace (L-3), submitted timely proposals in response to the RFP.

RFP Section M, “Evaluation Factors for Award,” Provision M.3 stated that, “...The Government will award a contract resulting from this solicitation to the responsible Offeror whose proposal represents the best value to the Government. This procurement shall be conducted utilizing a combination of Mission Suitability, Past Performance and Cost/Price evaluation factors. The lowest price proposals may not necessarily receive an award; likewise, the highest technically rated proposals may not necessarily receive an award....”

RFP Section M outlined three evaluation factors—Mission Suitability (Provision M.4), Past Performance (Provision M.5), and Cost/Price (Provision M.6).

RFP Provision M.3 also included two (2) eligibility requirements for award. The first requirement is that Offerors possess a Facility Clearance Level (FCL) at the SECRET level. The second requirement is that Offerors must submit a complete and acceptable response to DRD-M10, "Organizational Conflict of Interest Mitigation Plan."

RFP Provision M.4 divided the Mission Suitability Factor into four (4) sub-factors used to assess the ability of each Offeror to provide and administer the requirements of the SOW. Each proposal received a Mission Suitability score based on the associated numerical weights for each sub-factor. The sub-factors and corresponding weights are as follows:

• Sub-Factor 1 Technical Approach	250 points
• Sub-Factor 2 Management Approach	450 points
• Sub-Factor 3 SHE Approach	200 points
• Sub-Factor 4 Small Business Utilization	<u>100</u> points
Total	1,000 points

The above weights reflect the relative importance of each sub-factor. The SEB evaluated and rated Mission Suitability sub-factors using the following adjectival ratings: Excellent, Very Good, Good, Fair, and Poor.

The SEB evaluated and rated Past Performance using the following levels of confidence: Very High, High, Moderate, Low, Very Low, and Neutral. The SEB also considered the following data sources in its evaluation of each Offeror's overall Past Performance:

- Safety and Health metrics associated with OSHA citations, OSHA incident rates, and OSHA 300/300A forms
- Compliance with environmental regulations
- Narrative provided by the Offeror in Volume II, Past Performance
- Government Past Performance Information Retrieval System (PPIRS)
- Completed Past Performance Questionnaires submitted by the Offeror's customers on work similar to AOS

The SEB conducted a cost realism analysis in accordance with FAR 15.404-1(d) and NFS 1815.305. As part of the cost realism, the SEB evaluated information proposed under Volume III, "Cost and Price Factor" and Volume I, Mission Suitability, for specific elements of the Offeror's proposed cost estimate to determine whether the estimated proposed cost elements (1) were realistic for the work to be performed; (2) reflected a clear understanding of the requirements; and (3) were consistent with the unique methods of performance and materials described in the Offeror's technical proposal. Based on this cost realism analysis, the Government determined a probable cost of performance for each Offeror.

RFP Provision M.3, "Evaluation Factors for Award" provided:

Of the three evaluation factors, Mission Suitability and Past Performance, when combined, are significantly more important than Cost/Price. Mission Suitability

is more important than Past Performance, which is more important than Cost. Cost is least important.

In accordance with FAR Part 15, "Contracting by Negotiation," NASA FAR Supplement (NFS) Part 1815, the RFP, and the approved evaluation plan, the SEB evaluated each proposal on the basis of Mission Suitability, Past Performance, and Cost with the objective of achieving the best value for the Government. The SEB presented the results of the initial evaluation to me, on January 10, 2013. At that time, the Contracting Officer recommended that both CSC's and L-3's proposals be considered within the competitive range. I concurred with the Contracting Officer's recommendation and authorized the SEB to proceed with discussions leading to the submission of final proposal revisions (FPRs) with those two Offerors. Accordingly, the SEB invited both Offerors to participate in written and oral discussions. The SEB held written and oral discussions with both Offerors. The SEB gave each Offeror the opportunity to correct, clarify, substantiate, or confirm the contents of its respective proposal and to submit the FPR, as well as a signed model contract reflecting the Offeror's intent to be bound contractually. The SEB received the FPRs from both Offerors on or before the due date of April 10, 2013 at 2:00 pm PDT. After the SEB evaluated the FPR proposals, a model contract was sent to each Offeror for signature with a due date of April 29, 2013 at 2:00 pm PDT. The SEB received signed model contracts from both Offerors on or before the due date of April 29, 2013 at 2:00 pm PDT.

After considering the results of the FPRs, the SEB presented their findings to me as the SSA on April 29, 2013. I have reviewed the detailed findings of the SEB and I agree with the SEB's findings and adopt them.

Findings

Mission Suitability Evaluation

CSC Applied Technologies, LLC

The SEB assigned CSC's proposal an overall Mission Suitability score of 610.5 out of a maximum 1000 points for a corresponding adjectival rating of Good. CSC received three significant strengths, twelve strengths, nine weaknesses and no significant weaknesses across the four sub-factors.

Technical Approach

Under the technical approach sub-factor, CSC received an adjectival rating of very good. CSC received two significant strengths, four strengths, one weakness and no significant weaknesses.

CSC has two significant strengths. CSC received a significant strength in response to Scenario TA1, by demonstrating a comprehensive understanding. CSC listed excellent risk management options including backup plans; experience in supporting aging aircraft

at multiple locations and an extensive vendor resources pool for obtaining obsolete parts; multiple sources for aircraft parts which improves efficiency for maintaining aging aircraft and improves the aircraft flight capability rate; and CSC proposes to have all mechanics Airframe and Power Plant (A&P) and technicians Airframe (A) certified at the contract start date which provides NASA-DFRC with a qualified and experienced workforce to support the aging aircraft fleet. CSC's second significant strength is in response to Scenario TA2. CSC has performed excellent research through experience in mitigating any risks. CSC realized who the involved parties are and the criticality of the aircraft configuration, including weight and balance. CSC proposed to use two innovative techniques for verification of the proper skillsets and capability to meet the aircraft schedule.

CSC has four strengths. CSC proposed efficiency to implement an automated tool for resource planning and scheduling. This benefit will enable CSC's Project Manager and the Maintenance Operations Office (MOO) to improve the overall monitoring capabilities and assist CSC management in verifying that certified workers are readily available to support the contract. The remaining three strengths are for CSC's overall comprehensive and sound responses to Scenarios TA1, TA2 and TA3. In response to TA1, a strength was given as CSC seems to have the experience to meet the requirement to successfully support a diverse fleet of aging aircraft. In response to TA2, a strength was given as CSC's approach and proposed scheduling tool aligns with NASA's configuration control and NAMIS requirements and would help successfully meet project requirements. In response to TA3, a strength was given as CSC provides a very good plan for staffing back-fill which will minimize downtime at supported locations by instituting a personnel back-up plan to have employees available for local surge/backfill requirements.

CSC has one weakness. The weakness is regarding their Critical Skills Analysis. CSC did not specify what job descriptions would be considered for reduction. This could impact morale, which may negatively impact the overall contract performance.

CSC does not have any significant weaknesses for this sub-factor.

Management Approach

Under the management approach sub-factor, CSC received an adjectival rating of fair. CSC received no significant strengths, five strengths, six weaknesses and no significant weaknesses under this sub-factor.

CSC does not have any significant strengths for this sub-factor.

CSC received five strengths under the management approach sub-factor. The first strength was for CSC's proposed Service, Operations, and Maintenance Management Approach (SOMA) tool which could be beneficial in managing the wide breath of scope for this contract. The second strength was for CSC's proposed integrated IT solutions used to manage scheduling, resources, training and other areas to improve efficiency. The third strength was for CSC's proposed teaming approach where contractors and civil

servants work together seamlessly to achieve the goal of a safe, on schedule operation. In the fourth strength CSC proposes to have a Quality First Review (QFR) to assess the effectiveness of their processes to meet all aspects of the SOW. The QFR will be performed within three (3) months of contract start up. This risk management approach will eliminate operational issues before they become problems. Additionally, CSC proposes to have an Oversight Executive Committee to strengthen the relationship between Dryden and CSC corporate management. The fifth strength was for CSC's methodology for recruiting and hiring in order to retain Aircraft Operations staff with the credentials to meet the needs of the SOW. CSC's ability to draw from a competent workforce is an effective way to meet the high demand and turn-over that may exist over the duration of the contract.

CSC received six weaknesses under the management approach sub-factor. Two of the weaknesses were that two proposed key personnel did not meet CSC's specified qualifications, in which case the lack of qualifications and/or experience could increase the risk of unsuccessful contract performance. CSC received a third weakness for proposing an unrealistic workload of the Quality Assurance (QA) functions with only a Quality Manager, in which case the QA functions would not be fulfilled. The fourth weakness CSC proposed is a Configuration Management Analyst position which is not required in accordance with the SOW. CSC received a fifth weakness for a disparity between CSC's Flight Engineer function under Mission Suitability and the Basis of Estimate (BOE). CSC received a sixth weakness in the Material Control section by proposing to perform additional activities and personnel (Material Control Specialist) not required in accordance with the SOW.

CSC does not have any significant weaknesses for this sub-factor.

Safety, Health and Environmental Approach

Under the safety, health and environmental approach sub-factor, CSC received an adjectival rating of good. CSC received no significant strengths, a strength, no weaknesses and no significant weaknesses under this sub-factor.

CSC received a strength for its proposed innovation to track and document all safety incidents which provides a risk management tool to ensure a safe and healthy work environment. This information can be analyzed to determine if there are any trends that might point to potential hazards.

CSC does not have any significant strengths, weaknesses or significant weaknesses for this sub-factor.

Small Business Utilization

Under the small business utilization sub-factor, CSC received an adjectival rating of very good. CSC received a significant strength, two strengths, two weaknesses and no significant weaknesses.

CSC's significant strength in small business utilization was based on exceeding the target goals in the categories of Small Business, Small Disadvantage Business and HUBZone and providing sound rationale for identifying the qualified firms to perform the various areas of the SOW. This demonstrated CSC's Small Business Subcontracting Plan will increase the dollar amounts awarded to small businesses.

CSC received two strengths under small business utilization. One strength was for CSC's online small business database of potential suppliers, which is shared across the Company's Intranet. This provides the Offeror access to potential small business suppliers for needed products and services. The Offeror's Program Management considers small business participation during the development of procurement requirements. These aspects of the CSC Small Business program should increase small business participation. The second strength was for identifying the specific firms performing subcontracting efforts for five sections of the SOW. This demonstrates a high probability that the Offeror would be able to meet or exceed the targeted small business subcontracting goals.

CSC received two weaknesses under small business utilization. The first weakness was CSC did not provide rationale for exceeding the targeted goal in the subcategories of Veteran Owned Small Business (VOSB) and Service Disabled Veteran Owned Small Business (SDVOSB). The second weakness CSC did not provide a description of the principal types of products and services to be subcontracted to large business in accordance with FAR 52.219-9(d)(3).

CSC does not have any significant weaknesses for this sub-factor.

L-3 Vertex Aerospace

The SEB assigned L-3's proposal an overall Mission Suitability score of 787.5 out of a maximum 1000 points for a corresponding adjectival rating of Very Good. L-3 received two significant strengths, seventeen strengths, three weaknesses and no significant weaknesses across the four sub-factors.

Technical Approach

Under the technical approach sub-factor, L-3 received an adjectival rating of excellent. L-3 received a significant strength, six strengths, no weaknesses and no significant weaknesses.

L-3's significant strength under the technical approach sub-factor related to L-3's comprehensive understanding of Scenario TA1. L-3's approach to supporting the diverse fleet of aging and one-of-a-kind aircraft shows they have the experience and resources necessary to address the challenges faced when supporting the various types of aircraft. L-3's experience with aging aircraft at other locations demonstrated their excellent capability in supporting and maintaining these assets. L-3 has an extensive vendor resource pool for obtaining obsolete parts and established customer/supplier relationships

to meet demands and improve the aircraft flight capability rate. Their proposed three-pronged approach will augment the NASA-DFRC purchasing office to ensure timely delivery of aircraft parts. This breadth of capability across multiple aging and one-of-a-kind aircraft directly supports the unique requirements of the SOW. L-3 maintains 15 FAA Certified Repair Stations which can be utilized to resolve issues inherent with a fleet of aging and one-of-a-kind aircraft. These repair stations could serve as a cost savings benefit to the Government.

L-3 received six strengths under the technical approach sub-factor. The first strength was for L-3's reserve group of more than 4000 A&P mechanics. This provides L-3 the ability to draw from a competent workforce and is an effective way to meet the high demand and turnover that may exist over the duration of the contract. The second strength is for L-3's level of experience in support of maintenance on 90 different airframes to include 2200 flights daily in 69 locations both CONUS and OCONUS. This provides assurance to NASA that L-3 possesses the ability to perform the requirements of the SOW. The third strength was L-3 proposes to conduct local conditional inspections, such as corrosion and fatigue to determine the conditions of specific components and incorporate these inspections with other required inspections, helping to meet schedule and mission requirements by reducing unexpected failures. The fourth strength was for proposing to enroll Dryden's PT6A engines in their Pratt and Whitney Engine Services C-12 engine management program, which will provide cost discounts, rework warranties, and priority handling. The fifth strength was for L-3's comprehensive understanding of Scenario TA2. L-3's main objectives in integrating a payload are safety, effective integration of the payload, and schedule. L-3 identified key personnel critical to executing the task and a step-by-step process necessary to address the requirements of the scenario. L-3 provided a sound and detailed approach to coordinating the required configuration changes and integration of the payload. The sixth strength was in response to Scenario TA3. L-3 proposed an effective and realistic approach with a detailed method in place to identify qualified personnel and back-filling both positions. Their proactive approach with backups listed in advance to ensure that qualified personnel are readily available to travel in support of OCONUS and CONUS deployments. This enhances the probability of mission success during remote operations.

L-3 does not have any weaknesses or significant weaknesses for this sub-factor.

Management Approach

Under the management approach sub-factor, L-3 received an adjectival rating of good. L-3 received no significant strengths, seven strengths, three weaknesses and no significant weaknesses.

L-3 received seven strengths under the management approach sub-factor. The first strength was for L-3's increased maintenance experience supporting one-of-a-kind aircraft operations support. This support shows that L-3 has gained experience with NASA rules and regulations which translates directly to NASA-DFRC's operation. The result is the potential for a smoother transition immediately after contract start. The

second strength was for L-3's major subcontractor who proposes to retain approximately 90% of current and qualified flight crew personnel from the incumbent workforce. This will maintain the continuity of the flight programs and reduces the risks normally associated with a new contract. The third strength was for L-3's detailed approach to effectively perform all the functional elements of the SOW and addressing how they will accommodate high intensity work periods. L-3 provided a detailed description of the duties and support for each position including: qualifications for maintenance, engine shop, avionics/instrumentation, life support, electronic lab, metrology, environmental testing, flight operations, configuration and drawing control, and material control. L-3's overall management approach demonstrates their ability to manage and control all resources for this effort. The fourth strength was for L-3's proposed Phase-In Plan. L-3 provided a detailed approach on the measures they will establish to ensure a seamless transition with a goal to retain over 90% of qualified incumbent personnel to reduce the degree of disruption during contract transition. They addressed how their hiring process will flow down to their subcontractors to ensure that an experienced and qualified workforce is retained and recruited. Additionally, L-3 provided a realistic and comprehensive strategy to minimize the operational impact during the Phase-In period. L-3 received a fifth strength for the majority of their proposed Key Personnel having extensive backgrounds, experience and education in their respective fields. They have relative management experience and training credentials to fulfill the responsibilities and requirements of their job and the SOW. The sixth strength was for L-3's detailed rationale on how their skill mix aligns with accomplishing the specific sections of the Statement of Work. This shows evidence of their understanding between the requirements and their proposed skill mix. The seventh strength was for L-3's detailed and comprehensive Quality Assurance Plan, which identifies the activities needed to ensure quality services. L-3's corporate management shows a strong commitment to the implementation and continual improvement in meeting a high standard of quality. This proactive approach will provide quality service, increased safety, and reduced costs by acting on reasonable ideas such as, employee suggestions program and customer feedback. L-3 has developed and established 33 Quality Assurance Standard Operating Procedures designed to provide the necessary controls to ensure that the Quality Program will exceed contract expectations.

L-3 received three weaknesses under the management approach sub-factor. The first weakness was for L-3's proposed Key Personnel, the DFRC Production Supervisor and DAOF Production Supervisor, who do not have fixed wing experience. Additionally, they do not appear to have extensive management or supervisory experience. This could have an adverse impact on decision-making regarding maintenance actions and management oversight at the respective sites. The second weakness was for L-3's proposed method to accomplish operations/scheduling support in accordance with SOW, Section 7.6.10, using pilots on a collateral duty basis is not an efficient or cost effective use of their time. The majority of scheduling work involves range scheduling, not aircrew scheduling. The third weakness was for L-3's proposal to reduce the staffing for the Material Control function (SOW Section 8). The method proposed for reducing the staffing level was to move the Parts Expediter and Tool Crib functions from Material

Control to Maintenance Support at DRFC and the DAOF, which does not resolve the overstaffing concern.

L-3 does not have any significant weaknesses for this sub-factor.

Safety, Health and Environmental

Under the safety, health and environmental (SHE) sub-factor, L-3 received an adjectival rating of excellent. L-3 received a significant strength, no strengths, no weaknesses and no significant weaknesses under this sub-factor.

L-3 received a significant strength for providing a comprehensive SHE Plan with a thorough management system to ensure a workplace free of recognized hazards. L-3 has developed and established 41 Safety Standard Operating Procedures (SSOP) designed to provide a safe work environment for assigned personnel and the safe operation of all equipment. The SSOP certification and licensing approach, which identifies and manages SHE critical tasks, will align seamlessly with NASA-DFRC's SHE processes. This will significantly reduce L-3's learning curve and promote an efficient phase-in, allowing them to focus on other critical elements of the SOW.

L-3 does not have any strengths, weaknesses or significant weaknesses for this sub-factor.

Small Business Utilization

Under the small business utilization sub-factor, L-3 received an adjectival rating of good. L-3 received no significant strengths, four strengths, no weaknesses and no significant weaknesses under this sub-factor.

L-3 does not have any significant strengths for this sub-factor.

L-3 received four strengths under the small business utilization sub-factor. L-3 received the first strength for demonstrating a strong commitment to providing equitable opportunities to SB, SDB, WOSB, VOSB, SDVOSB, and HUBZone firms with a Corporate Shared Services Directive D4005. This shows L-3's equitable commitment to utilize small business. L-3's second strength was for their established resources such as the Preferred Supplier List, trade association membership directories and Corporate Small Business intranet database; provide access to potential small business suppliers for needed products and services. These aspects of the Offeror's Small Business Program should increase small business participation. L-3's third strength is for maintaining a Corporate online system of the types of small business records, guides, and database information that corporate personnel utilize to identify and solicit potential small business sources. This system captures all small business classifications and includes data such as materials purchased, procurement history, and specific efforts to award all categories of small businesses including names and addresses. L-3's online system includes registration and a searchable tool to input information from tradeshow, conferences,

meet-and-greets, and teleconferences. L-3 received a fourth strength for creating a corporate Small Business Task Force Team to ensure small business opportunities. This demonstrates L-3's commitment to the Small Business program.

L-3 does not have any weaknesses or significant weaknesses for this sub-factor.

Past Performance Evaluation

CSC Applied Technologies, LLC

The SEB assigned CSC's proposal a Past Performance Level of Confidence rating of Moderate. CSC received no significant strengths, two strengths, three weaknesses and no significant weaknesses.

CSC does not have any significant strengths for this factor.

CSC received two strengths under the Past Performance factor. The first strength was for CSC's past performance under the Aircraft Maintenance and Modification Program (AMMP), where they provided various contract improvements and initiatives to meet the technical requirements set forth in the contract. CSC developed software enhancements for NAMIS and safety initiatives such as the Job Hazard Analysis (JHA) and achieved 98% mission effectiveness at Johnson Space Center (JSC). CSC's performance record at JSC indicates their ability to provide contract improvements and initiatives that may assist in meeting mission requirements. The second strength was for CSC's three year average in OSHA reportable incident rate from the Bureau of Labor and Statistics for NAICS code 488190 is 52.1% below industry data when compared for the period of 2008-2010.

CSC received three weaknesses. The first weakness was for CSC's OSHA citation information contained in the SHE Questionnaire, Attachment C, did not match the data from the OSHA website (OSHA.gov), for years 2008, 2011, and 2012. The OSHA website cited a higher number of violations for these respective years. The second weakness is for similar work performed on a contract with Vance Air Force Base where they had management changes due to performance issues and incurred a cost overrun within a few months of contract start-up. CSC's overall past performance was marginal with unsatisfactory ratings resulting in a Letter of Concern being issued. CSC's award fee average at Vance was slightly less than 60%. The third weakness is for similar work performed at Nellis Air Force Base. Nellis indicated problems with quality of service in aircraft maintenance, including aircraft incidents during maintenance and the stand-down of an entire aircraft wing. Letters of Concern were issued due to delivery of aircraft 52 days in excess of scheduled phase deadlines. These weaknesses are of important relevance to the NASA-DFRC effort and pose increased risk of poor contractor performance.

CSC does not have any significant weaknesses for this factor.

L-3 Vertex Aerospace

The SEB assigned L-3's proposal a Past Performance Level of Confidence rating of High. L-3 received three significant strengths, two strengths, two weaknesses and no significant weaknesses.

L-3 received three significant strengths under the past performance factor. The first significant strength was related to L-3's Collective Bargaining Agreement (CBA), which demonstrated their ability to successfully work with collective bargaining organizations. L-3 has negotiated 84 CBA's with four different unions and has not had any union strikes or lockouts in company history. L-3's successful track record provided a high level of confidence in their ability to negotiate a CBA for this contract.

The second significant strength under the past performance factor involves L-3's small business subcontractor's past performance questionnaires for related flight crew support on two contracts which received an average rating of excellent. The subcontractor demonstrated excellent support on two flight crew training contracts where they met all cost goals while achieving 100% of the performance-based milestones. They met 100% of the initial and full operational capability milestones while developing a new training program in a combat environment. The subcontractor developed in-house hardware for student training when Government Furnished Equipment training hardware was more than one year late; allowing training to continue. This provides a high level of confidence that the flight crew can support the SOW.

The third significant strength under the past performance factor is for L-3's maintenance and logistics support on several DoD contracts, in which they received a performance rating of excellent. L-3 maintains similar aircraft on these contracts as the Dryden fleet. L-3 consistently delivered Mission Capability (MC) rates that exceeded contract requirements. On a C-12 contract the MC rate was 93.6% while the contract required a minimum MC rate of 80%. This is significant because this demonstrates their ability to support single aircraft operations at remote locations. Similarly, the Offeror has a 99% MC rate for fighter aircraft on a Navy contract, well above the contract MC rate of 85%. L-3's overall past performance for related and similar work provide a high level of confidence in their ability to meet the requirements of the SOW.

L-3 received two strengths under the past performance factor. The first strength was for L-3's small business subcontractor (LOGMET, LLC). The Past Performance Information Retrieval Systems (PPIRS) indicated LOGMET received an overall rating ranging from Very Good to Exceptional. The subcontractor provides a variety of services including transient aircraft support, base logistics, and transportation. The eight most recent PPIRS reports indicate that the subcontractor provides above average support. In addition, the evaluator on 6 of the 8 reports "definitely would" select this contractor again. The remaining two reports were a "probably would" overall rating. This provides a high level of confidence that LOGMET, LLC can meet the functions of the SOW that

they have been designated to perform. The second strength was for L-3's two year average in OSHA reportable incident rate from the Bureau of Labor and Statistics for NAICS code 488190 is 39.9% below industry data when compared for the period of 2009-2010.

L-3's first weaknesses under the past performance factor was associated with the Safety, Health and Environmental Questionnaire, that companywide, they did not have any fatalities over the past three years. However, in the Past Performance Volume, dated April 12, 2010, case number 2010-131, in Pensacola, FL, L-3 had an OSHA reportable death due to a plane crash. The second weakness was L-3's information contained in their SHE Questionnaire did not match the data from the OSHA website (OSHA.gov), for 2012, which shows two violations.

L-3 does not have any significant weaknesses for this factor.

Cost and Price Evaluation

The cost proposals were evaluated consistent with the evaluation criteria in RFP Provision M.6. CSC's proposed cost was approximately 0.47% lower than L-3's proposed cost.

A cost realism analysis was conducted by the SEB in accordance with FAR 15.404-1(d), NFS 1815.305, and section M.6 of the RFP, to ensure that a fair and reasonable price is paid by the Government and to assess the reasonableness and realism of the proposed costs as aligned with the proposed Mission Suitability sub-factor responses. Based on this analysis, the SEB determined the Government's probable cost for each Offeror and presented these results to the SSA for consideration.

Based on the cost realism analysis, the SEB assigned CSC's cost proposal a high level of confidence that the probable cost, which is the Government's best estimate for the cost of a contract resulting from CSC's proposal, correlates very closely to the actual cost that CSC would incur to successfully implement their proposal. A minor upward probable cost adjustment was made relative to CSC's direct labor WYEs and hours, reflecting the SEB's assessment of necessary WYEs and hours required to successfully perform contract requirements. No adjustments were made to CSC's proposed fringe, G&A expense and award fee rates.

Based on the cost realism analysis, the SEB also assigned L-3's cost proposal a high level of confidence that the probable cost correlates very closely to the actual cost that L-3 would incur to successfully implement their proposal. A minor downward probable cost adjustment was made relative to L-3's direct labor WYEs and hours, reflecting the SEB's assessment of necessary WYEs and hours required to successfully perform contract requirements. No adjustments were made to the L-3's proposed fringe, G&A expense and award fee rates.

After the cost realism analysis was completed, L-3's probable Cost/Price was approximately 15.29% lower than CSC's probable cost.

Selection Decision

Following the presentation by the SEB on April 29, 2013, I fully considered the SEB's findings. I commended the SEB on their comprehensive and detailed evaluation of the two proposals in the competitive range. I have reviewed the detailed findings of the SEB and I agree with each of the SEB's findings.

In making my selection decision, I first reviewed the relative importance of the evaluation factors. For this solicitation, of the three evaluation factors, Mission Suitability and Past Performance, when combined, are significantly more important than Cost/Price. Mission Suitability is more important than Past Performance, which is more important than Cost/Price. Cost/Price is least important.

Mission Suitability consisted of four sub-factors. Their relative ranking of importance and point value are Management Approach (450 points), Technical Approach (250 points), Safety, Health and Environmental Approach (200 points) and Small Business Utilization (100 points).

Under the Mission Suitability factor, I find that the overall Mission Suitability scores are representative of the Offerors' Mission Suitability proposals. Qualitatively, I have noted a number of distinguishing factors within the Mission Suitability assessments, which clearly delineate L-3 as the superior Offeror in this area.

With respect to both Offeror's proposals, I agree with all ratings the SEB assigned to L-3 and CSC.

I noted L-3 received significantly higher ratings in the three most important Mission Suitability sub-factor categories. The most notable difference I found was in L-3's well-developed management approach to fulfilling the contract requirements. Under this most important sub-factor, L-3 had two more strengths than CSC. L-3's strengths included addressing all the functional elements of the Statement of Work; accommodations for high intensity work periods; extensive backgrounds, experience and education of key personnel in their respective fields; a phase-in plan to ensure a seamless transition with a high retention rate; a clear understanding of how their proposed skill mix aligns with the requirements; and a detailed Quality Assurance Plan that shows their ability to provide quality service, increase safety and reduce cost. L-3 also had three fewer weaknesses than CSC. Under this sub-factor, L-3's Management Approach assessed risk is low versus CSC's assessed risk, which is moderate.

L-3 provided a superior response as compared to CSC for the Technical Approach sub-factor. CSC had one more significant strength related to Scenario TA2 and the use of their innovative software tools. However, L-3 had two more strengths than CSC. These two L-3 strengths, when combined, are of greater benefit to the Government than CSC's

one additional significant strength. Of great importance to this effort is L-3's reserve of A&P mechanics, which gives L-3 an ability to reach back and provide a competent workforce to meet periods of high demand, and when needed, provide replacements quickly over the life of the contract. The other strength of note related to this specific effort is L-3's proposal to enroll NASA-DFRC's PT6A engines in their engine management program so NASA-DFRC can receive cost discounts, rework warranties and priority handling. L-3 did not have any weaknesses. CSC did have one weakness related to proposing WYE reductions over the life of the contract without identifying which specific job descriptions would be considered for reduction. This could negatively affect workforce morale. Both Offerors' assessed risk for Technical Approach is low, however the adjectival rating assigned to CSC was Very Good; the adjectival rating assigned to L-3 was Excellent. L-3's proposal demonstrated an overall greater degree of benefit to the Government under this sub-factor.

L-3 received a significantly higher rating for the Safety, Health, and Environmental (SHE) Approach sub-factor. L-3 received a significant strength for their SHE plan, which provides a proposed comprehensive and thorough management system in which the Offeror has developed Safety Standard Operating Procedures (SSOP) designed to provide a safe work environment. The SSOP certification and licensing approach aligns seamlessly with NASA-DFRC's SHE processes. This is a significant safety benefit to NASA-DFRC. CSC received a strength for their proposed SHE approach. Neither Offeror received any weaknesses under this sub-factor. Both Offerors' assessed risk for SHE Approach is low, however the adjectival rating assigned to CSC was Good; the adjectival rating assigned to L-3 was Excellent. L-3's proposal demonstrated a greater overall degree of benefit to the Government under this sub-factor.

L-3 received a slightly lower rating than CSC for the Small Business Utilization sub-factor. CSC had a significant strength based on proposed goals for Small Business, Small Disadvantaged Business, and Historically Underutilized Business Zone (HUB Zone), which exceeded the Government's target goals for these business categories. I noted that L-3 received two more strengths than CSC, which demonstrates L-3's strong commitment to NASA-DFRC's Small Business program. L-3 did not have any weaknesses for this sub-factor. CSC had two weaknesses for this sub-factor in which CSC did not provide rationale for exceeding the targeted goals for Veteran-Owned Small Business (VOSB) and Service Disabled VOSB (SDVOSB); and did not describe the principal types of products and services to be subcontracted to large business. Although both companies demonstrated their commitment to the NASA-DFRC Small Business program, with CSC slightly higher than L-3, the degree of difference in the cumulative benefit to the Government is minimal. Overall, this sub-factor is least important within the Mission Suitability factor.

I noted in the second most important factor, Past Performance, L-3 received a Level of Confidence Rating of High, which is significantly better than CSC's rating of Moderate. L-3 had three significant strengths compared to CSC which did not have any significant strengths. The L-3 significant strengths relate to their successful ability to work with Collective Bargaining Agreements without encountering any union strikes or lockouts; L-

3's proposed major subcontractor receiving an average rating of "Excellent" on their relevant past performance questionnaires; and L-3's performance on relevant maintenance and logistics support contracts for the Department of Defense (DoD), which has been excellent. I find each of these significant strengths to be very relevant to this acquisition, demonstrating experience that will be highly beneficial to the Government, therefore greatly reducing the risk of poor performance. CSC also had three weaknesses compared to L-3, which had two. Two of CSC's weaknesses were related to similar and relevant contract performance. One weakness is for CSC's performance at Vance Air Force Base in which CSC, as the incumbent contractor, incurred a cost overrun shortly after contract start; CSC management was slow to act. Overall, past performance was marginal with unsatisfactory ratings and Letters of Concern being issued to address Technical Orders usage, Safety, Quality Control, and lack of corporate involvement; and CSC failed three out of four unannounced QA inspections. All this resulted in increased Government efforts and an average award fee rating below 60%, with the latest award fee rating being even lower than the average. The other CSC past performance weakness was for work performed at Nellis Air Force Base, where the quality of service in aircraft maintenance was problematic, resulting in an entire aircraft wing being placed on stand-down status; CSC also delivered aircraft late, which caused the issuance of Letters of Concern. CSC's past performance issues, related to Vance and Nellis Air Force Bases, are of great concern because these experiences directly relate to the type of work associated with this acquisition and significantly increase risks to the Government.

The combined findings of the two most important factors, Mission Suitability and Past Performance, resulted in L-3 having 2 more additional significant strengths, 5 additional strengths, and 7 less weaknesses than CSC.

With regard to the Cost/Price factor, I noted that CSC's proposed cost was approximately 0.47% lower than L-3's proposed cost. I noted that the SEB performed a cost realism analysis on both Offerors to determine their respective probable costs. I assessed the SEB cost realism analysis and found that the resultant probable cost determination for each Offeror reflected reasonable adjustments which aligned with the SEB's Mission Suitability evaluations. In determining CSC's probable cost, the SEB identified that the direct labor WYEs and hours proposed were slightly low for successful implementation of their proposal. In determining L-3's probable cost, the SEB identified that the direct labor WYEs and hours proposed were slightly high for successful implementation of their proposal. Consequently, after considering the cost realism analysis performed by the SEB, I find it likely that L-3's actual costs to the Government may ultimately be lower than that of CSC. As the Cost/Price factor is least important, this is a minor consideration.

I applied the evaluation criteria in the RFP in making my final determination. RFP, Provision M.3 "Evaluation Factors for Award" provided: Mission Suitability and Past Performance, when combined, are significantly more important than Cost/Price. Mission Suitability is more important than Past Performance, which is more important than Cost. Cost is least important.

My decision involved a determination of which proposal represented the best value to the Government. I found that the Mission Suitability factor was a key discriminator in my selection decision. L-3's proposal demonstrated superior technical, management, and safety, health and environmental approaches which include management oversight and efficiency that will increase productivity and allocate resources effectively, as well as a superior understanding of the technical requirements of the AOS contract and the associated risks to successful contract performance. In addition, I found that the Past Performance factor was a key discriminator based on L-3's higher Past Performance Level of Confidence rating, which indicates that L-3 will be fully responsive to contract requirements and have successful performance of the required effort. Finally, I determined that the Cost/Price factor, which was least important, was not a discriminator between CSC and L-3. While CSC's cost proposal is slightly lower than that of L-3, I find that the benefits in the areas of Mission Suitability and Past Performance, which would be realized by the Government in implementing L-3's proposal, significantly outweigh the negligible difference in cost. This trade-off reduces risks to the Government and increases the likelihood of successful contract performance. Therefore, I find that the L-3 proposal offers the best value to the Government.

Accordingly, I select L-3 Vertex Aerospace as the awardee.



James W. Smolka
Source Selection Authority

5/28/2013

Date