

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

ATTACHMENT J-3

APPENDIX B

AWARD TERM OPTION INCENTIVE PLAN

JOHN C. STENNIS SPACE CENTER AND
MICHLOUD ASSEMBLY FACILITY
SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
(SACOM) CONTRACT
AWARD TERM OPTION PERFORMANCE EVALUATION PLAN

Concurred by:

Mark V. Glorioso (Chair)
Director, Center Operations Directorate

Roy W. Malone
Director, Michoud Assembly Facility

Keith D. Brock
Director, Project Directorate

Thomas R. Galloway
Director, Engineering and Test Directorate

Roger Simpson
Program Manager, Rocket Propulsion
Test Program Office

James T. Bevis
Chief Financial Officer

Robert S. Harris
Procurement Officer

Freddie Douglas
Director, Safety and Mission Assurance Directorate
Assurance

Approval by:

Richard J. Gilbrech, Ph.D.
Term Determination Official

AWARD TERM OPTION PERFORMANCE EVALUATION PLAN
FOR THE
SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
(SACOM) CONTRACT

Contents

<u>Part</u>	<u>Page</u>
I. Introduction	
II. Organizational Structure for Award Term Option Administration	
III. Evaluation Requirements	
IV. Method for Determining Award Term Option	
V. Changes in Plan Coverage	
VI. Cost Control Gate	
VII. Award Term Option Incentive Distribution	
VIII. Acronyms and Definitions	
<u>Attachments</u>	
A. Evaluation Periods and Available Award Term Option Periods	
B. Grading Table	
C. Performance Evaluation Factors and Evaluation Criteria	
D. Actions and Schedules for Evaluation Rating and Award Term Option Determinations	
E. General Instructions for Performance Monitors	

I. INTRODUCTION

1. This Award Term Option Performance Evaluation Plan (ATP) covers the administration of the Award Term Option provision of the Synergy-Achieving Consolidated Operations and Maintenance (SACOM) Contract. SACOM is a Hybrid Cost Reimbursable Incentive Fee (CPIF), Firm Fixed Price (FFP), Indefinite Delivery Indefinite Quantity (IDIQ), Award Term Option performance-based contract.
2. General - The purpose of the Award Term Option incentive is to motivate the Contractor to provide excellent performance during the life of the contract. This incentive is designed to foster long-term relationships by rewarding the Contractor with additional period(s) of performance in compensation for achieving desired objectives at a high level of performance and reduced costs. For this contract, it is possible that the Contractor may earn a maximum of nine (9) years and five (5) months period of performance without further competition.

The Contractor shall furnish for consideration a self-evaluation for each evaluation period tailored to the Award Term Option evaluation factors given in Attachment III-C. The self-evaluation must be received by the contracting officer within ten (10) calendar days following the end of each performance period. The self-evaluation shall be limited to ten (10) pages.

3. The following matters, among others, are covered in the contract:
 - a. The Contractor is required to provide a broad range of facility operations, test operations, and maintenance services to NASA and its resident agencies at Stennis Space Center (SSC) and Michoud Assembly Facility (MAF).
 - b. The term and the estimated cost of performing the contract are shown in the most recent contract modification.
 - c. The available Award Term Option is shown in Attachment A.
 - d. The evaluation ratings and Award Term Option earned will be determined annually by the Term Determination Official (TDO) in accordance with this plan.

II. ORGANIZATIONAL STRUCTURE FOR AWARD TERM OPTION ADMINISTRATION

The following organizational structure is established for administering the Award Term Option provision of the contract.

1. Term Determination Official (TDO)
 - a. The TDO is the Director of the John C. Stennis Space Center or designee.
 - b. Primary responsibilities of the TDO are:
 - (1) Determining the evaluation rating for each evaluation period and Award Term Option earned for each award term option period, as addressed in Part IV.
 - (2) Changing the matters covered in this plan as addressed in Part V as appropriate.

2. Award Term Option Evaluation Board (ATB)
 - a. The following are hereby designated to serve on the SACOM Contract ATB in the capacities shown.
 - (1) Chairs:
 - (a) Director, SSC Center Operations Directorate (Chair);
Alternate - Deputy Director, SSC Center Operations Directorate
 - (b) Director, Michoud Assembly Facility (Vice-Chair);
Alternate – Deputy Director, Michoud Assembly Facility
 - (2) Members:
 - (a) Director, SSC Project Directorate;
Alternate – Deputy Director, SSC Project Directorate
 - (b) Director, SSC Safety and Mission Assurance Directorate
Alternate – Deputy Director SSC Safety and Mission Assurance Directorate
 - (c) Director, SSC Engineering and Technical Directorate;
Alternate – Deputy Director, SSC Engineering
 - (d) SSC Chief Financial Officer;
Alternate – SSC Deputy Chief Financial Officer
 - (e) SSC Procurement Officer;
Alternate – SSC Deputy Procurement Officer

- (f) Deputy, Chief Operating Officer, Michoud Assembly Facility
Alternate – Chief Operating Officer, Michoud Assembly Facility
 - (g) MSFC - TBD
 - (3) Ex-Officio Members (Non-Voting):
 - (a) Achievement Coordinator: Contracting Officer Representative (COR) (MAF and SSC)
 - (b) Business Coordinator: SSC Program Management Support Division
 - (c) Legal Advisor, SSC Office of Chief Counsel
 - (d) Secretary, SSC Center Operations Directorate
 - b. Primary responsibilities of the Board are:
 - (1) Conducting periodic evaluations of Contractor performance and the submission of a Performance Evaluation Board Report (PEBR) to the TDO covering the Board's findings and recommendations for each evaluation period, as addressed in Part IV.
 - (2) Considering changes in this plan and recommending those it determines appropriate for adoption by the TDO, as addressed in Part V.
3. Performance Work Statement (PWS) Owners
- a. A PWS Owner will be assigned to each PWS of the contract to be evaluated. The assignment will be made by the ATB Chair as addressed in Part IV.
 - b. Each PWS Owner will be responsible for complying with the "General Instructions for Performance Monitors," Attachment IV-B, and any specific instructions of the ATB Chair as addressed in Part IV. The primary PWS Owner responsibilities are:
 - (1) Monitoring, evaluating, and assessing Contractor performance in assigned PWS.
 - (2) Preparing a Performance Monitor Report every six months to

include input from all Performance Monitors assigned to sub-elements of assigned PWS sections.

- (3) Recommending any Special Emphasis Areas to the ATB Chair.
- (4) Recommending appropriate changes in this plan for consideration, as addressed in Part IV.

4. Performance Monitors

- a. A Performance Monitor will be assigned to sub-elements of each PWS of the contract to be evaluated. The assignment will be made by the ATB Chair as addressed in Part IV.
- b. Each Performance Monitor will be responsible for complying with the "General Instructions for Performance Monitors," Attachment IV-B, and any specific instructions of the ATB Chair as addressed in Part IV. The primary Performance Monitor responsibilities are:
 - (1) Monitoring, evaluating, and assessing Contractor performance in assigned areas.
 - (2) Providing input to the PWS Owner for a Performance Monitor Report every six months.
 - (3) Recommending any Special Emphasis Areas to the PWS Owner.
 - (4) Recommending appropriate changes in this plan for consideration, as addressed in Part IV.

III. **EVALUATION REQUIREMENTS**

The applicable evaluation requirements are indicated below.

Requirement

Evaluation Periods and Available Award Term Option Periods	Attachment A
Grading Table	Attachment B
Performance Categories and Evaluation Criteria	Attachment C
Performance Requirements Summary	Included in contract
Quality Assurance Plan	Provided separately

IV. **METHOD FOR DETERMINING AWARD TERM OPTIONS**

A determination of the evaluation rating for each one (1) year evaluation period, and Award Term Option earned for each 1-year Award Term Option period, will be made by the TDO within 45 days after the end of the period. The method to be followed in monitoring, evaluating, and assessing Contractor performance during the period, as well as for determining the Award Term Option earned, is described below. Attachment D & E summarizes the principal activities and schedules involved.

1. The ATB Chair will ensure a PWS Owner and Performance Monitor(s) are assigned for each PWS and PWS sub-element to be evaluated under the contract. Monitors will be selected on the basis of their expertise relative to prescribed performance area emphasis. Normally, monitor duties will be in addition to, or an extension of, regular responsibilities. The ATB Chair may change monitor assignments at any time without advance notice to the Contractor.
2. The ATB Chair will ensure that each monitor receives the following:
 - a. A copy of this plan along with any changes made in accordance with Attachment D.
 - b. Appropriate orientation and guidance.
 - c. Specific instructions applicable to the monitors' assigned performance areas.
3. Monitors will evaluate and assess Contractor performance and discuss the results with Contractor personnel as appropriate, in accordance with the "General Instructions for Performance Monitors," Attachment E, and the specific instructions and guidance furnished by the ATB Chair.
4. PWS Owners will submit Performance Monitor Reports every six months to the Contracting Officer's Representative (COR) within 15 days following the end of each six month period.
5. The ATB Chair will request and obtain performance information from other units or personnel normally involved in observing Contractor performance, as appropriate.
6. The ATB will meet once a year to consider Performance Monitor Reports and other performance information it obtains and discuss the reports and information. At the meeting, the ATB will establish findings and recommendations to be included in the PEBR.
7. As requested by the ATB Chair, monitors and other personnel involved in the performance evaluations will attend the meeting and participate in discussions.

8. At the ATB meeting, the Contractor will be given an opportunity to submit information on its behalf, including a written assessment of its performance during the evaluation period. The ATB will consider matters presented by the Contractor.
9. The ATB Chair will prepare the PEBR for the period and submit it to the TDO for use in determining the evaluation rating. The report will contain an adjectival rating and a recommended performance score with supporting documentation.
10. The TDO will consider the PEBR and discuss it with the ATB Chair and other personnel, as appropriate.
11. The TDO will consider the recommendations of the ATB and any other pertinent information in determining the evaluation rating for the period. The TDO's determination of the evaluation rating, including Award Term Option earned for each Award Term Option period and the basis for this determination, will be stated in the TDO Letter.
12. The Contractor will be notified by the Contracting Officer of the TDO's determination.
13. If an Award Term Option is earned, the CO will issue a unilateral contract modification extending the contract period of performance in accordance with the TDO's determination and the terms and conditions of the contract.

V. **CHANGES IN PLAN COVERAGE**

1. Right to Make Unilateral Changes

The Government may unilaterally change aspects of this plan provided the Contractor receives notice of the changes prior to the beginning of the evaluation period to which the changes apply. Changes may be made to the plan during an evaluation period if mutually agreed to by both parties.

2. Steps to Change Plan Coverage

The following is a summary of the principal actions involved in changing plan coverage.

Action	Schedule
ATB drafts proposed changes	Ongoing
ATB submits recommended changes to TDO for approval	NLT 15 days prior to beginning of evaluation period
Contracting Officer notifies Contractor of changes	Prior to beginning of evaluation period

The ATB will establish subsidiary actions and schedules, as necessary, to meet the above schedules.

3. Method for Changing Plan Coverage

The method to be followed for changing the plan coverage is described below:

- a. Personnel involved in the administration of the Award Term Option provisions of the contract are encouraged to recommend plan changes with a view toward changing management emphasis, motivating higher performance levels or improving the Award Term Option determination process. Recommended changes should be sent to the ATB Chair for consideration and drafting.
- b. Prior to the beginning of each evaluation period, the ATB will submit recommended changes, if any, for approval by the TDO with appropriate comments and justification as required.
- c. Prior to the beginning of each evaluation period, the Contracting Officer will notify the Contractor in writing of any changes to be applied during the next period. If the Contractor is not provided with this notification, then the existing plan will continue in effect for the next evaluation period.

4. Special Emphasis Areas

Emphasis will be directed at particular areas under the contract, which appear to the Government to be in need of special attention. No later than 45 days prior to the start of each evaluation period, the Contractor may submit to the Contracting Officer recommended areas of special emphasis for the ensuing evaluation period that are within the evaluation criteria listed in Attachment C. Consideration will be given to the Contractor's recommendations; however, it is the Government's responsibility to establish the areas of emphasis. The Contractor will be advised by letter from the Contracting Officer of the specific areas of emphasis indicating where the Contractor is to place management attention. This notification will be provided to the Contractor prior to the beginning of each evaluation period. The Contracting Officer may notify the Contractor at a later date of any alteration of areas of emphasis.

VI. **COST CONTROL (WEIGHT=N/A (MEET/DOES NOT MEET COST GATE))**

The Award Term Option requires a cost gate be met for the Contractor to earn an additional term. The cost gate is a target that the Contractor must meet before an additional term may be awarded. The cost gate is the Target Cost as identified in Schedule B of the contract. The Contractor must meet or under-run cost for the period before an Award Term Option determination can take place. The Target Cost will be

established for annual periods. If an agreement between the Government and the Contractor on the Target Cost is not reached, the Government will unilaterally determine the Target Cost and apprise the Contractor.

VII. AWARD TERM OPTION INCENTIVE DISTRIBUTION

The Award Term Option Incentive will be distributed as follows:

The Contract has a base period of one year and five months and an option period of two years with the potential to earn six (6) one-year Award Term Options.

Contract Period 3 (Oct 1, 2016 – Sept 30, 2017) begins the Award Term Option evaluations. A Contractor must earn an Excellent adjective rating in Contract Period 3 and each sequential period to earn additional one year periods, not to exceed a total contract period of performance of nine years and five months (see attachment A).

In the event that the Contractor earns a rating less than Excellent in Contract Period 3 or later, no additional term will be earned and the Government may re-compete the contract at the end of the Contract option period or previously earned contract year(s). Additionally, in order to allow sufficient time for the Government to re-procure services, the Government may require continued performance of any services within the limits and at the rates specified in the Contract for a period of 12 months in addition to the period available in the FAR clause 52.217-8, Option to Extend Service (potential 1-year, 6 months) from the end of the Contract two-year option period or previously earned contract period(s). All Award Term Option Incentive Distributions are made by contractual modification by the contracting officer to add the earned Award Term Option to the period of performance at pre-determined prices.

VIII. ACRONYMS AND DEFINITIONS

ATB Award Term Option Evaluation Board
ATP Award Term Option Plan
CFO Chief Financial Officer
CO Contracting Officer
COD Center Operations Directorate
COR Contracting Officer's Representative
CPIF Cost-Plus Incentive Fee
ETD Engineering and Test Directorate
FOSC Facility Operating Services Contract
NLT No Later Than
PEBR Performance Evaluation Board Report
RFP Request for Proposal
SSC Stennis Space Center
TDO Term Determination Official

PWS Owner An individual assigned to monitor, evaluate, and report on Contractor activities/performance with respect to a particular PWS in the contract. Also coordinates input from performance monitors assigned to sub-elements of the same PWS.

Performance Monitor An individual assigned to monitor, evaluate, and report on Contractor activities/performance with respect to particular sections of the contract.

ATTACHMENT A
FOR THE
SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
(SACOM) CONTRACT

Evaluation Period	Performance Required for Award Term	Available Contract Period
Period 1 (BASE) May 1, 2015 - September 30, 2015	Option Procedures	N/A
Period 2 (BASE) October 1, 2015 - September 30, 2016	Option Procedures	N/A
Period 3 (2 Year Option - First Year) October 1, 2016 - September 30, 2017	Excellent (91 - 100)	5
Period 4 (2 Year Option - Second Year) October 1, 2017 - September 30, 2018	Excellent (91 - 100)	6
Period 5 (Award Term 1) October 1, 2018 - September 30, 2019	Excellent (91 - 100)	7
Period 6 (Award Term 2) October 1, 2019 - September 30, 2020	Excellent (91 - 100)	8
Period 7 (Award Term 3) October 1, 2020 - September 30, 2021	Excellent (91 - 100)	9
Period 8 (Award Term 4) October 1, 2021 - September 30, 2022	Excellent (91 - 100)	10
Period 9 (Award Term 5) October 1, 2022 - September 30, 2023	N/A	N/A
Period 10 (Award Term 6) October 1, 2023 - September 30, 2024	N/A	N/A

**EVALUATION PERIODS AND
AVAILABLE AWARD TERM PERIODS**

ATTACHMENT B
 FOR THE
 SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
 (SACOM) CONTRACT

GRADING TABLE

The following grading table is to be used for this contract. The overall evaluation rating is calculated by applying the numerical scores from each performance category and weighting them appropriately as identified in Attachment III-C, "Performance Categories and Evaluation Criteria." The table below lists the adjectival ratings with their corresponding evaluation rating ranges.

Adjectival Rating	Range of Evaluation Rating	Description
Excellent	(91-100)	Contractor has exceeded almost all of the significant award-term option factors and has met overall cost requirements of the contract in the aggregate as defined and measured against the factors in the award-term option plan for the award-term option evaluation period.
Very Good	(76-90)	Contractor has exceeded many of the significant award-term option factors and has met overall cost requirements of the contract in the aggregate as defined and measured against the factors in the award-term option plan for the award-term option evaluation period.
Good	(51-75)	Contractor has exceeded some of the significant award-term option factors and has met overall cost requirements of the contract in the aggregate as defined and measured against the factors in the award-term option plan for the award-term option evaluation period.
Satisfactory	(50)	Contractor has met overall significant award-term option factors and cost requirements of the contract in the aggregate as defined and measured against the factors in the award-term option plan for the award-term option evaluation period.
Unsatisfactory	(Less Than 50)	Contractor has failed to meet overall significant award-term option factors and cost requirements of the contract in the aggregate as defined and measured against the factors in the award-term option plan for the award-term option evaluation period.

ATTACHMENT C

FOR THE

SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
(SACOM) CONTRACT

PERFORMANCE EVALUATION FACTORS AND EVALUATION CRITERIA

The Contractor's performance to the defined Award Term Option evaluation factors for the period will be the basis for the Government's subjective determination of the Contractor's performance for awarding an additional Award Term Option, if any. Award Term Option evaluation factors defined for a period are contingent upon the Contractor meeting the cost gate as outlined in this plan. The performance categories to be evaluated are considered significant and are identified below.

Performance Evaluation Factor	Evaluation Weight
Management and Technical Performance	
- Management initiative in preventing, detecting, correcting, and reporting problems	
- Understanding of and response to Government Requirements	
- Business Management	
- Subcontract Management	
- Synergy Consolidation & Implementation Plan (SCIP)	
- Special Emphasis Areas	
Total	75%

Performance Evaluation Factor	Evaluation Weight
Safety and Health Performance	
- Maintenance of an effective safety and health program (e.g. lost time frequency rate, number of lost time injuries)	
- Compliance with Louisiana/Mississippi Department of Environmental Quality	
- Conformance to Contract safety requirements, clauses, and procedures	
- Special Emphasis Areas	
Total	25%

ATTACHMENT D

FOR THE

SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
(SACOM) CONTRACT

**ACTIONS AND SCHEDULES FOR EVALUATION RATING AND AWARD TERM
OPTION DETERMINATIONS**

The following is a summary of the principal actions involved in determining the evaluation ratings for the evaluation periods and the Award Term Option earned for Award Term Option periods.

Action	Schedule
Monitors and assess performance, discuss results with Contractor, and recommend Special Emphasis Areas.	Ongoing
Contractor submits self-evaluation.	NLT 14 days after end of evaluation period
PWS Owners submit Performance Monitor Reports.	NLT 15 days after end of each six month period
CO/COR submit Summary Performance Reports to ATB.	NLT 32 days after end of evaluation period
CO/COR assess performance for award term period and discuss results with contractor.	NLT the meeting with the ATB or NLT 34 days after the end of the evaluation period
ATB meets with CO/COR and contractor, establishes findings, and prepares recommendations for PEBR.	NLT 35 days after end of evaluation period
ATB Chair submits staffed PEB Report and recommendation to the TDO. ATB Chair meets with TDO to discuss PEBR.	NLT 44 days after the end of the evaluation period
TDO decision is made and sent to CO	NLT 45 days after end of evaluation period
CO notified contractor of TDO decision along with the TDO Letter, evaluation report and unilateral contract modification.	NLT 50 days after end of evaluation period

The ATB will establish subsidiary actions and schedules, as necessary, to meet the above schedules.

ATTACHMENT E
FOR THE
SYNERGY-ACHIEVING CONSOLIDATED OPERATIONS AND MAINTENANCE
(SACOM) CONTRACT

GENERAL INSTRUCTIONS FOR PERFORMANCE MONITORS

1. Monitoring and Assessing Performance

- a. Monitors will prepare outlines of their assessment plans, and discuss them with appropriate Contractor personnel to assure complete understanding of the evaluation and assessment process.
- b. Monitors will plan and carry out on-site assessment visits, as necessary.
- c. Monitors will conduct all assessments in an open, objective and cooperative spirit so that a fair and accurate evaluation is obtained. This will ensure that the Contractor receives accurate and complete information from which to plan improvements in performance. Positive performance accomplishments should be emphasized just as readily as negative ones.
- d. The monitor will discuss the assessment with Contractor personnel as appropriate, noting any observed accomplishments and/or deficiencies. This affords the Contractor an opportunity to clarify possible misunderstandings regarding areas of poor performance and to correct or resolve deficiencies.
- e. Monitors must remember that contacts and visits with Contractor personnel are to be accomplished within the context of official contractual relationships. Monitors will avoid any activity or association that might cause, or give the appearance of, a conflict of interest.
- f. Monitor discussions with Contractor personnel are not to be used as an attempt to instruct, to direct, to supervise or to control these personnel in the performance of the contract or in the role of personal services. The role of the monitor is to monitor, assess and evaluate, not to manage the Contractor's effort.

2. Documenting Evaluation/Assessment

Monitors will prepare a formal Performance Monitor Report every six months and submit it to the COR in accordance with the following instructions.

- a. Include an impact statement and performance score for each performance category identified in Attachment III-C.

- b. Evaluation of any areas included in the Statement of Work, or any new tasks, which are not explicitly covered by an existing performance requirement, may be evaluated by an individual write up on the event. Individual events that are covered by an existing performance requirement may also be written up separately if the significance of the event warrants it.
- c. Notification of deficiencies and weaknesses shall be made as soon as possible after identification of the deficiency so that corrective action may be taken. The Contractor and performance monitors shall not delay this notification until the submission of the end of period evaluations.

3. Verbal Reports

Monitors will be prepared to make verbal reports of their evaluations and assessments as required by the ATB Chair.