

FA9101-22-R-B001

Attachment 14

Section M

Evaluation Factors for Award

Test Operations and Sustainment (TOS) II

7 February 2023

DRAFT SECTION M

EVALUATION FACTORS FOR AWARD

M-1.0 EVALUATION CRITERIA

M-1.1 Basis for Contract Award

This is a competitive best value source selection conducted in accordance with (IAW) Federal Acquisition Regulation (FAR) Subpart 15.3, *Source Selection*, as supplemented by the Defense Federal Acquisition Regulation Supplement (DFARS) Subpart 215.3, and the Air Force Federal Acquisition Regulation Supplement (AFFARS) Part 5315. To be eligible for award, the Offeror must be deemed responsible IAW FAR Subpart 9.1, as supplemented, conform to the solicitation's requirements (to include all stated terms, conditions, representations, certifications, and all other information required by Attachment 13, Section L of this solicitation) and is judged, based on the evaluation factors and subfactors, to represent the best value to the Government. The Government will select the best overall offer, based upon an integrated assessment of Technical, Past Performance, and Cost / Price. This may result in an award to a higher rated, higher priced Offeror, where the decision is consistent with the evaluation factors, and the Source Selection Authority (SSA) reasonably determines that the superior technical capability, lower technical risk, and / or greater past performance confidence of the higher priced Offeror outweighs the price difference. The SSA will base the source selection decision on an integrated assessment of proposals against all source selection criteria in the solicitation (described below). While the Government source selection evaluation board (SSEB) and the SSA will strive for maximum objectivity, the source selection process, by its nature, is subjective; and therefore, professional judgment is implicit throughout the entire process.

M-1.2 Number of Contracts to be Awarded

The Government intends to award one contract for the Arnold Engineering Development Complex (AEDC) Test Operations and Sustainment (TOS) II Program.

M-1.3 Competitive Advantage from use of Government-Furnished Property (GFP)

The Government will evaluate any competitive advantage resulting from the Offeror's proposed use of GFP (other than the list provided at Attachment 8) and make adjustment to Most Probable Cost (MPC) IAW FAR 45.2 and 52.245-9.

M-1.4 Correction Potential of Proposals

The Government will consider, throughout the evaluation, the "correction potential" of any deficiency. The judgment of such "correction potential" is within the sole discretion of the Government. If an aspect of an Offeror's proposal does not meet the Government's requirements and is not considered correctable, the Offeror may be eliminated from the competitive range.

The Government may exclude a proposal from this competition prior to discussions or competitive range determination without evaluating the proposal against the evaluation factors as defined in Section M, if an initial assessment of the proposal shows the proposal to be grossly deficient. Grossly deficient proposals are proposals that fail to address essential requirements of the solicitation, fail to furnish information demonstrating compliance with mandatory solicitation requirements set forth in the solicitation, or in some other manner do not represent a reasonable initial effort by the Offeror to satisfy the requirements of the solicitation. Further, the Government may reject any proposal that is incomplete (e.g., missing a volume or other information required by the solicitation).

M-1.5 Discussions

The Government intends to evaluate proposals and award the contract without discussions (except clarifications may be conducted as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms. The Government reserves the right to conduct discussions if the Procuring Contracting Officer (PCO) later determines them to be necessary. If the PCO determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the PCO may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

Should the Government need to conduct written exchanges with Offerors, they will be in the form of Evaluation Notices (ENs). Page format and limitations will be placed on responses to ENs in the event they are issued. The specified page limits for EN responses will be identified in the letters forwarding the ENs to the Offerors. If discussions are required, they may be conducted either orally or in writing. The scope and extent of the discussions are a matter of the PCO's judgment as set forth in FAR Subpart 15.306. Offerors may be restricted to a short turnaround (e.g., within 2-10 business days) in responding to the PCO.

M-1.6 Competitive Range

If discussions are conducted, the PCO will establish a competitive range comprised of the most highly rated proposals based on the ratings of each proposal against all evaluation criteria. If the PCO determines that an Offeror's proposal should not be included in the competitive range, whether for purposes of efficiency or otherwise, the proposal will be eliminated from consideration for award. A written notice of the decision will be provided to the unsuccessful Offeror IAW FAR 15.503, whereupon Offerors may request and receive a debriefing IAW FAR Subpart 15.505.

M-1.7 Final Proposal Revisions (FPRs)

FPRs will be requested from those Offerors remaining in the competitive range when discussions have been concluded. If the Offeror's proposal has been evaluated as acceptable at the time discussions are closed, any changes or exceptions in the FPR are subject to evaluation and may increase the risk that the Offeror's proposal be determined unacceptable and, thus, ineligible for award. Any changes to or non-concurrence with contract terms and conditions submitted in the

FPR may not be subject to further discussion or negotiation and may render the offer unacceptable to the Government. This provision is not intended to restrict the Offeror's opportunity to revise its proposal. Rather, it is intended to preclude any misunderstandings by the Government, which could result if new or revised terms and conditions are submitted in the FPR that have not been fully disclosed, discussed, and understood during discussions. Hence, such new or revised terms and conditions are not solicited and, if submitted in the FPR, may render the offer unacceptable to the Government.

M-1.8 Solicitation Requirements, Terms, and Conditions

Offerors are required to meet all solicitation requirements, such as terms and conditions, representations and certifications, and technical requirements, in addition to those identified as factors or subfactors to be eligible for award. Failure to comply with the terms and conditions of the solicitation and instructions contained in Attachment 13, Section L may result in the Offeror being removed from consideration for award; this includes incomplete proposal submission (e.g., missing a volume or other information required by the solicitation). Offerors must clearly identify any exception to the solicitation terms and conditions and must provide complete supporting rationale. The Government reserves the right to determine any such exceptions unacceptable and the proposal, therefore, ineligible for award.

M-2.0 EVALUATION FACTORS

M-2.1 Evaluation Factors and Subfactors

M-2.1.1 The following evaluation factors and subfactors will be used to evaluate each proposal. Award will be made to the Offeror proposing the combination most advantageous to the Government based upon an integrated assessment of the evaluation factors and subfactors described below.

- Factor 1: Technical
 - Subfactor 1.1: Management Approach
 - Subfactor 1.2: Technical Operations
 - Subfactor 1.3: Qualified Personnel
 - Subfactor 1.4: Transition
- Factor 2: Past Performance
- Factor 3: Cost / Price

M-2.1.2 Relative Importance of Factors and Subfactors. The relative importance of each factor and subfactor is as follows: The Technical and Past Performance factors are of equal importance. IAW FAR 15.304(e), all evaluation factors other than Cost / Price, when combined, are significantly more important than cost or price. However, Cost / Price will contribute substantially to the selection decision. Within the Technical factor, all of the subfactors are of equal importance

M-2.2 Factor 1: Technical

The Technical evaluation provides for two distinct but related assessments: the Technical Rating and the Technical Risk Rating. These two ratings have equal impact for the rating of each Technical subfactor.

M-2.2.1 Technical Rating. The Technical rating provides an assessment of the quality of the Offeror's solution for meeting the Government's requirement. Each Technical subfactor will receive one of the color ratings described in Table M-2.2.1-1. The Technical ratings described in Table M-2.2.1-1 focus on the significant strengths, strengths, uncertainties, and deficiencies of the Offeror's proposal. In arriving at a best value decision, the Government reserves the right to give positive consideration (i.e., assign a significant strength or strength), for performance in excess of threshold requirements. The color / adjectival rating depicts how well the Offeror's proposal meets the Technical subfactor requirements.

Each subfactor will receive an independent color / adjectival rating that will not be rolled up into an overall rating at the factor level. However, a Technical rating of "Unacceptable" in one or more Technical subfactors will result in a proposal that is unawardable.

Table M-2.2.1-1: Technical Rating Definitions

Color Rating	Adjectival Rating	Description
Blue	Outstanding	Proposal demonstrates an exceptional approach and understanding of the requirements, contains multiple strengths and at least one significant strength.
Purple	Good	Proposal demonstrates a thorough approach and understanding of the requirements and contains at least one strength or significant strength.
Green	Acceptable	Proposal demonstrates an adequate approach and understanding of the requirements.
Yellow	Marginal	Proposal has not demonstrated an adequate approach and understanding of the requirements.
Red	Unacceptable	Proposal does not meet requirements of the solicitation and, thus, contains one or more deficiencies and is unawardable.

M-2.2.2 Technical Risk Rating. Assessment of Technical Risk, which is manifested by the identification of weakness(es) and / or significant weakness(es), considers the potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, and / or the likelihood of unsuccessful contract performance.

The Technical subfactors will receive one of the Technical Risk ratings described in Table M-2.2.2-1. The Technical Risk rating considers the risk associated with the technical approach in

meeting the requirement. For any weakness identified, the evaluation will address the Offeror's proposed mitigation and why that mitigation is or is not manageable.

Each subfactor will receive an independent Technical Risk rating that will not be rolled up into an overall rating at the factor level. However, a risk rating of "Unacceptable" in one or more Technical Subfactors will result in a proposal that is unawardable.

Table M-2.2.2-1: Technical Risk Rating Definitions

Adjectival Rating	Description
Low	Proposal may contain weakness(es) which have little potential to cause disruption of schedule, increased cost or degradation of performance. Normal contractor emphasis and normal Government monitoring will likely be able to overcome any difficulties.
Moderate	Proposal contains a significant weakness or combination of weaknesses which may have a moderate potential to cause disruption of schedule, increased cost or degradation of performance. Special contractor emphasis and close Government monitoring will likely be able to overcome any difficulties.
High	Proposal contains a significant weakness or combination of weaknesses which is likely to have a high potential to cause significant disruption of schedule, increased cost, or degradation of performance. Special contractor emphasis and close Government monitoring will unlikely be able to overcome any difficulties.
Unacceptable	Proposal contains a deficiency or a combination of significant weaknesses that causes an unacceptable level of risk of unsuccessful performance.

M-2.2.3 Evaluation Finding Types

Each proposal will be evaluated against the solicitation and its stated evaluation factors and subfactors for award. The Government's Technical evaluation will focus on compliance with solicitation requirements, including proposal significant strengths, strengths, excesses, uncertainties, weaknesses, significant weaknesses, and deficiencies (as defined in Table M-2.2.3-1).

Table M-2.2.3-1: Evaluation Finding Type Definitions

Finding Type	Definition
Significant Strength	An aspect of the proposal with appreciable merit or exceeds specified performance or capability requirements to the considerable advantage of the Government during contract performance.
Strength	An aspect of the proposal that has merit or exceeds specified performance or capability requirements in a way that will be advantageous to the Government during contract performance.
Meets Requirement	Proposal indicates an adequate approach and understanding, meeting the minimum requirements.
Excess	An aspect of the proposal that has exceeded mandatory minimums whose removal and corresponding price decrease may make an Offeror's proposal more competitive.
Uncertainty	An aspect of the proposal for which the intent of the offer is unclear.
Weakness	A flaw in the proposal that increases the risk of unsuccessful contract performance.
Significant Weakness	A flaw in the proposal that appreciably increases the risk of unsuccessful contract performance.
Deficiency	A material failure of the proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level.

M-2.2.4 Subfactor 1.1: Management Approach

This subfactor evaluates the Offeror's management approach including risk management IAW the Measures of Merit below.

M-2.2.4.1 Workload Management

This Measure of Merit is met when the Offeror demonstrates a sound approach to accommodate significant workload increases or decreases, both for standard workload fluctuations as described in Performance Work Statement (PWS) 3.16, and the anticipated surge workload as described in PWS 3.8.3.

M-2.2.4.2 Interface Management

This Measure of Merit is met when the Offeror demonstrates a sound approach to managing interfaces and collaborating with multiple contractor and Government entities to ensure AEDC operates as a single, cohesive entity IAW PWS 3.18.

M-2.2.4.3 Performance Management

This Measure of Merit is met when the Offeror demonstrates a clear understanding of the use of objective metrics in performance measurement IAW PWS 3.25.

M-2.2.4.4 Safety and Mishap Prevention Program

This Measure of Merit is met when the Offeror demonstrates a sound approach to implementing a Safety and Mishap Prevention Program IAW PWS 3.14.

M-2.2.4.5 Subcontracting Management

Subparagraph M-2.2.4.5.1 is applicable to all Offerors. Offerors proposing as a small business are not subject to the M-2.2.4.5.2 subparagraph.

M-2.2.4.5.1 Small Business Participation Commitment Document

This Measure of Merit is met when the Offeror's proposal demonstrates a sound plan to meet the Minimum Quantitative Requirement of 20% of the total contract value for the participation of small businesses in performance of the contract, whether as a joint venture, teaming arrangement, or subcontractor.

M-2.2.4.5.2 Small Business Subcontracting Plan

This Measure of Merit is met when the Offeror's Small Business Subcontracting Plan adequately addresses the elements required by FAR 52.219-9, *Small Business Subcontracting Plan*.

M-2.2.4.6 Organizational Conflict of Interest (OCI)

This Measure of Merit is met when the Offeror demonstrates a thorough understanding of the OCI issues and risks outlined in FAR Part 9.5 and Special Contract Requirement Clause H-115, *Organizational Conflicts of Interest*.

M-2.2.5 Subfactor 1.2: Technical Operations

This subfactor evaluates the Offeror's understanding of and approach to accomplish the requirements of the TOS II effort identified in Attachment 7, PWS, IAW the Measures of Merit below.

M-2.2.5.1 Operation of Test and Test Support Assets

This Measure of Merit is met when the Offeror describes an approach to effectively conduct operations of test and test support assets and ensure timely delivery of test and system operational data IAW PWS 3.1 and 3.3.

M-2.2.5.2 Lifecycle Sustainment

This Measure of Merit is met when the Offeror describes a sound lifecycle sustainment program for test and test support assets IAW PWS 3.5, 3.6, and 3.13.

M-2.2.5.3 Capital Improvements

This Measure of Merit is met when the Offeror demonstrates a clear understanding of the system engineering and planning processes required for successful execution of capital improvement projects IAW PWS 3.8.

M-2.2.5.4 Surge Project Execution

This Measure of Merit is met when the Offeror's proposal describes a sound solution to the Surge Project Sample Task description and questions identified in paragraph L-3.2.5.4.

M-2.2.6 Subfactor 1.3: Qualified Personnel

This subfactor evaluates the Offeror's proposed approach to provide key personnel and a skilled workforce with the experience and capabilities to understand, lead, manage, and execute the requirements identified in the Attachment 7, PWS, IAW the Measures of Merit below.

M-2.2.6.1 Key Personnel

This Measure of Merit is met when the Offeror identifies key positions, qualifications, and rationale necessary to understand, lead, manage, and execute the TOS II effort.

M-2.2.6.2 Staffing Plan

This Measure of Merit is met when the Offeror provides a Staffing Plan that demonstrates a sound approach to recruit, train, and retain a qualified workforce to execute AEDC's complex / dynamic projects IAW the PWS over the life of the contract.

M-2.2.7 Subfactor 1.4: Transition

This subfactor evaluates the Offeror's transition plan and ability to be prepared to achieve full performance on the first day of contract operations without interrupting or degrading the performance of the AEDC mission IAW the Measure of Merit below.

This subfactor is met when the Offeror's Transition Plan demonstrates a sound approach to seamlessly transition during phase-in and phase-out activities to ensure full continuity of test operations and sustainment services IAW PWS 4.1.

M-2.3 Factor 2: Past Performance

The purpose of the past performance evaluation is to allow the Government to assess the Offeror's probability of meeting the solicitation requirements based on the Offeror's

demonstrated past performance. Each Offeror will receive a Performance Confidence Assessment (PCA) at the Past Performance factor level. The PCO shall seek recent and relevant past performance information (PPI) based on (1) the past efforts provided by the Offeror and (2) data independently obtained from other Government and commercial sources.

M-2.3.1 Evaluation Process. The past performance evaluation considers each Offeror's demonstrated recent and relevant record of performance in supplying services that meet the contract's requirements. Performance confidence is assessed at the overall Past Performance factor level after evaluating aspects of the Offeror's recent past performance, focusing on performance that is relevant to the Technical subfactors and Cost / Price factor taking into consideration their relative order of importance stated in M-2.1.2. The Government may consider past performance in the aggregate in addition to on an individual contract basis. The Government will, as deemed necessary, confirm past and present performance data identified by Offerors in the proposals. In conducting the Past Performance evaluation, the Government reserves the right to use both the information provided in the Offeror's Past Performance proposal volume and information obtained from other sources available to the Government to include, but not limited to, the Contractor Performance Assessment Reporting System (CPARS), Federal Awardee Performance and Integrity Information System (FAPIS), Electronic Subcontract Reporting System (eSRS), or other databases; interviews with Program Managers, Contracting Officers, Fee Determining Officials, and the Defense Contract Management Agency (DCMA).

M-2.3.1.1 Recency Assessment. An assessment of the PPI will be made to determine if it is recent. To be recent, the effort must be ongoing for at least one year or must have been performed during the past four years from the date of issuance of this solicitation. PPI that fails this condition will not be evaluated.

M-2.3.1.2 Relevancy Assessment. The Government will conduct an in-depth evaluation of all recent performance information obtained to determine how closely the services performed under those contracts relate to the Technical subfactors and Cost / Price factor. For each recent past performance citation reviewed, the relevance of the work performed will generally be assessed for the Technical subfactors and Cost / Price factor; however, all aspects of performance that relate to this acquisition may be considered. Consideration will be given to efforts which are considered to be of the type and similar in contract scope, magnitude, and complexity when compared to the services described in this solicitation.

The following past performance relevancy criteria will be used during the evaluation:

Scope: Relevancy in regards to scope includes those Technical subfactor identified in M-2.2 and those tasks / functions referenced in the TOS II PWS, such as but not limited to, the capability to perform developmental test operations support; operations and maintenance, design, evaluation, construction, reconfiguring and modification of test and evaluation facilities and systems; the capability to maintain special test equipment / facilities and support infrastructure; and the capability to perform comparable contract / program management.

Magnitude: Relevancy in regard to magnitude may be assessed based on, but not limited to, the similarities between a given past performance effort and the TOS II PWS. Efforts of less than \$40M annually or \$300M total contract scope will not be considered relevant for the prime contractor and / or joint venture partner(s). For major subcontractor(s), efforts of less than \$10M annually or \$30M total contract scope will not be considered relevant.

Complexity: Relevancy in regard to complexity may be assessed based on, but not limited to, the similarities between a given past performance effort and the tasks / functions referenced in the TOS II PWS in terms of the unique and highly technical nature of operations and maintenance, geographic locations supported, service similarity, aging infrastructure, diversity of scope (executing baseline operations and maintenance while simultaneously conducting large-scale improvement, restoration, and modernization efforts), contract type, and performance period.

A relevancy rating will be assigned to each reference by evaluating relevancy against the Technical subfactors and Cost / Price factor. A relevancy determination of the Offeror's past performance will be made based upon the aforementioned considerations, including joint venture partner(s) and major subcontractor(s). For purposes of proposals only, a major subcontractor is defined as a subcontractor, other than the Offeror itself, that will perform 10 percent or more of the contract scope based on labor hours or total cost. In determining relevancy for individual contracts, consideration will only be given to the effort, or portion of the effort, being proposed by the Offeror, teaming partner, or major subcontractor whose contract is being reviewed and evaluated. The Government will not consider experience of subordinate or affiliated offices of the Offeror, unless the Offeror clearly details the proposed meaningful involvement of the Offeror's subordinate or affiliated offices in this requirement. Past performance examples from Offerors submitted from previous joint ventures may not be considered as relevant as those where the Offeror was wholly responsible for the cited work.

The Government is not bound by the Offeror's opinion of relevancy. The relevancy matrix and data obtained from other sources (see Attachment L-6) will be used to establish the relevance of present and past efforts. The Government will use the following relevancy definitions when assessing recent, relevant contracts:

Table M-2.3.1.2-1: Past Performance Relevancy Definitions

Rating	Definition
Very Relevant	Present / past performance effort involved essentially the same scope and magnitude of effort and complexities this solicitation requires.
Relevant	Present / past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
Somewhat Relevant	Present / past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.
Not Relevant	Present / past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

M-2.3.1.3 Performance Quality Assessment. The Government will consider the performance quality (how well the Offeror performed on the contracts) of recent, relevant efforts. For each recent, relevant past performance citation reviewed, the performance quality of the work performed will be assessed for the Technical subfactors and Cost / Price factor (however, all aspects of performance that relate to this acquisition may be considered). The quality assessment consists of an in-depth evaluation of all PPI available, regardless of its source. Pursuant to FAR 15.305(a)(2)(v), the assessment will consider the extent to which the Offeror's evaluated past performance demonstrates compliance with subcontracting plan goals for small disadvantaged business (SDB) concerns. Pursuant to DFARS 215.305(a)(2), the assessment will also consider the extent to which the Offeror's evaluated past performance demonstrates compliance with FAR 52.219-8, *Utilization of Small Business Concerns*, and FAR 52.219-9, *Small Business Subcontracting Plan*.

The quality assessment may result in positive or adverse findings. Adverse is defined as PPI that supports a less than satisfactory rating on any evaluation element or any unfavorable comment received from sources without a formal rating system. For adverse information identified, the evaluation will consider the number and severity of the problem(s), mitigating circumstances, and the effectiveness of corrective actions that have resulted in sustained improvements. Process changes will only be considered when objectively measurable improvements in performance have been demonstrated. The Government may review more recent contracts or performance evaluations to ensure corrective actions have been implemented and evaluate their effectiveness.

The Government will use the following quality levels when assessing recent, relevant efforts:

Table M-2.3.1.3-1: Quality Level Definitions

Quality Assessment Rating / Color	Description
Exceptional (E) / Blue	During the contract period, contractor performance is meeting (or met) all contract requirements and consistently exceeding (or exceeded) many. Very few, if any, minor problems encountered. Contractor took immediate and effective corrective action.
Very Good (VG) / Purple	During the contract period, contractor is meeting (or met) all contract requirements and consistently exceeding (or exceeded) some. Some minor problems encountered. Contractor took timely corrective action.
Satisfactory (S) / Green	During the contract period, contractor performance is meeting (or met) all contract requirements. For any problems encountered, contractor took effective corrective action.
Marginal (M) / Yellow	During the contract period, contractor performance is not meeting (or did not meet) some contract requirements. For problems encountered, corrective action appeared only marginally effective, not effective, or not fully implemented. Customer involvement was required.
Unsatisfactory (U) / Red	During the contract period, contractor performance is failing (or failed) to meet most contract requirements. Serious problems encountered. Corrective actions were either ineffective or non-existent. Extensive Customer oversight and involvement was required.
Not Applicable (NA) / White	Unable to provide a rating. Contract did not include performance for this aspect. Do not know.

M-2.3.2 Assigning Ratings. As a result of the relevancy and quality assessments of the recent contracts evaluated, Offerors will receive an integrated PCA rating. Although the past performance evaluation focuses on performance that is relevant to the Technical subfactors and Cost / Price factor, the resulting PCA rating is made at the factor level and represents an overall evaluation of contractor performance. The assessment process will result in an overall PCA of Substantial Confidence, Satisfactory Confidence, Neutral Confidence, Limited Confidence, or No Confidence as defined in Table M-2.3.2-1 below. Offerors with no recent / relevant performance history, or if the Offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned, will receive the rating "Neutral Confidence," meaning the rating is treated neither favorably nor unfavorably.

More recent and more relevant performance will have a greater impact on the PCA than less recent or relevant efforts. A strong record of relevant past performance may be considered more advantageous to the Government than a "Neutral Confidence" rating. Likewise, a more relevant past performance record may receive a higher confidence rating and be considered more favorably than a less relevant record of favorable performance.

Table M-2.3.2-1: PCA 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.
Neutral Confidence	No recent / relevant performance record is available or the Offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned. The Offeror may not be evaluated favorably or unfavorably on the factor of past performance.
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.

M-2.4 Factor 3: Cost / Price

M-2.4.1 Cost / Price Evaluation. The Government will evaluate the Cost / Price proposal for (1) completeness, (2) reasonableness, (3) realism, (4) unbalanced pricing, and (5) Total Evaluated Price (TEP). Offerors whose price is determined to be unreasonable or unrealistic will not be considered for award. Proposals that are determined to be incomplete may be ineligible for award. Additionally, an offer may be rejected if the PCO determines unbalanced pricing poses an unacceptable risk to the Government. The Offeror's Cost / Price proposal will be evaluated by the Government computing an MPC for each proposal independently for the base, option periods, and award terms. The MPC will be the Government's estimate of anticipated performance costs plus any fee anticipated to be awarded.

Evaluation of option periods and award terms shall not obligate the Government to exercise such options or award terms.

M-2.4.1.1 Completeness. The Government will review the Offeror's Cost / Price volume for completeness and compliance with Attachment 13, Section L-3.4 of the solicitation. The Government will evaluate both the Cost Model and accompanied Cost Narrative for completeness.

M-2.4.1.2 Reasonableness. The Offeror's Cost / Price volume will be evaluated, using one or more of the techniques defined in FAR 15.404, in order to determine if it is reasonable. For cost / price to be reasonable, it must represent a price to the Government that a prudent person would pay in the conduct of competitive business. Normally, price reasonableness is established through price analysis techniques as described in FAR 15.404. For additional information, see FAR 31.201-3.

M-2.4.1.3 Realism. The Cost / Price evaluation will include the extent to which proposed costs indicate a clear understanding of solicitation requirements and reflect a sound approach to resourcing those requirements, pursuant to FAR 15.404. The following Contract Line Item Numbers (CLINs) will be evaluated for realism: 0105, 0108, 0201, 0204, 0301, 0304, 0401, 0501, 0504, 0601, 0604, 0701, 0704, 0801, 0804, 0901, 0904, 1001, 1004, 1101, 1104, 1201, 1204, 1301, and 1304.

M-2.4.1.4 Unbalanced Pricing. The Government will analyze proposals to determine whether they are balanced with respect to prices, IAW FAR 15.404-1. An offer may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

M-2.4.1.5 TEP. The TEP will be calculated as the sum of the Offeror's proposed costs for all option and award term periods, including the six-month extension of services period, and Phase-Out (performed during the final option year). The six-month extension of services is IAW FAR 52.217-8, *Option to Extend Services*, and will only be utilized if necessary. The TEP will not include Transition Phase-In Stage 1 or Stage 2.

M-2.4.2 FAR 52.222-46, *Evaluation of Compensation for Professional Employees.*

Recompetition of service contracts may in some cases result in lowering the compensation (salaries and fringe benefits) paid or furnished professional employees. This lowering can be detrimental in obtaining the quality of professional services needed for adequate contract performance. It is therefore in the Government's best interest that professional employees, as defined in 29 Code of Federal Regulations (CFR) 541, be properly and fairly compensated. This evaluation will include an assessment of the Offeror's ability to provide uninterrupted high-quality work. The professional compensation proposed will be considered in terms of its impact upon recruiting and retention, its realism, and its consistency with a total plan for compensation.

Failure to comply with this provision may constitute sufficient cause to justify rejection of a proposal.

M-3.0 REVIEWS AND VISITS

The SSEB may conduct site visits during the evaluation phase to gather information for judging the Offeror's potential for correcting deficiencies, quality of development or manufacturing practices / processes, or other areas useful in evaluating the offer. If conducted, the results will be assessed under the applicable factors / subfactors and will be used to validate and confirm the Offeror's written proposal.