

SOURCE SELECTION STATEMENT FOR THE
KENNEDY GROUND SYSTEMS DEVELOPMENT AND OPERATIONS PROGRAM
SUPPORT SERVICES CONTRACT - TWO (KLXS-II)
REQUEST FOR PROPOSAL
(SOLICITATION NUMBER NNK13447748R)

On October 30, 2013, I, as the designated Source Selection Authority (SSA) for the Kennedy Ground Systems Development and Operations Program (LX) Support Services Contract - Two (KLXS-II), along with senior officials of the NASA John F. Kennedy Space Center (KSC), met with the Source Evaluation Board (SEB) appointed to evaluate proposals for KLXS-II. During this meeting, we also discussed the possibility of award based on initial proposals. My decision to award on initial proposals to the successful Offeror is set forth in this Source Selection Statement.

PROCUREMENT DESCRIPTION

This procurement provides engineering and technical services, program and business management support services, and administrative support services to the Ground Systems Development and Operations (GSDO) Program. The contract scope includes supporting ground systems and space flight systems planning and design; project management and integration; operations integration and analysis; technical requirements development, management, and compliance; and cost, risk, and schedule integration and analysis.

The KLXS-II acquisition was conducted using full and open competitive procedures. The RFP advised Offerors that the Government would use a trade-off process, as described in Federal Acquisition Regulation (FAR) 15.101-1, in making source selection, and that proposals would be evaluated in accordance with the RFP and the source selection procedures provided at FAR Subpart 15.3 as supplemented by NASA FAR Supplement (NFS) Subpart 1815.3. In addition, the RFP included FAR 52.215-1 which states the Government's intent to award based on initial proposals and reserved the right to establish a competitive range and hold discussions if deemed necessary.

This procurement will result in a performance-based cost-plus-fixed-fee contract with a provision for obtaining additional requirements on an indefinite-delivery indefinite-quantity (IDIQ) basis. KLXS-II has a one-year, eight-month basic performance period and four option periods totaling three years and four months (three one-year option periods and one four-month option period), for a total potential period of performance of five years.

EVALUATION PROCEDURES

The RFP defined the evaluation factors as Mission Suitability, Past Performance, and Cost and provided the relative importance of these factors. The Mission Suitability factor and Past Performance factor, when combined, are significantly more important than the Cost factor. The RFP further provided that the Mission Suitability factor is more important than the Past Performance factor which is more important than the Cost factor.

The Mission Suitability factor addressed the Offeror's overall understanding of contract requirements and adequacy of its approach. The RFP provided that each Offeror's Mission Suitability proposal would be evaluated and point scored. This procedure required the Government to evaluate proposals under each subfactor, identifying significant strengths, strengths, weaknesses, significant weaknesses, or deficiencies; to assign an adjectival rating for each subfactor based on the findings; to determine a percentile score for each subfactor based on the findings; and to calculate a total point score for the Mission Suitability factor using the weighted sum of subfactor scores, consistent with NFS 1815.305(a)(3)(A). In this regard, the RFP defined Mission Suitability as consisting of the following subfactors and assigned points to each as indicated:

Technical Approach	450
Management Approach	450
Small Business Utilization Approach	<u>100</u>
Total	1,000

The RFP provided for the evaluation of the Past Performance factor using levels of confidence ratings to assess the Government's confidence in the Offeror's ability to perform KLXS-II requirements. Consistent with NFS 1815.305(a)(2), the RFP defined the following levels of confidence ratings: Very High, High, Moderate, Low, Very Low, and Neutral. Under this factor, the SEB was required to evaluate each Offeror's recent and relevant performance of work similar in size, content, and complexity to the KLXS-II requirements. The RFP provided that past performance within the last five years was considered recent. The RFP further provided for evaluation of past performance for all subcontractors.

The RFP advised Offerors that the Government would perform both a cost analysis and a cost realism analysis and provided that the Government would use these analyses to determine the most probable cost to the Government. The Cost factor was not numerically scored or adjectivally rated. As defined in the RFP, the total evaluated cost is comprised of the phase-in price and probable cost to the Government of the basic performance period and option periods for all contract line item numbers (CLINs) identified in the Schedule, including standardized values provided in the RFP. In accordance with the RFP, the SEB was to evaluate the reasonableness and realism of the Offerors' proposed costs.

PROPOSAL EVALUATION PROCESS

NASA issued the KLXS-II RFP on May 13, 2013. During the course of the procurement, two amendments were issued by the Contracting Officer to respond to questions submitted by Offerors and to incorporate other minor changes throughout the RFP.

Timely proposals were received by June 26, 2013 from the following Offerors (in alphabetical order):

- ARES Technical Services Corporation (ARES)

- MacAulay-Brown, Incorporated (MacB)
- Millennium Engineering and Integration Company (Millennium)
- Space Applications International Corporation (SAIC)

The SEB reviewed each Offeror's Mission Suitability proposal, reached consensus on findings, determined an adjectival rating, scored each subfactor using the established numerical weights, and produced an overall Mission Suitability score for each proposal. To arrive at the level of confidence rating for Past Performance, the SEB relied on the performance data provided in each proposal and information obtained for the relevant contracts identified in the proposals, as well as other past performance information available to the SEB. The SEB also evaluated each Offeror's cost to determine a probable cost to the Government. In addition to the evaluation of the factors and subfactors identified above, the SEB ensured all solicitation requirements established by the RFP were met. Further, as part of the evaluation process, the SEB found all Offerors to be responsible and to have indicated their intent to comply with the contract terms and conditions.

As a result of the SEB's evaluation, the relative order of Offerors according to Mission Suitability score (highest to lowest) is as follows: Millennium, ARES, SAIC, and MacB. The evaluation of each Offeror's Past Performance yielded a Very High level of confidence rating for Millennium and SAIC, a High level of confidence rating for ARES, and a Moderate level of confidence rating for MacB. For probable cost, the Offerors were ordered from lowest to highest as follows: ARES, MacB, Millennium, and SAIC. This order did not differ from the Offerors' proposed cost. The SEB reported its findings to me as the SSA on October 30, 2013, as discussed by factor below.

MISSION SUITABILITY EVALUATION

The substance of the SEB's evaluation of each Offeror's proposal with regard to Mission Suitability follows, in order of their ranking from highest to lowest scored proposals:

Millennium

Millennium's proposal received the highest overall Mission Suitability score of 758 out of a total of 1000 points. The SEB identified two significant strengths, two strengths, three weaknesses and no significant weaknesses in the proposal. The following is a summary of the SEB's evaluation of Millennium's proposal under the three subfactors:

Management: The SEB rated Millennium's proposal "Very Good" in the Management subfactor. Within this subfactor, Millennium's proposal contained two significant strengths and one weakness. The two significant strengths were: (1) excellent training and knowledge sharing/transfer innovation and management tools that will provide efficiencies, quality enhancements and technical improvements; and (2) the resume for its proposed Program, Planning and Control (PP&C) functional lead demonstrates extensive experience and superior qualifications. Millennium's proposal contained one weakness within this subfactor: the

proposed Flight Systems & Operations Integration (FS&OI) Lead's resume did not demonstrate the breadth and depth of experience required of that position.

Technical: The SEB rated Millennium's proposal "Good" in the Technical subfactor. Within this subfactor, Millennium's proposal contained one strength and two weaknesses. The strength was proposed synergies between Program Control, Scheduling, and Systems Engineering that will result in increased understanding of technical requirements and financial products. Millennium's proposal had two weaknesses in the Technical subfactor: (1) its proposal did not fully demonstrate an understanding of PWS 5.0 – Flight Systems and Operations Integration (FS&OI) requirements; and (2) the proposal does not demonstrate adequate staffing to perform PWS 6.0 – Project Management and Project Integration.

Small Business Utilization: The SEB rated Millennium's proposal "Good" in the Small Business Utilization subfactor. The proposal received a strength for demonstrating a strong commitment to small business utilization with a subcontracting goal of 38%. Millennium's proposed goals met or exceeded the Government's goals in all small business categories.

ARES

ARES' proposal ranked second in the Mission Suitability factor with a total score of 640 points which is moderately lower than Millennium's proposal. The SEB identified one significant strength, two strengths, no significant weaknesses, and four weaknesses in the proposal. The following is a summary of the SEB's evaluation of ARES' proposal under the three subfactors:

Management: The SEB rated ARES' proposal "Good" in the Management subfactor. Within this subfactor, ARES' proposal contained one significant strength and two weaknesses. The proposal's significant strength was a proposed key personnel who possesses significant qualifications and experience in highly relevant ground and flight systems development and operations. Its proposal had two weaknesses in this subfactor: (1) the proposed Program Manager's resume did not demonstrate the appropriate qualifications or service in a program management role as the primary contract manager with responsibility for managing cost, contract compliance, and oversight of business planning, execution, and overall contract performance; and (2) the proposed Program Integration Group Manager's resume did not demonstrate five years of direct supervision over technical personnel involved in life-cycle management support of complex systems.

Technical: The SEB rated ARES' proposal "Good" in the Technical subfactor. Within this subfactor, ARES' proposal contained one strength and two weaknesses. The strength was ARES' proposed use of two different tools to allow innovative ideas and technologies to be utilized in the performance of contract requirements, thereby improving efficiencies. The proposal's two weaknesses in the Technical subfactor were: (1) the proposal did not demonstrate adequate staffing required to perform FS&OI work including PWS 5.1, Operations and Integration and PWS 5.2, Spacecraft, Launch Vehicle and Ground Systems Operations Planning and Development; and (2) the proposal did not demonstrate appropriate staffing required to perform PWS 4.0, Technical Integration and Management.

Small Business Utilization: The SEB rated ARES' proposal "Good" in the Small Business Utilization subfactor. The ARES proposal received a strength for demonstrating a strong commitment to small business utilization with a subcontracting goal of 41%. ARES' proposed goals met or exceeded the Government's goals in all small business categories.

SAIC

SAIC's proposal ranked third amongst Offerors in the Mission Suitability factor with total point score of 582. The SEB scored its proposal significantly lower than Millennium's proposal and marginally lower than ARES' proposal. The SEB identified no significant strengths, four strengths, one significant weakness and two weaknesses in the proposal. The following is a summary of the SEB's evaluation of SAIC's proposal under the three subfactors:

Management: The SEB rated SAIC's proposal "Fair" in the Management subfactor. Within this subfactor, SAIC's proposal contained one strength, one significant weakness and two weaknesses. SAIC's proposal had a strength in the Management subfactor for a proposed approach that allows for training, mentoring, and cross-training of personnel that will provide a workforce that is adaptable to changing work content. SAIC's proposal had one significant weakness in the Management subfactor: it proposed one functional lead for Systems, Operations, and Project Integration (SOPI) which encompasses PWS Sections 4.0, 5.0, and 6.0; however, its proposal failed to explain how one functional lead can accomplish the broad set of duties associated with management of these three highly technical PWS sections. SAIC's proposal had two weaknesses in the Management subfactor: (1) the SAIC Total Compensation Plan only includes nine holidays while its subcontractors have included ten which could adversely affect employee morale; and (2) the proposal's phase-in plan did not contain sufficient hours to perform the proposed phase-in tasks and failed to identify some tasks that will be necessary during phase-in.

Technical: The SEB rated SAIC's proposal "Good" in the Technical subfactor. Within this subfactor, SAIC's proposal contained two strengths: (1) SAIC proposed an efficient method to identify and prioritize new technologies, and to assess potential benefits (e.g. cost, schedule or risk reduction) to GSDO; and (2) SAIC's proposal provides an innovative approach to perform education and public engagement tasks which should enable GSDO to effectively meet its goal in sharing NASA with the public, educators, and students.

Small Business Utilization: The SEB rated SAIC's proposal "Good" in the Small Business Utilization subfactor. SAIC's proposal received a strength for demonstrating a strong commitment to small business utilization with a subcontracting goal of 37%. SAIC met or exceeded the Government's goals in all small business categories.

MacB

MacB's proposal received the lowest overall Mission Suitability score of 350 points. The SEB scored its proposal significantly lower than the other Offerors'. The SEB identified one significant strength, no strengths, five significant weaknesses and four weaknesses in the

proposal. The following is a summary of the SEB's evaluation of MacB's proposal under the three subfactors:

Management: The SEB rated MacB's proposal "Poor" in the Management subfactor. Within this subfactor, MacB's proposal contained three significant weaknesses and three weaknesses. The significant weaknesses were: (1) the proposed Program Manager's resume does not demonstrate the required program management experience serving as a contractor's primary contract manager with responsibility for managing cost, contract compliance and oversight of business planning and contract execution; (2) the resume of the proposed FS&OI area lead does not demonstrate the requisite experience or qualifications; and (3) the proposed phase-in plan does not demonstrate a clear understanding of the issues associated with transitioning the KLXS contract and does not ensure adequate resources will be available at contract start with no disruption in service. The three weaknesses were: (1) MacB's Total Compensation Plan does not demonstrate a clear understanding of statutory, regulatory or contractual requirements; (2) the proposed Program Integration Functional Area Lead's resume does not demonstrate the required qualifications as it does not exhibit five years of direct supervision over technical personnel involved in life-cycle management support of complex systems; and (3) the proposed Project Management Functional Area Lead's resume does not demonstrate the qualifications or experience required to directly supervise technical personnel or for managing complex technical project task teams.

Technical: The SEB rated MacB's proposal "Poor" in the Technical subfactor. Within this subfactor, MacB's proposal contained two significant weaknesses and one weakness. The significant weaknesses were: (1) MacB's proposal does not provide an adequate approach to meet multiple contract requirements; instead, it primarily restates or rephrases the PWS requirements; and (2) MacB's proposal does not demonstrate an adequate technical understanding of the PWS requirements or adequate staffing required to perform FS&OI. MacB's proposal had one weakness in the Technical subfactor: its proposal deviates from the Government Standard Labor Categories and Qualifications without an explanation or supporting rationale.

Small Business Utilization: The SEB rated MacB's proposal "Very Good" in the Small Business Utilization subfactor. Though the SEB had to extrapolate the percentages from MacB's Small Business Plan and cost proposal, its proposal was given one significant strength for a significant commitment to small business utilization. MacB greatly exceeded the Government's recommended total small business subcontracting goal of 35% with an estimated goal of 47%. It did so by assigning high technology work to all identified subcontractors.

PAST PERFORMANCE EVALUATION

The SEB evaluated each Offeror's past performance and assigned level of confidence ratings in order to assess the Government's confidence in each Offeror's ability to perform the solicitation requirements.

Millennium received an overall level of confidence rating of "Very High," meaning the Government has a Very High level of confidence that the Offeror will successfully perform the

required effort based upon the Offeror's performance records. The SEB found that Millennium had very highly relevant experience performing contracts of similar content, complexity, and size across all PWS requirements for KLXS-II. For example, Millennium demonstrated experience in these areas: planning and designing ground systems and space flight systems; analyzing and integrating operations; technical requirements development, management and compliance; and cost, risk and schedule integration and analysis. Millennium successfully performed complex contract activities as a prime and managed multiple subcontractors simultaneously. The Government's assessment was that, overall, Millennium demonstrated excellent cost, technical, and schedule performance.

SAIC received an overall level of confidence rating of "Very High" as well. The SEB found that SAIC demonstrated excellent cost, technical and schedule performance on relevant contracts. The SEB found that SAIC had very highly relevant experience performing contracts of similar content, complexity, and size across all PWS requirements for KLXS-II. SAIC demonstrated experience similar in content to the requirements of this contract including experience in these areas: planning and designing ground systems and space flight systems; analyzing and integrating operations; technical requirements development, management and compliance; and cost, risk and schedule integration and analysis. Of note was SAIC's experience on the KLXS contract; the capabilities required for KLXS-II are very similar to the original KLXS contract.

ARES received an overall level of confidence rating of "High" meaning the Government has a High level of confidence that the Offeror will successfully perform the required effort based on its performance record. The SEB found that ARES demonstrated excellent cost, technical and schedule performance on relevant contracts. The SEB found that ARES had highly relevant experience in the following PWS areas: PWS 1.0, General Contract Requirements; PWS 2.0 Program Management; PWS 3.0, Cross-cutting Functions; and PWS 4.0 Technical Integration and Management. The SEB found ARES to have moderately relevant experience in PWS 5.0, Flight Systems and Operations Integration and minimally relevant experience in PWS 6.0, Project Management and Project Integration.

MacB received an overall level of confidence rating of "Moderate" meaning there is a Moderate level of confidence that the Offeror will successfully perform the required effort based on its performance record. The SEB found that MacB demonstrated excellent cost, technical and schedule performance on relevant contracts. The SEB further found that MacB has highly relevant experience in PWS 1.0, General Contract Requirements. However, the SEB found MacB to only have moderately relevant experience in PWS 2.0, Program Management; PWS 3.0, Cross-cutting Functions; and PWS 4.0 Technical Integration and Management. MacB was found to only demonstrate minimally relevant experience in PWS 5.0, Flight Systems and Operations Integration and PWS 6.0, Project Management and Project Integration.

COST EVALUATION

The total proposed cost and the Government's probable cost for the four Offerors were below the Government's Independent Cost Estimate. The Offerors' total proposed and probable cost plus fixed fee from lowest to highest were as follows: ARES, MacB, Millennium and SAIC. MacB's probable cost was slightly higher than ARES'. Millennium's proposed and probable cost for the

base period plus the option periods was \$51,232,218 and was marginally higher than ARES' and MacB's. SAIC's probable cost was significantly higher than the other three Offerors'. The relative proposed cost ranking of the three Offerors did not change as a result of the Government's probable cost assessment. No probable cost adjustments were required for any of the Offerors. The SEB found the costs proposed by all of the Offerors were realistic for the work to be performed and that all Offerors proposed adequate fee levels.

SELECTION DECISION

During the presentation, I questioned the SEB on the material presented and carefully considered the detailed findings presented by the SEB. I concluded that the evaluation of proposals by the SEB was comprehensive, thorough, and well-documented. In addition, I solicited and considered the views of key senior personnel at KSC. These key senior personnel have responsibility related to this procurement and understood the application of the evaluation factors set forth in the RFP.

In determining which proposal offered the best value to NASA, I referred to the following relative order of importance of the three evaluation factors as specified in the RFP:

Mission Suitability and Past Performance, when combined, are significantly more important than Cost. The Mission Suitability factor is more important than the Past Performance factor which is more important than Cost.

My selection was based on a comparative assessment of each proposal against each of the source selection factors. At the conclusion of the SEB's presentation, and upon careful deliberation taking the SEB's evaluation into account, I concluded that Millennium's proposal represents the best value to the Government. A discussion of my reasoning follows.

MacB

As an initial matter, I noted that, although MacB's probable cost was relatively low, its proposal scored significantly lower than the other Offerors' in the Mission Suitability factor. The SEB found three significant weaknesses in the Management subfactor and two significant weaknesses in the Technical subfactor. The MacB proposal's only significant strength was under the Small Business Utilization subfactor. In the Management subfactor, MacB proposed two key personnel, including the proposed Program Manager, whose resume did not demonstrate the required experience for those positions; both of the resumes for these key personnel were deemed significant weaknesses. Its phase-in plan also garnered a significant weakness as it indicated a lack of understanding of the issues associated with phase-in.

In the Technical subfactor, MacB's proposal did not provide an adequate approach to meet multiple RFP requirements and primarily restated PWS requirements found in the RFP. MacB's shortcomings in both the Management and Technical Mission Suitability subfactors gave me great concern about its ability to perform the contract requirements.

I further noted that MacB received the lowest level of confidence rating of all the Offerors in the Past Performance factor. MacB only had moderate experience in PWS 2.0-4.0 and minimal experience in PWS 5.0 and 6.0. In light of the relative importance of the Mission Suitability and Past Performance factors, I found that, notwithstanding its low probable cost, MacB's proposal does not offer the best value to the Government and that MacB could not be awarded a contract based on its initial proposal.

SAIC

I next considered SAIC's proposal which ranked third in the Mission Suitability factor. Though its Mission Suitability score was much better than MacB's, it remained significantly lower than Millennium's score and moderately lower than ARES' score. Unlike Millennium and ARES however, SAIC did not receive significant strengths in any of the Mission Suitability subfactors. Looking to those subfactors, SAIC's proposal was given a "Good" adjectival rating in the Technical subfactor of Mission Suitability. It had a very solid technical approach proposing an efficient method for identifying and prioritizing new technologies and an innovative approach to educating and engaging the public. However, SAIC's proposal was only rated "Fair" in the Management subfactor. Its proposal failed to explain how one functional lead would handle the responsibilities of managing and leading three major sections of the PWS. Additionally, SAIC's phase-in plan lacked the hours necessary to perform its proposed phase-in tasks which could impact the transition between the two contracts.

Moreover, although SAIC received a "Very High" level of confidence rating in the Past Performance factor, its probable cost was significantly higher than any of the other Offerors'. Thus, considering its significantly higher cost and lower Mission Suitability score, I determined that SAIC's proposal was not competitive as it does not represent the best value to the Government and that it could not be awarded a contract based on its initial proposal.

ARES and Millennium

Mission Suitability. With regard to the remaining two proposals from ARES and Millennium, I note that Millennium's proposal was ranked highest in the Mission Suitability factor with a moderately higher score than ARES. Neither Offeror received any significant weaknesses or deficiencies in this factor. A substantial amount of the difference in these two Offerors' proposals was due to the Management subfactor. Under that subfactor, Millennium's proposal received a "Very Good" adjectival rating, while ARES' proposal received a "Good" rating. Looking to the reasons for this difference in rating and scoring, I note that the SEB gave Millennium two significant strengths in this subfactor, while ARES received only one significant strength. I also note that Millennium received only one weakness, while ARES received two weaknesses.

Of particular note was the Millennium proposal's significant strength for a combination of its proposed training and knowledge transfer tools and innovations. Collectively, this suite of tools and innovations greatly increased the quality of Millennium's proposal; these tools and innovations will provide efficiencies, quality enhancements and technical improvements towards meeting the contract requirements. In a contract such as this, the Millennium proposal's focus

placed on continued workforce development, coupled with external knowledge sharing/transfer is extremely important. It has the potential to broaden Millennium's skill sets, broaden the Program's knowledge base, greatly improve technical work products, and provide significant work efficiencies.

While both ARES and Millennium proposed key personnel that the SEB felt warranted significant strengths, ARES had two weaknesses for key personnel compared to Millennium's one weakness for a proposed key personnel. Of particular note, ARES' proposed Program Manager's resume did not demonstrate experience serving in a program management role as the primary contract manager with responsibility for managing cost, contract compliance, and oversight of the business planning, execution, and overall performance of the contract. Further, ARES' proposed Program Integration Manager's resume did not demonstrate five years of direct supervision over technical personnel involved in life-cycle management support of complex systems. On the other hand, Millennium's proposed FS&OI functional lead's resume did not demonstrate the breadth and depth of FS&OI experience required to fulfill PWS requirements in this area.

Taking all the foregoing into consideration, Millennium's proposal offers a superior Management approach. With regard to the key personnel, one of ARES' two weaknesses in this subfactor was for its proposed Program Manager, which is critical to the successful performance of this contract. What really differentiates Millennium's proposal in this subfactor is its overall approach as demonstrated in its proposal and a combination of the tools proposed for training and knowledge transfer. Millennium recognizes the importance of continual workforce development that will equip its employees with adaptable skillsets to meet evolving challenges that the contractor will face on this type of contract. This, when considered with the other qualitative aspects of its proposal, proved to be a key discriminator in my ultimate determination that Millennium's proposal is the most advantageous to the Government. The strengths of Millennium's proposal in this area far outweigh the weaknesses, and the weaknesses in this area will not detract from its contract performance or affect its awardability.

As to the Technical subfactor, I found only a slight difference between Millennium and ARES' proposals. Neither of the Offerors received a significant strength in this subfactor. Millennium's strength in this subfactor related to resource synergies it proposed that the SEB found would result in increased understanding of technical requirements and financial products. ARES strength was its proposed use of a panel to infuse new ideas and technologies for work performance, and an incentive award system to capture and recognize innovative ideas.

Both ARES and Millennium had two weaknesses in the Technical subfactor. Millennium's proposal did not fully demonstrate a technical understanding of PWS 5.0, FS&OI. Its staffing proposed for PWS 6.0, Project Management and Project Integration also appeared inadequate, which resulted in a weakness for that aspect of the proposal. ARES' proposal received a weakness for its proposed FS&OI staffing, which appeared inadequate. It also received a weakness for its proposed staffing in PWS 4.0, which was overstaffed and therefore inefficient in some years, and understaffed in other years. Ultimately, neither ARES nor Millennium's weaknesses in this subfactor significantly detract from their proposals and should not materially affect their ability to meet the requirements of the contract.

Though both ARES and Millennium received the same number of strengths and weaknesses, and the same adjectival rating for the Technical subfactor, the strength of Millennium's proposal under this subfactor will provide immediate benefits towards fulfilling the specified requirements of the contract. It provides an approach that will allow for efficient communication, an increase in knowledge base through familiarization obtained by interaction of technical and non-technical personnel, and increased quality of work products. On the other hand, while ARES' proposed tools certainly warranted a strength, the benefits of such tools are not as apparent as Millennium's proposed synergies. Ultimately, Millennium's Technical approach has a slight discernible advantage over ARES's.

In terms of the Small Business Utilization subfactor, both ARES and Millennium received "Good" adjectival ratings. However, ARES received a slightly higher score due to marginally higher proposed goals in this subfactor. The two Offerors' approaches for this small business subfactor did not significantly impact my selection decision.

Considering the overall findings of the SEB, Millennium's proposal is the most advantageous to the Government in the Mission Suitability factor. It ultimately demonstrates an ability to provide key synergies that will greatly benefit this contract, and its weaknesses, which are outweighed by its strengths, will not detract from its ability to perform the contract requirements.

Past Performance. With regard to the Past Performance factor, Millennium received a "Very High" confidence rating while ARES received a "High" confidence rating. In short, this difference was related to relevant contract experience. Both companies were assessed to have had excellent performance across all the reviewed contracts, but ARES' experience is less relevant in the PWS areas. ARES demonstrated highly relevant experience in PWS 1.0, 2.0, 3.0, and 4.0. However, ARES' experience in PWS 5.0 was moderately relevant, while its experience in PWS 6.0 was only minimally relevant. Conversely, Millennium had very highly relevant experience across all areas of the PWS. Millennium's experience in PWS 5.0 and 6.0 especially proved a discriminating factor. Millennium has significant experience supporting spacecraft and space systems integration, and building, operating, and sustaining both flight and ground systems. I agree with the SEB's findings in the Past Performance factor. Millennium's experience is very highly relevant to the requirements of this contract and when combined with its excellent past performance in these relevant areas, I have a very high level of confidence that it will successfully perform the required effort.

Cost. I noted that ARES' proposal was marginally lower in proposed/probable cost than Millennium's. In short, both ARES and Millennium's proposed cost were realistic for the work to be performed, fair and reasonable, and present no impediment to award.

Overall Tradeoff.

In conducting my final comparative analysis and tradeoff, I was cognizant that Mission Suitability and Past Performance, when combined, are significantly more important than Cost. Given this criteria, I determined that the value provided by Millennium in its proposal's overall approach, as reflected in the SEB's findings discussed above and its very highly relevant experience across all areas of the PWS, warrants the marginally higher cost. Ultimately, the

relative importance of the Mission Suitability and Past Performance factors reflect the importance of having an experienced, technically sound, well managed workforce on this contract. It is my determination that Millennium's Mission Suitability proposal coupled with its very highly relevant past performance across all areas of the PWS and only slightly higher probable cost provide the best value to the Government.

Conclusion.

Based on the forgoing analysis, I select Millennium Engineering and Integration Company for award of the Kennedy Ground Systems Development and Operations Program (LX) Support Services Contract – Two (KLXS-II).



Robert D. Cabana
Director
John F. Kennedy Space Center, NASA
Source Selection Authority

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Date