

**National Aeronautics and Space Administration
Ames Research Center
Moffett Field, CA 94035-1000**

**Selection of Contractor
For
Entry Systems Technology Research and Development (ESTRAD)
NNA14503443R**

April 2, 2015

On February 24, 2015, I, along with certain NASA Source Evaluation Committee (SEC) Ex-Officio members, met with the SEC members appointed to evaluate proposals for the support of Entry Systems Technology Research and Development (ESTRAD) at NASA Ames Research Center (ARC). ESTRAD will provide engineering support for the development of technologies for use in the design and fabrication of vehicles that travel at hypervelocities in the atmosphere of Earth and other bodies in the solar system in support of the Entry Systems and Technology Division (hereafter referred to as Code TS) at ARC. During this meeting, the SEC presented its Initial Evaluation findings to the Source Selection Authority (SSA), and we discussed those findings to ensure that I had a full understanding of its evaluation.

I assessed the SEC's findings and evaluation of proposals. This Source Selection Statement reflects my independent judgment, which I based upon a comparative assessment of the relative strengths and weaknesses of the proposals and the evaluation criteria prescribed in the Request for Proposal (RFP). My selection is set forth below.

Procurement Description

ARC currently has a requirement for the development of entry systems and technologies. ESTRAD will provide contract management functions, as well as multidisciplinary, highly inter-related scientific, engineering, and technical research and development services that support the projects of Code TS.

This procurement was conducted as a Small Business Set-Aside. It will result in a single award, Cost-Plus Fixed Fee (CPFF), Contract Management and Indefinite-Delivery Indefinite-Quantity (IDIQ) contract. The minimum amount of the IDIQ supplies or services that will be ordered during the effective period of this contract is \$100,000.00, and the maximum amount is \$43,000,000.00. The period of performance consists of a two-year base (including a 30-day phase-in period), and three, one-year options.

Evaluation Procedure

Proposals were evaluated in accordance with the requirements of FAR Subpart 15.3, "Source Selection," as supplemented by NFS Subpart 1815.3, "Source Selection."

Section M of the solicitation, paragraph M.2, Evaluation Approach, advised Offerors that the Government may award a contract based solely on initial offers received, without discussion of such offers. Accordingly, each Offeror was required to submit its initial proposal to the Government using the most favorable terms from a price and technical standpoint. However, the Government reserved the right to hold discussions if award on the basis of initial offers was determined not to be in the best interest of the Government.

The RFP identified three evaluation Factors: Mission Suitability is moderately more important than Past Performance, and Past Performance is moderately more important than Cost. Mission Suitability and Past Performance when combined are significantly more important than Cost

The Mission Suitability Factor consists of two Subfactors. The Subfactors are shown below with their respective point allocation, which signifies their weight.

| MISSION SUITABILITY | |
|---|------------------------|
| Subfactors | Assigned Weight |
| <u>Management Approach</u> <i>Phase-In Plan</i> <i>Organizational Structure/Partnering Approach/Management</i> <i>Key Personnel</i> <i>Staffing, Recruitment, Retention and Training</i> <i>Total Compensation Plan (TCP)</i> <i>Organizational Conflicts of Interest Avoidance Plan (OCI)</i> <i>Safety and Health Plan</i> | 450 |
| <u>Technical Approach</u> <i>Technical Understanding</i> <i>Sample Task</i> | 550 |
| TOTAL | 1000 |

The Mission Suitability proposals were evaluated based on the Offeror's ability to fulfill the technical requirements while meeting quality, schedule, and safety requirements. *The compatibility between the proposed technical and management approaches to accomplish the work was an important consideration in the evaluation of this Factor.* The RFP stipulated that the overall Mission Suitability Factor would only receive a numerical score, and the Mission Suitability Subfactors would be assigned adjectival ratings and numerical scores. In accordance with NFS 1815.305(a)(3), "Technical Evaluation," the following were the potential Mission Suitability adjectival ratings: Excellent, Very Good, Good, Fair, and Poor. In Section M, paragraph M.2, Evaluation Approach, the RFP defined these adjectival ratings as well as provided applicable percentile ranges at each rating level.

With regard to the Past Performance Factor, the RFP stated that the evaluation would be an assessment of the Government's level of confidence in the Offeror's ability to perform the solicitation requirements. The past performance evaluation was based on the following information: (1) assessment of the information provided by the Offeror in its Past Performance Volume II, (2) an assessment of customer questionnaires submitted on behalf of each Offeror and of its major subcontractors, and (3) an assessment of information retrieved from the NASA Past Performance Information Retrieval System (PPIRS) on the prime and major subcontractors. The SEC evaluated the currency and relevancy of the information, source of the information, context of the data, and general trends in performance of the Offeror, major subcontractors, predecessor companies, key personnel with relevant experience, and any organization that would substantially contribute to the proposed contract. Further, for each Offeror and its major subcontractors, the SEC evaluated overall Past Performance with respect to comparability in contract size, content, and complexity to the requirement of the current acquisition. The SEC evaluated the depth of the Offeror's relevant past performance and gave evaluative credit to the quality, as well as the quantity, of the Offerors' past performance. This Factor was designed to provide an opportunity to evaluate the quality of goods and services provided by the Offerors to the Government and other organizations as either a prime or subcontractor. The RFP required evaluation of the Past Performance Factor using the following level-of-confidence ratings: Very High Level of Confidence; High Level of Confidence; Moderate Level of Confidence; Low Level of Confidence; Very Low Level of Confidence and Neutral/Unknown Level of Confidence. In Section M, paragraph M.2, Evaluation Approach, the RFP defined these levels of confidence ratings. The SEC evaluated each Offeror's suitability to fulfill the requirements of this contract, as prescribed in Section M of the RFP.

For the Cost Factor, the SEC assessed what each Offeror's proposal would cost the Government should it be selected for award. The overall evaluated cost for selection purposes was determined by the sum of the cost proposed for the Contract Management (CLINs 01A, 02A, 03A, and 04A), and IDIQ (CLINs 01B, 02B, 03B, and 04B). The price of phase-in was not included in the total evaluated price, but it was evaluated in terms of risk assessment.

In accordance with Subpart FAR15.4, the SEC and the Cost Analyst reviewed each Offeror's proposal for the Cost Factor. The Cost Analyst also performed a cost realism analysis and probable cost assessment. The SEC met with the Cost Analyst to review the analysis and assessment, and concurred with the findings.

Solicitation and Receipt of Proposals

In an effort to better inform industry of NASA's requirements and to improve communications between all parties, ARC held a pre-solicitation conference to allow interested parties to tour the Center and its facilities and to ask questions of the technical and procurement staff. ARC also issued one draft Request for Proposals (RFP) that allowed for industry recommendations and comments on all aspects of the Government's proposed approach in satisfying the requirements. Participants were encouraged to ask questions about the ESTRAD requirements and the procurement process. The recommendations and comments received in response to these communications with industry were carefully evaluated and incorporated in the final RFP, as appropriate. A Government response to each recommendation or comment was prepared and was made available electronically to the public.

All documents pertinent to the acquisition were posted electronically on the NASA Acquisition Internet Service (NAIS) Business Opportunities portal (http://prod.nais.nasa.gov/cgi-bin/nais/link_syp.cgi) as well as the Federal Business Opportunity web portal (<https://www.fbo.gov>).

The draft RFP was released on August 8, 2014. The pre-solicitation conference was held on August 26, 2014. The final RFP was released on October 1, 2014. Amendment 1 to the RFP was posted on October 8, 2014, and it contained questions and answers and minor changes to the final RFP. Amendment 2 was posted on October 22, 2014, and it contained a revised location for the receipt of proposals, as well as questions and answers regarding the RFP. Proposals in response to the final RFP were due on November 14, 2014.

Four proposals were received in response to the RFP by the specified closing time and date. The Offerors' names and addresses (listed alphabetically) are as follows:

1. Analytical Mechanics Associates, Inc. (AMA)
21 Enterprise Parkway, Suite 300
Hampton, VA 23666
2. ERC Incorporated (ERC)
4901 Corporate Drive, Suite E
Huntsville, AL 35805
3. Science and Technology Corporation
21 Enterprise Parkway, Suite 150
Hampton, VA 23666

4. Sierra Lobo, Inc.
102 Pinnacle Drive
Fremont, OH 43420-7400

Proposals, including a cover letter, were received from each Offeror. Each proposal consisted of three separate volumes, corresponding to the three respective evaluation Factors, in accordance with Section L of the solicitation and FAR Parts 15.101 and 15.306. A copy of each proposal for the four Offerors was issued to each of the four voting members of the SEC.

Evaluation Process

All SEC members read each volume of the proposals, which included both written and oral presentation slides. In addition, the SEC members attended audio-recorded oral presentations for Mission Suitability and Past Performance from each Offeror. The SEC members then individually identified findings (strengths, weaknesses and deficiencies if applicable) for each Mission Suitability factor and subfactor. The SEC then reviewed all of its findings and reached consensus on overall strengths and weaknesses for each Offeror.

The SEC established the appropriate adjectival rating, and numerical scores in accordance with NFS 1815.370(h)(2). Mission Suitability subfactors were assigned adjectival ratings according to the definitions in the RFP. Once the adjectival rating was decided, a percentage score was agreed upon. The percentage score was then multiplied by the weighting of each subfactor to determine its numerical score. Numerical scores were given for each subfactor in Mission Suitability and they were added to assign an overall numerical score to Mission Suitability.

In accordance with FAR 15.305(a)(2) and NFS 1815.305(a)(2)(A), the SEC members evaluated the Past Performance Factor, based on the oral presentation, past performance questionnaires, and information obtained from the Past Performance Information Retrieval System (PPIRS). The SEC's evaluation documented each Offeror's relevant past performance. The SEC then assigned a level of confidence rating to each Offeror.

The SEC and the Cost Analyst reviewed each Offeror's proposal for the Cost factor. The Cost Analyst also performed a cost realism analysis and probable cost assessment in accordance with FAR 15.4. The SEC met with the Cost Analyst to review the analysis and assessment, and concurred with the findings.

The SEC briefed me on its initial findings on February 24, 2015, I reviewed the findings, and thereafter determined that it would be in the best interest of the Government to award on initials.

I reviewed the SEC's findings for Mission Suitability and the resultant adjectival ratings and numerical scores. I reviewed the findings and Level of Confidence ratings for Past Performance. I reviewed the Cost evaluation results, including the proposed and probable costs. I fully considered all of this information prior to making my final selection decision.

Evaluation Findings of the SEC

Mission Suitability Factor

The following describes the Mission Suitability findings for each of the Offerors.

AMA

The Mission Suitability proposal submitted by AMA received 950 points (out of a possible 1000) and is the highest score.

In the Management Approach Subfactor, AMA received an adjectival rating of Excellent with a numerical score of 410 points (out of a possible 450). In the Management Approach Subfactor, AMA received an adjectival rating of Excellent with a numerical score of 410 points (out of a possible 450). One (1) Significant Strength and two (2) Strengths were assigned. No Significant Weaknesses or Weaknesses were identified. One Significant Strength was assigned to AMA for: its exceptionally effective management team. Two Strengths were assigned to AMA for: (1) its very effective and efficient plan for managing execution of all requirements of contract task orders; and (2) its very effective and thorough approach to performing the functions in the SOW.

In the Technical Approach Subfactor, AMA received an adjectival rating of Excellent with a numerical score of 540 points (out of a possible 550). Two (2) Significant Strengths were assigned. No Strengths, Significant Weaknesses or Weaknesses were identified. The two Significant Strengths were assigned to AMA for: (1) its exceptionally thorough and extremely effective understanding of the SOW and the interrelationships between the technical areas; and (2) its approach to the sample task which demonstrates an exceptionally strong understanding of the scope of the work and the relationship the work has to the overall mission objectives.

ERC

The Mission Suitability proposal submitted by ERC received 700 points (out of a possible 1000) and is the second highest score.

In the Management Approach Subfactor, ERC received an adjectival rating of Good with a numerical score of 315 points (out of a possible 450). No Significant Strengths, Strengths, Significant Weaknesses or Weaknesses were identified.

In the Technical Approach Subfactor, ERC received an adjectival rating of Good with a numerical score of 385 points (out of a possible 550). One (1) Strength was assigned. No Significant Strengths, Significant Weaknesses or Weaknesses were identified. The one Strength was assigned to ERC for its very thorough understanding of the technical requirements of the SOW and the interrelationships between the technical areas, including the approach to how the work will be accomplished, risks and mitigations, and technical quality assurance

STC

The Mission Suitability proposal submitted by STC received 300 points (out of a possible 1000) and is the lowest score.

In the Management Approach Subfactor, STC received an adjectival rating of Poor with a numerical score of 135 points (out of a possible 450). No Significant Strengths, Strengths or Weaknesses were identified. One (1) Significant Weakness was assigned to STC for a highly ineffective and unreasonable approach to technical leadership contract-wide.

In the Technical Approach Subfactor, STC received an adjectival rating of Poor with a numerical score of 165 points (out of a possible 550). No Significant Strengths, Strengths or Weaknesses were identified. One Significant Weaknesses was assigned to STC. The one Significant Weaknesses was assigned to STC for not demonstrating a thorough understanding of all areas of the SOW requirements, nor providing a thorough approach to how the work will be accomplished to ensure all requirements are met.

SLI

The Mission Suitability proposal submitted by SLI received 390 points (out of a possible 1000) and is the second lowest score.

In the Management Approach Subfactor, SLI received an adjectival rating of Good with a numerical score of 300 points (out of a possible 450). No Significant Strengths or Significant Weaknesses were identified. One (1) Strength and one (1) Weakness were assigned to SLI. One Strength was assigned to SLI for a very effective and efficient plan for managing execution of all requirements of contract task orders. One Weakness was assigned to SLI for the lack of sufficient definition of functions for Phase-In managers to distinguish them from each other and allow for assessment of effectiveness.

In the Technical Approach Subfactor, SLI received an adjectival rating of Poor with a numerical score of 90 points (out of a possible 550). No Significant Strengths, Strengths, Significant Weaknesses or Weaknesses were identified. One (1) Deficiency was assigned to SLI. The Deficiency was assigned to SLI for failure to demonstrate a thorough knowledge of the SOW and its interrelationships, not providing technical approaches or rationales to performing the work that ensure the requirements will be met, and including risk mitigations that are unreasonable.

Past Performance Factor

In accordance with FAR 15.305(a)(2) and NFS 1815.305(a)(2)(A), the SEC members evaluated the Past Performance Factor, based on the oral presentation, past performance questionnaires, and information obtained from the Past Performance Information Retrieval System (PPIRS). The SEC's evaluation documented each Offeror's relevant past performance. The SEC then assigned a level of confidence rating to each Offeror.

The following addresses the Past Performance findings for each of the Offerors.

AMA

The evaluation of AMA Past Performance resulted in a Very High level of confidence.

ERC

The evaluation of ERC's Past Performance resulted in a High level of confidence.

STC

The evaluation of STC's Past Performance resulted in a Very High level of confidence.

SLI

The evaluation of SLI's Past Performance resulted in a Very High level of confidence.

Cost Factor

The SEC and the Price Analyst reviewed each Offeror's proposal for the Cost factor. The Cost Analyst also performed a cost realism analysis and probable cost assessment in accordance with FAR 15.4. The SEC met with the Cost Analyst to review the analysis and assessment, and concurred with the findings.

AMA had the highest total proposed and total probable costs. A probable cost adjustment was made to increase direct labor hours for the IDIQ consistent with the solicitation.. Probable cost adjustments to direct labor rates resulted in a decrease to the overall direct labor cost for the IDIQ. Indirect costs were reduced as a result of the decrease in direct labor costs.

ERC had the second highest total proposed and total probable costs. There was no probable cost adjustment.

STC had the second lowest total proposed and total probable costs. A probable cost adjustment was made to increase direct labor hours for Contract Management. Indirect costs for Contract Management increased as a result of the increase in direct labor costs. Probable cost adjustments to direct labor rates resulted in a decrease to direct labor cost for the IDIQ. Indirect costs were reduced as a result of the decrease in direct labor costs.

SLI had the lowest total proposed and total probable costs. A probable cost adjustment was made to increase direct labor hours for Contract Management. Indirect costs for Contract Management increased as a result of the increase in direct labor costs. Probable cost adjustments to direct labor rates resulted in an increase to direct labor cost for the IDIQ. Indirect costs were increased as a result of the increase in direct labor costs.

Selection Decision of the Source Selection Authority for Entry Systems Technology Research and Development

FAR 15.308, "Source Selection Decision," states:

The source selection authority's (SSA) decision shall be based on a comparative assessment of proposals against all source selection criteria in the solicitation. While the SSA may use reports and analyses prepared by others, the source selection decision shall represent the SSA's independent judgment. The source selection decision shall be documented, and the documentation shall include the rationale for any business judgments and tradeoffs made or relied on by the SSA, including benefits associated with additional costs. Although the rationale for the selection decision must be documented, that documentation need not quantify the tradeoffs that led to the decision.

My selection decision represents my independent judgment. I carefully reviewed all the SEC's findings and the proposers' mission suitability and past performance proposal submissions to ensure I had a full understanding of the SEC's findings. I did not simply count and compare the numbers of Significant Strengths and Strengths; rather, I considered the potential impact of the Significant Strengths and Strengths and their relevance to this proposed effort, against the selection criteria prescribed in the RFP.

Assessment of the SEC's findings

I carefully studied all of the findings of the SEC and I concur with all of them. I am fully satisfied that the SEC conducted a thorough and cogent analysis of each of the proposals submitted and that their findings are appropriate and reasonable. As the SSA, I hereby adopt all of the findings of the SEC.

Selection:

To reiterate, Mission Suitability is moderately more important than Past Performance, and Past Performance is moderately more important than Cost. Mission Suitability and Past Performance when combined are significantly more important than Cost.

STC received the lowest Mission Suitability score of all the proposals with a score of 300. Its proposal was rated Poor in both the Management Approach and the Technical Approach subfactors. The proposal was assigned one Significant Weakness in the Technical Approach subfactor for not demonstrating a thorough understanding of all areas of the SOW requirements nor providing a thorough approach to how the work will be accomplished to ensure all the requirements are met. Lack of a thorough understanding of the SOW requirements raises concerns regarding successful contract performance. This Significant Weakness increases the risk of unsuccessful contract performance. With regard to Past Performance, the second most important evaluation factor, STC received a "Very High" level of confidence for its Past Performance rating which is equal to the ratings for AMA and SLI. Although I note that this Past Performance rating is commendable, I have kept in mind that in light of SLC's very lowest Mission Suitability rating (the most important factor), this Past Performance rating cannot begin to offset any value offered by the Past Performance rating which, again, is equal to the ratings received by two other proposers. Finally, I note that STC had both the second lowest total proposed cost and second lowest probable cost. Nonetheless, the cost savings provided by STC's proposal also cannot adequately offset its very lowest Mission Suitability factor rating, which is the most important factor. For me, the qualitative difference in Mission Suitability between the highest rated proposal (which is 650 points higher) and STC, more than offsets the price savings offered by STC. Therefore, I conclude that STC's second lowest price does not merit its selection given STC's lowest Mission Suitability score along with it having a past performance rating that is equal to two other proposers. Therefore, I do not select STC for contract award.

SLI received the second lowest Mission Suitability score and the lowest total proposed and probable cost. Although its proposal received a Good rating for the Management Approach subfactor, it was assigned a Deficiency for failure to demonstrate a thorough knowledge of the SOW and its interrelationships, not providing technical approaches or rationales to performing the work that ensure the requirements will be met, and including risk mitigations that are unreasonable. This increases the risk of unsuccessful contract performance. A failure to demonstrate thorough knowledge of the SOW and its interrelationships is of concern, as is the fact that the technical approaches and rationales to performing the work increase the likelihood that the requirements will not be met. This Deficiency increases the risk of unsuccessful contract performance. With regard to Past Performance, SLI received a "Very High" level of confidence for its Past Performance rating which is equal to the ratings for AMA and STC. Although I note that this Past Performance rating is also commendable, I am compelled to be mindful of the fact that SLI had the second lowest Mission Suitability rating. Therefore, this Past Performance rating does not offset the second lowest Mission Suitability rating received

by SLI and the Deficiency that is contained within that rating. SLI had the lowest proposed cost and lowest probable cost. And yet, the difference in the most important evaluation factor of Mission Suitability between the highest rated proposal (which is 560 points higher) and SLI, more than offsets the price savings offered by SLI. Therefore, I conclude that SLI's second lowest price does not merit its selection given SLI's second lowest Mission Suitability score which contained a Deficiency along with it having a Past Performance rating that is equal to two other proposers. Therefore, I do not select SLI for contract award.

ERC received the second highest Mission Suitability score and a Good rating for both the Management Approach and Technical Approach subfactors. Its proposal was assigned one strength in the Technical approach subfactor for its very thorough understanding of the technical requirements of the SOW and the interrelationships between the technical areas, including the approach to how the work will be accomplished to ensure all requirements are met. The SEC informed me that ERC met the other requirements and therefore received overall Good ratings for the Mission Suitability subfactors. With regard to Past Performance (the second most important evaluation factor), ERC received a "High" level of confidence for its Past Performance rating. Finally, I note that ERC had the second highest proposed cost and second highest probable cost, which was only slightly lower than the proposal with the highest proposed and probable cost. In my judgment, the qualitative difference in Mission Suitability between the highest rated proposal (which is 250 points higher than ERC in the most important evaluation factor), more than offsets the price savings offered by ERC's second highest proposed and probable cost. Therefore, I do not select ERC for contract award.

AMA received the very highest Mission suitability score and Excellent ratings for both the Management Approach and Technical Approach subfactors. AMA's Mission Suitability proposal was impressive and had features that went beyond simply meeting the requirements. Of particular note is the Significant Strength in Management Approach for its exceptional management team. AMA selected highly qualified Key Personnel and had excellent descriptions for the roles of such Key Personnel. This increases the likelihood that the contract will be well managed. Additionally, AMA was assigned a strength for a feature of its proposal that I found valuable. AMA proposes to have resources and staff from other sources available with the requisite expertise that could support this contract, as needed. This increases the likelihood of timely performance and seamless integration of tasks. Additionally, AMA was rated as Excellent for its thorough and extremely effective understanding of the SOW and the interrelationships between the technical areas. Plus, AMA's approach to the sample task demonstrated an exceptionally strong understanding of the scope of work and the relationship the work has to the overall mission objectives. All three significant strengths would enhance the contractor's management and technical performance under this contract contributing to mission success. AMA also had a Past Performance rating of "Very High". AMA had the highest proposed and probable costs. However, the costs are only slightly higher than the second highest proposed costs presented by ERC. Therefore, with AMA's exceptional Mission Suitability score which is by far the

highest score, along with its Past Performance rating being equal to the highest ratings received, the additional cost as proposed by AMA and AMA's probable cost are more than offset by the findings for the two most important evaluation factors of Mission Suitability and Past Performance.

AMA submitted the best Mission Suitability proposal with features that, as discussed above, would enhance contract performance. AMA had a very high level of confidence in past performance and the highest proposed and probable cost. The superiority of AMA's Mission Suitability proposal and its Very High level of Confidence rating for Past Performance warrant the slightly higher contract costs and represent the best value for the Government. Therefore, I select AMA for contract award.



Dr. Eugene Tu
Source Selection Authority