NAS1-00140
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SOURCE SELECTION STATEMENT
For

RFP 1-047-CG.0017

1. The Acquisition

This procurement, Space Technology Research & Development (STR&D), provides for Technology and Mission Concept Development, Advanced Prototype Development and Technology/System Development and Demonstration in support of NASA space flight and science missions.

This procurement provides for the multiple awards for Indefinite Delivery/Indefinite Quantity contracts with Fixed Price, Cost, or Cost-Plus-Incentive-Fee Task Orders. These contracts will have a 5-year period of performance and are performance-based with incentive fee plans for the Cost-Plus-Incentive-Fee task orders. In addition, a 25% Small Business (SB) goal and a 20% Small Disadvantaged (SDB) goal, based on total contract value, will be included.

A Draft Request for Proposals (DRFP) was issued with a final Request for Proposals (RFP) issued on January 18, 2000. Proposals were received from seven (7) offerors on or prior to the March 20, 2000 deadline.

The offerors are identified below:

Offerors:
ASRC Aerospace Corporation (ASRC)
Ball Aerospace & Technologies Corporation (BATC)
The Boeing Company (TBC)
Dynamic Engineering, Incorporated (DEI)
Lockheed Martin Space Systems Company(LMSS)
Science and Technology Corporation (STC)
Swales Aerospace (SA)

2. Evaluation Procedures

(a) The evaluation procedures contained in Section M of the solicitation were followed throughout the evaluation process.

(b) Expert Consultants were appointed to review certain portions of the proposals; i.e., ISO9001 and Small Business Subcontracting Plan. The consultants provided written evaluations of the proposals in accordance with Section M and met with the SET to elaborate on their evaluations. A Cost/Price Analyst from the Office of Procurement was used for Factor 2, Cost.

(c) Section M provided that proposals would be evaluated against three factors: (1) Mission Suitability, (2) Cost and (3) Past Performance, with each factor of essentially equal importance. Mission Suitability and Past Performance, when combined, were significantly more important than Cost.

(d) The Mission Suitability factor was further divided into four subfactors: (1) Understanding the Requirement and Approach; (2) Management and Operations; (3) SDB Participation (in the Major SIC Groups as determined by the Department of Commerce); and (4) Cost Realism. The first 3 subfactors were scored by the SET on a scale totaling 1000 points, while evaluation of the fourth subfactor, i.e., cost realism, could result in a deduction of up to 300 points. If a cost realism adjustment of the cost proposal was less than +/- 5 percent, no adjustment was made to the Mission Suitability Score.

(e) The numerical weights assigned to the subfactors are indicative of the relative importance of those evaluation areas. The weights were utilized only as a guide. The possible adjective ratings that could be assigned were "Excellent", "Very Good", "Good", "Fair", and "Poor".

(f) Upon completion of the evaluation, the SET's findings were summarized in a report and presented to the Contracting Officer on August 4, 2000. The Contracting Officer, in conjunction with the SET, determined that discussions would not be necessary in order for the Source Selection Authority to make selections. Section L of the solicitation indicated the Government intended to evaluate proposals and award a contract without discussions with offerors.

(g) On August 16, 2000, the SET provided a written and oral report of their findings to me and other cognizant ex-officio members of the SET.

(h) I have carefully reviewed the facts presented in the evaluation report, and discussed with the SET the technical merits and comparative strengths and weaknesses of each proposal. The evaluation findings are summarized below.

2. Unacceptable Proposals

There were no unacceptable proposals.

3. Late Proposals

There were no late proposals.

4. The Substance of the Mission Suitability Evaluation

Set forth below in order of ranking (highest to lowest) is a summary of the findings related to the Mission Suitability factor for the seven offerors:

BATC Very Good

The evaluation of the BATC mission suitability proposal resulted in an adjective rating of Very Good. BATC received 7 major strengths and 2 major weaknesses. BATC received major strengths for broad capability base in STR&D, the proposed management structure, and excellent ISO program/planning procedures. In the Sample Task area, BATC received major strengths for full and complete discussion of laser transmitter, design and beam divergence requirements. Also for optical bench and ISS interface, diagram for optical layout of laser, and receiver subsystem discussion. The major weaknesses were received for not identifying the SIC Major Groups as determined by the Department of Commerce and the Small Business Subcontracting Plan. Apart from the major strengths and weaknesses, BATC received a total of 10 minor strengths and 5 minor weaknesses.

LMSS Very Good

The evaluation of the LMSS mission suitability proposal resulted in an adjective rating of Very Good. LMSS received 5 major strengths and 3 major weaknesses. LMSS received major strengths for excellent understanding of technical objectives, description of proposed subcontractors' capabilities reflecting competence in all eight Product Lines and for SDB participation in the SIC Major Groups. In the Sample Task area they received major strengths for interfaces with the ISS and discussion of risk mitigation. Major weaknesses were received in the Sample Task area for not providing skill levels, skill types, or qualifications for staffing and insufficient budget information for the Sample Task. In addition, LMSS received a major weakness for not submitting the ISO 9001 documentation required by the RFP. Apart from the major strengths and weaknesses, LMSS received a total of 8 minor strengths and 7 minor weaknesses.

SA Good

The evaluation of the SA mission suitability proposal resulted in an adjective rating of Good. SA received 4 major strengths and 3 major weaknesses. SA received major strengths for understanding and approach needed for STR&D effort, significant capability in each of the eight Product Lines, capability to quickly realign resources and demonstrated availability of these resources. In addition SA received a major strength for SDB participation in the SIC Major Groups. SA received major weaknesses in the Sample Task area for providing inadequate information on the sample task laser and receiver concept, not identifying the procured products and sources, and not identifying subcontractor staffing. Apart from the major strengths and weaknesses, SA received a total of 7 minor strengths and 2 minor weaknesses.

TBC Good

The evaluation of the TBC mission suitability proposal resulted in an adjective rating of Good. TBC received 4 major strengths and 9 major weaknesses. TBC received major strengths for technical understanding of the eight Product Lines and their application to the STR&D effort and for SDB participation in the SIC Major Groups. In the Sample Task area, TBC received major strengths for clear discussion of laser transmitter and potential teaming arrangement with proposed subcontractor for lidar technology. Major weaknesses were received for not proposing resources for any product lines including personnel, facilities, and equipment, a low SDB goal, the Small Business Subcontracting Plan, and not providing requested ISO 9001 procedures. In the Sample Task area major weaknesses were received for lack of systems level discussion with very limited discussion of instrument electronics, lack of discussion of Express Pallet requirement and ISS integration, insufficient information for proposed subcontractor effort, lack of detailed information in the sample task budget, and not identifying costs associated with each major subsystem. Apart from the major strengths and weaknesses, TBC received a total of 8 minor strengths and 11 minor weaknesses.

ASRC Fair

The evaluation of the ASRC mission suitability proposal resulted in an adjective rating of Fair. ASRC received 2 major strengths and 7 major weaknesses. ASRC received major strengths for excellent program/project planning and execution procedures and for exceeding the SDB and SB goals. Major weaknesses were received for no discussion of schedule development and for staffing. In the Sample Task area, major weaknesses were received for no discussion of facilities for development and testing of complex hardware and software, schedule did not show adequate detail/critical milestones, did not provide sufficient data for the sample task cost proposal and lack of staffing qualifications and numbers of personnel assigned. Apart from the major strengths and weaknesses, ASRC received a total of 14 minor strengths and 10 minor weaknesses.

DEI Fair

The evaluation of the DEI mission suitability proposal resulted in an adjective rating of Fair. DEI received 3 major strengths and 6 major weaknesses. DEI received major strengths for excellent ISO 9001 design and development procedures, exceeding the SDB and SB goals, and for proposed task order organization, assignment, tracking, and management. Major weaknesses were received for not demonstrating an understanding in 5 of the 8 product lines, and lower grade skill mix proposed in cost proposal does not reflect the anticipated skill mix levels. In the Sample Task area major weaknesses were received for not deriving performance requirements for laser and receiver nor discussion of baseline system receiver function or how baseline system will meet performance requirements, inadequate program management staffing, proposed use of NASA facilities for assembly of prototype instrument, and availability of required equipment was not

shown. Apart from the major strengths and weaknesses, DEI received a total of 11 minor strengths and 9 minor weaknesses.

STC Fair

The evaluation of the STC mission suitability proposal resulted in an adjective rating of Fair. STC received 1 major strength and 4 major weaknesses. STC received the major strength for innovative tailoring of ISO 9001 procedures to evaluate and meet objectives. Major weaknesses were received for not showing resources required to support all product lines and inadequate discussion of product lines with only 2 of 8 product lines addressed. In the Sample Task area, major weaknesses were received for not identifying what was being subcontracted nor addressing the source(s) for the majority of the proposed Sample Task budget, and did not identify subcontractor staffing. Apart from the major strengths and weaknesses, STC received a total of 7minor strengths and 9 minor weaknesses.

Subfactor 4—Cost Realism: This Subfactor consisted of a pool of up to 300 points which could be used to adjust Mission Suitability scores to account for any weaknesses associated with lack of cost realism. The point adjustment was 0 for cost adjustments of +/-5%. Since cost realism percentage adjustments ranged from a low of 0.07% to a high of 3.6%, no cost realism adjustments were made to the Mission Suitability scores and the rankings remained as shown above.

6. Evaluation of the Cost/Price Factor

The SET's cost evaluation was based on the cost and fee proposed by each offeror to determine the extent to which it reflected performance addressed in the technical proposal. An upward probable cost adjustment was made to the proposed cost of STC for increased labor, use of DCAA recommended indirect rates, and incentive fee adjustment. Downward adjustments were made to the proposed cost of the remaining six offerors (ASRC, DEI, BATC, TBC, LMSS, SA). The downward adjustments were made to ASRC's proposed cost to reflect DCAA recommended indirect rates for one of the subcontractors and correct an ASRC error in roll up of costs. The downward adjustments for BATC are a result of DCAA recommendations for a decrease in escalation rates and reduction of overall indirect costs. The downward adjustments for TBC result from DCAA recommended labor rates and indirect rates. DEI's downward adjustments are a result of DCAA recommended indirect rates for the prime and subcontractor and lower subcontractor escalation rates. The downward adjustments for LMSS are a result of DCAA recommended prime and interdivisional indirect rates. SA's downward adjustments are a result of DCAA recommended labor and indirect rates. These cost adjustments altered the final cost ranking of the proposed offerors. The ranking (lowest to highest) for proposed cost is as follows: DEI, STC, SA, ASRC, BATC, LMSS, TBC while the ranking (lowest to highest) for probable cost is: DEI, SA, STC, ASRC, BATC, LMSS, TBC. The difference between the highest and lowest probable cost is 50%.

One of the SDB offerors did not waive the Price Evaluation Adjustment (see FAR 52-219-23) resulting in a 10% price adjustment to all the other offerors probable cost. This adjustment further altered the final cost ranking of the proposed offerors. The ranking (lowest to highest) for the adjusted probable cost is: DEI, STC, SA, ASRC, BATC, LMSS, TBC.

7. Evaluation of the Past Performance (PP) Factor

The SET's past performance evaluation was based on the past performance forms submitted by the offerors' customers, by narrative information submitted by the offerors, and by checking customer references.

ASRC Very Good

The evaluation of the ASRC past performance forms resulted in an adjective rating of Very Good. ASRC has been in business for 2 years. Past performance surveys indicate that ASRC has significant experience in three of the eight product lines. The team has significant experience in five product lines (including the 3 above) with moderate experience in two and minimal experience in the remaining product line. ASRC past performance is excellent, with the team receiving very good.

BATC Very Good

The evaluation of the BATC past performance forms resulted in an adjective rating of Very Good. BATC has over 40 years direct experience in space technology and research and development. Past performance surveys indicate that Ball has significant experience in five of the eight product lines, moderate experience in two of the product lines and minimal experience in one.

TBC Very Good

The evaluation of the TBC past performance forms resulted in an adjective rating of Very Good. TBC has over 40 years direct experience in space technology and research and development. Past performance surveys indicate that TBC has significant experience in three of the eight product lines. The team has significant experience in six product lines (including the 3 above) with moderate experience in the remaining three product lines. Overall TBC and the team performance ranged from excellent to very good.

DEI Very Good

The evaluation of the DEI past performance forms resulted in an adjective rating of Very Good. DEI has 28 years experience as a supplier of sophisticated aerospace test

hardware systems. Past performance surveys indicate that DEI has minimal experience in three product lines with no past performance information provided for the remaining five product lines. The team has significant experience in all eight Product Lines. DEI and the team performance ranged from excellent to very good.

LMSS Excellent

The evaluation of the LMSS past performance forms resulted in an adjective rating of Excellent. LMSS has over 40 years direct experience in space technology and research and development. Past performance surveys indicate that LMSS has significant experience in seven Product Lines with moderate experience in the eighth. The team has significant experience in all eight Product Lines. LMSS past performance is excellent, with the majority of the team members performance excellent to very good.

STC Very Good

The evaluation of the STC past performance forms resulted in an adjective rating of Very Good. STC has over 20 years direct experience in space technology and research and development. Past performance surveys indicate that STC has significant experience in four of the eight Product Lines with moderate experience in the remaining four Product Lines. The team has significant experience in five of the eight product lines with moderate experience in the remaining three. Team performance ranged from excellent to very good.

SA Excellent

The evaluation of the SA past performance forms resulted in an adjective rating of Excellent. SA has over 20 years direct experience in space technology and research and development. Past performance surveys indicate that both SA and their team have significant experience in all eight Product Lines. SA past performance is excellent with the team performance ranging from excellent to very good.

8. Basis for Selection

Proposals submitted by the four unsuccessful offerors (ASRC Aerospace Corporation, The Boeing Company, Dynamic Engineering Incorporated, and Science and Technology Corporation) received a lower mission suitability score than the three successful offerors. All unsuccessful offerors received a Past Performance rating of Very Good.

Ball Aerospace & Technologies Corporation received the highest Mission Suitability score and a Past Performance rating of Very Good; Lockheed Martin Space Systems Company received the second highest Mission Suitability score and a Past Performance

rating of Excellent; and Swales Aerospace received the third highest Mission Suitability score and a Past Performance rating of Excellent.

The ranking (lowest to highest) for the probable cost including the SDB price evaluation adjustment was as follows: Dynamic Engineering Incorporated, Science and Technology Corporation, Swales Aerospace, ASRC Aerospace Corporation, Ball Aerospace & Technologies Corporation, Lockheed Martin Space Systems Company and The Boeing Company.

And in my judgement, considering all factors and the relative importance of each (Mission Suitability and Past Performance, when combined, are significantly more important than Cost) and the low risk approach associated with competing individual task orders, I have selected Ball Aerospace & Technologies Corporation, Lockheed Martin Space Systems Company and Swales Aerospace for contract award.

I am convinced the Source Evaluation Team conducted a thorough, fair, and objective evaluation of all proposals in accordance with Section M of the RFP.

Kimberly G Stone

Kimberly G. Stone
Source Selection Authority

9/10/00
Date