

SOURCE SELECTION STATEMENT

FOR THE

INSTITUTIONAL SERVICES CONTRACT (ISC)

On June 12, 2008, I, as the designated Source Selection Authority (SSA), along with other senior officials of the National Aeronautics and Space Administration (NASA), John F. Kennedy Space Center (KSC), met with the Source Evaluation Board (SEB) appointed to evaluate proposals for award of the Institutional Services Contract (ISC) at KSC.

PROCUREMENT DESCRIPTION

The purpose of the ISC is to provide mission-focused institutional support to NASA and United States Air Force (USAF) programs and projects. This support includes operations, maintenance, and engineering (OM&E) of assigned facilities, systems, equipment, and utilities (FSEU); OM&E of Propellants and Life Support (P&LS) services; institutional logistics; transportation services; and laboratory services to NASA KSC, KSC contractors, tenants, and some support to the USAF 45th Space Wing (45 SW) at Cape Canaveral Air Force Station (CCAFS), Patrick Air Force Base (PAFB), Jonathan Dickinson Missile Tracking Annex (JDMTA), and downrange. The contract includes flexibility to, upon expiration of the Checkout, Assembly, and Payload Processing Services (CAPPS) contract and the Space Program Operations Contract (SPOC), incorporate requirements for the operations, maintenance and engineering of certain programmatic facilities, systems, and equipment. Also included are options to provide the Center flexibility for future laboratory requirements. These services will be provided in accordance with a Performance Work Statement (PWS).

This acquisition was conducted using full and open competitive procedures, and proposals were evaluated in accordance with the source selection procedures provided in the Federal Acquisition Regulation (FAR) Part 15.3, "Contracting by Negotiations," as supplemented by NASA FAR Supplement (NFS) Part 1815.370, "NASA Source Evaluation Boards." The ISC is a cost plus award fee (CPAF) contract, which will provide the Government the ability to quantitatively and qualitatively evaluate the contractor's performance every six months. Quantitative assessments will measure achievements such as meeting safety, technical and management requirements; achieving readiness for launch processing milestones; maintaining cost control; meeting socioeconomic subcontracting goals; and maintaining management system availability. Qualitative assessments will measure subjective factors such as responsiveness to Areas of Emphasis; process improvement; customer satisfaction; and maintaining cooperative working relationships with other major KSC contractors under Associate Contractor Agreements.

On March 1, 2007, the KSC Director of Procurement appointed a Procurement Development Team (PDT) to develop a PWS and a draft solicitation for the Joint Base Operations and Support Contract (J-BOSC) follow-on procurement for KSC institutional services. The ISC will have a five-year base period of performance (October 1, 2008 – September 30, 2013) with five one-year options. If all options are exercised, the contract will expire on September 30, 2018.

A Draft Request for Proposal (DRFP) was released on June 21, 2007, to solicit industry comments and feedback. The Request for Proposal (RFP) was issued on September 7, 2007. A total of nine RFP amendments were issued by the Contracting Officer. Five of these amendments were issued prior to competitive range determination to incorporate updates and/or minor changes in response to questions and comments submitted relative to the RFP. The other four amendments were issued after competitive range determination to incorporate minor changes to the RFP, including updates to FAR and NFS clauses, clarifications to the general proposal instructions, and minor revisions to the PWS.

Timely proposals were received from eight offerors on November 14, 2007. The offerors and their proposed major subcontractors are listed below, in alphabetical order by Prime:

- Call Henry, Inc. (Call Henry) (Prime)
 - AJT & Associates
 - Spatial Technologies, LLC
 - Davis Inotek
 - L-3 Vertex
 - Robinson Aviation
 - United Paradyne Corp.
 - Wiltech of Florida

- EG&G Technical Services, Inc. (EG&G) (Prime)
 - Washington Group International (at FPR, WGI was wholly acquired by URS, the parent company of EG&G, and was no longer represented as a major subcontractor to EG&G)
 - Yang Enterprises, Inc.
 - Dynamac Corp.
 - Sierra Lobo
 - Bionetics
 - Wiltech of Florida

- Fluor Federal Solutions (Fluor) (Prime)
 - Wyle (Primary major subcontractor)
 - Nelson Engineering
 - ASRC Aerospace
 - ASRC FSSI
 - Creative Management Technology
 - Wiltech of Florida

- IAP Worldwide Services, Inc. (IAP) (Prime)
 - Teledyne Brown
 - Bastion Technologies, Inc.
 - L&M Technologies
 - Rothe Enterprises
 - Rohmann Services
 - United Paradyne Corp.
 - Silver-SEA, Inc.
 - Wiltech of Florida

- ITT Corporation (ITT) (Prime)
 - Diversitech
 - RS&H
 - Anadarko Industries, LLC
 - SaiTech, Inc.
 - LJT and Associates, Inc.
 - Innovision
 - United Paradyne Corp.
 - Wiltech of Florida

- JE Jacobs (Jacobs) (Prime)
 - United Space Alliance
 - Erica Lane Enterprises
 - C. Martin Company
 - Government Contracting Resources
 - Wiltech of Florida

- Kennedy Operations & Facilities (KO&FT) (Northrop Grumman Technical Services/
Alliant Techsystems Team)
 - Capitol Technology Services, Inc.
 - Dozier Technologies, Inc.
 - Logistics Management Institute
 - Phoenix Construction Services
 - United Paradyne Corp.
 - Wiltech of Florida

- Mission Support Alliance (MSA) (CSC/Shaw Joint Venture)
 - Abacus Technology Corp.
 - The Boeing Company
 - Expeditionary Technology
 - General Physics Corp.
 - Mainthia Technologies
 - Synterprise Solutions, LLC
 - United Paradyne Corp.
 - Wiltech of Florida

EVALUATION PROCESS

The RFP prescribed three evaluation factors: Mission Suitability, Past Performance, and Cost, and provided the relative importance of these factors. The Mission Suitability and Past Performance factors, when combined, are approximately equal to Cost. The Mission Suitability factor is more important than the Past Performance factor. Of the three evaluation factors, only the Mission Suitability factor was numerically scored. The RFP provided for a best value tradeoff process in source selection, as set forth in FAR 15.101-1. The SEB developed an Evaluation Plan identifying the process that the SEB would utilize for evaluation of proposals, consistent with the evaluation criteria set forth in the RFP.

Mission Suitability Factor

The Mission Suitability factor considered how well the offeror's proposal demonstrated an overall understanding of the requirements. The Mission Suitability evaluation also considered whether the resources proposed were consistent with the proposed approach and appropriately justified in the proposal. Lack of sufficient rationale for proposed resources and approach was evaluated as lack of understanding and/or adequacy to successfully perform the requirements.

SEB evaluators were assigned to evaluate the offerors' proposals in their specific areas of expertise. The evaluators generated individual assessments and potential questions for offerors, all of which were vetted through the Committee chairpersons. Through this Committee review process, a Committee report was developed, which classified all Committee findings as a Significant Strength, Strength, Weakness, Significant Weakness, or Deficiency. All Committee findings were presented to the SEB for disposition. The Committee findings that were not rejected, were accepted, combined, or revised as appropriate, to generate the SEB findings. Using the SEB findings, the SEB rated and scored the Mission Suitability factor, in accordance with NFS 1815.305(a)(3)(A).

Consistent with the RFP evaluation criteria, the SEB rated and scored the Mission Suitability factor on a 1000-point scale. The assigned weights (points) associated with the Mission Suitability subfactors were as follows:

• Subfactor-1	Management	425
• Subfactor-2	Technical	325
• Subfactor-3	Safety and Health	150
• Subfactor-4	Small Business Utilization	<u>100</u>
Total Mission Suitability Factor		1000

The maximum available points for each subfactor were multiplied by the assessed percentage for each subfactor to derive the score for the particular subfactor. The Mission Suitability subfactor scores were summed to produce the overall Mission Suitability score and adjectival rating for each proposal. The Mission Suitability factor

also included a structured approach, in accordance with NFS 1815.305(a)(3)(B), to adjust an offeror's overall Mission Suitability score based on the degree of cost realism. Point adjustments to the Mission Suitability score were prescribed when the percentage difference between proposed and probable cost was +/- 6 percent or greater.

Past Performance Factor

The Past Performance Factor evaluation was conducted in accordance with FAR 15.305(a)(2) and NFS 1815.305(a)(2). The SEB evaluated relevant information regarding each offeror's past performance, including the past performance of major subcontractors under previous contracts similar in size, content, and complexity to ISC requirements. The SEB considered information provided by the offerors, by offeror-identified references in the form of questionnaires, and information provided by other sources internal and external to the SEB. The SEB assigned one of the following adjectival ratings to each offeror: Excellent, Very Good, Good, Fair, Poor, or Neutral. In accordance with FAR 15.306, "Exchanges with Offerors after Receipt of Proposals," offerors were advised of any adverse past performance information to which the offeror had not had a prior opportunity to respond.

Cost Factor

The SEB evaluated the reasonableness and realism of each offeror's and each major subcontractor's proposed cost to determine if the overall proposed cost was realistic for the work to be performed, reflected the offeror's understanding of the requirements, and was consistent with the various elements of the technical proposal. The cost evaluations were based on the offeror's proposed costs and fees for the five-year base performance period, and all options. In addition, other costs to the Government, associated with the contract (i.e. contract transition and Government Furnished Services), were evaluated for realism and reasonableness. Cost proposals were evaluated for cost realism and to determine the most probable cost. The SEB obtained rates and factors data as well as relevant information on the adequacy of the offeror's systems (accounting, estimating, procurement, and compensation) from the Defense Contract Audit Agency (DCAA) for each offeror and each major subcontractor proposed. The SEB's level of confidence in the probable cost of the individual offeror was determined, noting the reasons for low, medium, or high confidence.

INITIAL EVALUATION/COMPETITIVE RANGE DETERMINATION/DISCUSSIONS

The SEB conducted the initial evaluation in accordance with the ISC Evaluation Plan, based on the RFP-specified evaluation criteria. This process resulted in the initial rating and scoring of proposals for Mission Suitability; an adjectival rating for the Past Performance factor; and a probable cost assessment including a level of confidence determination.

Based on the initial evaluation, the offerors ranked as follows from highest to lowest, in Mission Suitability score: Fluor, EG&G, MSA, KO&FT, Jacobs, ITT, IAP, and Call Henry. In terms of Past Performance, Fluor, Jacobs, and MSA were rated as "Excellent;" EG&G, IAP, and ITT, were rated as "Very Good;" and Call Henry and KO&FT were rated as "Good." In terms of proposed cost, the offerors ranked as follows from lowest to highest: Call Henry, EG&G, KO&FT, Jacobs, ITT, IAP, MSA and Fluor. For probable cost, offerors ranked as follows from lowest to highest: Call Henry, EG&G, KO&FT, ITT, Jacobs, IAP, Fluor, and MSA. The Government's level of confidence in its probable cost assessment was "Low" for all offerors except Fluor, which was assessed as "Medium."

The SSA established a competitive range consisting of the most highly rated proposals for the ISC requirement; all evaluation factors considered. The five most highly rated proposals were EG&G, Fluor, Jacobs, KO&FT, and MSA. Call Henry, IAP, and ITT were eliminated from the competitive range. The Contracting Officer provided written notification to all offerors that were eliminated from the competitive range, describing the Government's overall assessment of their proposals, and the rationale for their exclusion from the competitive range. The SEB conducted oral and written discussions with all offerors in the competitive range. These discussions concluded on May 9, 2008. During discussions, the Contracting Officer advised each offeror of all weaknesses and significant weaknesses, including uncertainties requiring further clarification. At the conclusion of discussions, offerors within the competitive range were provided an opportunity to submit a Final Proposal Revision (FPR) no later than May 19, 2008. All FPRs were received in a timely manner.

FINAL EVALUATION

Following the same evaluation process used for the initial evaluation, the SEB completed the final evaluation of all factors, including a final rating and scoring of the proposals for Mission Suitability; developed probable cost and associated level of confidence for each proposal, assessed price reasonableness for each proposal, validated the initial adjectival ratings for the Past Performance factor, and reported its findings to the SSA on June 12, 2008.

As a result of the SEB's final evaluation, the relative ranking of offerors according to Mission Suitability score (highest to lowest) is as follows: EG&G, Fluor, Jacobs, MSA, and KO&FT. The offerors' Past Performance adjective ratings remained unchanged from the initial evaluation. In terms of probable cost, the offerors ranked as follows from lowest to highest: KO&FT, MSA, EG&G, Jacobs, and Fluor. This rank order did not change from the offerors' proposed cost.

1. MISSION SUITABILITY

The substance of the SEB's evaluation of each offeror's proposal with regard to Mission Suitability follows, in order of their ranking from highest to lowest:

EG&G

EG&G's proposal received the highest overall score and an overall adjective rating of "Excellent." The SEB rated EG&G's proposal to be "Excellent" in all four subfactors of Mission Suitability: Management, Technical, Safety and Health, and Small Business Utilization. EG&G also had the highest score in the Management, Safety and Health, and Small Business Utilization subfactors. The SEB reported no significant weaknesses in EG&G's proposal.

The significant strengths of EG&G's Management approach were: (1) a substantial number of the proposed key personnel team (9 of 12) were well qualified with direct and highly relevant experience, including the Program Manager, the Deputy Program Manager, the Program Transition Office Manager, the Human Resources/Labor Relations Manager, the Engineering Services Division Manager, the Mission Support Office Manager, the FSEU OM&E Manager, the Safety and Mission Assurance Office Manager, and the Laboratories Division Manager; (2) the utilization of Portable Data Assistants (PDA) in the field, to gain workforce efficiencies and to enhance effectiveness; and (3) an outstanding corporate commitment that includes several beneficial enhancements.

EG&G's significant strength in its Technical Approach was a thorough understanding of, and approach to, the technical requirements for WBS 2.0, FSEU; WBS 3.0, P&LS; and WBS 6.0, Laboratories. EG&G's approach to FSEU OM&E included emphasis on Reliability Centered Maintenance-based (RCM) methodologies. The proposal demonstrated a thorough understanding of the P&LS functions as well as a well thought-out approach to Pressure Vessel/Systems Management. The proposal also included a detailed discussion on the impacts of new industry standards on Standards/Calibration and Non-destructive Evaluation (NDE) functions, utilization of a Commercial Off-The-Shelf-based (COTS) software to enhance laboratory information management, and transition of new technology.

EG&G's significant strength in the Safety and Health subfactor was a thorough and comprehensive understanding and approach to protecting personnel safety. EG&G's Safety and Health (S&H) Plan included very detailed discussions on safety policies, procedures and techniques. Emphasis was placed on incorporating safety into the procurement process. EG&G's proposal also included three innovative approaches to enhancing the S&H program on the ISC.

EG&G's significant strength in Small Business Utilization was a thorough assessment and in-depth approach to potential subcontracting opportunities, all of which were well supported by established plans, procedures, and review processes. EG&G proposed a total socioeconomic goal that significantly exceeded the Government's stated goal of 25%. EG&G also proposed individual small business category goals, including Small Disadvantaged Business (SDB), that exceeded the Government's stated goals. Based on the Offeror's Small Business Subcontracting Plan and proposed approach, there was a high level of confidence that EG&G can achieve the proposed total socioeconomic goal.

Fluor

Fluor's Mission Suitability proposal ranked second among the final offerors and received an overall adjectival rating of "Very Good." The SEB rated Fluor's proposal to be "Excellent" in Management and Technical, "Very Good" in Small Business Utilization, and "Good" in Safety and Health. Fluor also had the highest score in Technical Approach. The SEB reported no significant weaknesses in Fluor's proposal.

The significant strengths of Fluor's Management approach were: (1) a few of the proposed key personnel team (3 of 12) were well qualified with direct and highly relevant experience, including the Program Manager, the Mission Support and Launch Readiness Manager, and the Propellants and Life Support Manager; (2) a thorough understanding of, and highly effective approach to Program Transition requirements; and (3) the proposed implementation of a mobile Computerized Maintenance Management System (CMMS), to gain workforce efficiencies and to enhance effectiveness.

Fluor's significant strength in its Technical Approach was a thorough understanding of, and approach to, the technical requirements for WBS 2.0, FSEU; WBS 3.0, P&LS; WBS 4.0, Engineering Services; WBS 5.0, Logistics; and WBS 6.0, Laboratories. Fluor's proposed approach to FSEU OM&E incorporates RCM analysis and the application of industry-recognized software tools. Fluor's proposal emphasized system engineering principals in demonstrating its understanding of P&LS functions. Fluor's proposal demonstrated an in-depth knowledge of Laboratory functions, especially Standards/Calibrations, with detailed technical discussions on the impacts of new industry standards affecting ISC. Fluor also proposed an effective approach to minimizing turnaround times on calibrations.

Fluor's significant strength in Small Business Utilization was a thorough assessment and in-depth approach to potential subcontracting opportunities, all of which were well supported by established plans, procedures, and review processes. Fluor proposed a total socioeconomic goal that exceeded the Government's stated goal of 25%. The Offeror also proposed individual small business category goals, including SDB, that exceeded the Government's stated goals. Based on the Offeror's Small Business Subcontracting Plan and proposed approach, there was a high level of confidence that Fluor can achieve the proposed total socioeconomic.

The SEB reported no significant strengths in Fluor's proposal for the Safety and Health subfactor.

Jacobs

Jacob's Mission Suitability proposal ranked third among the final offerors and received an overall adjectival rating of "Very Good." The SEB rated Jacob's proposal to be "Very Good" in Management and "Good" in Technical, Safety and Health, and Small Business Utilization. The SEB reported no significant weaknesses in Jacob's proposal.

The significant strengths of Jacobs' Management approach were: (1) several (4 of 9) of the proposed key personnel team were well qualified with highly relevant experience, including the General Manager, the S&MA Office Manager, the Mission Support and Integration Office Manager, and the Maintenance Services Department Director; and (2) a thorough understanding of, and a highly effective approach to, Program Transition requirements.

The SEB reported no significant strengths in Jacob's proposal for Technical Approach, Safety and Health, and Small Business Utilization.

MSA

MSA's Mission Suitability proposal ranked fourth among the final offerors and received an overall adjectival rating of "Very Good." The SEB rated MSA's proposal to be "Very Good" in Management and Small Business Utilization, and "Good" in Technical and Safety and Health. The SEB reported no significant weaknesses in MSA's proposal.

The significant strength of MSA's Management approach was the proposed utilization of ruggedized tablet computers and RFID technology to gain workforce efficiencies.

MSA's significant strength in Small Business Utilization was a thorough assessment and in-depth approach to potential subcontracting opportunities. The proposed approach was well supported by established plans, procedures, and review processes. MSA proposed a total socioeconomic goal that exceeded the Government's stated goal of 25%. MSA also proposed individual small business category goals, including SDB that exceeded the Government's stated goals. Based on the Offeror's Small Business Subcontracting Plan, proposed teaming arrangements and independent analysis by the Government, there was a high level of confidence that MSA can achieve the proposed total socioeconomic goal.

The SEB reported no significant strengths in MSA's proposal for Technical Approach and Safety and Health.

KO&FT

KO&FT's Mission Suitability proposal ranked fifth among the final offerors and received an overall adjectival rating of "Good." The SEB rated KO&FT's proposal to be "Very Good" in Management and "Good" in Technical, Safety and Health, and Small Business Utilization. The SEB reported no significant weaknesses in KO&FT's proposal.

The significant strengths of KO&FT's Management approach were: (1) many of the proposed key personnel team (7 of 12) were well qualified with direct and highly relevant experience, including the Program Manager, the Chief of Operations/Deputy Program Manager, the Mission Assurance Manager, the Resource Control Center Manager, the Facilities Services Director, the Logistics Services Director, and the Engineering Services Director; and (2) the proposed implementation of Maximo Mobile to enhance

the overall effectiveness of the Management Information System and gain workforce efficiencies.

The SEB reported no significant strengths in KO&FT's proposal for Technical Approach, Safety and Health, and Small Business Utilization.

2. PAST PERFORMANCE

The SEB evaluated each offeror's past performance during initial evaluations. The Past Performance ratings did not change as a result of FPR. The substance of the SEB's evaluation of the proposals with regard to Past Performance is as follows:

Fluor, Jacobs, and MSA received an overall adjectival rating of "Excellent." The Government has a very high level of confidence that each of the three offerors will successfully perform the required effort based upon their past performance. Each team has highly relevant experience in performing contracts of similar size, content, and complexity to the ISC. The Government's assessment was that, overall, Fluor, Jacobs, and MSA met or exceeded contract expectations in all areas of Technical, Cost, and Schedule Performance and Management Effectiveness. The SEB reported no significant discriminators between these three offerors in Past Performance.

EG&G received an overall adjectival rating of "Very Good." The Government has a high level of confidence that the offeror will successfully perform the required effort based upon their past performance. The EG&G Team has very relevant experience in performing contracts of similar content and complexity to the ISC. EG&G's contracts reflect work that is highly relevant, and similar in size, content, and complexity to the ISC. The Government's assessment was that the Offeror's past performance was very effective and fully responsive to contract requirements; and the Offeror accomplished the contract requirements in a timely, efficient, and economical manner. The Government's assessment was that, overall, EG&G met or exceeded contract expectations in the areas of Technical, Cost, and Schedule Performance and Management Effectiveness.

KO&FT received an overall adjectival rating of "Good." The Government has confidence that the offeror will successfully perform the required effort based upon their past performance. KO&FT has highly relevant experience in performing contracts of similar size, content, and complexity to the ISC. NGTS, the managing partner of KO&FT, is also the managing partner of Space Gateway Support (SGS), which currently performs J-BOSC; therefore, the company has both direct and highly relevant experience in performing requirements of similar size, content, and complexity as the ISC. While NGTS generally met or exceeded contract requirements in the areas of Technical, Cost, and Schedule Performance and Management Effectiveness, there was sufficient negative information presented for the SEB to find that NGTS, at times, failed to meet contract expectations in each of the four categories. As a result of the reportable problems, KO&FT received an overall rating of "Good."

3. COST

In the final evaluation, the total proposed cost and the Government's probable cost for the five offerors in the competitive range were below the Government's Independent Cost Estimate (IGCE). The Government made probable cost adjustments to all five offerors to reflect the offerors' proposed rate ceilings and the Construction Support Services Target, and to correct obvious proposal errors. For Jacobs and MSA, the Government made probable cost adjustments to remove indirect burdens from the Standardized Proposal Values. In addition, the Government made probable cost adjustments for staffing to MSA's and KO&FT's cost proposal. Pursuant to the RFP, the Government did not make probable cost adjustments to proposed fee dollars; however, the SEB reviewed the proposed fee dollars and determined that all five offerors proposed adequate fee levels to motivate superior performance. Pursuant to the RFP, a 50-point reduction was applied to KO&FT's Mission Suitability score due to probable cost adjustments that exceeded 6 percent of the proposed cost.

KO&FT had the lowest probable cost followed by MSA, EG&G, Jacobs and Fluor. MSA's probable cost was more than 4 percent higher than KO&FT. EG&G's probable cost was more than 3 percent higher than MSA. Jacobs' probable cost was more than 2 percent higher than EG&G. Fluor's probable cost was more than 6 percent higher than Jacobs. The relative proposed cost ranking of the five offerors did not change as a result of the Government's probable cost assessment. The Government's level of confidence in the probable cost assessment was determined to be "High" for EG&G, Fluor, and Jacobs, and "Medium" for KO&FT and MSA.

SELECTION DECISION

During the presentation, I questioned the SEB on the material presented and solicited additional comments or questions from the SEB participants, managers and officials in attendance. These officials have responsibilities related to the procurement and acquisition process, and represented key customers at the program and institutional level. I found that the evaluation of the proposals was comprehensive and complete and the findings were well documented. After thoroughly reviewing the SEB findings, I concluded that the proposal submitted by EG&G offers the best value to the Government.

In arriving at this decision, I made a comparative assessment of each proposal against the three evaluation factors and the relative order of importance of these factors which are as follows:

The Mission Suitability factor and Past Performance factor, when combined, are approximately equal to Cost.

The Mission Suitability factor is more important than the Past Performance factor.

With regard to Mission Suitability, EG&G was the highest ranked proposal with an overall rating of Excellent. Fluor was the second highest ranked proposal with an overall rating of "Very Good." Looking at the Significant Strengths of these two proposals and

the absence of any Significant Weaknesses, I concluded that irrespective of the overall adjective rating, the two proposals were essentially equal in Mission Suitability. I also noted that Jacob's and MSA's proposals were rated as "Very Good" but determined that their Mission Suitability proposals were substantially below EG&G and Fluor's proposal. Finally, I recognized that KO&FT had the lowest ranked proposal in Mission Suitability.

I then considered Past Performance. I noted Fluor, Jacobs, and MSA had received an "Excellent" rating in Past Performance and EG&G received a "Very Good." EG&G's lower adjective rating was solely attributable to a single performance issue that had occurred 6 years ago and which was self disclosed by EG&G. I determined that the difference between EG&G's past performance and offerors' with an "Excellent" rating was insignificant. KO&FT received a "Good" rating which was related, in part, to multiple performance problems on two contracts.

With respect to Cost, I considered the cost proposed by all offerors; and concurred with the SEB's probable cost adjustments and level of confidence assigned to each offeror's cost proposal. KO&FT had the lowest probable cost followed by MSA; and both had a medium level of confidence. EG&G's probable cost was insignificantly higher than MSA and had a high level of confidence. Jacobs' proposal had the next highest cost with a high level of confidence. Fluor had the highest probable cost with a high level of confidence.

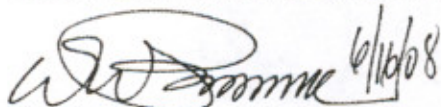
Based on the evaluation criteria and relative order of importance, I determined that EG&G's proposal constituted a better value to the Government than Jacobs' proposal. EG&G proposal was significantly better in Mission Suitability, essentially equal in Past Performance and lower in probable cost.

I also concluded that EG&G's proposal presented a better value to the Government than MSA's proposal. EG&G's proposal was significantly better than MSA in Mission Suitability. The offerors' Past Performance was essentially equal. MSA's probable cost was insignificantly lower than EG&G's probable cost. In evaluating the probable cost difference, I considered that MSA had residual staffing uncertainties resulting in a medium level of confidence in probable cost. I noted that both offerors had significant strengths in their wireless technology approach and their Small Business Plans. However, EG&G had a significant strength in its management team which I considered extremely important to the success of the contract. This significant strength when combined with EG&G's additional significant strengths in technical understanding, corporate commitment, and its Safety and Health Plan outweighed the insignificant probable cost advantage in MSA's proposal.

In considering Fluor's proposal, I found that their "Very Good" in Mission Suitability and "Excellent" in Past Performance was essentially equal to EG&G's proposal. Since EG&G presented a lower probable cost proposal, I determined that EG&G's probable cost advantage represented a better value to the Government.

I then determined that KOFT's somewhat lower probable cost represented a cost advantage but did not outweigh the superior Mission Suitability and Past Performance advantage offered by EG&G. I noted that both offerors had significant strengths in their management team and wireless technology approach. However, EG&G also had additional significant strengths in its technical understanding, corporate commitment, Small Business Plan, and Safety and Health Plan. I also considered significant the difference in EG&G and KO&FT's past performance. In making this determination, I considered EG&G's one reportable problem as an isolated incident as compared to multiple examples of problems KO&FT's prime (NGST) incurred on the J-BOSC and at the Nevada Test Site. I also considered that KO&FT's residual staffing issues resulted in a medium level of confidence in probable cost. In comparing Mission Suitability and Past Performance to Cost, I determined that KO&FT's cost advantage, when viewed over a 10 year period, was more than offset by EG&G's clear and significant superiority in Mission Suitability and advantage in Past Performance.

Based on the foregoing, I conclude that EG&G's proposal represents the best value to the Government and select EG&G for award.



W. W. Parsons

Director

John F. Kennedy Space Center