

SELECTION STATEMENT
FACILITIES AND EQUIPMENT SUPPORT SERVICES (FESS) PROCUREMENT

On September 20, 1999, I met with the Source Evaluation Board (SEB) appointed to evaluate proposals for the FESS contract. The SEB presentation included the procurement history, the evaluation procedures, and the results of the final evaluation of the proposals received from those offerors in the Competitive Range.

BACKGROUND

This FESS contract will provide for the maintenance, repair, and selected operations of buildings, structures, research facilities and related systems and equipment at NASA Langley Research Center (LaRC).

The contract will be a performance-based, hybrid firm-fixed-price (FFP), fixed-price indefinite delivery/indefinite quantity type, with an award fee feature. The contract will have a two-year base period commencing October 1, 1999, and there will be priced options for three additional one-year periods. The required services are a consolidation of those services currently being provided under the following contracts:

- NAS1-20243 - EG&G Langley – Facilities and Equipment Support Services
- NAS1-19834 - DTSV Corp. - Steam Plant Operations portion of the contract only
- NAS1-20277 - Federal Equipment Co. - Crane & Elevator Maintenance & Repair

The requirements for design engineering services and wind tunnel operations being performed under contract NAS1-20243 were not included in the follow-on FESS contract. These activities have been competed separately.

The FESS Draft Request for Proposal (RFP) was released via the NASA Acquisition Internet Service (NAIS) on October 29, 1998. A Pre-Solicitation Conference for the FESS solicitation was held November 16-17, 1998 at Langley Research Center and approximately 20 firms were in attendance. The FESS RFP was released on February 10, 1999 via the NAIS. Offers were received on April 5, 1999, from the following six firms.

- Call Henry, Inc.
- EG&G Langley Operations
- J&J Maintenance
- Johnson Controls Inc.
- Raytheon Technical Services Co.
- Yang Enterprises Inc.

EVALUATION PROCEDURE

Prior to the issuance of the RFP, a Source Evaluation Board (SEB) was appointed 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. The Plan stated that the SEB would evaluate but not score Price/Cost and Relevant Experience and Past Performance. The RFP set forth the following three evaluation factors:

- Mission Suitability
- Price/Cost
- Relevant Experience and Past Performance Experience (REPP)

The Mission Suitability Subfactors and the weights assigned are as follows:

<u>Subfactors</u>	<u>Weights</u>
1. Management/Staffing	300
2. Understanding the Requirement	600
3. Small Disadvantaged Business (SDB) Participation	<u>100</u>
	1,000

The RFP stated that in the overall selection of a contractor for contract award, Mission Suitability, Price/Cost, and REPP would be of essentially equal importance.

Upon receipt of proposals, the SEB reviewed all offers to determine if any were patently unacceptable. All were found acceptable by the SEB. Each voting member then independently evaluated the Technical Proposals, noting strong and weak points and deficiencies and assigning adjective ratings to each Mission Suitability Subfactor. Technical and Business consultants evaluated the proposals in their assigned areas and provided input to the Voting Membership for their consideration. The SEB then developed consensus strong and weak points and consensus adjective ratings for the Mission Suitability Subfactors. The SEB scored the Mission Suitability Factor for each proposal in accordance with the Evaluation Plan.

Thereafter, the SEB analyzed price reasonableness and cost realism of the proposed prices. The Mission Suitability findings were adjusted in some cases because of cost realism assessments. The SEB then evaluated and assigned adjective ratings to each proposal for REPP. This completed the initial evaluation by the SEB. The evaluation procedures contained in the Source Evaluation Plan were followed throughout the evaluation process. The SEB presented the results of the initial evaluation to me in a written report and in an oral presentation held on June 25, 1999.

Based on the initial findings, I concluded that only Johnson Controls and Raytheon had a reasonable chance of being selected for award. Therefore, the Competitive Range for this procurement was determined to include Johnson Controls and Raytheon. Each was included based on the significant merit of its technical proposal, excellent REPP rating, and its very competitive price. In making this decision, I considered equally the areas of Mission Suitability, Price/Cost, and REPP. Set forth below is a summary of the evaluation findings for those firms that were not in the competitive range.

Call Henry received a Mission Suitability rating of "Good", and a REPP rating of "Good". Their proposed price was the third lowest of the six offerors.

EG&G received a Mission Suitability rating of "Excellent", and a REPP rating of "Excellent". Their proposed price was the second highest of the six offerors.

J&J Maintenance received a Mission Suitability rating of "Fair", and a REPP rating of "Good". Their proposed price was the third highest of the six offerors.

Yang Enterprises received a Mission Suitability rating of "Good", and a REPP rating of "Good". Their proposed price was the highest of the six offerors.

On July 2, 1999 the SEB transmitted written questions and a request for proposal revisions to both offerors in the competitive range. Upon review of the revised proposals, the SEB determined that further discussions were necessary. Additional questions were transmitted to both offerors on July 23, 1999. Answers to those questions were discussed with each offeror during negotiations held during the week of August 8, 1999. Final proposal revisions were received on August 30, 1999 from each offeror.

The SEB assessed and documented the impact of the proposal revisions on the previously developed findings for both offerors. The SEB presented the results of the final evaluation to me in a written report and in an oral presentation held on September 20, 1999. Set forth below is a summary of the evaluation findings for those offerors in the Competitive Range. Significant Mission Suitability strengths are described; there were no significant weaknesses. Because of the closeness of the final evaluation results, minor Mission Suitability weaknesses are also covered to show discriminators between the offerors.

MISSION SUITABILITY

Subfactor 1 – Management/Staffing

Subfactor 2 – Understanding the Requirement

Subfactor 3 – Small Disadvantaged Business (SDB) Participation

Johnson Controls Inc. (JCI) received a final rating of "Excellent" for this Factor, with the highest score. JCI was cited with twelve significant strengths, seven minor strengths, and two minor weaknesses. No significant weaknesses were noted. JCI's initial Mission Suitability rating of "Excellent" did not change as a result of negotiations and proposal revisions. For Subfactor 1, significant strengths were identified for their comprehensive

phase-in plan/approach, excellent employee orientation/training, effective organizational structure, and overall approach to exceeding the RFP small business subcontracting goal. A minor weakness was noted for a cost realism concern relating to proposed staffing of the preventive maintenance effort. JCI's response to Subfactor 2 was strong and demonstrated a clear understanding of the FESS requirements. Significant strengths were associated with their overall approach to performing FESS requirements, innovative approaches to performance, significant level of competence and experience in use of the CMMS, comprehensive approach to partnering with LaRC in recommending enhancements to the CMMS, demonstrated understanding and systematic approach to implementing RCM, strong commitment to safety matters, and exceptional approach to quality management. A minor weakness was assigned to Subfactor 2 for a cost realism concern relating to proposed prices for certain unit-priced tasks. For Subfactor 3, JCI's significant strong point was associated with their realistic approach, reasonable goal, enforceable commitments, and excellent past performance in complying with SDB goals.

Raytheon Technical Services Co. received a final rating of "Excellent" for this Factor, with the second highest score. Raytheon was cited with ten significant strengths, eight minor strengths, and five minor weaknesses. No significant weaknesses were noted. Raytheon's initial Mission Suitability rating of "Very Good" increased to "Excellent" as a result of negotiations and proposal revisions. For Subfactor 1, significant strengths were identified for their approach to performing IDIQ construction work and commitment to significantly exceed the RFP small business subcontracting goal. Three minor weaknesses were identified for cost realism concerns relating to proposed total project material, equipment and ODC costs; proposed staffing of the preventive maintenance and management efforts; and proposed staffing reductions for certain positions. Raytheon's response to Subfactor 2 was strong and demonstrated a clear understanding of the FESS requirements. Significant strengths were associated with their overall approach to performing the FESS requirements, innovative approaches to performance, significant level of competence and experience in the use of CMMS, comprehensive approach to partnering with LaRC in recommending enhancements to CMMS, excellent approach for minimizing facility downtime, strong commitment to safety matters, and comprehensive approach to quality management. Two minor weaknesses were noted for cost realism concerns relating to proposed prices for certain unit-priced tasks and for implementation of RCM in light of proposed staffing for the fixed price effort. For Subfactor 3, Raytheon's significant strong point was associated with their realistic approach to identifying SDB concerns in the SIC major groups, reasonable goal, enforceable commitments, and excellent past performance for achieving SDB goals.

PRICE/COST

The prices proposed by both offerors were determined to be reasonable. Price reasonableness was based on comparison of the competitive offers and the Government estimate. An indepth review of specific cost elements for each offeror was performed to verify that proposed price elements are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the unique methods of performance and materials described in the proposed technical approach. Only minor cost realism concerns existed for each offeror, with one exception. Raytheon's Final Proposal

Revision contained language that left their intentions regarding their unit-priced labor rates for IDIQ Davis Bacon work in question. This was not acceptable to the Government and would require reopening discussions. Cost realism concerns resulted in minor technical weaknesses for each offeror as discussed above under Mission Suitability. The ranking (from low to high) for proposed total price including award fee is as follows:

Johnson Controls Inc.
Raytheon Technical Services Co.

RELEVANT EXPERIENCE AND PAST PERFORMANCE

Johnson Controls Inc. (JCI) received an adjective rating of "Excellent" for REPP. JCI and the proposed subcontractors have performed extensive work in all their prospective areas of performance. In addition, JCI and the proposed subcontractors' past performance ratings were excellent.

Raytheon Technical Services Co. received an adjective rating of "Excellent" for REPP. Raytheon and the proposed subcontractors have performed extensive work in all their prospective areas of performance. In addition, Raytheon's past performance ratings were excellent. Raytheon's major subcontractors' past performance ratings were good to very good.

BASIS FOR SELECTION

I carefully reviewed the facts presented in the SEB report and discussed the evaluation findings with the SEB. I noted that both firms had Mission Suitability ratings of "Excellent", with Johnson Controls having the higher score. In reviewing price, I noted that Raytheon's price was higher than Johnson's. I further noted that both firms received a rating of "Excellent" in REPP.

Based on the facts as noted above, I have concluded that Johnson Controls is selected for award, based on its highest scored technical proposal, lowest proposed price, and Excellent REPP rating. In making this decision, I have considered equally the areas of Mission Suitability, Price/Cost, and REPP.

Lana M Couch
Lana M. Couch
Source Selection Authority

10/1/99
Date