



SOURCE SELECTION EVALUATION BOARD REPORT
FOR THE
Test & Evaluation/Training Threat/Target Systems (T4S)
INITIAL PROPOSAL EVALUATION

DATE: 18 March 2016

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I. GENERAL

A. Background

The Naval Air Warfare Center Weapons Division (NAWCWD) Combat Environment Simulation Projects (CESP) Branch, Code 539500D, objective is the research, development, delivery, sustainment, and upgrade of threat systems, range instrumentation equipment, range command and control equipment, data routing, storage, and display equipment, and associated software used for pre-deployment aircrew warfighter training and weapons systems test & evaluation (T&E) at Department of Defense (DoD) and Allied training and T&E ranges. NAWCWD is part of an integrated network of established training sites providing the most realistic collective Joint mission experience possible to simulate modern combat environments. NAWCWD is the Design Agent and Technical Lead for the DoD Joint ranges. CESP Branch requirements include three major task areas: Test & Evaluation/Training Threat/Target Systems (T4S), which provides warfighter training and debriefing systems; Aircrew Electronic Warfare Tactical Training Range (AEWTTR), which provides ground electronic warfare (EW) and surface-to-air (SA) weapons threats; and Combat Environment Instrumentation Systems (CEIS), which provides time-space-position information (TSPI) instrumentation and unmanned threats and targets.

The T4S requirement is for a follow-on competitive contract to the existing five-year Cost-Plus-Fixed-Fee (CPFF), Indefinite-Delivery, Indefinite-Quantity (IDIQ), Multiple Award Contract (MAC), which will end in August 2016. This acquisition is to support the T4S requirement, which is one of three task areas under the current MAC, with a competitively awarded CPFF-IDIQ, Single Award Contract. The total estimated value for the T4S contract is \$489.57M, of which approximately \$352.48M is for supply and the remaining \$137.09M is for performance-based services.

B. Acquisition Strategy

This procurement is being solicited on an unrestricted full and open competition basis. The solicitation is available via the Federal Business Opportunities (FEDBIZOPPS) website and provides specific source selection requirements that will enable the Government to choose the best contractor to perform the work. The Government plans to award without discussions.

As required in accordance with FAR 19.7, large businesses were required to submit a Small Business Subcontracting Plan that was evaluated with their proposal and will be incorporated into the resultant contract.

The Government will award a contract to a responsible offeror whose proposal conforms to the solicitation and represents the best value to the Government, using the trade-off source selection methodology.

The trade-off selection process involves selecting the most advantageous offeror based on an integrated assessment of non-cost/price factors with cost/price factors. Because this procurement has a moderate performance risk, technical and past performance considerations are significantly more important than cost; therefore, award to other than the lowest priced offeror is possible.

Based on market research and authorization received via the T4S Single Award D&F approved by ASN(RDA) on 25 March 2015, the Government will award a single IDIQ contract with both CPFF and FFP CLINs.

C. Responses to Solicitation

Prior to release of the final solicitation, extensive market research was conducted and several industry days were held, including one-on-one discussions during a Pre-Solicitation Conference, seeking and incorporating industry comments on the SOW, CLIN structure, Cost Plus Fixed Fee versus Firm Fixed

Price CLIN types, and “Product” versus “Services” CLINs. Additionally, a draft solicitation was issued on 21 September 2015 and was open for comments 30 days.

The USN issued the T4S final Competitive RFP N68936-14-R-0026 on 13 November 2015 with proposals due on 20 January 2016. The RFP was posted on FBO for a total of 68 days. There were two amendments to the RFP issued which provided responses to industry questions, modified Section M to include the definitions of Very Relevant and Somewhat Relevant contract definition, provided draft CDRLs, and provided an update to the statement of work. The following Offeror, including its proposed subcontractors, submitted a timely proposal on 20 January 2016:

Jacobs (Prime Contractor)

(b) (5)

D. Source Selection Evaluation Board

The Source Selection Evaluation Board (SSEB) evaluated and rated the proposal in accordance with the Test & Evaluation/Training Threat/Target Systems Source Selection Plan (SSP) signed on 10 November 2015 and the solicitation. The following is a summary of the evaluation criteria:

The proposal was evaluated for compliance with the terms, conditions and requirements set forth by the solicitation. Further, the proposal was evaluated using the factors listed below, where Technical and Past Performance are of equal importance, with each being more important than Cost/Price. All evaluation factors other than Cost/Price, when combined, are significantly more important than Cost/Price.

- A. Technical
- B. Past Performance
- C. Cost/Price

The initial evaluation has been completed. The proposal was assessed a technical rating, a technical risk and confidence assessments. This report identifies the risk reducers, significant weaknesses, uncertainties, deficiencies and other relevant findings of the Offeror’s proposal based on the SSEB initial proposal evaluation.

II. TECHNICAL

The Technical evaluation focused on the Offeror’s understanding of, approach to, and ability to meet the Test & Evaluation/Training Threat/Target Systems solicitation requirements. The Technical Evaluation Team evaluated the proposal and assessed the technical and management approach elements to determine the Offeror’s understanding of the requirements, along with its approach and ability to meet the requirements of the solicitation.

A Technical Rating and Risk Rating were assigned. The Technical Rating is an assessment of compliance with the solicitation requirements and considers the benefits and detriments related to program performance and operations. The Technical Risk Rating is an assessment of potential for disruption of schedule, increase in cost, degradation of performance, the need to increase Government oversight, or the likelihood of unsuccessful contract performance. Please note that in accordance with the SSP and Section M of the solicitation, the highest Technical Compliance Rating achievable was “Acceptable”, no “strengths” would be assessed, and the Key Personnel Technical element was not evaluated for risk.

1. Jacobs

Overall Technical Rating:

Acceptable

Overall Technical Risk Rating: Low

1.1 Summary of Offeror's Technical Proposal

Technical Elements:

(b) (5)

Proposal Volume 2 and Annex C 2.2 Software Development Plan -

(b) (5)

(b) (5)

Proposal Volume 2 and Annex D 2.3 Management Plan - The Offeror's proposed Management Plan adequately addresses the requirements of the solicitation.

(b) (5)

(b) (5)

(b) (5)

(b) (5)

Proposal Volume 2 Technical 2.4 Scenario Technical Approach - The Offeror's proposal adequately addresses the requirements set forth in the solicitation, including labor and material cost estimates, for the two scenarios. The first scenario covers the planning of a site survey for a basic site installation providing a reasonable schedule and Personnel loading of the work along with the required initial foreseeable risks to match the plan. The write-up gives adequate insight to the planning, showing the depth of their experience for the work. The second scenario covers the planning of a site installation of basic equipment with a remote debriefing site. The Offeror covers the various design, procurement, testing and turn-over of the range build-up to the range personnel in their planning. Their task listing of the work and the person loading of the work is within the reasonable range to accomplish the tasking.

Proposal Volume 2 and Annex B 2.5 Small Business Management – The Offeror's proposal has sufficiently addressed all aspects required in Section L. The proposed strategies and goals are acceptable for the requirement.

1.2 Evaluation Results

This Factor is rated **Acceptable** with **Low Risk**.

RISK REDUCERS:

(b) (5)

(b) (5)

(b) (5)

(b) (5)

SIGNIFICANT WEAKNESSES:

None.

UNCERTAINTIES:

None.

DEFICIENCIES:

None.

1.3 Technical Factor Technical Rating and Risk Assessment Rationale

The Technical Compliance Rating is Acceptable. The technical proposal met all technical requirements and presents an adequate approach and understanding of all requirements. Further, no deficiencies or uncertainties were identified.

The Technical Risk Rating is Low. (b) (5)

(b) (5) Therefore, the proposal is assessed to have little potential to cause disruption of schedule, increased cost or degradation of performance and as such is rated Low Risk.

III. PAST PERFORMANCE

A. Past Performance Evaluation Methodology

The Jacobs proposal was evaluated to determine how well the Offeror (b) (5) (b) (5), demonstrated recent and relevant records of performance in delivering quality products and services similar to the solicitation requirements in each of the following areas:

- a. Meeting technical requirements (Technical Performance)
- b. Meeting schedule requirements (Schedule Performance)
- c. Controlling contract cost (Cost Performance)
- d. Managing the contracted effort (Management Performance)
- e. Small Business Utilization

B. Relevancy Analysis

Upon receipt of proposals, each evaluator on the Past Performance Evaluation Team (PPET) reviewed the Past Performance Volume for the Offeror Jacobs. The PPET obtained past performance data, primarily focused on recent contracted efforts performed by the Offeror. Relevancy was then analyzed by comparing the similarity between the contracts and their associated statements of work identified by the Offeror in their proposal Volume 3 Past Performance and the T4S RFP. Relevancy Analysis Worksheets (RAWS) were utilized to identify, organize, and document relevant contracts. The relevancy determination effort was performed as a team consensus. RFP Section L and M definitions guided the team in establishing relevancy ratings. The basic definitions, which are further elaborated upon in RFP Sections L & M, are provided below:

Very Relevant (VR) – Present/past performance effort involved essentially the same scope and magnitude of effort and complexities this solicitation requires.

Somewhat Relevant (SR) - Present/past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.

Not Relevant (NR) - Present/past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

C. Data Collection

The team collected customer feedback, where available, from Past Performance Questionnaires (PPQs) and the Contractor Performance Assessment Reporting System (CPARS) for each relevant contract. A query of the Past Performance Information Retrieval System (PPIRS) (at <https://www.ppirs.gov/>) was conducted to determine if there were other relevant contracts. No additional relevant contracts were found.

D. Data Analysis

Evaluators assessed the collected CPARS data, PPQ data, and proposal data for each contract. The assessment was presented in the form of relevant positive and negative or adverse customer feedback past performance information (CFPPI) for Technical, Schedule, Cost, Management and Small Business performance. As part of this analysis, an assessment of corrective action/systemic improvement would have been performed by the team for any past performance problem area in order to determine the extent to which past performance problems had been corrected and would be discounted from the evaluation. However, no negative or adverse past performance was found. The Contract Performance Analysis Worksheet (CPAW) was utilized to aid in the analysis. The team completed the CPAW worksheet for each contract, summarizing the positive and adverse CFPPI identified in each CPAW.

After a CPAW was completed for each relevant contract, an Offeror Performance Analysis Worksheet (OPAW) was developed. This worksheet summarized the relevant positive and adverse CFPPI for Technical, Cost, Schedule, Management and Small Business contained in each CPAW and their common themes which are used to facilitate a trend analysis.

D. Past Performance Confidence Assessment

Using the CFPPI contained in the OPAW, the team leader synthesized the past performance information to produce and document a performance area assessment, which considers results from trend analyses of all CFPPI and results of systemic improvement assessments of each adverse CFPPI. The performance confidence assessment was then performed as an integrated assessment of the performance areas. The rationale for the performance confidence assessment was then documented on the Rated Summary Sheet (RSS). The performance confidence definitions are:

Past Performance Confidence Assessment Rating Definitions	
Rating	Description
Substantial Confidence	Based on the Offeror’s recent/relevant performance record, the Government has a high expectation that the Offeror will successfully perform the required effort
Satisfactory Confidence	Based on the Offeror’s recent/relevant performance record, the Government has a reasonable expectation that the Offeror will successfully perform the required effort.
Limited Confidence	Based on the Offeror’s recent/relevant performance record, the Government has a low expectation that the Offeror will successfully perform the required effort.
No Confidence	Based on the Offeror’s recent/relevant performance record, the Government has no expectation that the Offeror will be able to successfully perform the required effort.

Unknown Confidence (Neutral)	No recent/relevant performance record is available or the Offeror’s performance record is so sparse that no meaningful confidence assessment rating could be reasonably assigned.
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A. Offeror Assessments

1. Jacobs

1.1 Contract Data

The table below lists the contract data reviewed, the relevancy ratings assessed, and the rationale. Four Contract Task Orders under the current contract were reviewed by the PPET team. The dollar value of the Contract Task Orders averaged \$54M ranging from \$4M to \$110M. Although the contract structure has changed from predominantly services (current contract) to predominantly products (this solicitation) the requirements remain the same. The requirements under the orders reviewed included expansion of test range capabilities, hardware and software solutions to emerging threats, and integration of updated test assets into a system of systems which required delivery of a variety of products including hardware, systems, and associated operational components.

Table 1.1 Jacobs Contract Data

Ref. #	Contract Number and Contract Name	Period of Performance (POP)	Relevancy Rating and Rationale
P1	<p>N68936-10-D-0034-0002</p> <p>Software Sustainment and Engineering Support of the Tactical Aircrew Combat Training System (TACTS), Air Combat Training System (ACTS), Tactical Combat Training System (TCTS), P5 Combat Training System (P5CTS)</p> <p>CES III TO 0002 requirements in support of the Navy TCTS and Air Force P5CTS functionality included embedded software maintenance, enhancement, deployment, and integration with national and foreign Tactical Training Range (TTR) CTSs and infrastructure. Inclusive were requirements for engineering analysis and insight into the transition to and sustainment of the TCTS and P5CTS. Responsibilities included sustainment and maintenance of software baselines for the TACTS/ACTS Control and Computation Subsystem (CCS), Joint Debriefing System (JDS), Advanced System Operations Console (ASOC), Radar Acquisition Display System (RADS), and Low Activity Pre-Processor (LAPP) for interoperability of national and foreign TTRs. Taskings included development and integration of upgrades and enhancements, implementation of modernization efforts, and correction of software code issues reported by operational locations using Software Problem Reports (SPR). TO requirements also encompassed testing of new and modified software and subsystem hardware at the</p>	<p>* 27 Sept 2010 – 24 May 2015</p> <p>* Only that part of the contract performance executed after 30 Nov 2010 is relevant to the evaluation</p>	<p>VR - The past contract task order involved products and services related to developing, modifying, integrating, and sustaining software and hardware used in the equipment and systems identical or similar to those described in the solicitation Statement of Work. Therefore this contract task order is Very Relevant to the current effort as per the evaluation criteria.</p>

SOURCE SELECTION INFORMATION – SEE FAR 2.101 AND 3.104

	TARIF, and support for TCTS/P5CTS programs by providing insight into TCTS/P5CTS contractor design, development, testing, documentation, and software development.		
P2	<p>N68936-10-D-0034-0004</p> <p>Engineering Support and Infrastructure Sustainment of the Alaska Air Combat Training System (AACTS) and Range Expansion</p> <p>CES III TO 0004 encompasses support for the operation of the AACTS and the Joint Pacific Alaska Range Complex (JPARC). Requirements include credible threat engagement simulations and analysis; all Time-Space-Position Information (TSPI) through full-spectrum ACTS and command and control (C2) capabilities; detailed air-to-air and air-to-ground weapons scoring; real-time and after action analysis through threat video and mission recording management; briefing/debriefing audio-visual support; LVC system integrations; and secure range data environment through the use of dat+C22a link encryption. Additional requirements include detailed Communications Security (COMSEC) processes; information technology processes; and safe control of air and ground spaces via range control and Special Use Aircraft Instrumentation Subsystem (AIS).</p>	<p>* 24 Sept 2010 – Current</p> <p>* Only that part of the contract performance executed after 30 Nov 2010 is relevant to the evaluation</p>	<p>VR - The past contract task order involved products and services related to developing, modifying, integrating, and sustaining software and hardware used in the equipment and systems identical or similar to those described in the solicitation Statement of Work. Therefore this contract task order is Very Relevant to the current effort as per the evaluation criteria.</p>
P3	<p>N68936-10-D-0034-0007</p> <p>Software Sustainment and Engineering Support of the P5 Combat Training System/Tactical Combat Training System (P5CTS/TCTS) Airborne and Ground Components</p> <p>Requirements include comprehensive support for TCTS/P5CTS installations, operations, and system functionality upgrades mandatory to satisfy U.S. and Coalition Armed Forces combat readiness training requirements. Responsibilities include Tactical Air Ranges Integration Facility (TARIF) software product maintenance, sustainment, enhancement, deployment, and integration with national and foreign TTR systems and infrastructure; maintenance of TTR legacy systems; software and hardware engineering; and analysis and insight into transition to and sustainment of TCTS/P5CTS. The TO requirements include support for NAVAIR Headquarters TTR management organizations as part of an Integrated Product Team (IPT) environment to ensure the operation of DoD TTRs in support of combat forces readiness training requirements. Systems supported include the TARIF CCS, JDS, ASOC, and RADS in support of the interoperability of national and foreign TTRs. Included in TO 0007's requirements is a provision requiring Jacobs to provide insight into TCTS/P5CTS</p>	<p>19 July 2011 - Current</p>	<p>VR - The past contract task order involved products and services related to developing, modifying, integrating, and sustaining software and hardware used in the equipment and systems identical or similar to those described in the solicitation Statement of Work. Therefore this contract task order is Very Relevant to the current effort as per the evaluation criteria.</p>

SOURCE SELECTION INFORMATION – SEE FAR 2.101 AND 3.104

SOURCE SELECTION INFORMATION – SEE FAR 2.101 AND 3.104

	<p>engineering change proposals for design, development, testing, documentation, and software development. Other requirements include support for the development, implementation, and sustainment of TCTS Test and Training Enabling Architecture (TENA) capability. Performance requirements also include support of Navy and Marine Corps Aviation Distributed Virtual Training Environment (ADVTE) LVC subsystems acquisition, programming, and installation efforts through continuous assessment of the program's compliance with Defense Information Assurance Certification and Accreditation Process (DIACAP) standards and policies.</p>		
P4	<p>N68936-10-D-0034-0009</p> <p>Mobile Remote Emitter Simulator (MRES) AN/UPT-4(V)5 Upgrade</p> <p>CES III TO 0009 encompasses requirements to build, upgrade, and test a MRES Electronic Warfare (EW) system in support of aircrew threat signal recognition training. Requirements include design, development, and integration of the following capabilities: remote startup functionality, video encoder functionality, alpha computer upgrade, Site Control Computer (SCC) upgrade, and JTE Command and Control Unit (C2U) Upgrade. Requirements also include integration of new, existing, or modified hardware, software, or integrated hardware/software into a Government-furnished older MRES system that will be installed at the new PACNORWEST Range in Washington State.</p>	<p>27 Sept 2012 – 31 Jan 2016</p>	<p>SR - The past contract task order involved products and services related to developing, modifying, and integrating software and hardware used in the equipment and systems identical or similar to those described in the solicitation Statement of Work. The effort does not include sustainment. Therefore this contract task order is Somewhat Relevant to the current effort as per the evaluation criteria.</p>
S1	<p>N68936-10-D-0034-0007</p> <p>Combat Environment Simulation (CES) III Contract Support</p> <p>(b) (5) supports operations and system functionality through software maintenance, enhancement, deployment, and integration with DoD and authorized Foreign TTR assets and infrastructure. CES III TO 0007 requirements applicable (b) (5) support for the JDS reference CES III PWS 3.2.1.3 requirements include design, development, build, augmentation, installation, integration and test of new software simulations and range related software products, as well as modifications or block upgrades to existing software simulations and software assets. These</p>	<p>* 4 Aug 2010 – Current</p> <p>* Only that part of the contract performance executed after 30 Nov 2010 is relevant to the evaluation</p>	<p>VR - The past contract task order involved products and services related to developing, modifying, integrating, and sustaining software and hardware used in the equipment and systems identical or similar to those described in the solicitation Statement of Work.</p>

SOURCE SELECTION INFORMATION – SEE FAR 2.101 AND 3.104

	<p>software development and support efforts require fabrication and installation of new mission and project specific computer systems, peripherals, commercial software packages and licenses, interfaces, and software storage media integrated into existing range assets. Requirements also include full programming capabilities, software problem report submittal/analysis, and software maintenance, upgrade, modernization, loading, and distribution.</p>		<p>Therefore this contract task order is Very Relevant to the current effort as per the evaluation criteria.</p>
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1.2 Past Performance Evaluation Results:

The Offeror’s Performance Confidence Assessment Rating for Past Performance is **Substantial Confidence** based on the analysis below. The Offeror has four Very Relevant (VR) contract orders and one Somewhat Relevant (SR) contract order which were reviewed for past performance. (b) (5)
(b) (5)

The past Contract Task Orders P1 through P4 used a different cage code (67JZ8) than that proposed (7W309). The past 67JZ8 is considered the same as the proposed 7W309 as it changed due to a corporate acquisition of TYBRIN and a subsequent reorganization. Both cage codes refer to the same division in the same physical location where the work is being performed.

Below are the Past Performance assessments in each area (Technical, Schedule, Cost, Management, and Small Business) based on customer feedback from CPARs and PPQs.

A. Technical Performance Assessment:

The Prime contractor Jacobs (b) (5) demonstrated excellent performance on every contract order for all reporting periods. (b) (5)
(b) (5)

Adverse/Negative CFPPI and Associated Systemic Improvement:

None noted.

B. Schedule Performance Assessment:

The Prime contractor Jacobs (b) (5) demonstrated excellent performance on every contract order for all reporting periods. (b) (5)
(b) (5)

(b) (5). Therefore, there is little to no risk with respect to the offeror’s Schedule performance on the future contract.

Adverse/Negative CFPPI and Associated Systemic Improvement:

None noted.

C. Cost Performance Assessment:

The Prime contractor Jacobs (b) (5) demonstrated excellent performance on every contract order for all reporting periods. (b) (5)

(b) (5)
contract.

Adverse/Negative CFPPI and Associated Systemic Improvement:

None noted.

D. Management Performance Assessment:

The Prime contractor Jacobs (b) (5) demonstrated excellent performance on every contract order for all reporting periods. (b) (5)

(b) (5) Therefore, there is little to no risk with respect to the offeror's management performance on the future contract.

Adverse/Negative CFPPI and Associated Systemic Improvement:

None noted.

E. Small Business Utilization Performance Assessment:

The Prime contractor Jacobs (b) (5) demonstrated excellent performance on every contract order for all reporting periods. (b) (5)

Therefore, there is little to no risk with respect to the offeror's Small Business utilization performance on the future contract.

Adverse/Negative CFPPI and Associated Systemic Improvement:

None noted.

1.3 Past Performance Confidence Assessment Rating Rationale:

The Performance Confidence Assessment Rating is Substantial Confidence. The Offeror (b) (5) provided a total of five Contract Task Orders references under a single contract to review (four of the references were assessed as Very Relevant and one reference was assessed as Somewhat Relevant).

All CPARs were rated exceptional in all areas of performance for all reporting periods evaluated. (b) (5)
(b) (5)

Based on the Offeror's (b) (5) past performance record on Very Relevant and Somewhat Relevant contracts, the Government has a high expectation that the Offeror will successfully perform the required effort. The Offeror has demonstrated exceptional performance in the Technical, Schedule, Cost, Management, and Small Business utilization areas that directly relate to solicitation effort.

IV. COST/PRICE

A. Overview

One Offeror, Jacobs, submitted a proposal in response to the solicitation number N68936-14-R-0026, Test & Evaluation/Training Threat/Target Systems (T4S). The Government evaluated the T4S Cost proposal according to the procedures outlined in the Source Selection Plan (SSP) and the evaluation criteria defined in Section M of the RFP.

The Government evaluated the Scenario (CLIN 0001) and CTS-Services Labor (CLIN 0003) contract line item numbers (CLINs) for realism and completeness. Database Management (CLIN 0006) was evaluated for reasonableness. The Travel (CLIN 0004), Material (CLIN 0005), and CTS Products (CLIN 0002) costs were verified by checking the values against the Request for Proposal (RFP) instructions. Coordination among the Technical and Cost Evaluation Teams was essential to facilitate an understanding of the Scenario RFP requirements and to determine if the offeror completely addressed all requirements.

The offeror used several different cost estimating methodologies such as vendor quotes, recently purchased item costs, minimal learning curves, DCAA audit reports, Letters of Intent (LOI), payroll vouchers, and expert engineering judgment to estimate program costs. In cases where an offeror's substantiation was inadequate, other sources of information, where available, were used. The proposed cost was adjusted to the Most Probable Cost (MPC) based on technical input, an Independent Government Estimate (IGE) of the Scenario, and other information the Government deemed relevant. The IGE was developed prior to the RFP solicitation. Given the information available, the MPC reflects the Government's best estimate of the costs for the submitted proposals.

B. Total Evaluated Cost/Price for Jacobs

Although Jacobs provided the only offer, the proposal was submitted under a competitive environment.

The total evaluated cost/price is the sum of the following:

- Scenario Cost (CPFF) under CLIN 0001 (the higher of the proposed price or MPC plus the fixed fee amount, and for evaluation purposes, the result multiplied by 800)
- CTS Products Cost under CLIN 0002
- CTS-Services Labor Cost (CPFF) under CLIN 0003 (the higher of the proposed price or MPC plus the fixed fee amount)
- Travel Cost under CLIN 0004
- Material Cost under CLIN 0005
- Database Management Cost (FFP) under CLIN 0006.

The Total Evaluated Cost is as follows:

JACOBS T4S Total Evaluated Cost/Price	
Proposed	Government
(b) (5)	(b) (5)

In addition to the TEC/P listed above, under CLIN 0001, the Government will incur an estimated cost of (b) (5) for the Radiant Mercury (RM) installation & ST&E certification. With the 800 multiplier applied, this cost is (b) (5). The Government must order and purchase the RM installation and ST&E directly from the contractor vendor and SPAWAR. This was specifically listed in the offeror's ground rules and assumptions. After meeting with the Technical Team, this was confirmed as acceptable. This Government cost would have been the same amongst all offerors. In accordance with Section M, Government incurred costs that are equal among offerors do not need to be a part of the cost adjustments, and so the amount for the RM was not included in the TEC/P above.

The evaluated cost/price for each component of the Total Evaluated Cost/Price is discussed in sections 1 through 3 below:

1. Scenario CLIN 0001

The offeror's proposed cost for the Scenario (CLIN 0001) is (b) (5), and the Government's Most Probable Cost (MPC) is (b) (5). CLIN 0001 was proposed using a Work Breakdown Structure (WBS) approach. The WBS structure was thoroughly broken down into its components at the level requested. The Bill of Materials (BOM) mapped the costs to the WBS structure, stated whether the unit costs were a quote or recent purchase, and listed the quantities necessary to complete the Scenario task. The total cost for the individual elements added up correctly to the proposed cost. The offeror did provide the overall historical labor hours and material costs of similar efforts. The total proposed hours and material costs did fall within the range of the analogous systems provided. (b) (5)

Note: Numbers may be slightly different due to rounding.

a. Completeness Evaluation:

The offeror's proposed tasks cost is (b) (5) and the MPC tasks cost is (b) (5). After speaking with the Technical Team, it was determined that (b) (5). For this reason, (b) (5) combined labor and material costs were added to the MPC.

b. Realism Evaluation:

Labor Cost:

The offeror's labor cost is (b) (5) and the MPC labor cost is (b) (5).

Labor Hours:

The offeror did not provide substantiation at the WBS level for any of the labor hours listed in the cost substantiation (CA-3). For this reason, the labor hours proposed were assumed to be expert engineering judgment. To determine if the hours were realistic, the Cost Team met with the Technical Team to analyze the hours provided. The proposed labor hours were reconciled by WBS element to account for allocation differences between the IGE and the proposal with assistance from the Technical Team. There were two WBS elements that had a large discrepancy in hours. After the labor hour reconciliation was complete, the hours were still slightly below the minimum hours determined in the hours range used to develop the IGE for the majority of the WBS elements. After looking at the offeror's approach & reconciled hours in detail, it was determined that the offeror used a similar approach as the original IGE assumption for these two critical WBS elements.

According to the Technical Team, the hours proposed were the minimum hours engineering hours necessary to perform the work rather than scheduled hours. Additionally, the Technical Team explained that the engineering hours proposed were the minimum hours needed to perform the tasks listed. Therefore, the hours billed would most likely be higher than those that were listed, even though it is technically possible to perform all tasks in the amount of time listed given that there are no schedule delays. For these reasons, the hours used for the majority of the WBS elements were the IGE hours rather than the proposed hours to account for scheduled vs. engineering hours and schedule slips. Proposed hours were accepted in WBS elements for hours that were not included in the IGE. The cost impact due to labor hours increased the MPC by (b) (5)

Labor Rates:

When performing realism analysis on the labor categories, it was noted that the rates used for the majority of the key personnel in the cost substantiation (CA-3) was slightly different than the rates listed in the LOI (Annex E) or on the payroll vouchers (Cost Volume (IV) - Appendix A). For this reason, the MPC used the rates stated in the LOI for the key personnel.

After speaking with the Technical Team, they confirmed that the skill mix listed by the offeror is an appropriate skill mix. However, since the Electronics Engineering Technician III had a significant amount of hours, the Cost Team asked for more information about this non-key position. The Technical Team explained that an Electronics Engineering Technician III labor category is a senior level person that would be tasked with assisting the Key Field Engineer, especially at each range site. The Cost Team performed labor rate research and determined that the salary for this non-key person would most likely be higher than the offeror's rate. The rate provided was closer to an early to mid-career level salary rather than a senior level person's salary for this region. For this reason, the Cost Team determined that the higher rate would be used for the Electronic Engineering Technician III in the MPC. All other rates were accepted as proposed. The cost impact due to labor rates increased the MPC by (b) (5)

Material Cost:

The offeror's material cost is (b) (5) and the MPC material cost is (b) (5) . (b) (5)
(b) (5)

(b) (5) For this reason, the following method was used to perform realism analysis for the MPC. Since many of the items for T4S are Commercial Off the Shelf (COTS) items, the Cost Team compared the materials listed in the proposal to readily available prices. For materials outside the price range, the highest price for that material was used. Prices were accepted for materials that were within the range and for items without any other prices available. The overall MPC material cost was then compared to the material costs of the analogous systems provided by the offeror. The new MPC material cost was still within this high-level historical price range. These changes increased the MPC by (b) (5)

c. Scenario Summary:

The total amount that was adjusted upward from the proposed cost is (b) (5) for a MPC of (b) (5). To obtain the Evaluated Cost/Price for the Scenario, the fixed fee amount is added to the MPC and the result is multiplied by 800 as per Section M. The adjustments made to the MPC increased the Scenario TEC/P by (b) (5).

JACOBS T4S TEC/P Scenario CLIN 0001	
Proposed	Government
(b) (5)	(b) (5)

2. Services CLINs

The Travel and Material CLINs (0004-0005) were proposed according to the Not to Exceed (NTE) values listed in the RFP. Further analysis was not necessary for the Travel and Material CLINs.

The offeror's proposed cost for the CTS-Services Labor (CLIN 0003) is (b) (5) and the Government's MPC is (b) (5). CLIN 0003 was evaluated for realism and completeness. Calculation errors were found during the evaluation process, but the impact to the overall cost was negligible.

a. Completeness Evaluation:

No labor rates, labor hours, or labor categories were excluded from the proposal, so the proposal was deemed complete for CTS-Services Labor (CLIN 0003).

b. Realism Evaluation:

The offeror's proposed cost for the Services (CLIN 0003) is (b) (5) and the Government's MPC is (b) (5).

(b) (5) The Cost Team first checked the substantiation calculations used for CLIN 0003. There were a few math errors that were noted in the realism analysis below, but those errors only reduced the overall cost by a slight amount (b) (5). Analysis was then performed on the labor hours and labor rates to determine if the proposal was realistic.

Labor Cost:

Labor Skill Mix:

The offeror proposed to the labor categories and hours stated in the RFP, so no adjustments were made. The Technical Team reviewed the proposed labor categories and descriptions and determined them to be acceptable. Because Jacobs proposed to the skills mix in the solicitation, the skills mix is determined realistic as proposed.

Direct Labor Rates:

In accordance with page 11 of the proposal, (b) (5)
 (b) (5) . The Year One labor rate (b) (5) (b) (5)
 (b) (5) (b) (5)
 In Year Three, (b) (5)
 (b) (5)

(b) (5)

In addition, the offeror proposed (b) (5) . The Technical Team confirmed that Jacobs' method was acceptable (b) (5) (b) (5)

Using the LOI rates starting in Year One for evaluation, the proposal is understated by 0.2% over the 5-year period of performance (POP). Both Issues 1 and 2 (explained above) are minor in comparison to the total cost of the effort and have been determined to be errors that can be brought to Jacobs' attention at the Post-Award Conference. Additionally, this cost information will be used during the cost evaluations for the proposals received under future orders.

In order to determine if the non-key labor rates were realistic, the rates provided were compared to readily available salary data. A range of acceptable values was created, and the rates provided for non-key personnel fell within those ranges. Therefore, the non-key labor rates were determined to be realistic.

Indirect Rates:

Escalation

(b) (5)

(b) (5) . Evaluation of escalation consisted of a comparison with labor indices, including Global Insight projected rates for Professional, Scientific, and Technical services personnel current as of January 2016, and the BLS ECI for private industry workers for 2016. The rationale for the proposed escalation (b) (5) was determined to be acceptable.

Fringe, Overhead, and G&A

The fringe, local and group overheads (OH), and general and administrative (G&A) rates were compared to the FPRP and the 2016 rate established by DCMA. The proposed rates were in line with these values, so the rates were determined to be realistic. It is worth noting that Jacobs made application errors when applying the fringe, local overhead, and G&A rates. However, the errors offset each other.

Subcontracting Cost

Jacobs indicated that they intend to (b) (5) (b) (5)

Fee/Pass Through

The proposal includes a fixed fee of (b) (5) when applied to the total direct labor cost or (b) (5) when applied to the total CTS Service cost (CLINs 0003-0006). (b) (5) Because Jacobs' proposal was the only one received in response to the solicitation, a weighted guidelines was completed, which calculated a fee objective (b) (5) when applied to the total CTS Service cost. Based on the weighted guidelines objective, the fee is realistic as proposed at (b) (5)

(b) (5) (b) (5) The total fee on direct labor, (b) (5)

(b) (5) calculated by the weighted guidelines; therefore, it is considered realistic.

c. Services Summary

In conclusion, based on the analysis performed, the proposed CLIN 0003 TEC/P is understated by (b) (5) overall due to calculation errors. The understated amount is determined to be negligible and due to a clerical error. Therefore, the MPC is considered to be realistic as proposed at (b) (5) and the TEC/P is \$58,649,573.

JACOBS T4S TEC/P CLIN 0003	
Proposed	Government
(b) (5)	(b) (5)

The Travel (CLIN 0004) and Material (CLIN 0005) CLINs were priced according to the RFP instructions; therefore, the CLINs were found to be acceptable as proposed.

3. Firm-Fixed Price

CLIN 0002, CTS Products, was priced using the NTE values listed in the RFP. No further analysis was required for CLIN 0002. Database Management (CLIN 0006) was evaluated for reasonableness.

a. Reasonableness Evaluation:

The proposed price of (b) (5) or CLIN 0006 was determined to be reasonable as proposed. The hours proposed matched the hours stated in the RFP, and the direct labor rates used were within the comparison range of past contracts and the current salary rates for similar job descriptions. All applicable indirect rates were applied, as well as profit at (b) (5)

C. Summary

Overall, the Scenario Evaluation impacted the TEC/P by (b) (5) . This increased the overall price of the original proposal (b) (5) The realism approach for the Scenario (CLIN 0001) involved adding additional tasks, labor costs, and material costs into the MPC which increased the cost of CLIN 0001. The CTS-Services Labor (CLIN 0003) was acceptable as bid since the labor rates provided by the offeror fell within the analysis range. Database Management (CLIN 0006) was found to be reasonable because the direct rate fell within the analysis range, and all applicable indirect rates were applied. All remaining CLINs were priced to the NTE value stated in the RFP.

JACOBS T4S Total Evaluated Cost/Price	
Proposed	Government
(b) (5)	(b) (5)

Although the cost analysis resulted in a realism adjustment, the Technical Assessment was that the offeror understood the work. The majority of the MPC adjustment was due to the labor hour assessment. (b) (5) and the Government applied an assessment of the most likely labor hour estimate. The proposed TEC/P is (b) (5) and the Government MPC (b) (5) .

VI. TERMS AND CONDITIONS, ASSUMPTIONS, EXCEPTIONS OR DEVIATIONS

1. Jacobs

The proposal was reviewed for changes to terms and conditions, assumptions, exceptions, or deviations.

The Offeror’s Volume 5 – Contract Administration states that its proposal is fully compliant with the terms and conditions of the RFP and no assumptions, exceptions, or deviations are proposed. Review of the offeror proposed T&Cs were assessed as acceptable with no issues.

VII. OVERALL SUMMARY

The results of the initial evaluation are summarized below.

		Factor				
		Technical		Past Performance	Price	Terms & Conditions
		Rating	Risk	Confidence Rating	(\$M)	
Offeror	Jacobs	Acceptable	Low	Substantial	\$289,644,789	No exceptions or issues noted

SOURCE SELECTION INFORMATION – SEE FAR 2.101 AND 3.104

This report provides the SSEB facts and findings to the SSA.

(b) (6)

(b) (6)

SSEB Chair (AIR 4.0E)

3/14/16

Date

(b) (6)

(b) (6)

1, SSEB Assistant Chair (AIR 4.0E)

(b) (6)

Mr. Colin Kyle, PEO (AIR-2.5.4.200D)

(b) (6)

(b) (6)

1, Technical Team Leader (AIR-2.5.4.200D)

(b) (6)

(b) (6)

3, Past Performance Team Leader (AIR-2.5.4.200D)

(b) (6)

(b) (6)

1, Cost/Price Team Leader (AIR-4.2.1000D)

(b) (6)

(b) (6)

7, Legal Counsel to the SSEB (AIR-K00000E)