

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)
GEORGE C. MARSHALL SPACE FLIGHT CENTER (MSFC)**

**JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION (JOFOC)
PURSUANT TO TITLE 10 U.S.C. 2304 (c) (1)**

1. This document is a Justification for Other Than Full and Open Competition (JOFOC) prepared by the NASA Marshall Space Flight Center (MSFC) in accordance with Federal Acquisition Regulation (FAR) Part 6.3, Other Than Full and Open Competition, and NASA FAR Supplement (NFS) Part 1806.3, Other Than Full and Open Competition.

2. Nature and/or description of the action being approved:

MSFC intends to negotiate with Jacobs Technology, Inc., (hereinafter 'Jacobs') only for the proposed one-year extension of the on-going Michoud Assembly Facility (MAF) Manufacturing Support and Facility Operations Contract (MSFOC) (No. NNM09AA20C) that supports MSFC organizations, programs, and projects. This proposed extension action will allow for continuation and stability of these services, pending the placement of a competitive follow-on acquisition.

3. Description of the supplies or services required to meet the agency's need, including estimated value:

This procurement is for a wide range of support services to various MSFC programs and projects. MSFOC provides mission-focused integrated production and facility operation support to NASA Projects and other on-site users and tenants. This support includes: program management, safety, health and emergency management, integrated manufacturing support, maintenance, site services, site operations, logistics operations services, sustaining engineering, environmental services, construction, and IDIQ services. As both a manufacturing facility for human space flight hardware and an operational installation for users and tenants, MAF's manufacturing support and facility operations are required 24 hours a day, 7 days a week.

The total estimated cost of this extension effort is \$140,000,000 and the estimated period of performance is from May 1, 2014 through April 30, 2015. Of the \$140,000,000 estimated cost, \$40,000,000 is estimated for base mission services, with an additional \$100,000,000 annual Indefinite Delivery Indefinite Quantity (IDIQ) ceiling.

MSFOC was competitively awarded to Jacobs on May 1, 2009, with a three (3) year base period of performance and two (2) one-year options. Option 1 was exercised on February 27, 2012, extending the contract's period of performance from May 1, 2013 to April 30, 2013. Option 2 was exercised on March 21, 2013, which further extended the contract's period of performance from May 1, 2013 to April 30, 2014. Both one-year options facilitated continuity of operations that were critical to NASA missions as the Space Launch System (SLS) program initially began to expand at MAF via several large-scale Construction of Facilities (CoF) operations, consisting of CoF projects relating to both new facility construction and facility revitalization (to include repair, restoration, rehabilitation, and modification of the existing facilities). Additionally, each of the

option extensions supported local requirements for continued IDIQ demand services work that was being supplied to other government and commercial tenants located at MAF.

A follow-on contracting activity, entitled "Synergy Achieving Consolidated Operations and Maintenance (SACOM)" is currently in the early stages of acquisition planning. SACOM's intent is to take advantage of consolidation opportunities between service requirements presently being supported under MSFOC, Stennis Space Center (SSC)'s Facility Operating Services Contract (FOSC), and SSC's Test Operations Contract (TOC). The consolidation of these contracts will serve as the follow-on re-competition for all three contracts, with SACOM currently projected to be awarded in mid Fiscal Year 2015. As such, a sizable gap currently exists without contract coverage for MAF's mission services and IDIQ activities given the current MSFOC expiration date. Any lapse in the MSFOC service provision during the period of the SACOM competition activity and subsequent performance commencement by the selected contractor would cause irreparable harm to the SLS Program. The one-year MSFOC extension described herein reconciles this gap in contract coverage necessary to maintain MAF's basic site services (i.e., mission services), as well as provides for continuation of IDIQ services for on-site users and tenants.

4. Statutory authority permitting other than full and open competition:

This recommendation is made pursuant to Federal Acquisition Regulation (FAR) Subpart 6.302-1, which implements the authority for 10 USC § 2304(c) (1) for the acquisition of supplies and services from only one responsible source and no other type of supplies or services will satisfy agency requirements.

5. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires the authority cited:

In light of the above, which establishes the need for "stop-gap" coverage during the bridge period of the follow-on SACOM competition, a sole-source one-year contract extension is necessary to provide uninterrupted, mission-critical support to MSFC programs and projects at MAF. In accordance with FAR Subpart 6.302-1(a) (2) (iii), MSFOC services are deemed to be available only from the original source for the continued provision of highly specialized services when it is likely that award to any other source would result in unacceptable delays in fulfilling agency requirements. NASA is currently developing the Space Launch System (SLS) with Core Stage and Orion Crew Capsule manufacturing conducted at MAF. The importance of this manufacturing effort to the overall success of SLS places MAF on the critical path for maintaining the Program's congressionally-mandated first launch in 2017.

As noted earlier, Jacobs is responsible for maintaining and operating the facility and equipment used by the prime contractors responsible for SLS and Orion hardware manufacturing. Jacobs has responsibility for approximately thirty (30) ongoing SLS-related CoF tasks (e.g., Task Order (TO) #374, "Modifications for SLS Component Final Assembly Building 103"; TO #281, "SLS Modifications to MAF Building 131 (Cell N) for Thermal Protection Systems (TPS), Area 63"; TO #282, "SLS Modifications to MAF

Building 131 (Cell P) for External Clean and Prime, Area 62"; TO #285, "SLS Modifications to MAF Building 451 for LH2 Proof Testing, Area 30"; and TO #369, "SLS Modifications for Vehicle and Component Transport / Access"). These SLS-related CoF projects are part of the critical path for maintaining the program's congressionally-mandated first launch in 2017.

In addition, Jacobs is also responsible for fourteen (14) ongoing general CoF tasks that include TO #303 for "MAF Building 103 - Repair Roof damaged by Hurricane Isaac", TO #370 for "Replace Forced Main Sanitary Piping in MAF Building 103", and TO #373 to "Replace MAF's Transformer West Master Substation". These noted CoF task orders are critical milestone projects that require significant management, design, engineering, and coordination between the facility contractor and NASA projects. Any break in this effort would have a severely negative impact on NASA's ability to meet overall program completion dates.

6. Description of the efforts made to ensure that offers are solicited from as many potential sources as practicable:

As SACOM continues through its ongoing stages of acquisition planning, NASA has and will continue to communicate with industry regarding the refinement of overall SACOM scope, as well as work towards informing all interested parties of other prospective prime contractors, potential teaming partners, and/or interested subcontractors who have already expressed interest in the follow-on effort that will become the SACOM contract. The purpose of NASA seeking and disseminating this information from interested SACOM parties is to obtain the widest possible competition results when it releases the eventual SACOM solicitation for response. The previous full and open competition for MAF's manufacturing support and facilities operations contract resulted in a sufficient number of responsible sources submitting proposals. With regard to SACOM, a large number of potential Offerors exist, as evidenced by responses to the June 2013 sources-sought synopsis whereby several Offerors expressed interest in providing resources and capabilities statements to NASA. Approval of this one-year sole-source extension to Jacobs will enable continued performance of the MSFOC portion of the eventual larger SACOM contract, until such time SACOM's acquisition efforts can conclude.

7. A determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable:

The current value of this contract is approximately \$438,000,000 with a period of performance that presently expires on April 30, 2014. MSFOC is a Cost-Plus-Award-Fee (CPAF) mission services and IDIQ instrument, with IDIQ work authorized through individual task orders. The \$40,000,000 base mission services estimated cost for this one-year extension has been extrapolated from analysis of annual estimated cost associated with each of the contract's prior years of mission services requirements and resulting contractor performance. Analysis additionally included projected changes to MSFOC's mission services requirements necessary to support ongoing SLS-related ramp-up activities, a nominal Government-projected escalation rate increase in existing labor resources, as well as anticipated operations cost budgetary reductions associated with Fiscal Year 2014 (FY14) and beyond. Contract value associated with each of the prior

years' estimated costs for performing annual mission services scope (as established via full and open competition) shows that Jacobs' cost performance has closely aligned to established contract value for operating and maintaining MAF each year of the contract. This cost analysis projection supports a fair and reasonable pricing determination for the mission services cost necessary to maintain MAF for a sixth year under this contract.

As previously stated, the \$100,000,000 estimated cost portion of this one-year extension will add another year's worth of historically-established IDIQ ceiling value to the contract, providing for the continuation of services that cannot reasonably be estimated for inclusion into the base mission services portion of the contract. This includes IDIQ support for things such as payment of fluctuating utilities bills, varying demand services requirements for on-site users and tenants, and support for unique events that occur at MAF. The annual, maximum potential range of task order value was established at the onset of this contract, with each contract year having a guaranteed \$10,000,000 minimum level necessary to cover the cost of MAF's annual utilities consumption, up to a \$100,000,000 maximum ceiling for coverage of remaining estimated annual IDIQ needs. In accordance with the contract's task ordering procedures, when responding to task order requests from the Government, the contractor is required to propose IDIQ resources in accordance with the contract's pre-established annual schedule of fully-burdened IDIQ labor rates at the time of the task order proposal. Each task order proposal is then evaluated by the Government for resource quantity and negotiated with the contractor prior to the issuance of an individual task order. A determination by the Contracting Officer that the estimated cost of each individual task is fair and reasonable is required prior to task order award.

8. Description of the market survey conducted, and the results, or a statement of the reasons a market survey was not conducted:

In further support of fair and reasonable cost estimating for this one-year extension, an informal review of market research was conducted via comparison basis against similar existing General Services Administration (GSA) Schedule Facilities Maintenance and Management contracts (GSA classification 03FAC). The estimated cost for MSFOC's sixth year of performance was found to range at or below comparable GSA contract pricing for similar efforts. Based on this knowledge of the marketplace, additional market survey activities will not be pursued, since the limited market research indicated negligible cost savings would be attained via a different facilities O&M contractor given the previously stated re-competition and/or acclimation cost associated with phasing in a new O&M contractor. Instead, market research lends that it would be more cost advantageous for the Government to continue efforts with Jacobs in order to maintain continuity of mission and IDIQ support services during this transition period.

9. Other facts supporting the use of other than full and open competition:

It is not practical to compete this work and then transition to SACOM for such a short period of time. The potential benefits of competition would not offset the administrative burden and expense of conducting two competitions simultaneously or the potential disruption of services resulting from multiple and possibly parallel contracts transiting for the same work in less than a one-year period.

Furthermore, it is estimated the time and cost to quickly bring another facilities O&M contractor on-board for this one-year period would be in excess of a standard 45 to 60 day phase-in period, likely requiring upwards of 90 days to complete. The original 60 day MSFOC transition from the predecessor MAF Operations and Maintenance (MOM) portion of the Space Shuttle's External Tank (ET) contract was sufficient as a result of the previous contractor maintaining control of all critical processes for the manufacturing of remaining ETs. For this transition, it is estimated 90 days would be required based on the incoming contractor having to immediately take up O&M for all SLS-related critical processes, as well as complete critical CoF milestone projects. As such, NASA would likely not be able to offset the majority of the new contractor's acclimation cost due to the relatively brief timeframe of this extension.

Additionally, there is no reasonable alternative to modifying the current contract, such that MSFOC would be novated to another O&M contractor (outside of competition) for immediate coverage of MAF's O&M requirements for this temporary period of time. In addition to the aforementioned extended acclimation time and likely unrecoverable additional phase-in cost, it would be neither feasible nor reasonable to make award to any contractor other than the incumbent, particularly given the SACOM contract will result in an anticipated competitive award within the twelve (12) month extension period authorized by this JOFOC, as well that NASA does not have supporting rationale to make a sole-source novation of MSFOC to any other competent facilities O&M contractor.

10. Sources, if any, that expressed an interest in writing in the acquisition:

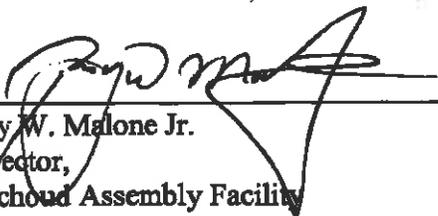
Pursuant to NFS 1804.570 and FAR 5.201, a synopsis for this proposed contract action was published on both the NAIS and FedBizOpps websites for a period of fifteen (15) days beginning December 5, 2013. Interested organizations were requested to submit their capabilities and qualifications to perform this effort to the identified point of contact not later than 4:30 p.m. local time on December 19, 2013, for the sole purpose of the Government evaluating and determining whether or not to conduct this procurement on a competitive basis. No firms requested consideration or expressed any response to this synopsis posting.

11. The actions, if any, the Agency may take to remove or overcome barriers to competition before any subsequent acquisition for the supplies or services required:

Relative to overcoming barriers to competition, the MAF O&M effort currently encompassed by MSFOC shall continue to be subject to the aforementioned SACOM competition activity currently in work between SSC and MSFC. In approving this JOFOC, there is no concern over the potential lack of competition for the larger SACOM requirement.

For the above reasons, full and open competition is not feasible. Therefore, purchase of the supplies or services from Jacobs is the only practical approach.

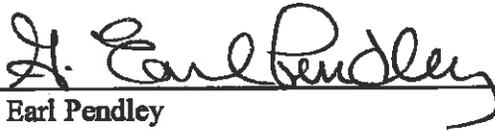
I hereby certify the facts in this justification and any supporting data used for this justification are accurate and complete to the best of my knowledge.



Roy W. Malone Jr.
Director,
Michoud Assembly Facility

3/3/14
Date

I hereby certify that the above justification is complete and accurate to the best of my knowledge and belief. In addition, I hereby determine that the anticipated cost to the Government will be fair and reasonable.



G. Earl Pendley
Contracting Officer

3/3/14
Date

Concurrence:



Kim E. Whitson
Director,
MSFC Office of Procurement

3/3/14
Date

Concurrence:



L. Dale Thomas
MSFC Center Competition Advocate

March 6, 14
Date

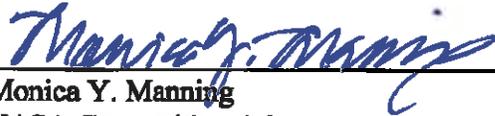
Concurrence:



William H. Gerstenmaier
NASA Associate Administrator for
Human Exploration and Operations

12 Mar 2014
Date

Concurrence:



Monica Y. Manning
NASA Competition Advocate

3/18/2014
Date

Approval:



William P. McNally
NASA Assistant Administrator for Procurement

3/18/14
Date