

Source Selection Statement for the
Protective Services Contract
NASA Lyndon B. Johnson Space Center
(Solicitation Number NNN11367009R)

On July 24, 2012, along with other senior officials of the National Aeronautics and Space Administration's (NASA's) Johnson Space Center (JSC), I met with the Source Evaluation Board (SEB) appointed to evaluate proposals submitted in response to the JSC Protective Services Request for Proposal (RFP), Solicitation Number NNN11367009R. The presentation charts represent the final source selection evaluation report and are herein incorporated by reference.

I. Background

The Johnson Space Center Protective Services contract (JSCPSC) provides protective services analysis, engineering and program management, security services, law enforcement, emergency management and training services at the Johnson Space Center, under the management of the JSC Center Operations Directorate, Protective Services Division. Specifically, these include:

- Full range of armed uniformed security services at JSC, Ellington Field (EF), Sonny Carter Training Facility (SCTF), El Paso Forward Operating Location (EPFOL), White Sands Test Facility (WSTF) / White Sands Complex (WSC).
- Security Management System (SMS) installation, operation and maintenance
- Locksmith Services
- Personnel Security Services
- Emergency Management Services
- Emergency Dispatch Center (EDC)
- JSC Protective Services Training

The contract type is Firm-Fixed Price (FFP) with FFP Indefinite Delivery Indefinite Quantity (IDIQ) task orders. The procurement was conducted as a total small business set-aside. The period of performance consist of a Phase-In and the basic period of performance for this acquisition is 2 years, from October 1, 2012 through September 30, 2014, with three 1-year options. The Firm Fixed Price contract value is \$29.9M. The first 1-year option, October 1, 2014 through September 30, 2015, provides a \$14.9M addition to the basic Firm Fixed Price contract value. The second 1-year option, October 1, 2015 through September 30, 2016, provides a \$15.0M addition to the basic Firm Fixed Price contract value. The third 1-year option, October 1, 2015 through September 30, 2016, provides a \$15.1M addition to the basic Firm Fixed Price contract value. The Not-To-Exceed (NTE) for the basic IDIQ effort is \$10,000,000. The products and services provided by the JSC Protective Services contract are required for the protection of people, property, operations and information associated with the NASA mission.

An Industry Day was held on March 29, 2011, and included one-on-one presentations by industry to the SEB voting members over 2 days (March 29-30, 2011).

The contracting officer released a draft Request for Proposal (RFP) on September 21, 2011. A pre-proposal conference and facility tour were held on October 25, 2011 at JSC and October 27, 2011, at WSTF/WSC. Questions regarding the draft RFP were submitted to the Government from potential offerors by October 31, 2011, and answers were posted to the JSCPSC Acquisition website on November 22, 2011. The final RFP was issued on December 30, 2011. Questions regarding the final RFP were due from potential offerors by January 11, 2012, and answers were posted to the JSCPSC Acquisition website in Amendment 1 on January 6, 2012; Amendment 2 on January 12, 2012; Amendment 3 on January 25, 2012; and Amendment 4 on January 30, 2012.

The RFP stated that the proposals would be evaluated in accordance with the following factors: Mission Suitability, Past Performance, and Price as provided for in Section M of the RFP. Each proposal received a Mission Suitability score based on the following subfactors and associated numerical weights. These weights are intended to be used as a guideline in the source selection decision-making process.

Subfactor 1: Management	500 points
Subfactor 2: Technical	<u>500 points</u>
Total	1000 points

The Mission Suitability subfactors were evaluated and assigned an adjectival rating using the following scale: Excellent, Very Good, Good, Fair and Poor.

In addition to Mission Suitability, the RFP identified and the SEB evaluated Past Performance and Price factor. These were not numerically scored.

Since Past Performance can be a significant factor of performance under the proposed contract, Past Performance for each offeror (including Past Performance of teams' members and major contractors) was evaluated. The evaluation assessed corporate Past Performance on other contracts comparable to the JSC Protective Services contract and was based on information provided by the offerors in their Past Performance volumes; completed Past Performance questionnaires; other information obtained independently by the SEB to include contacting organizations for which the Offeror and major subcontractor have previously performed work via telephone interviews; safety Past Performance information (OSHA logs, EMR's and citations); and data from Government-wide Past Performance Information Retrieval System (PPIRS). Past Performance was evaluated and rated using the following scale: Very High Level of Confidence, High Level of Confidence, Moderate Level of Confidence, Low Level of Confidence, Very Low Level of Confidence, and Neutral. Both the contract performance and quality of performance were considered. The Offeror's Past Performance record was examined for recent and relevant Past Performance to determine its ability to perform the required work.

Under the Price factor, the Government performed a price analysis in accordance with FAR 15.404 of all proposed prices, inclusive of options, for both the completion form requirements and all unit prices proposed for indefinite quantity/indefinite delivery requirements. In accordance with FAR 15.404-1(d)(3), a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed labor or non-labor resources were adequate to

accomplish the work without creating a risk of quality or service shortfalls. As part of the analysis, information proposed in Volume III, Price, and in Volume I, Mission Suitability was evaluated to determine whether the estimate cost elements were (1) valid, (2) realistic for the work to be performed, and (3) adequate for the work to be performed. The proposed price for the entire potential period of performance (contract years 1 – 5) were evaluated.

Offerors were notified that the Government will award a contract resulting from this solicitation to the responsible Offeror whose proposal represents the best value to the Government after evaluation in accordance with the factors and subfactors in the solicitation.

As provided in the RFP, of the three evaluation factors, Mission Suitability and Past Performance, when combined, are significantly more important than Price. Mission Suitability is approximately equal to Past Performance.

Lastly, the Government has the option, depending on the specific circumstances of the offers received, to utilize one of the following methods: (1) make selection and award without discussions (Offerors may be contacted only for clarification purposes); or (2) after discussions with all Offerors in the competitive range (if warranted), afford each Offeror within the competitive range an opportunity to revise its offer, and then make selection. Therefore, the Offeror's initial proposal should contain the Offeror's best terms. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary.

II. Evaluation of Initial Proposals

The RFP divided the proposal into five volumes with two different due dates. Volume II, related to Past Performance, was due January 17, 2012. Volume I related to Mission Suitability, Volume III related to Cost/Price, Volume IV related to other proposal requirements and Volume V related to the model contract were due on February 6, 2012. Timely proposals were received from seven companies:

- American Eagle Protective Services Corp. (AEPS)
- Totally Joined for Achieving Collaborative Techniques, LLC (TJFACT)
- Ruiz Protective Service, Inc.
- L&R Security Services, Inc.
- Chenega Security & Support Solutions, LLC (CS³)
- Santa Fe Protective Services, Inc. (SFPS)
- The Whitestone Group, Inc.

One other Offeror submitted Volume II, Past Performance by the January 17, 2012 due date; however failed to submit the other required volumes. Therefore, no further evaluation was performed.

All of the offerors were small businesses within the definition provided in the relevant NAICS Code at the time of proposal submittal. Each "offeror" included a qualifying small business team of other companies of varying sizes and specialization.

After a preliminary review of all proposals, the SEB determined that all seven proposals were acceptable. The evaluation process was conducted in accordance with FAR 15.3 "Source Selection" and NASA FAR Supplement (NFS) Part 1815 as well as the RFP. The results of the initial evaluation were presented to me, the Source Selection Authority (SSA) on May 15, 2012. At that time, the Contracting Officer recommended that it was in the Government's best interest to establish a competitive range with Chenega Security & Support Solutions, LLC (CS³). Chenega's proposal was rated highest in Mission Suitability and in Past Performance. Also, Chenega's proposed Price, when compared to the other Offerors was considered reasonable to accomplish the requirements of the JSCPSC. However, similar to the other Offerors, the SEB raised concerns regarding CS³ Price proposal.

The other six Offerors, American Eagle Protective Services Corporation, Totally Joined for Achieving Collaborative Techniques, LLC, Ruiz Protective Service, Inc., L&R Security Services, Inc, Santa Fe Protective Services, Inc., and The Whitestone Group, Inc., were not most highly rated when evaluated in accordance with the stated solicitation evaluation criteria. Although none of the Offerors' Past Performance records contained adverse information that precluded them from competitive range, five of the Offerors had very limited Past Performance experience in relation to their proposed contract functions on the JSCPSC and concerns were raised regarding their Price volume proposals. There was no reasonable chance that the proposals of the above six Offerors could be cured through the discussion process and be selected for award. Therefore, modifications or revisions to their proposals were not considered and their proposals were eliminated from competitive range.

American Eagle Protective Services Corporation

Under the Mission Suitability Factor, AEPS received a total score of 275 out of 1000 points. AEPS received two strengths, two significant weaknesses and five weaknesses across the subfactors.

Under the management approach subfactor, AEPS received an adjectival rating of "Poor", having two strengths, one significant weakness and two weaknesses. AEPS' two strengths were related to their Phase-In approach and their Safety and Health approach. Their approach to Phase-In would have minimized performance risk and enhance a smooth transition to contract start. Their proposed Safety and Health approach included a commitment to provide a full-time Safety, Health & Quality Manager and methods of encouraging employee involvement at all levels. AEPS' significant weakness was related to their proposed management structure for White Sands which included an ineffective span of control for management workload and improperly-certified supervision which would pose a significant risk to effective management of operations. AEPS' two weaknesses were related to their proposed management approach to meet the daily schedule of manpower in support of the JSCPSC requirements and their Safety & Health Plan lacked details in several areas which increases the risk of safety performance and risks unsuccessful contract performance.

Under the technical approach subfactor, AEPS received an adjectival rating of "Poor", having one significant weakness and three weaknesses. AEPS' significant weakness was related to an incomplete training approach for the NASA Protective Services Training Academy (NPSTA)

Federal Arrest Authority (FAA) Course. AEPS' three weaknesses were related to an incomplete education and training approach; an unclear and incomplete reserve staffing plan; and their approach to proposing security clearances for numerous employees that exceeded the contract requirements.

Under the Price Factor, AEPS' proposed price evaluated in accordance with the RFP was \$72.45M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. AEPS' Price proposal was compared against the Government estimate and prices submitted by the other offerors and was considered reasonable. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls. Based on the cost realism analysis, the SEB identified the following performance risks: inadequate staffing at JSC and inadequate management staffing at WSTF may adversely affect performance, the proposed overtime dollars appeared to be insufficient, and a low profit rate may limit the offerors ability to absorb any unexpected cost. There were also discrepancies between the AEPS team's Section B Fully Burdened Labor Rates in the model contract and the Cost Templates in the Price volume of the proposal. The proposed labor resources were not adequate to accomplish the work without creating a risk of quality or service shortfalls. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor, AEPS' Past Performance was at least somewhat pertinent to the JSCPSC acquisition. While the SEB recognized the high quality and relevant work performed by AEPS' proposed major subcontractor, the AEPS proposal to do the majority of the JSCPSC PWS was not supported by relevant Past Performance of any of the magnitude and complexities of the solicited requirement. AEPS was assigned a "Low" Level of Confidence based on their Past Performance combined with their safety performance.

Although the Board identified strengths in AEPS' proposal, these were counterbalanced by weaknesses and numerous significant weaknesses. AEPS' proposal was clearly separated from the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government in both the technical and management subfactors. The SEB identified performance risks in AEPS' Price volume proposal as stated above and expected the price to increase if all the issues had been cured. Moreover, AEPS' Past Performance was rated a "Low" Level of Confidence. There was no reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were not considered. For these reasons, it was determined that AEPS' proposal did not represent one of the highest rated proposals and was notified in writing May 21, 2012, that they were eliminated from competition.

Totally Joined for Achieving Collaborative Techniques, LLC

Under the Mission Suitability Factor, TJFACT received a total score of 100 out of 1000 points. TJFACT received two strengths, six significant weaknesses and one weakness across the subfactors.

Under the management approach subfactor, TJFACT received an adjectival rating of “Poor”, having two strengths and three significant weaknesses. TJFACT’s two strengths were related to their proposed risk management approach which demonstrated a comprehensive understanding of the JSCPSC requirements and their Safety and Health approach, which included a commitment to provide a full-time Safety, Health & Quality Manager and described various opportunities for employee involvement in the safety program. TJFACT’s three significant weaknesses were related to their proposed management approach of their key personnel roles and responsibilities and lines of authority; lack of understanding of their responsibilities of Phase-In requirements and understanding of the COR authority; and their Safety & Health approach contained numerous discrepancies which increases risk of unsuccessful safety performance.

Under the technical approach subfactor, TJFACT received an adjectival rating of “Poor”, having three significant weaknesses and one weakness. TJFACT’s three significant weaknesses were related to their proposed education and training approach which significantly increases risk of continuity in training; failure to address critical training requirements in their proposed education and training approach to ensure a fully qualified workforce; and their proposed skill mix and allocation of labor resources between JSC and WSTF/WSC which did not demonstrate an understanding of the requirements of the PWS.

Under the Price Factor, TJFACT’s proposed price evaluated in accordance with the RFP was \$99.98M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. TJFACT’s Price proposal was compared against the Government estimate and prices submitted by the other Offerors and the firm fixed price was higher than the IGE and all other offerors. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls. Based on the cost realism analysis, the SEB identified the following performance risks: there was inappropriate application of the New Mexico Gross Receipts Tax which may erode profitability and the Section B rates appeared to be straight-time rates and not Fully Burdened Labor Rates in the model contract. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor,

The SEB determined that based on the contracts submitted for Past Performance consideration, TJFACT had very limited Past Performance experience in relation to their proposed contract functions on the JSCPSC. Given the low degree of overall relevancy of the TJFACT team Past Performance effort combined with missing safety data, TJFACT was assigned a “Low” Level of Confidence.

Although the Board identified strengths in TJFACT's proposal, these were counterbalanced by the weakness and numerous significant weaknesses. TJFACT's proposal was clearly separated from the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government in both the technical and management subfactors. The SEB identified performance risks in TJFACT's Price volume proposal as stated above and expected the price to increase if all the issues had been cured. Moreover, TJFACT's Past Performance was rated a "Low" Level of Confidence. There was no reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were not considered. For these reasons, it was determined that TJFACT's proposal did not represent one of the highest rated proposals and was notified in writing May 21, 2012, that they were eliminated from competition.

Ruiz Protective Service, Inc.

Under the Mission Suitability Factor, Ruiz received a total score of 480 out of 1000 points. Ruiz received one significant strength, two strengths, two significant weaknesses and two weaknesses.

Under the management approach subfactor, Ruiz received an adjectival rating of "Very Good", having one significant strength, two strengths, and one weakness. Ruiz's significant strength was related to their proposed Phase-In approach which included preliminary efforts and a Phase-In Management team that demonstrates a thorough commitment to the JSCPSC requirements. Ruiz's two strengths were related to their overall management approach which included an innovative management set-up and their approach to risk management which would minimize schedule delays and cost risks associated with Phase-In and contract performance. Ruiz's weakness was related to providing incomplete details in their Safety and Health plan which results in the risk of unsuccessful safety performance.

Under the technical approach subfactor, Ruiz received an adjectival rating of "Poor", having two significant weaknesses and one weakness. Ruiz's two significant weaknesses were related to their incomplete education and training approach which did not demonstrate their proposed resources have the required certification to train the JSCPSC workforce and perform the contract requirements; and their proposed training requirements exceeded the scope of the contract and significantly increases the risk of training inefficiency in the performance of the contract. Ruiz's weakness was related to their staffing and critical skills approach, which contained discrepancies in the number of resources proposed to meet the JSCPSC requirements and increased the risk of the contract being inadequately staffed.

Under the Price Factor, Ruiz proposed price evaluated in accordance with the RFP was \$79.43M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. Ruiz's Price proposal was compared against the Government estimate and prices submitted by the other offerors and was considered reasonable. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls. Based on the cost realism analysis, the SEB identified the following performance risks: there were FTE

discrepancies within the Mission Suitability Volume and the Price volume which may adversely affect the performance, the prime offeror did not apply its G&A and profit to the subcontract cost which may impact the ability to provide the services for the proposed price, and a low profit rate may limit the offeror's ability to absorb unexpected cost. The proposed labor resources were not adequate to accomplish the work without creating a risk of quality or service shortfalls. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor, the SEB determined that based on the contracts submitted for Past Performance consideration, Ruiz had very limited Past Performance experience in relation to their proposed contract functions on the JSCPSC. However, their major subcontractor had applicable experience in relation to their proposed contract functions. Taking into consideration the combination of Ruiz's safety performance, the lack of Ruiz's relevant past performance, and their major subcontractor's highly relevant and effective performance, Ruiz was assigned a "Moderate" Level of Confidence.

Although the Board identified a significant strength and strengths in Ruiz's proposal, these were counterbalanced by the weaknesses and significant weaknesses. Ruiz's proposal was clearly separated from the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government, particularly in the technical subfactor. The SEB identified performance risks in Ruiz's Price volume proposal and expected the price to increase if all the issues had been cured. Moreover, Ruiz's Past Performance was rated a "Moderate" Level of Confidence. There was no reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were not considered. For these reasons, it was determined that Ruiz's proposal did not represent one of the highest rated proposals and was notified in writing May 21, 2012, that they were eliminated from competition.

L&R Security Services, Inc.

Under the Mission Suitability Factor, L&R received a total score of 425 out of 1000 points. L&R received three strengths, two significant weaknesses and three weaknesses.

Under the management approach subfactor, L&R received an adjectival rating of "Good", having three strengths and two weaknesses. L&R's three strengths were related to their proposed risk management approach which minimizes schedule delays and cost risks associated with Phase-In and contract performance; a Phase-In approach that will enhance a seamless transition to a successful contract start, and for their Safety & Health Plan which provides a comprehensive approach in describing management and employee involvement in all aspects of the safety program. L&R's two weaknesses were related to their key objective of implementing an accounting system for successful Phase-In demonstrated a lack of understanding of contract type and JSCPSC requirements; and an unclear Safety & Health approach related to the position of safety manager which increases the risk of poor safety performance.

Under the technical approach subfactor, L&R received an adjectival rating of "Poor", having two significant weaknesses and one weakness. L&R's first significant weakness was related to their

proposed training requirements exceeding the scope of the contract which demonstrates a significant lack of comprehensive understanding of the technical requirements of the PWS and increases the risk of training inefficiencies in the performance of the contract. Their second significant weakness was due to their proposed management approach which is inadequate to meet the daily schedule of manpower in support of the JSCPSC requirements. L&R's weakness was related to their incomplete education and training approach regarding how they plan to provide training to employees requiring special certifications. This incomplete training and education approach increases the risk of unsuccessful contract performance.

Under the Price Factor, L&R's proposed price evaluated in accordance with the RFP was \$61.25M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. L&R's Price proposal was compared against the Government estimate and prices submitted by the other Offerors and the firm fixed price was lower than the IGE and all other offerors. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls. Based on the cost realism analysis, the SEB identified the following performance risks: the proposed staffing and critical skills plan was inconsistent and contained discrepancies with regard to FTEs which may adversely affect performance, it was not clear that fringe rates were included in the price, it appeared that the total subcontractor labor cost for White Sands Test Facility did not include burdens, a low profit rate may limit the offeror's ability to absorb any unexpected cost, and the Section B rates appeared to be straight-time rates and not Fully Burdened Labor Rates in the model contract. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor, the L&R team's Past Performance was somewhat pertinent to the JSCPSC acquisition and demonstrated effective performance. Based on the contracts submitted for Past Performance consideration, the SEB determined that L&R's major subcontractor had applicable experience in relation to their proposed contract functions on the JSCPSC, however, they are performing less than half of the JSCPSC PWS. Based on the reasons above, quality of the team's relevant work and safety performance, L&R was assigned a "Moderate" Level of Confidence.

Although the Board identified strengths in L&R's proposal, these were counterbalanced by the numerous weaknesses and significant weaknesses. L&R's proposal was clearly separated from the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government, particularly in the technical subfactor. The SEB identified performance risks in L&R's Price volume proposal and expected the price to increase if all the issues had been cured. Moreover, L&R's Past Performance was rated a "Moderate" Level of Confidence. There was no reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were not considered. For these reasons, it was determined that L&R's proposal did not represent one of the highest rated proposals and was notified in writing May 21, 2012 that they were eliminated from competition.

Santa Fe Protective Services, Inc.

Under the Mission Suitability Factor, SFPS received a total score of 510 out of 1000 points. SFPS received six strengths and five weaknesses.

Under the management approach subfactor, SFPS received an adjectival rating of “Good”, having four strengths and three weaknesses. SFPS’ four strengths related to their risk management approach which minimizes potential risk to schedule delays and cost increases; their approach to cross train and combine overlapping functions providing a more streamlined approach to management; management approach for the Phase-In will minimize performance risk and enhance a smooth transition to contract start; and their Safety and Health approach, which included firm expectations and commitment by management regarding safety-related responsibilities. SFPS’ three weaknesses relate to a Phase-In schedule that is not feasible to effectively accomplish their milestones and presents inconsistent scheduling of tasks; insufficient detail related to Emergency Preparedness and contingency planning in their Safety and Health plan which increases risk to contractor employees; and an incomplete labor relations approach which increases the risk of poor labor relations during the performance of the contract.

Under the technical approach subfactor, SFPS received an adjectival rating of “Good”, having two strengths and two weaknesses. SFPS’ two strengths were related to their training approach, which included innovative and effective training methods and a well-defined weapons training and maintenance approach. SFPS’ two weaknesses were related to their incomplete proposed staffing to meet the requirements of the PWS which increases the risk of inadequately being staffed and having qualified personnel to perform the contract; and their critical skills approach regarding job qualifications for several skills was incomplete and increases the risk of having enough qualified personnel to perform the contract.

Under the Price Factor, SFPS’ proposed price evaluated in accordance with the RFP was \$89.88M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. SFPS’ Price proposal was compared against the Government estimate and prices submitted by the other offerors and was considered reasonable. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls. Based on the cost realism analysis, the SEB identified the following performance risks: the proposed staffing and critical skills approach did not adequately reflect the requirements of the performance work statement which may increase the risk of unsuccessful contract performance, it was not clear how the proposal addressed overtime premium dollars, the proposed use of contract specific G&A may understate true G&A costs, and a low profit rate may limit the offeror’s ability to absorb unexpected cost. The proposed labor resources were not adequate to accomplish the work without creating a risk of quality or service shortfalls. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor, the SFPS team’s Past Performance was at least somewhat pertinent to the JSCPSC acquisition. Based on the contracts submitted for Past Performance consideration, the SEB determined that SFPS had very limited Past Performance experience in

relation to their proposed contract functions on the JSCPSC. However, their major subcontractor had much more applicable experience. Based on the above, the quality of the team's performance, the somewhat pertinent level of their Past Performance, and their safety performance, SFPS was assigned a "Moderate" Level of Confidence.

Although the Board identified strengths in SFPS' proposal, these were counterbalanced by the numerous weaknesses. SFPS' proposal was clearly separated from the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government. The SEB identified performance risks in SFPS' Price volume proposal and expected the price to increase if all the issues had been cured. Moreover, SFPS' Past Performance was rated a "Moderate" Level of Confidence. There was no reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were not considered. For these reasons, it was determined that L&R's proposal did not represent one of the highest rated proposals and was notified in writing May 21, 2012, that they were eliminated from competition.

The Whitestone Group, Inc.

Under the Mission Suitability Factor, Whitestone received a total score of 275 out of 1000 points. Whitestone received two strengths, two significant weaknesses, and four weaknesses. Under the management approach subfactor, Whitestone received an adjectival rating of "Poor", having two strengths, one significant weakness and two weaknesses. Whitestone's two strengths were related to an efficient Phase-In plan that proposes a Phase-In management team and an effective Safety & Health plan which included various opportunities for employee participation and tailored procedures for emergency situations and enhanced the potential for successful Safety and Health performance. Whitestone's significant weakness was related to their ineffective management approach of having JSC managers providing oversight of WSTF/WSC employees on a day-to-day basis which significantly increases ineffective management of the performance of the contract. Whitestone's two weaknesses were related to not clearly addressing requirements of DRD-009 and their Safety and Health approach which was unclear and lacked details which increases the risk to successful Safety and Health performance.

Under the technical subfactor, Whitestone received an adjectival rating of "Poor", having one significant weakness and two weaknesses. Whitestone's significant weakness related to their inadequate staffing and critical skills approach to meet the daily schedule of manpower in support of the JSCPSC requirements. Whitestone's two weaknesses were related to their education and training approach which lacked detail on how they were going to provide training for employees requiring special certification and their proposed increased frequency of firearms in-service training and qualification which was found to be inefficient.

Under the Price Factor, Whitestone's proposed price evaluated in accordance with the RFP was \$82.65M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. Whitestone's Price proposal was compared against the Government estimate and prices submitted by the other offerors and was considered reasonable. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls.

Based on the cost realism analysis, the SEB identified the following performance risks: the proposed staffing and critical skills approach did not adequately reflect the requirements of the performance work statement which may increase the risk of unsuccessful contract performance, it appeared that the Price proposal did not include overtime labor cost or shift premium cost, and a low profit rate may limit the offeror's ability to absorb any unexpected cost. The proposed labor resources were not adequate to accomplish the work without creating a risk of quality or service shortfalls. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor, the SEB determined that based on the contracts submitted for Past Performance consideration, Whitestone had very limited Past Performance experience in relation to their proposed contract functions on the JSCPSC. Given the low degree of overall relevancy of the Whitestone team Past Performance effort combined with missing safety data, Whitestone was assigned a "Low" Level of Confidence.

Although the Board identified strengths in Whitestone's proposal, these were counterbalanced by the numerous weaknesses and significant weaknesses. Whitestone's proposal was clearly separated from the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government in both the management and technical subfactors. The SEB identified performance risks in Whitestone's Price volume proposal and expected the price to increase if all the issues had been cured. Moreover, Whitestone's Past Performance was rated a "Low" Level of Confidence. There was no reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were not considered. For these reasons, it was determined that Whitestone's proposal did not represent one of the highest rated proposals and was notified in writing May 21, 2012, that they were eliminated from competition.

I found that the Board's scoring was supported by detailed narratives describing the relative strengths and weaknesses of the offers under each of the evaluation factors and consistent with the evaluation criteria. I performed my own rigorous assessment and concurred with the Board's findings and determination that American Eagle Protective Services Corporation, Totally Joined for Achieving Collaborative Techniques, LLC, Ruiz Protective Service, Inc., L&R Security Services, Inc, Santa Fe Protective Services, Inc., and The Whitestone Group, Inc. were not among the most highly rated. Their proposals were in need of major revisions to make them viable, and I agreed they had no reasonable chance of being selected for award. Therefore I determined that their proposals be excluded from the competitive range.

Chenega Security & Support Solutions, LLC (CS³)

Under the Mission Suitability Factor, CS³ received a total score of 780 out of 1000 points. CS³ received three significant strengths, four strengths, no significant weaknesses and four weaknesses.

Under the management approach subfactor, CS³ received an adjectival rating of "Very Good", having one significant strength, three strengths and three weaknesses. CS³'s significant strength

was related to their very comprehensive and effective management approach of management processes, organizational structure and corporate reach back capabilities which will establish a very effective and complete management in performing the JSCPSC contract. CS³'s first strength was related their proposed combination of team structure, status tracking and reporting, and training personnel which demonstrates an effective, efficient, and feasible Phase-In approach. Second, they proposed a full-time Safety, Health & Quality Control Manager, good methods of encouraging employee involvement and a well defined Mishap Contingency Plan as a part of their proposed Safety and Health approach. Third, they proposed a vehicle monitoring and tracking system to be installed in all security contract vehicles resulting in more effective and efficient maintenance and safety of personnel. CS³'s weaknesses were related to a lack of details in the Phase-In plan with respect to providing security services at contract start which risked an effective end and complete Phase-In, an incomplete description of injury/illness case management in their Safety and Health approach and an incomplete labor relations approach which did not fully address the experience level of the person responsible for labor relations.

Under the technical approach subfactor, CS³ received an adjectival rating of "Very Good", having 2 significant strengths, 1 strength and 1 weakness. CS³'s two significant strengths were related to a well-defined and comprehensive training program which will allow for efficient and cohesive approach that will significantly enhance the success of the contract. CS³ also proposed a unique and flexible approach to security force training through an interactive training simulations software program which is an innovative training approach that shows a comprehensive understanding of the JSCPSC training requirements and will promote an exceptionally well-trained security force. CS³'s strength was related to proposing a flexible workforce through cross-training to support changing needs, staffing challenges, and different IDIQ work. CS³'s weakness related to their staffing approach of a single Training Specialist to cover both JSC and WSTF/WSC which increases the risk of inadequate resources to meet the training requirements of the JSCPSC.

Under the Price Factor, CS³'s proposed price evaluated in accordance with the RFP was \$82.15M inclusive of IDIQ. A price analysis was performed to determine price reasonableness. CS³'s Price proposal was compared against the Government estimate and prices submitted by the other offerors and was considered reasonable. Furthermore, a cost realism analysis was used to perform a risk assessment to assess whether or not the proposed resources were adequate to accomplish the work without creating a risk of quality or service shortfalls. Based on the cost realism analysis, the SEB identified the following performance risks: the proposed staffing may not be adequate to meet training requirements, and the proposed overtime dollars appeared to be insufficient. The proposed labor resources were not adequate to accomplish the work without creating a risk of quality or service shortfalls. Therefore, the SEB determined that the identified performance risks above would likely impact providing the services at the proposed price in accordance with the terms of the Contract.

Under the Past Performance Factor, CS³ submitted several relevant contracts for review. The SEB determined CS³, through the Chenega Corporate structure of the Security Strategic Business Unit (S-SBU) and its major subcontractor demonstrated very effective Past Performance of work comparable to the JSCPSC in magnitude (size, scope and complexity). Based on the relevancy of

the team contracts, the good to excellent ratings, and the team's safety performance, CS³ was assigned a "High" Level of Confidence.

The Board identified significant strengths and strengths in CS³'s proposal as well as four weaknesses. CS³'s proposal was clearly the top ranked proposal by a substantial margin in Mission Suitability score as well as the value their Mission Suitability proposal provided to the government, in both the management and technical subfactors. CS³'s proposed price, when compared to the other Offerors was reasonable, although CS³, as with other Offerors, had pricing and Mission Suitability issues as stated above which precluded award without discussions. Moreover, CS³'s Past Performance was rated a "High" Level of Confidence, making CS³'s proposal rated the highest in both Mission Suitability and in Past Performance. There was a reasonable expectation that their proposal could be cured through the discussion process and modification or revisions to the proposal were considered. For these reasons, I determined that CS³'s proposal be included in the competitive range and CS³ was notified as such in writing May 21, 2012.

I authorized the SEB to proceed with discussions leading to the final submission of a final proposal revision (FPR) with this offeror. Two Offerors not included in the competitive range asked for pre-award debriefings and three other Offerors not included in the competitive range asked for post-award debriefings. One Offeror not included in the competitive range did not ask for a pre- or post-award debriefing.

III. Discussions and Evaluation of Final Proposal Revisions (FPRs)

A report was provided to the offeror remaining in the competitive range listing the weaknesses identified by the SEB during the initial evaluation phase. CS³ was invited to provide written interim response addressing those weaknesses and to participate in oral discussions. CS³ submitted written responses to the weakness report. Prior to oral discussions, the SEB reviewed the interim written responses to determine whether the weaknesses had been addressed (i.e., the offeror's written discussion provided evidence that the weakness had been resolved so that it would no longer be a weakness if the interim response was properly presented in the Final Proposal Revision). Oral discussions were held on June 5, 2012. CS³ submitted a revised model contract on June 7, 2012. Discussions were closed on June 8, 2012.

CS³ submitted their Final Proposal Revision (FPR) on June 14, 2012. The corrections included in CS³'s interim data submittal were incorporated into their FPR and their three weaknesses under the management approach subfactor, one weakness under the technical approach subfactor, and price concerns were resolved.

Under the management approach subfactor, CS³'s weakness related to their Phase-In approach was resolved by providing additional information to support the security services required at contract start such as Physical Security Services, ID Management/Badge Processing Services, Gate Access and Traffic Flow Management, and Emergency Dispatch Center Operations. CS³ resolved the weakness related to their Safety and Health plan by providing additional information on injury/illness case management, the use of the JSCPSC Clinic for the initial treatment of occupational injuries/illnesses, return to work policies and the use of CPR and first

aid. CS³ resolved the weakness related to their labor relations plan by providing additional information related to the experience level of the person responsible for labor relations.

Under the technical approach subfactor, CS³'s weakness related to their staffing and critical skills approach was resolved by adding an additional resource to support the training requirements of the JSCPSC.

Under the Price factor, CS³ resolved the pricing concerns by providing a detailed explanation of their overtime dollars and providing an additional training resource to support the JSCPSC requirements in their FPR submittal

On June 14, 2012 the SEB received a protest related to an Offeror excluded from competitive range. In response to the protest, NASA provided the required Record and sent the Memorandum of Law and Contracting Officer's Statement of Fact addressing the Offeror's allegations to the GAO on July 13, 2012. During this time the SEB made all efforts to maintain a competitive environment. The GAO dismissed the protest on July 20, 2012, as a result of the Offeror's withdrawal of the protest. The SEB was given authority to proceed with the source selection process.

The final result of the Offeror included in competitive range is summarized below:

Chenega Security & Support Solutions, LLC (CS³)

Mission Suitability

The SEB gave CS³'s proposal an overall Mission Suitability score of 885 out of a maximum 1000 points. CS³ received three significant strengths and four strengths.

Under the management approach sub-factor, CS³ resolved their three weaknesses and received an adjectival rating of "Very Good." CS³ received one significant strength and three strengths. CS³'s significant strength under the management approach sub-factor related to CS³'s proposed overall comprehensive and effective management approach. CS³'s management approach utilizes standard management processes, includes a well thought out organizational structure, and reach back capabilities for expertise from both Chenega Corporation and its Security Strategic Business Unit (comprised of CS³ and Chenega Security Protection Services, LLC) to support their understanding of the JSCPSC PWS.

CS³'s three strengths under the management approach subfactor related to their Phase-In Approach, Vehicle Tracking System and their Safety and Health approach. CS³'s Phase-In approach includes a combination of team structure, status tracking and reporting, and training personnel that will have a strong impact on successful Phase-In. I did ask, however, whether or not CS³'s Phase-In approach would be impacted by the schedule changes due to the protest we received. The Board stated, and I agreed, that an effective Phase-In could still be completed since approximately eighty to ninety-five percent of the current incumbents were proposed by CS³ to stay on the contract. In addition CS³ received a strength in their Phase-In approach for proposing to install Vehicle Tracking Systems in all service vehicles. I also noted this as a

strength since this system will specifically increase safety of all personnel. I also agreed with the Board that CS³ receive a strength for its proposed Safety and Health Plan which included a commitment to provide a full-time Safety, Health & Quality Control Manager, good methods of encouraging employee involvement and a well-defined Mishap Contingency Plan. The Board further confirmed for me that the Safety, Health & Quality Control Manager would be traveling out to WSTF where he/she would also be performing this task.

Under the technical approach sub-factor, CS³ received an adjectival rating of “Excellent.” CS³ received two significant strengths and one strength. CS³’s significant strengths under the technical approach subfactor related to CS³’s comprehensive training program and innovative training software. CS³’s approach combines their in-depth knowledge of NASA training policies and experienced instructors to provide NASA with a well-defined and comprehensive training program. In addition CS³ proposed a unique and flexible approach to security force training through a software program, a 3D high-definition interactive training simulation package.

CS³ received one strength under the technical approach sub-factor for their staffing and critical skills approach for proposing a flexible cross-trained workforce. I noted this as a strength since this approach provides the contractor the additional capability to assign personnel, especially in times of emergencies, without delay, including IDIQ work.

Past Performance Factor

Having completed my analysis under the Mission Suitability factor, I next considered Past Performance, the other non-Price factor. The SEB rated Chenega Security & Support Solutions, LLC, Past Performance “High.”

Since Past Performance is a significant predictor of likely performance, the SEB evaluated the Past Performance of the offeror. The offeror was asked to provide data on at least five relevant contracts with work performed within the last 3 years and was instructed to have their customers to complete questionnaires on that work. The overall rating for Past Performance was related, in part, to the relevancy and quality of performance on referenced contracts provided by the prime and subcontractors as they related to the specific kind of work the prime/subcontractor would be performing for the proposed effort. The SEB also considered the following data sources in its evaluation of the offeror’s overall Past Performance:

- Narrative provided by the Offeror in Volume II, Past Performance
- Completed Past Performance Questionnaires submitted by the Offerors’ customers on work similar to JSCPSC
- Safety Past Performance Information (OSHA Logs, EMR, and citations)
- Phone interviews with COs and COTRs to obtain details about the questionnaires, PPIRS, and Volume II, Past Performance
- Government Past Performance Information Retrieval System (PPIRS) and Federal Awardee Performance and Integrity Information Systems (FAPIIS)

CS³ submitted several relevant contracts for review. The SEB determined CS³, through the Chenega Corporate structure of the Security Strategic Business Unit (S-SBU) and its major

subcontractor demonstrated very effective Past Performance of work comparable to the JSCPSC in magnitude (size, scope and complexity).

CS³ received very good to excellent ratings on the current DHS FLETC contract and excellent ratings on the very relevant current NASA JSC WSTF Protective Services contract and the Kennedy Space Center (KSC) Protective Services contract. CS³'s performance on these three contracts is of exceptional merit. CS³ received excellent ratings for always providing highly qualified individuals, keeping up morale and quickly responding to fluid requirements. In addition to the DHS FLETC, JSC WSTF and KSC contracts, CS³ submitted Past Performance on three other relevant contracts and one somewhat relevant contract. CS³'s performance on the other relevant and somewhat relevant contracts received very good to excellent ratings. On one of the relevant contracts there were identifiable problems. Significant achievements were made to correct the problems.

CS³'s safety performance was inconsistent across relevant contracts within the 3 year period reviewed, including OSHA Days Away Case Rate and Days Away Restricted and Transfer rates that were above industry average. I queried the board in detail about the available safety information, since an above-industry average rate presents concerns related to risk of unsuccessful safety performance. Although CS³'s OSHA data contained discrepancies, the SEB's review of CS³'s safety Past Performance on their very relevant contracts revealed that CS³ has been more proactive about preventing injuries and has recently made changes in their safety program by re-writing their safety plan reflecting a positive safety culture. I believe it is very likely CS³ will perform the contract services safely based on CS³'s Safety and Health approach to retain the majority of the incumbent workforce, which is familiar with the strong JSC and WSTF/WSC safety culture, strong employee safety participation, and their provision of a dedicated Safety, Health and Quality Control Manager in support of the JSCPSC.

Based on CS³'s total Past Performance record in concert with their OSHA ratings, the SEB found, and I concurred with an overall high level of confidence that CS³ will successfully perform the effort required under JSCPSC.

Price Factor

CS³'s proposed price evaluated in accordance with the RFP was \$82.4M inclusive of IDIQ. I specifically asked whether CS³ adequately addressed all initial price concerns during discussion. The Board stated that the initial concerns regarding price were adequately addressed and were corrected in their interim data submittal and the corrections were incorporated into their FPR. I asked the Board for more details and they explained that their concerns related to CS³'s application of overtime and inadequate staffing to meet the JSCPSC training requirements were dispositioned as a result of CS³ providing a detailed explanation of their overtime dollars and providing an additional training resource to support the JSCPSC requirements in their FPR submittal. Therefore it was determined, and I agreed, there were no performance risks that impact providing the services at the proposed price in accordance with the terms of the contract. Overall CS³ submitted a very realistic Price proposal.

IV. Decision

Following the presentation by the SEB and the vigorous questioning of the SEB by me and my advisors, I fully considered the findings the SEB presented to me. I commended the SEB on their comprehensive and detailed evaluation of the proposals. I requested and received the opinions of the advisors present, and asked for their comments, objections or concerns with the materials presented to us. I accepted the findings of the SEB as they were presented to me. Following this discussion, I made a comparative assessment of the proposal based upon the evaluation factors in the solicitation – Mission Suitability, Past Performance, and Price.

As provided for in the RFP, the Government will award a contract resulting from this solicitation to the responsible Offeror whose proposal represents the best value to the Government. The procurement shall be conducted utilizing a combination of Mission Suitability, Past Performance and Price evaluation factors. Of the three evaluation factors, Mission Suitability and Past Performance, when combined, are significantly more important than Price. Mission Suitability is approximately equal to Past Performance.

I reviewed and accepted the evaluation of the SEB. My decision recognized and was fully consistent with the relative weight given to the three evaluation factors in the selection criteria of the RFP. Based on my assessment of Chenega Security & Support Solutions, LLC's proposal in accordance with the specified evaluation criteria, it is my decision that the proposal submitted by Chenega Security & Support Solutions, LLC represents the best value to the Government to fulfill the needs for the JSCPSC RFP.

I therefore select Chenega Security & Support Solutions, LLC for award.

Ellen Ochoa
Ellen Ochoa
Source Selection Authority

10 Aug 2012
Date