NAS1-96013

SELECTION STATEMENT

SELECTION OF CONTRACTOR
FOR
SYSTEMS ANALYSIS AND ENGINEERING RESEARCH SUPPORT

On April 25, 1996, I met with the Source Evaluation Board (SEB) appointed to evaluate proposals to provide the Center with Systems Analysis and Engineering Research Support (SAERS). The SEB's presentation included the procurement background information, the evaluation procedures, and the results of its initial evaluation of the proposals received.

PROCUREMENT DESCRIPTION

This procurement will provide support to Langley in aeronautical and space research systems analysis and engineering activities. The areas of this procurement include aeronautical systems analysis; hypersonic vehicle design, systems analysis, and computational studies; spacecraft mission and system performance; flight project design, engineering and development; project planning; aircraft and aircraft systems maintenance and operation; and ground test systems and test technique development.

A cost-plus-award-fee, completion contract has been determined to be the most appropriate type for this procurement. Specific work requirements will be defined in performanced-based task orders issued by the Contracting Officer (CO), with the contractor performing and being evaluated against specific performance standards/metrics. Some of these task orders may be classified (up to Top Secret). The procurement is a 100% Small Business set-aside with a 40% Small Disadvantaged Business (SDB) goal. The contract will have a 1-year base period commencing July 1, 1996. There will be priced options for four additional 1-year periods and for six additional 1-month periods. The total potential period of performance is five and one-half years.

SOURCES

The Request for Proposal (RFP) was released on January 12, 1996, to 172 firms. Thirty-two (32) firms attended the preproposal conference held at the Center on January 26, 1996. Proposals were submitted on February 26, 1996, by the following seven (7) companies:

AVIATE Limited Liability Corporation
Dynacs Engineering Company
EER Systems, Inc.
Hernandez Engineering, Inc.
Jackson & Tull, Chartered Engineers
Micro Craft, Inc.
NYMA, Inc.

EVALUATION PROCEDURE

Prior to the issuance of the RFP, I appointed an SEB to conduct an evaluation of proposals received in response to the RFP. The SEB developed a detailed Evaluation Plan, including a numerical and adjectival scoring system for the Mission Suitability Subfactors. In addition,

the Plan stated that the SEB would evaluate but not score Cost and Relevant Experience and Past Performance. The RFP set forth the following three evaluation factors:

Mission Suitability
Cost
Relevant Experience and Past Performance

The Mission Suitability Subfactors and the weights assigned were:

Subfactor 1	Understanding the Requirement and Technical Approach	50%
Subfactor 2	Total Compensation Plan	15%
Subfactor 3	Management Operations	35%
		100%
Subfactor 4	Cost Realism	-30%

While the numerical weights were indicative of the relative importance of the above Subfactors, they were to be used only as a guide in making my selection decision. The RFP stated that in the overall selection, Mission Suitability, Cost, and Relative Experience and Past Performance would be of essentially equal importance.

The evaluation was performed by the SEB without the use of committees or subcommittees. Consultants were used to assist the SEB in performing portions of the evaluation. The evaluation began with each member individually reviewing the Technical Proposals, Volume I, and with the Contract Specialist reviewing the Business Proposals, Volume II, to determine if any should be rejected as patently unacceptable. All seven (7) proposals were found to merit in-depth evaluation.

Each voting member then independently evaluated the Technical Proposals in alphabetical order, noting strong and weak points and assigning adjective ratings to each Mission Suitability Subfactor excluding Subfactor 4, Cost Realism. This Subfactor could not be evaluated until the preliminary probable cost assessment was completed since the formula for making Cost Realism adjustments is a function of that assessment. After each voting member had individually assessed the strengths and weaknesses of Subfactors 1 through 3, the SEB developed consensus strong and weak points and consensus adjective ratings for these Subfactors. The SEB then scored each Technical Proposal in accordance with the evaluation plan.

Thereafter, the SEB assessed the Business Proposals to evaluate the proposed costs and relevant experience and past performance and to make cost realism adjustments. The results of the initial evaluation were presented to the CO on April 18, 1996. The CO, in conjunction with the SEB, recommended that I consider award without discussions. Next, the SEB presented their findings to me in a formal presentation.

I have carefully reviewed the facts presented in the report and discussed with the SEB the technical merits and comparative strengths and weaknesses of each proposal. Set forth in order of ranking (high to low) is a summary of the Mission Suitability findings for the seven offerors.

MISSION SUITABILITY

AVIATE Limited Liability Company (AVIATE)

AVIATE received an overall rating of "Very Good" under the Mission Suitability Factor. Under Subfactor 1, the proposal contained numerous major strengths and a smaller number of major weaknesses. The AVIATE proposal displayed excellent knowledge of hypersonic vehicle design, systems analysis, and computational studies; spacecraft mission and system performance; and project planning. The discussion of flight project design, engineering and development; and aircraft and aircraft systems maintenance and operations contained both strengths and weaknesses which offset one another. The approach to aeronautical systems analysis and ground test systems and test technique development contained major weaknesses with no offsetting major strengths. Under Subfactor 2, AVIATE proposed immediate vesting in retirement of benefits and portability of pension plans. However, they failed to indicate seniority transfer for incumbents and there was a vast unevenness of the proposed benefit plans among the members of the team which could result in unfavorable morale. Under Subfactor 3, AVIATE has trained management in performance based contracting and developed a sound personal reduction plan; however, the management structure proposed made the lines of authority between companies unclear. In addition, AVIATE failed to clearly convey a transition plan detailing the roles that each company, both prime and subcontractors, would perform within the overall organization. There were no adjustments made for Cost Realism under Subfactor 4.

NYMA, Inc. (NYMA)

The proposal submitted by NYMA received a rating of "Very Good" for the Mission Suitability Factor. Under Subfactor 1, NYMA'S proposal contained numerous major strengths and a smaller number of major weaknesses. NYMA demonstrated an in-depth knowledge in aeronautical systems analysis; hypersonic vehicle design, systems analysis and computational studies; flight project design, engineering and development; and aircraft and aircraft systems maintenance and operations. The approach to spacecraft mission and systems performance analysis contained both strengths and weaknesses that offset one another. The approach to project planning and ground test systems and test technique development contained major weaknesses with no offsetting major strengths. Under Subfactor 2, NYMA recognized incumbent seniority and had complete pension portability and immediate vesting in retirement of benefits. Under Subfactor 3, NYMA had a good understanding of personal services issues and proposed to use an excellent Management Information System to manage contract operations. There were no adjustments made for Cost Realism under Subfactor 4.

Micro Craft, Inc. (Micro Craft)

Micro Craft received an overall rating of "Good" under the Mission Suitability Factor. Under Subfactor 1, Micro Craft received a number of both major strengths and major weaknesses. Micro Craft displayed an excellent knowledge of aeronautical system analysis; hypersonic vehicle design, systems analysis, and computational studies; spacecraft mission and system performance analysis; and aircraft and aircraft systems maintenance and operations. The approach to flight project design, engineering and development; project planning, and ground test systems and test technique development contained both strengths and weaknesses that offset one another. Under Subfactor 2, Micro Craft failed to mention pension portability, employee vesting, and incumbent seniority. In addition, there was a vast unevenness of the

proposed benefit plans among the members of the team which could result in unfavorable morale. Under Subfactor 3, Micro Craft displayed a good understanding of personal service issues. They did, however, have a lack of understanding of the Task Order process. There were no adjustments made for Cost Realism under Subfactor 4.

EER Systems, Inc. (EER)

EER received an overall rating of "Good" under the Mission Suitability Factor. Under Subfactor 1, EER received a number of both major strengths and major weaknesses. EER displayed excellent knowledge of aeronautical system analysis; flight project design, engineering and development; and ground test systems and test technique development. The approach to hypersonic vehicle design, systems analysis, and computational studies; spacecraft mission and system performance analysis; project planning; and aircraft and aircraft systems maintenance and operations contained both strengths and weaknesses that offset one another. Under Subfactor 2, EER proposed immediate vesting in a 401K retirement plan and recognized incumbent seniority; however, they failed to mention pension portability. Under Subfactor 3, EER failed to mention how they planned to avoid personal services and proposed arrangements that did not appear to be consistent with the avoidance of personal services. In addition, they failed to recognize the CO and Contracting Officer's Technical Representatives (COTR) role in changing task orders. There were no adjustments made for Cost Realism under Subfactor 4.

Hernandez Engineering, Inc. (HEI)

HEI received an overall rating of "Good" under the Mission Suitability Factor. Under Subfactor 1, HEI received a number of both major strengths and major weaknesses. HEI displayed an excellent knowledge of aeronautical system analysis; hypersonic vehicle design, systems analysis, and computational studies; and spacecraft mission and system performance analysis. The approach to flight project design, engineering and development and aircraft and aircraft systems maintenance and operations contained both strengths and weaknesses that offset one another. The approach to project planning and ground test systems and test technique development contained major weaknesses with no offsetting major strengths. Under Subfactor 2, HEI recognized incumbent seniority; however, they failed to address pension portability, and the discussion on employee vesting lacked detail. In addition, there was a vast unevenness of the proposed benefit plans among the members of the team which could result in unfavorable morale. Under Subfactor 3, HEI displayed a good understanding of personal services issues. There were no adjustments made for Cost Realism under Subfactor 4.

Jackson & Tull, Chartered Engineers (J&T)

J&T received an overall rating of "Fair" under the Mission Suitability Factor. Under Subfactor 1, J&T received more major weaknesses than major strengths . J&T displayed an excellent knowledge of spacecraft mission and system performance analysis and ground test systems and test technique development. The approach to aeronautical system analysis; flight project design, engineering and development; and aircraft and aircraft systems maintenance and operations contained both strengths and weaknesses that offset one another. The approach to hypersonic vehicle design, systems analysis, and computational studies and project planning contained major weaknesses with no offsetting major strengths. Under Subfactor 2, J&T proposed a common salary structure to ensure equality of compensation; however, they failed to address pension portability, employee vesting, and incumbent

seniority. In addition, there was a vast unevenness of the proposed benefit plans among the members of the team which could result in unfavorable morale. Under Subfactor 3, J&T failed to demonstrate methods for avoiding personal services and lacked a clear understanding of the Task Order process. In addition, J&T failed to address innovative ideas for staffing and obtaining an appropriate skill mix for efficient contract performance in the face of shifting contract requirements. There were no adjustments made for Cost Realism under Subfactor 4.

Dynacs Engineering Company (Dynacs)

Dynacs received a overall rating of "Poor" under the Mission Suitability Factor. Major weaknesses outweighed major strengths in a majority of the SOW areas. The approach to spacecraft mission and system performance analysis; flight project design, engineering and development; and ground test systems and test technique development contained both strengths and weaknesses that offset one another. Dynacs' technical approach to performing aeronautical systems analysis; hypersonic vehicle design, systems analysis, and computational studies; project planning; and aircraft and aircraft systems maintenance and operations contained major weaknesses with no offsetting major strengths. Under Subfactor 2, Dynacs did not address employee vesting or pension portability and had no plan for dealing with incumbent carry-over leave. Under Subfactor 3, Dynacs proposed a strong management approach for the declining workload; however, they ignored the COTR's role in task implementation, failed to mention appropriate skill mix for dealing with the declining workload, and lacked a clear understanding of performance-based contracting. There were no adjustments made for Cost Realism under Subfactor 4.

COST

The cost evaluation was based upon each offeror's proposed cost and fee to perform the required effort. There was a 30% difference between the highest and lowest total proposed cost for the seven offerors. The ranking (low to high) for proposed costs, including fee, was as follows:

1. NYMA
2. Dynacs
3. J&T
4. HEI
5. EER
6. AVIATE
7. Micro Craft

The SEB evaluated the validity of the proposed costs in terms of the offeror's understanding of the requirement and for cost realism and made cost adjustments as appropriate. Most of the adjustments made to develop the preliminary probable costs were related to travel, material, and consultants. After adjustments, the difference between the highest and lowest offeror's cost was 28%. The preliminary probable cost adjustments resulted in a change in the ranking (low to high) as follows:

1. NYMA
2. J&T
3. Dynacs
4. HEI
5. EER
6. AVIATE
7. Micro Craft

III. Relevant Experience and Past Performance

AVIATE was the only offeror that received an "Excellent" rating for this factor. AVIATE and the proposed subcontractors have performed extensive work in all the SOW areas. In addition, sources indicated that their past performance was between very good and excellent.

NYMA and J&T were rated "Very Good" for this factor. NYMA has exhibited excellent performance under the SETAR Contract at NASA Lewis Research Center. This contract is twice the magnitude of the SAERS Contract and contains extremely relevant work requirements. Sources rated NYMA on average to be very good. NYMA's primary subcontractor, Dyncorp, has related contracts at Johnson Space Center, Goddard's Wallops Flight Facility, and Dryden Flight Research Center. Sources rated Dyncorp on average to be very good. J&T and the proposed subcontractors combined have performed relevant work in all the SOW areas with the exception of aircraft and aircraft systems maintenance and operations. Sources indicated their past performance to be very good to excellent.

EER, HEI, and Micro Craft all received ratings of "Good" for this factor. EER has performed relevant work in most areas of the SOW; however, they lacked experience in aeronautical areas. Sources rated EER excellent in the work they performed in the past. HEI and the proposed subcontractors have performed relevant work in most areas of the SOW; however, they lacked experience in aerospace instrument design and build disciplines. In addition, the contracts cited were only approximately half the magnitude of the SAERS contract. Sources rated HEI and their subcontractors on a range from good to excellent. Micro Craft and the proposed subcontractors have extensive relevant experience in all the areas of the SOW with the exception of project planning. Micro Craft as a prime contractor would be required to perform over 50% of the effort; however, they only have extensive experience related to ground test systems and test technique development. Sources rated Micro Craft and their subcontractors on a range from very good to excellent.

Dynacs was rated "Fair" for this factor. Dynacs has relevant experience in flight projects, ground test systems, and spacecraft design. They have limited experience in aircraft systems maintenance and operations and all aeronautical areas. Sources rated Dynacs on a range from very good to excellent.

SELECTION DECISION

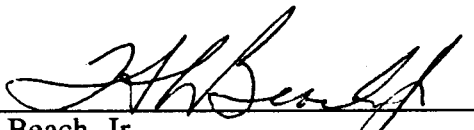
After the SEB's presentation, I reviewed and assessed the evaluation findings. I noted that two firms, J&T and Dynacs, had Mission Suitability ratings below "Good." I concluded that the minimal chance of their improving their Mission Suitability rating should eliminate them from further consideration.

I then reviewed the remaining five firms. I noted that there were three firms (EER, HEI, and Micro Craft) with Mission Suitability ratings of "Good," and two firms (AVIATE and NYMA) with Mission Suitability ratings of "Very Good." I also noted that the three firms with "Good" Mission Suitability ratings had "Good" Relevant Experience and Past Performance ratings. I further noted that those three firms ranked fourth, fifth, and seventh highest in both proposed and probable cost. In considering all of the evaluation factors, I concluded that there was little chance for EER, HEI, and Micro craft to improve their competitive position; I therefore eliminated them from further consideration.

I then focused on the remaining two firms, AVIATE and NYMA. As was noted previously, both firms received Mission Suitability ratings of "Very Good," with AVIATE received a slightly higher numerical score. In reviewing cost, I noted that NYMA had the lowest proposed and probable cost, while AVIATE had the highest proposed and probable cost, with the difference being approximately 23%. I also noted that AVIATE received a rating of "Excellent" for Relevant Experience and Past Performance, while NYMA received a rating of "Very Good."

In making my decision, I considered all three factors equally. I concluded that the essentially equal NYMA Mission Suitability rating, combined with a significantly lower cost and strong Relevant Experience and Past Performance, resulted in the NYMA proposal being the most advantageous proposal to the Government, all factors considered. In addition, the NYMA proposal can be accepted without discussion. Therefore, NYMA is selected for the purpose of contract award.

I am convinced that the SEB conducted a thorough, fair, and objective evaluation of all proposals in accordance with the established Evaluation Plan.



MAY 20 1996

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Date