

Source Selection Statement
Synergy-Achieving Consolidated Operations and Maintenance
(SACOM) Contract
Request for Proposals No. NNS14478585R

I. Background

a. Procurement Description

The objective of the SACOM procurement is to develop synergies and provide a broad range of facility operations and maintenance services to NASA and its resident agencies at Stennis Space Center (SSC) and Michoud Assembly Facility (MAF). These services are required to support NASA's, the SSC's, and the MAF's mission in the areas of rocket propulsion testing; research and development in propulsion test technologies; scientific and applied research in space technology development, utilization, and commercialization; manufacturing and assembly of critical hardware components for exploration vehicles; earth and environmental sciences; and support to various programs of over forty other Federal, State or commercial organizations located at the SSC and the MAF, sharing and utilizing the Centers' operations and maintenance contract.

The SACOM Contractor will responsively, productively, and professionally provide high quality skills, services, and products necessary for the operational support and fulfillment of the missions for which SSC and MAF are responsible.

The contract is a hybrid contract consisting of Cost Plus Incentive Fee (CPIF), Firm Fixed Price (FFP), and Indefinite Delivery and Indefinite Quantity (IDIQ) components. The period of performance is 9 years and 5 months, consisting of a one (1) year base period (October 1, 2015-September 30, 2016), a two (2) year option period, five (5) one (1) year Award Term periods, and one (1) seventeen (17) month Award Term period, with an additional eighty-nine (89) days for contract phase-in.

b. Development of the Solicitation

In February 2013, the Center Directors from MSFC and SSC appointed the Facility Activities Consolidation Exploration Team (FACET), made up of representatives from SSC, MSFC, and MAF. The FACET was responsible for identifying potential strategic sourcing opportunities between the MAF's Manufacturing Support and Facility Operations Contract (MSFOC) and the SSC's Facility Operating Services Contract (FOSC). The FACET also considered synergies of consolidating MAF's lab services into the SSC Laboratory Service Contract. The team identified synergies that would not impact NASA missions and that would provide cost reductions by streamlining management and incorporating efficiencies; identified contract mechanisms reducing excessive management burden; and identified cost-saving procurement initiatives (e.g., collaboration between Centers, fixed price elements, reducing transaction costs, and increasing small business participation through increased set-asides and stringent small

business goals). The options and recommendations from the team were presented to SSC and MSFC management, including the Space Launch System (SLS) Program Office. A decision was made that integrating the MSFOC and FOFC to form the SACOM contract would be the best approach to satisfying the Government's facility operations services at MAF and SSC.

After formation of the SACOM Procurement Development Team (PDT), further analysis was done to determine if consolidating the Test Operations Contract (TOC) into SACOM would also provide additional efficiencies and savings. The research performed by specific members of the PDT was presented to the SSC Center Director. A determination was made that significant efficiencies and savings could be realized if the TOC scope was consolidated into the SACOM procurement. Therefore, the decision was made to consolidate the TOC scope into the SACOM procurement.

c. Evaluation Procedures

The RFP prescribed three evaluation factors, consisting of Mission Suitability, Past Performance, and Cost/Price. The RFP stated the relative importance of the evaluation factors was:

- As individual factors, the Mission Suitability Factor, the Past Performance Factor and the Cost/Price Factor are of essentially equal importance.
- The Mission Suitability Factor and the Past Performance Factor, when combined, are significantly more important than the Cost/Price Factor.

The Mission Suitability Factor consisted of three (3) subfactors: Technical Performance; Management Approach; and Small Business Utilization. The Source Evaluation Board (SEB) evaluated proposals and assigned strengths or weaknesses relative to each subfactor. These findings were the basis of adjectival ratings and numerical ratings each offeror received. The Mission Suitability subfactors were scored in accordance with the RFP.

| <u>Subfactors</u> | <u>Weights</u> |
|-----------------------------------|----------------|
| • Technical Performance (TECH) | 500 |
| • Management Approach (MGMT) | 400 |
| • Small Business Utilization (SB) | 100 |
| Total Possible Points | 1,000 |

Past Performance and Cost/Price factors were also evaluated by the Source Evaluation Board (SEB), but were not numerically scored. Each offeror's Past Performance evaluation was assigned a level of confidence rating. In accordance with the NFS 1815.305, the SEB used the following level of confidence ratings: "Very High Level," "High Level," "Moderate Level," "Low Level," "Very Low Level," or "Neutral." For the Past Performance factor, the SEB evaluated the quality and relevancy of the past performance records provided. The SEB assessed relevancy by determining whether the past performance information was similar to the scope (content), magnitude (size), and complexity to SACOM. Using information provided directly by the offerors and information in the form of questionnaires submitted directly to the SEB by the offerors' past customers, the SEB evaluated the

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degree to which offerors satisfied the requirements of previous contracts in accordance with section M.6 of the solicitation. The SEB only considered recent information as part of its Past Performance evaluation. The solicitation defined recency as “contracts with performance within 3 years from the date of the issuance of the [SACOM] solicitation.” Additionally, the SEB reviewed independently obtained information from Government and non-Government sources, such as the Past Performance Information Retrieval System (PPIRS), to obtain current past performance reports.

The Cost/Price Factor was not weighted or scored. The RFP stated that cost/price would be evaluated on the basis of:

- 1) The Firm-Fixed-Price CLINs for work under Performance Work Statement (PWS) Section 5;
- 2) Cost-Plus Incentive-Fee CLINs, for work under PWS Sections 1,2,3,4, and 6;
- 3) All Option CLINs (to include 52.217-8, Option to Extend (Nov 1999); and
- 4) Any probable cost adjustments to the CPIF CLINs.

The solicitation stated that “CPIF CLINs . . . will be evaluated for cost realism and reasonableness,” and “the Government will derive a probable cost for the CPIF CLINs.” Additionally, the RFP stated that “probable cost will be used for the purposes of evaluation only.”

The SEB evaluated each offeror’s proposed cost to determine if the costs are realistic for work to be performed; if the costs reflect the offeror’s understanding of the requirements; and if the costs are consistent with the various elements of the mission suitability proposal. The SEB adjusted the proposed costs to reflect the probable cost of performance.

The solicitation indicated that the fixed price of PWS Section 5 would be evaluated for price reasonableness and, if the CO determined appropriate, for price realism. The SEB concluded no findings for price realism were necessary after discussions and the receipt of Final Proposal Revisions. Phase-in costs were not evaluated as part of the probable cost but were evaluated under the Cost/Price Factor and reported to the Source Selection Authority (SSA.)

d. Procurement History

On February 12, 2014, the SSA appointed the SEB for the purpose of evaluating proposals received in response to the solicitation. Prior to issuance of the formal and final Request for Proposal (RFP), in an effort to better inform industry of NASA’s requirements and improve communication, NASA issued a draft RFP on March 4, 2014. The draft RFP requested industry comments and recommendations on all aspects of the Government’s need for the SACOM requirements. Industry’s interest in the draft RFP was well demonstrated by the many responses and comments received. Each response and comment was carefully evaluated and incorporated into the final RFP as appropriate. A Government response to each industry response and comment was prepared and released to industry as an attachment to the final RFP via the NASA Acquisition Internet Service (NAIS) and FedBizOpps. Additionally, a SACOM password protected electronic reference library was established to provide technical and supporting information to interested offerors.

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The SACOM final RFP was released on May 16, 2014, via the NAIS and FedBizOpps, providing the offerors the ability to download the RFP document(s). Three amendments were posted to the same sites: Amendment No. 1 on May 30, 2014; Amendment No. 2 on June 16, 2014; and Amendment No. 3 on June 23, 2014, that contained administrative or minor changes to the RFP in response to the contractor questions. NASA received six proposals. In accordance with the RFP, Past Performance Information (Volume II) was received on June 27, 2014; and Mission Suitability (Volume I) and Cost/Price (Volume III) were received on July 22, 2014. There were two amendments issued after the receipt of proposals to all offerors: Amendment No. 4 was issued on August 4, 2014 and Amendment No. 5 was issued on August 11, 2015. These amendments revised the font limitation to allow only 12-point Times New Roman font; excluded the Table of Contents, L.I-24C Staffing Worksheet, and L.I-24B Subcontracting Plan Goals from the page count; and allowed offerors to resubmit their Past Performance and Mission Suitability information.

The SEB reviewed the proposals and, through consensus: (1) assigned an adjectival rating and score for each of the three (3) Mission Suitability subfactors; (2) gave a level of confidence adjectival rating for the Past Performance factor; and (3) performed a probable cost assessment on all offerors' proposals.

On April 6, 2015, the SEB presented its initial findings to me. Based on the results of the initial evaluation and with my concurrence as the SSA, the Contracting Officer determined that discussions were necessary and determined the competitive range would consist of the following offerors:

- Jacobs Technology, Inc., (Jacobs)
- PARCOR, LLC (PARCOR) (JV Members-Parsons Government Services/EMCOR Government Services),
- Syncom Space Services (S3), LLC (JV Members-PAE Applied Technologies/Babcock & Wilcox Technical Services Group), and
- URS Federal Services, Inc. (URS)

Face-to-face discussions were conducted with each offeror during the period of April 27, 2015 through April 30, 2015. During discussions, the Contracting Officer advised each offeror of all weaknesses, significant weaknesses, and aspects of its proposal requiring further clarification. Moreover, as part of discussions, each offeror was provided an opportunity to address significant weaknesses, weaknesses, and aspects of the proposal requiring clarification as part of the Final Proposal Revisions (FPRs). Discussions were completed and closed on May 05, 2015. NASA requested FPRs on May 05, 2015, with a submittal date of May 19, 2015.

The SEB completed the final evaluation of the offerors' FPR for all factors following the same evaluation process used for the initial evaluation. On June 23, 2015, the SEB presented me with its findings on the FPRs

II. SEB FINDINGS

The Jacobs proposal received an overall Mission Suitability score of 862 points out of a maximum of 1000 points. Under the Mission Suitability Factor, the SEB identified five significant strengths, twelve strengths, two weaknesses, and no significant weaknesses. At the subfactor level, Jacobs' proposal was determined to be "Very Good" in Technical Performance, and "Excellent" in Management Approach and Small Business Utilization.

The PARCOR proposal received an overall Mission Suitability score of 915 points out of a maximum of 1000 points. Under the Mission Suitability Factor, the SEB identified six significant strengths, twelve strengths, no weaknesses, and no significant weaknesses. At the subfactor level, PARCOR's proposal was determined to be "Excellent" in Technical Performance and Management Approach, and "Good" in Small Business Utilization.

The S3 proposal received an overall Mission Suitability score of 953 points out of a maximum of 1000 points. Under the Mission Suitability Factor, the SEB identified seven significant strengths, ten strengths, one weakness, and no significant weaknesses. At the subfactor level, S3's proposal was determined to be "Excellent" in Technical Performance, Management Approach, and Small Business Utilization.

The URS proposal received an overall Mission Suitability score of 781 points out of a maximum of 1000 points. Under the Mission Suitability Factor, the SEB identified three significant strengths, fourteen strengths, one weakness, and one significant weakness. At the subfactor level, URS' proposal was determined to be "Good" in Technical Performance and Small Business Utilization, and "Excellent" in Management Approach.

A summary of the SEB's specific significant findings for each proposal are as follows:

a. Mission Suitability

Jacobs

For the Technical Performance subfactor, Jacobs received one significant strength, seven strengths, two weaknesses, and no significant weaknesses for a rating of "Very Good." The significant strength included a detailed approach for recruiting and retaining a qualified workforce, and for flexing the workforce to account for increases and decreases in the workload.

For the Management Approach subfactor, Jacobs received three significant strengths, five strengths, no weaknesses, and no significant weaknesses for a rating of "Excellent." The significant strengths included: (1) the approach for the Program Manager to have independent autonomy and authority to perform SACOM requirements; (2) the proposed approach for phase-in; and (3) the identified thirteen (13) key positions and key personnel with rationale supporting how the key positions/personnel are qualified to support the requirements (work experience and education requirements) for each position needed to execute SACOM.

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For the Small Business Utilization subfactor, Jacobs received one significant strength, no strengths, no weaknesses, and no significant weaknesses for a rating of “Excellent.” The significant strength was for a very comprehensive subcontracting plan that exceeded the overall small business goal and all of the subcategory goals.

PARCOR

For the Technical Performance subfactor, PARCOR received three significant strengths, eight strengths, no weaknesses, and no significant weaknesses for a rating of “Excellent.” The significant strengths included: (1) the comprehensive approach to the development of the proposed PARCOR digital systems architecture and web portal, extensive detail regarding how the digital capabilities required by the Performance Work Statement (PWS) will be achieved within the requisite time periods, and extensive detail regarding how and when the offeror will implement multiple new or improved proposed capabilities; (2) a comprehensive approach for PWS 2.0 Logistics and Property Management which involved an efficient overall plan to ensure materials are available when required and a fully consolidated warehouse, providing an efficient logistics operation; and (3) a detailed approach for recruiting and retaining a qualified workforce; and for flexing the workforce to account for increases and decreases in the workload.

For the Management Approach subfactor, PARCOR received three significant strengths, four strengths, no weaknesses, and no significant weaknesses for a rating of “Excellent.” The significant strengths included: (1) a detailed comprehensive, fully consolidated Synergized Management and Resources Team (SMART) organization and its integrated approach to scheduling; (2) the identified twelve (12) key positions and key personnel with rationale supporting how the key positions/personnel are qualified to support the requirements (work experience and education requirements) for each position; and (3) the comprehensive multi-phased approach for labor relations which includes an on-site full time Labor Relations Manager.

For the Small Business Utilization subfactor, PARCOR received no significant strengths, no strengths, no weaknesses, and no significant weaknesses, receiving a rating of “Good.” The offeror met the recommended goals, and was not assessed a finding for this subfactor.

S3

For the Technical Performance subfactor, S3 received two significant strengths, eight strengths, one weakness, and no significant weaknesses for a rating of “Excellent.” The significant strengths included: (1) the comprehensive approach to the development of the proposed S3 digital systems architecture, extensive detail regarding how the digital capabilities required by the Performance Work Statement (PWS) will be achieved within the requisite time periods, and extensive detail regarding how and when S3 will implement multiple new or improved proposed capabilities; and (2) a comprehensive approach for PWS 2.0 Logistics and Property Management which involved an efficient overall plan to ensure materials are available when required and a fully consolidated warehouse, providing an efficient logistics operation.

For the Management Approach subfactor, S3 received four significant strengths, two strengths, no weaknesses, and no significant weaknesses for a rating of “Excellent.” The significant

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strengths included: (1) the detailed comprehensive, fully consolidated organization structure and its integrated approach to scheduling work; (2) the proposed approach for phase-in; (3) the comprehensive list of eleven (11) key positions with rationale supporting how the key positions/personnel are qualified to support the requirements; and (4) the approach for the Program Manager (PM) to have full autonomy and authority to perform SACOM requirements.

For the Small Business Utilization subfactor, S3 received one significant strength for a rating of "Excellent." The significant strength was for a very comprehensive subcontracting plan with the proposed overall subcontracting goal slightly exceeding the SACOM recommended goal and with all but one small business subcategories significantly exceeding the category goals recommended in the RFP.

URS

For the Technical Performance subfactor, URS received no significant strengths, eleven strengths, one weakness, and one significant weakness for a rating of "Good." The significant weakness was for the insufficient amount of materials to perform the SACOM CPIF requirements.

For the Management Approach subfactor, URS received three significant strengths, three strengths, no weaknesses, and no significant weakness for rating of "Excellent." The significant strengths related to: (1) the detailed, comprehensive, fully consolidated organization structure and its integrated approach to scheduling work; (2) the offeror's approach for identification of the twelve (12) key positions with rationale supporting how the key positions/personnel are qualified to support the requirements; and (3) the offeror's overall phase-in approach.

For the Small Business Utilization subfactor, URS received no significant strengths, no strengths, no weaknesses, and no significant weaknesses receiving a rating of "Good." The offeror met the recommended goals, and was not assessed a finding for this subfactor.

b. Past Performance

Jacobs

For the Past Performance factor, Jacobs received an adjectival rating of "High Level of Confidence" resulting from evaluated past performance records that were considered, as a whole, "Very Relevant" to the SACOM effort. Jacobs received four significant strengths, no strengths, no weaknesses, and one significant weakness. The significant strengths related to: (1) sustained excellent past performance for numerous evaluated records; (2) an exceptional safety record for numerous evaluated records; (3) implementation of multiple innovations and successful consolidations; and (4) a consistent record of exceeding the overall target for small business and a majority of subcategory goals for multiple evaluated records. The significant weakness related to two incidents resulting in damage to hardware on the Operations, Maintenance, Information Management and Support (OMIMS) (F40600-030C-0001) contract. In addition, subsequent Award Fee evaluations indicated that Jacobs continued to demonstrate a business as usual approach to test support resulting in other quality issues.

PARCOR

For the Past Performance factor, PARCOR received an adjectival rating of “Very High Level of Confidence” resulting from evaluated past performance records that were considered, as a whole, “Very Relevant” to the SACOM effort. PARCOR received three significant strengths, one strength, one weakness, and no significant weaknesses. The significant strengths related to: (1) the implementation of a successful consolidation; (2) sustained exceptional past performance for numerous evaluated records; and (3) a consistent record of exceeding the overall target for small business goals and majority of subcategories

S3

For the Past Performance factor, S3 received an adjectival rating of “Very High Level of Confidence” resulting from evaluated past performance records that were considered, as a whole, “Very Relevant” to the SACOM effort. S3 received four significant strengths, no strengths, no weaknesses, and no significant weaknesses. The significant strengths related to: (1) a consistent record of exceeding the overall target for small business and a majority of subcategory goals for multiple evaluated records for the Syncom Space Services (S3) team; (2) sustained exceptional past performance for numerous evaluated records; (3) an exceptional safety record for numerous evaluated records; and (4) successfully consolidating operations of 4 facilities in 3 states while successfully utilizing those facilities to produce deliverables under the Consolidated Precision Components Fabrication subcontract.

URS

For the Past Performance factor, URS received an adjectival rating of “Very High Level of Confidence,” resulting from evaluated past performance records that were considered, as a whole, “Very Relevant” to the SACOM effort. URS received three significant strengths, one strength, no weaknesses, and no significant weaknesses. The significant strengths related to: (1) the identification of sustained exceptional past performance for multiple evaluated records; (2) the identification of an exceptional safety record for numerous evaluated records; and (3) the consolidation of three separate contracts into the Institutional Services Contract (ISC).

c. Cost

Jacobs

Jacobs had the second highest proposed and probable cost. The SEB made a very small probable cost adjustment to the proposed cost of Jacobs due to lack of detail regarding how Jacobs would perform hazardous waste disposal requirements at contract start with the amount of ODCs proposed. Jacobs proposed the lowest price for Phase-In.

PARCOR

PARCOR had the highest proposed cost and probable costs. The SEB made no probable cost adjustments to PARCOR's proposed cost. PARCOR proposed the highest price for Phase-In.

S3

S3 had the lowest proposed and probable cost. The SEB made very small probable cost adjustments to the proposed cost of S3 due to labor rates that appeared to be low to attract and retain particular labor classifications; and insufficient rationale regarding how S3 would perform the hazardous and solid waste disposal with the amount of Other Direct Costs (ODCs) and skill mix proposed for PWS 3.4 requirements. S3 proposed the second lowest price for Phase-In.

URS

URS had the second lowest proposed and probable cost. The SEB made a probable cost adjustment to the proposed cost of URS due to insufficient materials proposed to perform the cost reimbursable work. The SEB also made very small probable cost adjustments because of insufficient ODCs proposed to perform PWS 3.4; and insufficient WYEs proposed to perform PWS 6.1.1. URS proposed the second highest price for Phase-In.

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, key senior personnel at NASA Headquarters and Center representatives attended the final presentation and provided me with their insights. 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 specified in the RFP:

As individual factors, the Mission Suitability Factor, the Past Performance Factor and the Cost/Price Factor are of essentially equal importance. The Mission Suitability Factor and the Past Performance Factor, when combined, are significantly more important than the Cost/Price Factor.

I recognized that my selection would result in the award of a single Hybrid Cost-Plus-Incentive-Fee (CPIF), Firm-Fixed-Price (FFP), and Indefinite Delivery Indefinite Quantity (IDIQ) with Award Term Options contract. The price associated with Phase-In were to be FFP. I was also aware that the RFP stated the evaluation of cost portions of SACOM would be on probable cost only.

My selection was based on a comparative assessment of each proposal against each of the source selection factors.

Jacobs:

a. Mission Suitability

The Jacobs proposal received 862 points, the second lowest score for Mission Suitability. The SEB identified five significant strengths, twelve strengths, no significant weaknesses, two weaknesses, and no deficiencies in the proposal.

Technical Performance: The Jacobs proposal was rated “Very Good” under the Technical Performance subfactor based on one significant strength, no significant weaknesses, seven strengths, and two weaknesses. The significant strength involved a comprehensive, detailed approach for recruiting and retaining a qualified workforce; for implementing personnel development programs to ensure employees remain qualified; and for flexing the workforce to account for increases and decreases in the workload. I believed this detailed, comprehensive approach to recruiting, retaining, and flexing the workforce appreciably increases the likelihood of maintaining a long-time, qualified workforce that can fluctuate with the workload, and decreases the need to over-staff during normal operations.

Management Approach: The Jacobs proposal was rated “Excellent” under the Management Approach subfactor based on three significant strengths, no significant weaknesses, five strengths, and no weaknesses. The first significant strength was for the approach that gave the Program Manager (PM) independent autonomy and authority to perform SACOM requirements. The PM has full authority to sign all contract modifications and execute all personnel actions. This approach should enhance the likelihood of timely decision-making with respect to contract management.

The second significant strength was for the approach for phase-in, which included a dedicated phase-in manager, a dedicated task order transition manager, a communication plan, and a detailed schedule identifying major phase-in milestones and the major activities required to achieve those milestones. I felt this comprehensive approach for phase-in appreciably increases the probability that phase-in will be timely and successful.

The third significant strength was for the proposed key personnel. The proposal included thirteen key positions and highly competent key personnel to fill those positions, with rationale as to how the key personnel are qualified to fulfill the requirements of each position. All key personnel are committed full time beginning at contract phase-in.

Small Business Utilization: The Jacobs proposal was rated “Excellent” under the Small Business Utilization subfactor based on one significant strength, no significant weaknesses, no strengths, and no weaknesses. The significant strength was for its comprehensive small business subcontracting plan, including an overall subcontracting goal significantly exceeding the recommended goal, along with proposed small business subcategory goals that exceeded the recommended subcategory goals.

b. Past Performance

For the Past Performance factor, Jacobs received an adjectival rating of “High Level of Confidence,” resulting from evaluated past performance records that were considered, as a whole, “Very Relevant” to the SACOM effort. The SEB found that Jacobs’ past performance was both recent and, as a whole, included experience that demonstrated essentially the same scope (similar types of services);

essentially the same magnitude (similar size as SACOM); and essentially the same complexities (e.g., work at multiple sites and work with hybrid contract types) as SACOM. Jacobs received four significant strengths, no strengths, no weaknesses, and one significant weakness. The significant strengths related to: (1) sustained excellent past performance for numerous evaluated records, including the Facilities Operating Services Contract at NASA's John C. Stennis Space Center and Manufacturing Support and Operations Contract at NASA's Michoud Assembly Facility; (2) an exceptional safety record for numerous evaluated records; (3) implementation of multiple innovations and successful consolidations; and (4) a consistent record of exceeding the overall target for small business and a majority of subcategory goals for multiple evaluated records. The significant weakness related to two incidents resulting in damage to hardware on the Operations, Maintenance, Information Management and Support (OMIMS) (F40600-030C-0001) contract. In addition, subsequent Award Fee evaluations indicated that Jacobs continued to demonstrate a business as usual approach to test support resulting in other quality issues.

The SEB and I discussed the significant weakness. The SEB informed me that, during discussions and in their Final Proposal Revision, Jacobs discussed corrective actions put in place as a result of these incidents. The SEB reviewed Award Fee reports written for periods after these mishaps occurred to determine the effectiveness of the corrective action. The Award Fee reports indicated that other similar quality issues related to testing occurred. I concurred with the SEB that this past performance indicated a lack of attention to detail when handling flight hardware that is relevant to the performance of SACOM. Because of the significant weakness indicating a lack of attention to detail in the testing context, I concurred with the SEB's rating of a High Level of Confidence.

PARCOR:

a. Mission Suitability

The PARCOR proposal received 915 points, the second highest score for Mission Suitability. The SEB identified six significant strengths, twelve strengths, no significant weaknesses, no weaknesses, and no deficiencies in the proposal.

Technical Performance: The PARCOR proposal was rated "Excellent" based on three significant strengths, eight strengths, and no significant weakness, and no weaknesses. The first significant strength involved a comprehensive approach for a digital system architecture and web portal, including a proposed upgrade and consolidation of Maximo. The proposal included a comprehensive approach for a proposed digital systems architecture, which would be implemented by a highly experienced corporate technical team. The proposal contained extensive detail regarding the approach to consolidate Maximo instances at SSC and MAF into a single consolidated instance, and to upgrade Maximo 7.6 by the start of the contract. (Currently SSC is using Maximo 6.2.6 and MAF is using Maximo 6.2.4.) PARCOR increased costs for phase-in to accomplish this consolidation and upgrade. The SEB explained that efficiencies should be gained in numerous areas of the PWS, including operations and maintenance, as a result of the increased ability to track equipment status and to schedule work utilizing a consolidated version of Maximo, including remote access capabilities provided by EZMax Mobile. I agreed that PARCOR demonstrated the feasibility of this consolidation and upgrade. I believed this effort would appreciably increase the likelihood of staffing efficiency and

the likelihood of effective implementation of contract requirements while decreasing the risk of loss of data.

The second significant strength involved a comprehensive and consolidated approach to Logistics and Property Management. A few of the features were a Hub and Spoke approach, the use of service vehicles, and the use of Maximo Fleet as a management tool. The proposal outlined a fully consolidated approach to warehousing, which includes a single warehouse at MAF and use of service vehicles as travelling warehouses to distribute supplies from the MAF warehouse to SSC. As a result, warehouse space at SSC is not required to support inventory storage, and supplies are delivered closer to performance points. I believed this consolidated approach should increase the likelihood that materials would be available at the point of use, ensuring contractor employees would have ready access to needed parts, while also ensuring inventory levels will be effectively managed to control costs, and to minimize required warehouse space.

The third significant strength was for the proposal's comprehensive, detailed approach for recruiting and retaining a qualified workforce, including career development and training, and for flexing the workforce to account for increased and decreases in workload. I agreed this approach demonstrated a comprehensive understanding of the complexities associated with recruiting and retaining workforce as well as recognizing the need to flex the workforce to accommodate changes in the work.

Management Approach: The PARCOR proposal was rated "Excellent" based on three significant strengths, four strengths, no significant weakness, and no weaknesses. The first significant strength was for the proposal's detailed comprehensive Synergized Management and Resources Team (SMART) organization, which is fully consolidated across both sites, and its detailed approach to scheduling. This approach promoted clear lines of communication, demonstrating a commitment to maintaining responsiveness at each site. I believed this strength would significantly enhance PARCOR's ability effectively to maximize the use of resources and provide early notification of problems. The second significant strength was for the twelve key positions and personnel identified in the proposal. These personnel had the work experience and education requirements necessary to perform SACOM and were committed full-time beginning at the Phase-in of the contract. The third significant strength involved a comprehensive multi-phased approach for labor relations with a Labor Relations Manager with authority and autonomy at the local level. This strength should mitigate union concerns during the transition of SACOM.

Small Business Utilization: The PARCOR proposal was rated "Good" based upon meeting the goals for small business suggested in the solicitation.

b. Past Performance

I agreed with the SEB's rating of "Very High Level of Confidence" for PARCOR's past performance. The SEB based this rating on findings that PARCOR's past performance was both recent and very relevant with demonstrated experience that, as a whole, included essentially the same scope (similar types of services); essentially the same magnitude (similar size as SACOM); and essentially the same complexities (e.g., work at multiple sites and work with hybrid contract types.) With regard to the actual performance, the SEB identified three significant strengths, one strength, no significant weaknesses, and one weakness. The significant strengths were for 1) having successfully consolidated

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two separate sites; 2) having a record of sustained excellent past performance for numerous evaluated records; and 3) having a consistent record of exceeding the overall target for small business and a majority of the subcategory goals. During the final presentation, the SEB indicated that the members of PARCOR had worked together at the corporate level in the past.

During discussions and the resulting FPRs, PARCOR explained why two records submitted for past performance were predictive of its major subcontractor's ability to perform under SACOM. This explanation enabled the SEB to consider these records as part of PARCOR's past performance. As part of this explanation, PARCOR explained the details of the purchase of its major subcontractor, indicating that the purchase would not affect the resources PARCOR proposed for SACOM.

S3

a. Mission Suitability

The S3 proposal received 953 points, the highest score for Mission Suitability. The SEB identified seven significant strengths, ten strengths, no significant weaknesses, one weakness, and no deficiencies in the S3 proposal.

Technical Performance: The S3 proposal was rated "Excellent" based on two significant strengths, eight strengths, no significant weaknesses, and one weakness. The first significant strength was for the proposal's comprehensive and detailed approach for the development of the proposed S3 digital systems architecture, including upgrade and consolidation of Maximo. The proposal explained how S3 would have a consolidated, upgraded Maximo (to version 7.6) within 6 months and have the Dynamic Management Scheduler (DMS) operational in 8 months. (Currently SSC is using Maximo 6.2.6 and MAF is using Maximo 6.2.4.) S3 included the cost for consolidation/upgrade in its Program Management Office (PMO) cost. I concurred with the SEB that S3 demonstrated the feasibility of this consolidation and upgrade within the proposed time period, which I found to be reasonable. The SEB explained that efficiencies should be gained in numerous areas of the PWS, including operations and maintenance, as a result of the increased ability to track equipment status and to schedule work utilizing a consolidated, upgraded version of Maximo, including remote access capabilities provided by various Maximo mobile solutions, along with the DMS. I agreed that this effort should appreciably increase the likelihood of staffing efficiency and of effective implementation of contract requirements while decreasing the risk of loss of data. I did question the SEB on S3's experience with implementing the proposed digital systems due to my own experience with software implementation problems. The SEB informed me that S3 has demonstrated implementation of the proposed software solutions at multiple government and commercial sites. More importantly, the model contract for S3 would include a Special Provision explicitly requiring the consolidation and upgrade of Maximo and DMS within the timeframes S3 proposed.

The second significant strength involved the comprehensive approach for Logistics and Property Management, including a "just in time" delivery of non-mission supplies and parts; establishing a Supplier E-mail of pre-approved supplies; and a tailored Maximo inventory module to control and account for Government property. This approach would use a vehicle staging approach, delivering supplies to SSC and conducting a route delivery to customer locations, thereby consolidating the warehouse storage into a single warehouse at MAF. As a result, warehouse space at SSC would not be

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required to support inventory storage, and supplies would be delivered closer to performance points. I agreed this approach could appreciably increase the probability of effective and efficient performance by ensuring contractor employees have ready access to consumables and needed parts, while ensuring inventory levels will be effectively managed, and required warehouse space minimized, to control costs.

Since S3 was the apparent front runner, I questioned the SEB about the one weakness in the S3 proposal due to insufficient rationale for Other Direct Cost (ODCs) and skill mix to perform Section 3.4, Environmental Services. The SEB explained the effect of this weakness was a minor cost adjustment to the costs S3 proposed and could easily be corrected.

Management Approach: The S3 proposal was rated “Excellent” based on four significant strengths, two strengths, no significant weaknesses, and no weaknesses. The first significant strength was for a detailed comprehensive organization structure, fully consolidated across both sites, and detailed approach to scheduling work. The approach should promote clear lines of communications and demonstrated the Offer’s commitment to maintaining responsiveness at each site.

The second significant strength involved the proposal’s phase-in approach, which provided a full-time, dedicated Phase-in Manager supported by an independent phase-in team. The approach was supported by a well-defined detailed schedule based on 8 major elements that support the proposed transition Work Breakdown Schedule requirements. This strength demonstrated an understanding of the requirements and activities needed for phase-in, thereby appreciably increasing the likelihood of successful contract performance on the first day of the contract.

The third significant strength was the comprehensive list of 11 key personnel reflecting a highly-competent management team having an extensive breadth of education and experience across all critical areas of SACOM.

The fourth significant strength in the proposal was the Program Manager who would have full autonomy and authority to perform the contract. This approach should enhance the likelihood of timely decision making related to contract management.

Small Business Utilization: The S3 proposal was rated “Excellent” based on one significant strength for its comprehensive small business subcontracting plan, which exceeded the recommended overall Small Business goal. More importantly, the proposal significantly exceeded four of the five subcategory goals in Small Business and exceeded the remaining subcategory goal.

b. Past Performance

I agreed with the SEB’s rating of “Very High Level of Confidence” for S3’s past performance. The SEB found that S3’s past performance was both recent and very relevant with demonstrated experience that, as a whole, included essentially the same scope (similar types of services); essentially the same magnitude (similar size as SACOM); and essentially the same complexities (e.g., work at multiple sites and work with hybrid contract types.) With regard to the actual performance, the SEB identified four significant strengths, no strengths, no significant weaknesses, and no weaknesses. The significant strengths were for 1) a consistent record of exceeding the overall target for small business

and a majority of the subcategory goals; 2) a record of sustained excellent past performance for numerous evaluated records; 3) having an exceptional safety record; and 4) having successfully consolidated operations of 4 facilities in 3 states resulting in an annual savings of \$44.5M. During the final presentation, the SEB indicated that the members of S3 had worked together at the corporate level in the past.

I asked about the change from Babcock & Wilcox Technical Services to Babcock & Wilcox Nuclear Operations Group as a member of the S3 Joint Venture, inquiring as to how the change affected the proposal. The SEB said B&W's FPR identified B&W Nuclear Operations Group as the new JV partner, which was supported by the proposal and disclosure statement. This change did not affect the proposed technical solution. PAE Applied Technologies, LLC, remained the leader of the S3 integrated team and the FPR was revised to indicate that two key personnel that were originally identified as being employed by B&W Technical Services would be employed by B&W Nuclear Operations Group. S3 originally submitted a record from Babcock & Wilcox Nuclear Operations Group as part of its past performance. The change in partnership permitted the SEB to consider the record from Babcock Wilcox Nuclear Operations Group to be predictive of S3's performance under SACOM. The consideration of this record increased the past performance of S3, but did not necessitate a change to the resources S3 proposed for SACOM.

URS:

a. Mission Suitability

The URS proposal received an overall Mission Suitability score of 781 points, the lowest score for Mission Suitability. The SEB identified three significant strengths, fourteen strengths, one significant weaknesses, one weaknesses, and no deficiencies in the proposal.

Technical Performance: The URS proposal was rated "Good" under the Technical Performance subfactor based on no significant strengths, one significant weakness, eleven strengths, and one weakness. The significant weakness was for insufficient materials to perform the Cost Plus Incentive Fee (CPIF) contract requirements, along with a lack of information as to how the CPIF work could be performed with the amount of materials proposed. I agree that the insufficient amount of proposed materials decreased confidence in the URS' understanding of the requirements, affecting its ability to provide effective services, and introduced cost risk.

Management Approach: The URS proposal was rated "Excellent" under the Management Approach subfactor based on three significant strengths, no significant weaknesses, three strengths, and no weaknesses. The first significant strength was for a detailed, comprehensive organizational structure and approach to scheduling work. I believed the approach to have a fully consolidated organization managed by individuals with clear authority, along with a detailed approach to scheduling work, would appreciably increase the capability to effectively plan, schedule, maximize resources, and to provide early notification of problems.

The second significant strength was for the proposed key personnel. The proposal included twelve key positions and highly competent key personnel to fill those positions, with rationale as to how the

key personnel are qualified to fulfill the requirements of each position. All key personnel are committed full time from phase-in until contract performance period 2.

The third significant strength was for the proposed approach for phase-in, which included a dedicated phase-in organization, supported by a dedicated Phase-in manager, a very detailed phase-in schedule, and a corrective action process through which issues are identified and resolved through coordination with incumbent contractors and the government. I believe this comprehensive approach appreciably increases the probability that phase-in will be timely and successful.

Small Business Utilization: The URS proposal was rated “Good” based upon meeting the goals for small business suggested in the solicitation.

b. Past Performance

For the Past Performance factor, URS received an adjectival rating of “Very High Level of Confidence,” resulting from evaluated past performance records that were considered, as a whole, “Very Relevant” to the SACOM effort. The SEB found that URS’ past performance was both recent and, as a whole, demonstrated experience that was essentially the same scope (similar types of services); essentially the same magnitude (similar size as SACOM); and essentially the same complexities (e.g., work at multiple sites and work with hybrid contract types) as SACOM. URS received three significant strengths, one strength, no weaknesses, and no significant weaknesses. The significant strengths related to: (1) the identification of sustained exceptional past performance for numerous evaluated records; (2) the identification of an exceptional safety record for numerous of the evaluated records; and (3) the consolidation of three separate contracts into the Institutional Services Contract (ISC).

I asked the SEB about the effect, if any, of the acquisition of URS’s parent company by AECOM on URS’s proposal. The SEB informed me that URS’ final proposal revision revealed that URS Federal Services, Inc., the SACOM offeror, remained intact as a subsidiary of AECOM, with the same corporate management and resources. Therefore, the acquisition of URS’s parent company resulted in no changes to the technical approach as originally proposed. In addition, during discussions and in the resulting FPR, URS explained why a past performance record submitted for its major subcontractor should be considered predictive of the subcontractor’s performance under SACOM. This explanation enabled the SEB to consider this record as part of URS’ past performance.

Comparison on Non-Cost/Price Factors:

In comparing the proposals, I first observed the similarity in the Management subfactor under Mission Suitability. All of the offerors received a score of “Excellent” based on the qualitative merits of significant strengths and strengths supporting their scores. I was aware that S3’s approach to Management was slightly better than the approach proposed by PARCOR since S3 provided a more detailed plan for phase-in and gave its Program Manager more autonomy. Nevertheless, based on the relative qualitative merits in all of the proposals, I did not use the Management subfactor as a significant discriminator for selection.

On the other hand, I believed the subfactor on Technical Performance provided a meaningful discriminator. Two offerors, PARCOR and S3, offered features that would significantly enhance

SACOM. Both offerors proposed to consolidate and to upgrade Maximo to version 7.6 and to provide digital management tools. PARCOR proposed to do this at the start of the contract; S3 proposed to do this within 6 months of contract start with the DMS available within 8 months of contract start. I asked the SEB to explain any differences between the PARCOR and S3 approaches to Maximo upgrade and consolidation. The SEB indicated that PARCOR proposed to upgrade and consolidate Maximo by the start of the contract, while S3 proposed to complete Maximo upgrade and consolidation within 6 months of contract start with the DMS available within 8 months of contract start. S3 would operate the existing Maximo systems at contract start while developing the consolidated Maximo on a separate server.

While PARCOR's approach contained the advantage of Maximo upgrade and consolidation by contract start, I felt this ambitious approach may not allow sufficient time to analyze the current systems and develop the new system, resulting in some technical risk. I believed that S3's approach to operate the existing Maximo systems at contract start while developing the consolidated Maximo on a separate server would allow S3 time to carefully analyze the current systems and develop the new system. I considered both technical approaches to be essentially equal with the slight risk of performing the consolidation/upgrade during phase-in offset by the 6 to 8 month delay before the consolidation/upgrade would be completed. I noted that URS also received a strength in this area. The URS proposal involved upgrading Maximo at SSC to next available version and then consolidating by moving functionality, integrations, and required data from the MAF Maximo to the SSC Maximo by the end of the first contract year. However, the other digital management tools, including the EZ Max Mobile and AKWIRE solution, would be completed by the end of Contract Year 2.

The second distinguishing feature PARCOR and S3 proposed involved their comprehensive and consolidated approaches to Logistics and Property Management. Both proposals would have a consolidated warehouse for inventory without relying on a satellite facility. Both Logistics and Property Management approaches contained features that should increase the likelihood materials would be available at the point of use, while also ensuring inventory levels would be effectively managed to control costs. I was aware that Jacobs and URS also received a strength for Logistics and Property Management; however, their approaches were not completely consolidated. Further, Jacobs received a weakness for not describing how the specific facility could be used for a satellite logistics hub.

The SEB indicated the two approaches for the consolidation/upgrade of Maximo and for Logistics and Property Management to be essentially equal in strength. Moreover, the SEB indicated that PARCOR and S3's technical approaches were essentially equal. I realized that PARCOR received an additional significant strength for recruiting and retaining a qualified workforce and for flexing the workforce; however, S3 received a strength for recruiting, retaining, and flexing the workforce. Therefore, I concurred with the SEB that PARCOR and S3 submitted proposals that were essentially the same for Technical Performance.

In contrast, neither the Jacobs nor URS proposals contained the same type of innovations. Jacobs did receive a significant strength for recruiting, retaining and flexing the workforce; however, this strength was not a meaningful discriminator since all of the offerors proposed similar approaches, receiving a significant strength or a regular strength for this workforce finding. I noted that the amount of detail in

the approaches was the primary difference between a significant strength finding and a strength findings. Additionally, I was aware the URS proposal did not receive any significant strengths for Technical Performance and received one significant weakness for insufficient materials demonstrated a lack of comprehensive understanding of how the CPIF work should be performed.

Although I found PARCOR and S3 to be essentially equal in their approaches to Technical Performance, with S3 having a slight edge in Management, I felt that the subfactor for Small Business Utilization showed benefits in the S3 proposal over the PARCOR proposal. The S3 proposal contained goals that exceeded the overall small business goal and significantly exceeded all but one of the goals in the small business subcategories. (The S3 proposal exceeded the remaining goal in the small business subcategory.) Conversely, the PARCOR proposal contained goals that just met the goals recommended in the solicitation. Consequently, I found that the S3 proposal would benefit small business more than the PARCOR proposal would.

Past Performance is the other non-cost factor. Three of the offerors received adjectival rating of "Very High Level of Confidence." Jacobs, however, received an adjective rating of "High Level of Confidence" due to a significant weakness for quality problems that could adversely affect flight hardware. I concurred with these evaluations, believing Jacobs' record warranted a lower level of confidence.

Overall, I found that S3 had the best proposal because it submitted the best proposal with regard to Mission Suitability and received the highest adjectival rating for Past Performance. PARCOR had the second best proposal with regard to Mission Suitability and also received with the highest adjectival rating for Past Performance. Jacobs submitted the third strongest proposal with regard to Mission Suitability due to Technical Performance, but had the lowest Past Performance rating. URS submitted the weakest proposal with regard to Mission Suitability and had the same Past Performance rating as S3 and PARCOR.

Cost/Price:

The SEB presented me with the cost of phase-in for each offeror. Section M.7 (f) of the RFP provided "the Firm-Fixed-Price of phase-in will be evaluated under the cost/price factor and reported to the SSA." The RFP was silent regarding how I was to evaluate the prices for phase-in. One approach would have been to add the proposed prices for phase-in to each offerors' overall probable price/cost. However, I recognized adding phase-costs would not change the relative order of the offerors' costs/prices. The proposed price for phase-in, therefore, was not a discriminator for selection.

After reviewing the proposed and probable cost/price for each offeror, I recognized that discussions effectively resolved many of the concerns the SEB had with regard to cost risk associated with the initial proposals, as reflected by the fact the information in Final Proposal Revisions eliminated the majority of concerns.

I separately reviewed the PWS 5.0 Firm Fixed Price for each offeror. Overall, the prices were in the same general range and appeared to be reasonable based on competition. The SEB explained prices that appeared to be low or high at the second PWS level were examined to ensure offerors had an

understanding of that requirement. I agreed with the SEB that all the offerors understood the PWS requirement and could perform the effort for the price proposed.

The SEB made minor adjustments for cost realism, with the exception of the adjustment made to the URS proposed material costs. The SEB made an adjustment to the URS probable cost to ensure it reflected the additional material costs that would be required to perform the work. Based on the explanation for each adjustment provided by the SEB, I had a high level of confidence in the cost adjustments made to the proposed costs.

In comparing the proposed costs, I observed that PARCOR had the highest probable cost. PARCOR's cost was significantly higher than the cost of the next highest offeror, Jacobs. Jacobs' probable cost was the second highest. URS's probable cost was the second lowest. However, the probable costs of URS and Jacobs differed by only a small amount. S3's probable cost was the lowest of all offerors.

Trade-Off Analysis:

As outlined above, I determined that, under the non-cost/price factors, S3 had the best proposal. While the URS proposal was comparable to S3's for Past Performance, the URS proposal received the lowest score for Mission Suitability, reflecting the fact that URS's approach to technical performance lacked the significant strengths of S3's and included a significant weakness. URS' cost was the second lowest. Based upon URS' low score in Mission Suitability, in combination with the fact that URS' probable cost is higher than that of S3, I did not find the proposal from URS to be competitive for purposes of selection.

While the Jacobs proposal was comparable to that of S3 for the Management Approach and Small Business Utilization subfactors, Jacobs' significant strength for recruiting and retaining did not significantly differentiate it from other offerors. Jacobs' proposal did not contain approaches that would affect performance in the same way as the approaches in the proposals of more highly rated offerors, as reflected in the fact that Jacobs received the second lowest score in Mission Suitability. In addition, Jacobs received a "High Level of Confidence in Past Performance," the lowest past performance score assessed. Based on these facts, in combination with the fact that Jacobs had the second highest probable cost, I did not find the proposal from Jacobs to be competitive for purposes of selection.

Also, as explained above, I determined that, under the non-cost/price factors, S3 had the best proposal. While the proposals of S3 and PARCOR provided similar benefits with a slight edge toward S3, the difference in Small Business Utilization separated the S3 proposal from the PARCOR proposal under the Mission Suitability factor. S3 and PARCOR received identical past performance ratings of "Very High Level of Confidence." When I compared the probable costs of the proposals, I noted that S3 had the lowest probable cost, while PARCOR had the highest, providing another distinction between the two proposals.

My tradeoff analysis demonstrated the proposal from S3 would provide the best value to the Government since the S3 proposal contained the best approach for Mission Suitability, had the highest possible rating in past performance, and also had the lowest probable cost.

WHG
1 Jul
2015

Therefore, I select Syncom Space Services (S3) for award of the Synergy-Achieving Consolidated Operations and Maintenance (SACOM) contract at SSC and MAF.



William H. Gerstenmaier
Source Selection Authority

1 July 2015
Date