

**SELECTION STATEMENT
FOR
NASA BALLOON OPERATIONS CONTRACT (NBOC)
REQUEST FOR PROPOSALS (RFP) NNG14436908R**

On October 21, 2014, I along with senior officials from the National Aeronautics and Space Administration (NASA) Goddard Space Flight Center (GSFC) met with the Source Evaluation Board (SEB) appointed to evaluate proposals in connection with the NASA Balloon Operations Contract procurement. A full briefing of the results of the evaluation conducted by the SEB was presented to me, resulting in this source selection decision.

PROCUREMENT DESCRIPTION

The NBOC requirement was issued as a full and open competition procurement. The purpose of this contract is to provide support to NASA's Columbia Scientific Balloon Facility (CSBF). CSBF is a government owned facility located in Palestine, Texas, with a permanent balloon staging facility at Fort Sumner, New Mexico. The contractor will provide facility operation and maintenance for the CSBF, operational balloon flight support including launching, tracking and recovery of the scientific balloons and payloads, and engineering services for operational support, quality control, and balloon research and development. Performance will be at CSBF, Goddard Space Flight Center/Wallops Flight Facility, Wallops Island, Virginia, Balloon launch sites and at the contractor's facilities. The Statement of Work (SOW) areas are as follows:

- 1 - Reliability and Quality Management;
- 2 - Configuration Management;
- 3 - Risk Management;
- 4 - Training and Certification;
- 5 - Information Technology;
- 6 - Facilities - Operations and Maintenance;
- 7 - Construction of Facilities;
- 8 - Property Management;
- 9 - Balloon Flight Operations Support;
- 10 - Engineering Services; and
- 11 - Task Order Management.

EVALUATION PROCEDURES

The RFP defined the evaluation factors as Mission Suitability, Cost and Past Performance. The RFP specified the relative order of importance of the evaluation factors as follows:

The Cost factor is significantly less important than the combined importance of the Mission Suitability factor and the Past Performance factor. As individual factors, the Cost factor is less important than the Mission Suitability factor but more important than the Past Performance factor.

The RFP provided that each Offeror's Mission Suitability proposal would be evaluated and point scored. This procedure required the Government to evaluate proposals under each subfactor, identifying Significant Strengths, Strengths, Weaknesses, Significant Weaknesses, or Deficiencies; to assign an adjectival rating for each subfactor based on the findings; to determine a percentile score for each subfactor based on the findings; and to calculate a total point score for the Mission Suitability factor using the weighted sum of subfactor scores. In this regard, the RFP defined Mission Suitability as consisting of the following subfactors and assigned points to each as indicated:

SUBFACTOR		POINTS
A	Technical Approach & Understanding the Requirements	600
B	Management Approach (Including Health and Safety Plan)	300
C	Small Business Utilization	100
TOTAL		1000

Regarding the Cost factor, the RFP provided for the evaluation, but not numerical scoring or adjectival rating of cost. The RFP advised Offerors that the proposed costs would be assessed to determine reasonableness and cost realism. The RFP further stated that the evaluation would be conducted in accordance with Federal Acquisition Regulation (FAR) 15.305(a)(1) and NASA FAR Supplement (NFS) 1815.305(a)(1)(B).

For purposes of selection, the RFP indicated that the total proposed and probable costs, comprised of the phase-in price and the Core Requirements costs (inclusive of all options and proposed fee), the proposed IDIQ rates, and any costs risk associated with the proposal would be considered.

The RFP indicated the past performance evaluation would be conducted in accordance with FAR Part 15. The RFP further provided for the evaluation of the Past Performance factor using levels of confidence ratings to assess the Government's confidence in the Offeror's ability to perform NBOC requirements. The RFP defined the following levels of confidence ratings: Very High, High, Moderate, Low, Very Low, and Neutral. Under this factor, the SEB was required to evaluate each Offeror's recent and relevant performance of work similar in size and content to the NBOC requirements. Past performance references were required to meet the "recent" and minimum average annual cost/fee expenditures criteria for both prime Offeror references and Significant Subcontractor references. For a Significant Subcontractor's contract reference(s) to be considered at least minimally "relevant," it must have met/exceeded an annual total cost/fee incurred of at least 25% of that portion of this procurement that the subcontractor is proposed (or estimated) to perform.

PROCUREMENT HISTORY AND EVALUATION PROCESS

NASA's Source Selection Authority for this procurement appointed the SEB, which included a team of technical and business members and consultants from appropriate disciplines, to assist in proposal evaluation.

NASA issued the RFP on January 8, 2014, followed by five amendments.

The following companies submitted proposals as Prime Offerors by March 10, 2014:

Orbital Sciences Corporation (Orbital)
New Mexico State University (NMSU) - Physical Science Laboratory (PSL)

The SEB reviewed each Offeror's Mission Suitability proposal, reached consensus on findings, rated and scored each subfactor, applied the established numerical weights, and produced an overall Mission Suitability score for each proposal. To arrive at the level of confidence rating for Past Performance, the SEB relied on the performance data provided in each proposal and information obtained for the relevant contracts identified in the proposals, as well as other past performance information available to the SEB. The SEB also evaluated each Offeror's cost and arrived at a probable cost to the Government. In addition to the evaluation of the factors and subfactors identified above, the SEB ensured all solicitation requirements were met.

The RFP indicated that "The Government intends to evaluate proposals and award contract(s) without discussions with Offerors (except clarifications as described in FAR 15.306(a))." After evaluating proposals, the Contracting Officer determined that a selection could not be made on initial proposals and establishing a competitive range and discussions were in the Government's best interests. I concurred with the Contracting Officer's determination that a selection on initial proposals was not appropriate and that establishment of a competitive range and discussions was necessary.

On July 30, 2014, the Contracting Officer sent written notices to Orbital and PSL notifying each Offeror that they were included in the competitive range and that the Government intended to enter into discussions. These notices also identified all Mission Suitability findings, Cost Issues, and Past Performance results from the initial evaluations for each Offeror. On August 27, 2014, letters were sent to Orbital and PSL to close discussions and transmit Amendment Five. Each Offeror was provided an opportunity to submit a Final Proposal Revision (FPR). Timely FPRs were received from both Offerors.

Following the same evaluation process used for the initial evaluation, the SEB completed the final evaluation of the Offerors' FPRs for all factors.

MISSION SUITABILITY EVALUATION OF THE FPR

The table below provides the adjectival ratings assigned in each Mission Suitability subfactor and the total Mission Suitability scores after evaluating each subfactor in accordance with RFP Section M.4. The two NBOC proposals are listed in the order in which they were evaluated.

Offeror	Subfactor A Adjective	Subfactor B Adjective	Subfactor C Adjective	Total out of 1000
Orbital	Good	Good	Excellent	685
PSL	Good	Good	Good	672

The substance of the SEB's evaluation of Mission Suitability for each Offeror is presented below.

Orbital

Under Subfactor A, Orbital received an adjectival rating of "Good" with no Significant Strengths, one Strength, no Weaknesses, no Significant Weakness, and no Deficiencies.

Orbital received a Strength for its approach to providing aircraft for Canada operations that will provide simultaneous tracking and ferrying operations and provide safer operations in extreme conditions of the Arctic.

Under Subfactor B, Orbital received an adjectival rating of "Good" with no Significant Strengths, three Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies.

Orbital received a Strength for its proposed Phase-in Plan that will mitigate the risk of contract changeover. Orbital's phase-in plan offered comprehensive and effective contract phase-in and performance methodologies. Orbital proposed high incumbent capture resident at CSBF and Wallops and proposed effective capture methods.

Orbital received a second Strength for proposing a reach-back capability into other organizations for additional resources. Orbital offered an effective technical approach and techniques and procedures to provide additional resources during surge times and during times when additional support is needed.

Orbital received a third Strength for its proposal to operate the NBOC safety program in conformance with the structure of the OSHA Voluntary Protection Program. The proposed VPP exceeds SOW requirements and ensures a safe and healthy work environment through the use of additional processes and procedures to encourage employee participation in the safety program.

Under Subfactor C, Orbital received an adjectival rating of "Excellent" with one Significant Strength, three Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies.

Orbital received a Significant Strength for significantly exceeding all small business goals identified by the Government.

Orbital received a Strength for the use of a small business for high technology work with an enforceable agreement.

Orbital received a second Strength for its commitment to small business concerns through the use of several techniques for locating and identifying small businesses.

Orbital received a third Strength for its participation in the NASA Mentor-Protégé Program.

PSL

Under Subfactor A, PSL received an adjectival rating of "Good" with no Significant Strengths, three Strengths, no Weakness, no Significant Weakness, and no Deficiencies.

PSL received a Strength for an effective approach to providing aviation and aircraft support throughout the full term of the NBOC for domestic flight operations starting February 1, 2015.

PSL received a second Strength for its effective and efficient approach to the Antarctic Campaign scenario planning and operations.

PSL received a third Strength for its proposed mission operations concept of four simultaneous missions that results in a permanent increase in communications capability.

Under Subfactor B, PSL received an adjectival rating of "Good" with no Significant Strengths, one Strength, no Weaknesses, no Significant Weaknesses, and no Deficiencies.

PSL received a Strength for an effective approach to staffing, retention, and skill mix optimization as proposed in their staffing plan.

Under Subfactor C, PSL received an adjectival rating of "Good" with no Significant Strengths, one Strength, no Weaknesses, no Significant Weaknesses, and no Deficiencies.

PSL received a Strength for its Small Business Master Subcontracting plan in which they proposed several outreach activities to identify prospective suppliers.

PAST PERFORMANCE EVALUATION

In evaluating Past Performance of the Prime Offerors and their Significant Subcontractors, the SEB found:

Orbital was determined to have an Overall Past Performance Level of Confidence Rating of "High" based on the combination of High Relevance and Very High Overall Performance.

PSL was determined to have an Overall Past Performance Level of Confidence Rating of "High" based on the combination of Very High Relevance and High Overall Performance.

The assigned ratings indicate a high level of confidence that each Offeror will successfully perform the required effort based upon their past performance.

COST EVALUATION

In the final evaluation, the SEB evaluated the total proposed cost (including options, the fixed price phase in, and proposed fee) and determined the Government's probable cost for both Offerors. Orbital had the lowest probable cost. PSL's proposed cost was approximately \$11M higher than Orbital's proposed cost, while PSL's probable cost was approximately \$9M higher than Orbital's.

The SEB found that the costs proposed by Orbital and PSL in their FPRs were realistic for the work to be performed. Finally, the SEB found the IDIQ rates proposed by both Offerors to be reasonable.

DECISION

I have carefully reviewed the SEB's Mission Suitability, Past Performance and Cost presentations as well as the Cost Report. On October 21, 2014, the SEB presented their evaluation results and I solicited and considered the views of all of the attendees at the presentation, including the SEB members and other key senior officials at GSFC. These key senior officials have responsibility related to this acquisition and understood the application of the evaluation factors set forth in the RFP. The evaluation results described in the SEB's documentation and presentation was thorough and well documented. I agree with the findings, ratings, scoring, and cost analysis results of the SEB.

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

The Cost factor is significantly less important than the combined importance of the Mission Suitability factor and the Past Performance factor. As individual factors, the Cost factor is less important than the Mission Suitability factor but more important than the Past Performance factor.

My selection was based on a comparative assessment of each proposal against each of the RFP source selection evaluation factors. Both Offerors were competitive in all three evaluation factors.

In the Mission Suitability factor, I noted that Orbital had the higher Mission Suitability score by a slight margin over PSL. Orbital received Good adjectival ratings in Subfactors A and B and received an Excellent adjectival rating in Subfactor C, while PSL received a Good adjectival rating in all three subfactors.

In my examination of the Subfactor A findings, I noted that both Orbital and PSL received Good adjectival ratings. Next, I looked at the content of the specific findings associated with each of these two Offerors. Both proposals demonstrated reasonable approaches to satisfying Subfactor A, Technical Approach and Understanding the Requirements. While Orbital received one Strength for their proposed technical approaches to Subfactor A, PSL received three Strengths. Orbital received one Strength related to their approach to providing aircraft in support of Canada operations. PSL received three Strengths, two of which had broader benefits to the overall NBOC program, including their Strength for their approach to the Antarctic campaign scenario and their Strength for their approach to supporting four simultaneous missions. Therefore, while both Offerors received the same adjectival rating in Subfactor A, I considered the Strengths offered by PSL to be more advantageous.

With respect to Subfactor B, Management Approach, Orbital received three Strengths and PSL received one Strength. PSL's one Strength relates to its effective staffing plan, including retention and skill mix optimization, while Orbital has a Strength for its phase-in plan, including its high incumbent capture approach and comprehensive and effective methodologies. Orbital also received additional Strengths related to reach-back capability and its Voluntary Protection Program, which offered a slight advantage over PSL in this subfactor.

For Subfactor C, Small Business Utilization, Orbital received one Significant Strength and three Strengths and PSL received 1 Strength. I found that Orbital had a strong and aggressive approach to small business utilization, with several benefits. Orbital's findings broadly covered several Small Business Utilization areas, including significantly exceeding the Government's small business subcontracting goals. PSL received one Strength in this subfactor for its effective Small Business master Subcontracting plan in which they proposed several outreach activities. While this subfactor was the least heavily weighted at 100 points, Orbital was superior in this subfactor in comparison to PSL.

When analyzing the aggregate scores and ratings for Mission Suitability, I determined that PSL had an advantage in Subfactor A, the most heavily weighted subfactor, while Orbital offered advantages in both Subfactors B and C, as described above. In total, I found that while Orbital had a very slight advantage in the total Mission Suitability Point score, both Offerors were essentially equal overall within the Mission Suitability factor.

For the Past Performance factor, I noted that both Orbital and PSL had a High Level of Confidence past performance rating. Orbital's rating was based on High relevance and Very High performance. I noted that Orbital did not demonstrate complete relevance in all areas of

the SOW, which impacted their rating. PSL's rating was based on Very High relevance and High performance. PSL experienced a significant performance issue on the incumbent contract, followed by improved performance, but in my judgment the performance issue appropriately impacted their rating. Ultimately, I concluded that Orbital and PSL were essentially equal in this factor.

For the Cost proposal, Orbital and PSL had competitive proposals overall, with Orbital having both the lowest proposed and probable costs. I noted that Orbital received an upward probable cost adjustment in comparison to their proposed costs for the Core requirements and PSL received a downward cost adjustment. The SEB provided detailed explanation and analysis to support these adjustments and I was confident in the resulting probable cost for each Offeror.

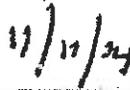
After reviewing all of the proposal evaluation data, I again referred back to the RFP evaluation criteria, which indicated that the Cost factor is less important than the Mission Suitability factor but more important than the Past Performance. For Mission Suitability, Orbital and PSL were both competitive. While both Offerors had specific advantages within each subfactor, I found no overall advantage for either Offeror within the Mission Suitability factor. For Past Performance, both Offerors received identical ratings and I determined both Offerors to be essentially equal overall in this factor. As noted above for Cost, Orbital had the lowest proposed and probable cost with an appreciable advantage over PSL.

In making my decision, I considered each Offeror's ratings in each of the three factors. For both Mission Suitability and Past Performance, both Offerors presented proposals of comparable merit. The only discriminating factor was Cost. Orbital presented a lower proposed and probable cost than the PSL proposal.

Accordingly, based on my analysis of the SEB evaluation results and the RFP evaluation criteria, I have determined that the Orbital Sciences Corporation proposal offers the best value to the Government, and I have selected Orbital Sciences Corporation for contract award.



Arthur F. Obenschain
Source Selection Authority



Date