ATTACHMENT 13

SECTION M

EVALUATION FACTORS FOR AWARD
FOR
THREE-DIMENSIONAL EXPEDITIONARY LONG-RANGE RADAR (3DELRR)

Revision F

26 July 2016

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## REVISION HISTORY

<table>
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<th>Revision Number</th>
<th>Date</th>
<th>Description</th>
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<td>A</td>
<td>12 December 2012</td>
<td>Initial Publication</td>
<td></td>
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<tr>
<td>B</td>
<td></td>
<td>This section not released with draft RFP Rev B</td>
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<tr>
<td>C</td>
<td>06 May 2013</td>
<td>Updated</td>
<td>All</td>
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<tr>
<td>D</td>
<td>30 October 2013</td>
<td>Updated</td>
<td>All</td>
</tr>
<tr>
<td>E</td>
<td>14 November 2013</td>
<td>Final Publication</td>
<td>All</td>
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<tr>
<td>E.1</td>
<td>19 November 2013</td>
<td>Administrative Update</td>
<td>2.6.5(a) and 2.6.5(b)</td>
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<td>F</td>
<td>XX July 2016</td>
<td>RFP Amendment 8</td>
<td>1.1.1, 1.2, 2.4.1.1, 2.4.1.4, 2.6.2, 2.6.3, 2.6.5, 2.6.6</td>
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M001 SOURCE SELECTION

1.1 Basis for Contract Award
This is a modified Best Value source selection conducted in accordance with the Federal Acquisition Regulation (FAR), Subpart 15.3, as supplemented, Department of Defense (DoD) Source Selection Procedures (SSP), per OUSD (AT&L) memorandum dated 04 March 2011, with exceptions as noted below, and the Air Force Federal Acquisition Regulation Supplement (AFFARS) MP 5315.3, current as of the date of the release of this solicitation. A contract may be awarded to the acceptable Offeror with the lowest Best Value Assessment (BVA) who is deemed responsible in accordance with the FAR, as supplemented, whose proposal addresses all of the solicitation’s requirements (to include all stated terms, conditions, representations, certifications, and all other information required by Section L of this solicitation). To arrive at a modified best value decision, the Source Selection Authority (SSA) will review the Source Selection Evaluation Board’s (SSEB) evaluations of the factors and subfactors (described below) and the Source Selection Advisory Council’s (SSAC) advice and recommendation. While the Government will strive for maximum objectivity, the source selection process is by nature subjective and, therefore, professional judgment is implicit throughout the entire process.

1.1.1 Source Selection Process Flow
The source selection process flow is described below and depicted in Figure 1.

Step One
Affordability Gates. The Offeror’s Engineering and Manufacturing Development (EMD) ceiling price cannot exceed the Government’s maximum EMD ceiling price of $287M. The EMD ceiling price will be calculated as the sum of the following:
   a. FPIF CLIN 0001 (EMD) at the ceiling price.
   b. CPFF CLIN 0003 (EMD Studies and Analysis) at the Government-established total CPFF of $5,000,000.
      Note: CLIN 0002 (Defense Exportability Features (DEF)) have been intentionally omitted from this sum.

Additionally, the Offeror’s Low Rate Initial Production (LRIP) ceiling price cannot exceed the Government’s maximum LRIP ceiling price of $173M. The LRIP ceiling price will be calculated as the sum of the following:
   a. FFP CLIN 0004 (Early LRIP Materials) at the proposed price.
   b. FPIF CLIN 0020 (LRIP) at the ceiling price.
   c. CPFF CLIN 0021 (LRIP Studies and Analysis) at the Government-established total CPFF of $5,000,000.

Furthermore, the Offeror’s Full Rate Production (FRP) total price cannot exceed the Government’s maximum FRP total price of $725M. The FRP total price will be calculated as the sum of the following:
   a. FFP CLINs 0040, 0050, 0060, 0070, 0080, and 0090 (FRP Lots 1-6) at the proposed Not-to-Exceed (NTE) price in accordance with Section M, Paragraph 2.6.5f.
b. CR CLINs 0041, 0051, 0061, 0071, 0081, and 0091 (FRP Lots 1-6 Other Direct Costs (ODC) and Travel) at the Government established estimated cost of $200,000 per CLIN.

c. CPFF CLINs 0043, 0053, 0063, 0073, 0083, and 0093 (ARM CM Decoy Lots 1-6) at the proposed price in accordance with Section M, Paragraph 2.6.5h.

d. CR CLINs 0044 (Early FRP Materials) at the proposed price.

CPFF CLIN 0100 (FRP Studies and Analysis) at the Government-established total CPFF of $5,000,000.

Finally, the Offeror’s total ceiling price of all CLINs cannot exceed the Government’s maximum total ceiling price of $1,259M. The total ceiling price will be calculated as the sum of the following:

a. FPIF CLINs 0001 (EMD) and 0020 (LRIP) at the ceiling price.

b. CPFF CLINs 0003 (EMD Studies and Analysis), 0021 (LRIP Studies and Analysis), and 0100 (FRP Studies and Analysis) at the Government established CPFF of $5,000,000 for each CLIN.

c. FFP CLINs 0004 (Early LRIP Materials) and 0044 (Early FRP Materials); at the proposed price.

d. CPFF CLINs 0030-0032 (Interim Contractor Support (ICS) 1 - 3) at the proposed CPFF.

e. FFP CLINs 0040, 0050, 0060, 0070, 0080, and 0090 (FRP Lots 1-6) at the proposed Not-to-Exceed (NTE) price in accordance with Section M, Paragraph 2.6.5f.

f. CR CLINs (FRP Lots 1-6 ODC and Travel) 0041, 0051, 0061, 0071, 0081, and 0091 at the Government established estimated cost of $200,000 for each CLIN.

g. FFP CLINs 0043, 0053, 0063, 0073, 0083, and 0093 (ARM CM Decoy Lots 1-6) at the proposed NTE price in accordance with Section M, Paragraph 2.6.5h.

Note: CLIN 0002 (DEF) has been intentionally omitted from this sum.

Funding Constraints: The Government will evaluate the affordability of each Offeror’s Cost/Price proposal by comparing the Offeror’s obligation requirements to the budgetary information included in the solicitation. An Offeror will be unawardable if the Offeror’s obligation requirements are outside of the funding constraints for EMD, LRIP, FRP, and/or the total program (less CLIN 0002) provided in Section L Paragraph 1.1.

Step Two

Technical Factor: The Government will evaluate the Offeror’s proposal for technical compliance with the three Technical Subfactors per Paragraph 2.4. All Technical Subfactors will be evaluated for technical compliance on an Acceptable or Unacceptable basis (see Section M, Paragraph 2.2, Table 1). The technical compliance ratings for these Subfactors are derived from the DoD SSP guide, Lowest Price Technically Acceptable (LPTA) Table A-1. An Unacceptable rating in any technical compliance Subfactor will result in an unawardable proposal.

The technical risk for Technical Subfactors 1, 2 and 3 will be evaluated on an Acceptable or Unacceptable basis (see Section M, Paragraph 2.3, Table 2). The technical risk ratings for the Technical Subfactors are modified from the DoD SSP. An Unacceptable risk rating will result in an unawardable proposal.
Small Business Participation: The proposed Small Business participation will be evaluated on an Acceptable or Unacceptable basis. An Unacceptable Small Business participation rating will render the Offeror ineligible for award.

Best Value Assessment: The Government will then conduct a BVA (see Section M, Paragraph 2.6.6) where the Offeror could earn a potential decrement factor up to $416M from their Total Evaluated Price (TEP), as defined in Section M, Paragraph 2.6.5. The Government will decrement a set dollar amount from the Offeror’s TEP based on the evaluation of the proposed Firm Track Range (Technical Requirements Document (TRD) 2.1.1.12, Table A2-1, Target 3) performance above threshold at any one of three distinct cut-off points, set at Point 1, Point 2 and Objective, per Section M, Paragraph 2.6.6. The distinct cut-off points are provided in the Section M, Classified Appendix A. The three range performance points were chosen at increasing radar ranges above threshold that provide additional value to the system capability and mission performance of the radar. The extent to which the Offeror’s evaluated design exceeds the threshold level for range determines the decrement that will be applied to the Offeror’s TEP to determine the BVA. No BVA adjustment or any other consideration will be granted for exceeding any TRD objective value, exceeding any TRD threshold value other than Firm Track Range, or for achieving an objective only requirement. Range performance below Point 1 will not receive a decrement from the Offeror’s TEP. Range performance greater than or equal to Point 1 but less than Point 2 will receive a $103M decrement from the Offeror’s TEP.

Range performance greater than or equal to Point 2 but less than the Objective will receive a $207M decrement from the Offeror’s TEP. Range performance equal to the Objective will receive a $416M decrement from the Offeror’s TEP. The potential range decrement to the TEP will result in a BVA number that will be utilized by the Government SSEB for evaluation purposes only.

Step Three
The Government may award one contract to the Offeror with acceptable technical compliance, acceptable technical risk, acceptable Small Business participation, and the lowest BVA (utilized for evaluation purposes only).
1.2 Number of Contracts to Be Awarded
The Government reserves the right to award one contract or no contract at all based on the quality of the proposals. The Contractor shall be responsible for the design, engineering, manufacturing, production and fielding of the EM, LRIP, and FRP systems, along with ICS.

1.3 Rejection of Unrealistic Offers
The Government may reject any proposal that is evaluated to be unrealistic in terms of program commitments, including contract terms and conditions, or unrealistically high or low in cost when compared to Government estimates, such that the proposal is deemed to reflect an inherent lack of competence or failure to comprehend the complexity and risks of the program.

1.4 Correction Potential of Proposals
The Government will consider, throughout the evaluation, the "correction potential" of any deficiency or weakness. The judgment of such "correction potential" is within the sole discretion of the Government. If an aspect of an Offeror’s proposal not meeting the Government’s
requirements is not considered correctable, the Offeror may be eliminated from the competitive range.

1.5 Competitive Range Determination and Discussions
The Government reserves the right to award this effort based on the initial proposal, as received, without discussions. If, during the evaluation period, it is determined to be in the best interest of the Government, the Government may conduct one or more competitive range determinations. If Offerors are excluded from the competitive range, they may request a debriefing in accordance with (IAW) FAR 15.505.

1.6 Solicitation Requirements, Terms, and Conditions
Offerors are required to meet all solicitation requirements such as terms and conditions, representations and certifications, all threshold requirements of the 3DELRR TRD, and the information required in Section L in order for their proposal to be compliant and awardable. Failure to comply with the terms and conditions of the solicitation may result in the Offeror being ineligible for award. Offerors must clearly identify any exception to the solicitation requirements and must provide complete supporting rationale.
M002 EVALUATION FACTORS

2.1 Evaluation Factors and Subfactors
Award will be made to the Offeror whose proposal is determined to offer the best value to the Government based upon the assessment of the evaluation factors and subfactors described below. In order to be considered awardable, Offerors must meet the aforementioned affordability gates and must receive an “Acceptable” rating for every non-price factor and subfactor criterion. Any non-price factor and subfactor criterion that is evaluated as “Unacceptable” will render the entire proposal unacceptable and ineligible for award.

Factor 1: Technical (Acceptable/Unacceptable)
  Subfactor 1: System Design and Performance
  Subfactor 2: System Productivity and Sustainability
  Subfactor 3: Exportability

Factor 2: Small Business Participation (Acceptable/Unacceptable)

Factor 3: Cost/Price

2.2 Technical Compliance Rating
The Government will assess the technical risk for Technical Subfactors 1, 2, and 3, and assign a risk rating as either Acceptable or Unacceptable as described in Table 2 based on the Offeror’s proposed solution. The technical risk ratings for the Technical Subfactors are modified from the DoD SSP definitions. Technical risk is manifested by the identification of weakness(es) or significant weakness(es) and considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. Any technical risk rated as Unacceptable will be ineligible for award.

<table>
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<th>Table 1 – Technical Compliance Ratings</th>
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<td>Rating</td>
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<tr>
<td>Acceptable</td>
</tr>
<tr>
<td>Unacceptable</td>
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2.3 Technical Risk Rating
The Government will assess the technical risk for Technical Subfactors 1, 2, and 3, and assign a risk rating as either Acceptable or Unacceptable as described in Table 2 based on the Offeror’s proposed solution. The technical risk ratings for the Technical Subfactors are modified from the DoD SSP definitions. Technical risk is manifested by the identification of weakness(es) or significant weakness(es) and considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. Any technical risk rated as Unacceptable will be ineligible for award.
### Table 2 – Technical Risk Ratings

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<th>Rating</th>
<th>Description</th>
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<tr>
<td>Acceptable</td>
<td>Can potentially cause disruption of schedule, increased cost or degradation of performance. Special Contractor emphasis and close Government monitoring will likely be able to overcome difficulties.</td>
</tr>
<tr>
<td>Unacceptable</td>
<td>Is likely to cause significant disruption of schedule, increased cost or degradation of performance. Is unlikely to overcome any difficulties, even with special Contractor emphasis and close Government monitoring.</td>
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</table>

### 2.4 Factor 1: Technical

The Technical Factor consists of three subfactors: 1) System Design and Performance 2) System Productability and Sustainability, and 3) Exportability. The ratings of these three subfactors will not be rolled up to an overall Technical Factor rating.

#### 2.4.1 Subfactor 1: System Design and Performance

The Government will evaluate the Offeror’s proposed design solution and determine if the subfactor has been met based on:

- Whether the proposal substantiates the ability to design, develop, and test a radar that achieves, at a minimum, the TRD Threshold requirements and meets the system performance requirements associated with the scenarios and operational/clutter environments specified in Section L, Classified Appendix C. Standard radar equations encoded in MATLAB will be used to facilitate analysis of the data provided in the Offeror’s proposal.

If the Offeror proposes additional Range capability beyond the Threshold Firm Track Range requirement, the Government will evaluate it under this criteria for use in the BVA as detailed in Section M, Paragraph 1.1.1. Proposed Range performance has the potential to reduce the Offeror’s TEP by a maximum of $416M in the BVA, as shown in Section M, Paragraph 2.6.6, Table 3. The Offeror will only receive a decrement for the level of actual Range as evaluated by the Government under this section.

- Whether the Offeror’s proposal has substantiated a design solution that has a modular open systems architecture as defined by TRD requirements 2.15.1 to 2.15.4, 2.15.9 to 2.15.12, and TRD Appendix F, Open Technology Requirements.

- Substantiation of at least a Technology Readiness Level 6 (TRL 6) for all Critical Technology Elements (CTEs) of the design solution that have changed since the Pre-EMD Preliminary Design Review (PDR). One CTE must be a Gallium Nitride (GaN) High Power Amplifier (HPA)-based Transmit/Receive (T/R) module.

- Whether the Offeror has presented a comprehensive and executable schedule that clearly and properly accounts for Contractor tasks, related Government tasks and major acquisition reviews, and their interrelationships from EMD contract award through the conclusion of FRP, including three years of ICS. A substantiated schedule includes evidence that the schedule will
be achieved without undue risk or detriment to the broader program. Evidence includes task descriptions, metrics, risk analysis, and results from analogous programs to substantiate the proposed schedule.

2.4.2 Subfactor 2: System Producibility and Sustainability
The Government will evaluate the Offeror’s proposed design solution and determine if this subfactor has been met based on:

2.4.2.1 Substantiation of at least Manufacturing Readiness Level 6 (MRL 6) for all Threads affected by design changes since the Pre-EMD PDR.

2.4.2.2 Whether the Offeror provides acceptable manufacturing facilities and a comprehensive approach to ensure the quality manufacturing of three (3) radars and three (3) Anti-Radiation Countermeasures (ARM-CM) subsystems (decoy sets) during EMD, three (3) radars during LRIP, twenty-nine (29) radars and fifteen (15) ARM-CM subsystems (decoy sets) during FRP, as well as ensuring optimized production line start-up, usage, commonality, and transition between the manufacturing runs.

2.4.2.3 Whether the Offeror substantiates the ability to provide maintenance and sustainment planning and to develop and deliver products that meet the Government’s intent for organic sustainment and for a smooth transition from ICS to a DoD depot for organic sustainment not later than three years after the first radar is fielded.

2.4.2.4 Substantiation of a reliable, maintainable, and available system architecture and design adhering to the principles and guidance of ANSI/GEIA STD-0009 that has been designed to meet the RMA requirements in the CTRD and SOW, with emphasis on the following:

   a. The Offeror’s overall approach to and implementation of RMA, Tools and Techniques Used,
   b. The Offeror’s rationale, approach and methods of verification of RMA Design, Environment Loads and Life Cycle Requirements.
   c. The Offeror’s rationale, assumptions, appropriateness and completeness behind the RMA Model.
   d. The Offeror’s approach, execution, and schedule assumptions for Reliability Growth/Test Verification and Maintainability Demonstration (M-Demo).
   e. The Offeror’s approach, implementation and verification of the System Built-In-Test (BIT)/BIT Equipment (BITE) diagnostics design requirements.

2.4.3 Subfactor 3: Exportability
The Government will evaluate the Offeror’s proposed design solution and determine if this subfactor has been met based on:

2.4.3.1 Whether the Offeror provides substantiation of proposed anti-tamper design implementation and/or application of differential capabilities that is/are consistent with the DoD Anti-Tamper Executive Agent Anti-Tamper guidelines document and facilitate(s) radar exportation to foreign countries.
2.4.3.2 Whether the Offeror’s proposal provides a comparison of the estimated Program Acquisition Unit Cost (PAUC) ($BY08) for fifty (50) radars, fifteen of which are for export, as specified in Section L 5.3.3.2, to the US-only PAUC ($BY08) for thirty-five (35) radars showing that the inclusion of exports reduces the US-only procurement cost.

The objective of the exports is to reduce the PAUC of the US systems with the addition of the export sales, not to reduce the cost of the export variants.

2.5 Factor 2: Small Business Participation

Factor 2 shall receive a single rating of “Acceptable” or “Unacceptable.” Small Businesses proposing as a Prime Contractor for this effort will be rated “Acceptable” for Factor 2. In order for an Offeror to be eligible to receive an award, they must be rated “Acceptable” for Factor 2.

The rating for Factor 2 focuses on the Offeror’s performance in the utilization of small business concerns.

   a. For Offerors with a Defense Contract Management Agency (DCMA) Form 640 review, ratings provided by DCMA will be used. Acceptable is defined as anything other than Unsatisfactory in the Program Rating of their DCMA Form 640.
   b. If Offerors do not have a DCMA review of their Small Business Subcontracting Program, or such a review is not possible, the Offeror will be given an “Acceptable” rating for this factor.

2.6 Factor 3: Cost/Price

The Offerors’ Cost/Price proposal will be evaluated using one or more of the techniques defined in FAR 15.404-1 in order to determine if it is reasonable and realistic. For a 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 cost and price analysis techniques as described in FAR 15.404-1. IAW FAR 15.403-1(b) the Government may require submission of Information Other Than Cost or Pricing Data to the extent necessary to support a determination of fair and reasonable price.

2.6.1 Information Other Than Cost or Pricing Data

Information Other Than Cost or Pricing Data will be evaluated to determine cost realism and reasonableness of the CPFF CLINs.

2.6.2 Cost/Price Reasonableness

Reasonableness is evaluated by assessing the acceptability of the Offeror’s methodology used in developing cost estimates such that proposed costs and labor rates indicate a clear understanding of solicitation requirements and reflect a sound approach to satisfying those requirements. Cost information supporting a cost judged to be unrealistically low, and technical/management risk associated with the proposal will be quantified by the Government evaluators.

For the EMD and LRIP FPIF CLINs, and the ICS CPFF CLINs, unrealistically low proposed costs or prices estimates, initially or subsequently, may be grounds for eliminating a proposal.
from competition either on the basis that the Offeror does not understand the requirement or the Offeror has made an unrealistic proposal.

A price analysis will be conducted IAW FAR 15.404-1 in order to ensure a fair and reasonable price has been proposed. The Government may determine that an offer is unacceptable, and therefore unawardable, if prices are found to be not fair and reasonable.

2.6.3 Cost Realism

A Cost Realism analysis will be performed IAW FAR 15.404-1(d). The Government will perform a Cost Realism analysis on the CPFF CLINs (excluding the Studies and Analysis CLINs 0003, 0021, and 0100). A Government Estimate of Most Probable Cost (GEMPC) analysis, as determined by the Cost Price Realism Assessment (CPRA), will be performed in the realism evaluation for the CPFF CLINs only. The Government evaluation of cost realism will consider the extent to which proposed costs indicate a clear understanding of solicitation requirements, and determine whether the proposal reflects a sound approach to satisfying those requirements and whether the proposed labor escalation and indirect factors are reasonable.

A significant difference between the Offeror’s proposed Cost/Price and the GEMPC will be considered an indicator that the Offeror does not understand the requirement and will be reflected in the Government’s realism analysis.

The GEMPC for the CPFF CLINs, not the Contractor’s proposed cost, will be used for the purpose of evaluation to determine best value. The Government will not reduce the Offeror’s proposal below the Offeror’s proposed prices in making its GEMPC adjustment.

2.6.4 Unbalanced Pricing

Offerors are cautioned against submitting a materially unbalanced offer. The Government will analyze offers to determine if they are unbalanced with respect to prices for separately priced line items despite an acceptable TEP. An offer is materially unbalanced if it is based on prices which are significantly less than the price for some contract line item and significantly overstated for others. An offer may be rejected if the Government determines the lack of balance poses an unacceptable risk to the Government (FAR 15.404-1(g)).

2.6.5 TEP

The Government will calculate the TEP as the sum of the following:

a. FPIF CLIN 0001 will be evaluated at the ceiling price, which is 120% of the Target Cost (including Facilities Capital Cost of Money (FCCOM)) as prescribed in Section L, Paragraph 6.3.8.1. Additionally, the Offerors shall not exceed a 12.0% target profit as also prescribed in Section L, Paragraph 6.3.8.1.

b. FFP CLINs 0002, 0004, and 0044 will be evaluated at their proposed price.

c. CPFF CLINs 0003, 0021, and 0100, Studies and Analysis for EMD, LRIP, and FRP, will each be evaluated at the Government established CPFF of $5,000,000 per CLIN. The Offerors shall not exceed a 6.0% fixed fee as prescribed in Section L, Paragraph 6.3.6.4.
b. FPIF CLIN 0020 will be evaluated at the ceiling price, which is 120% of the Target Cost (including FCCOM) as prescribed in Section L, Paragraph 6.3.8.2. Additionally, the Offerors shall not exceed a 10.0% target profit as also prescribed in Section L, Paragraph 6.3.8.2.

c. CPFF CLINs 0030-0032 will be evaluated at GEMPC plus the proposed fixed fee amount.

d. FFP CLINs 0040, 0050, 0060, 0070, 0080, and 0090 will be evaluated at the NTE price proposed for each individual FRP unit, against the Best Estimate Quantity (BEQ) range applicable to each FRP CLIN as depicted within the B-Table tab, Section L, Appendix B: Units 1 through 5, 6 through 10, 11 through 15, 16 through 20, 21 through 25 and 26 through 29, respectively.

e. FFP CLINs 0043, 0053, 0063, 0073, 0083, and 0093 will be evaluated at the price proposed for each individual ARM CM Decoy unit, against the BEQ range applicable to each ARM CM Decoy CLIN as depicted within the B-Table tab, Section L, Appendix B: Units 1 through 4, 5 through 8, 9 through 12, 13, 14, and 15, respectively.

f. If any Government Furnished Property (GFP) is proposed and accepted by the Government above what is identified in Attachment 6 of the RFP, the Government computed equivalent value will be added to the TEP.

Note: The Government may reject any Offeror’s proposed GFP that is evaluated as unavailable. If Offeror’s proposal relies on GFP beyond Government provided GFP that is unavailable, the proposal may be evaluated as deficient.

2.6.6 Best Value Assessment

The BVA will be calculated by applying a decrement factor to the TEP based on the evaluated Range (TRD 2.1.1.12, Table A2-1, Target 3) for performance above threshold values in accordance with Section M, Paragraph 1.1.1. Any proposed additional Range capability, beyond the Threshold Firm Track Range Requirement, will be evaluated for technical compliance and technical risk. Proposed Range performance has the potential to reduce the Offeror’s TEP by a maximum of $416M in the BVA, as shown in Table 3. The Offeror will only receive a decrement for the level of actual Range as evaluated by the Government under this section. No other decrements will be applied in the BVA. The BVA will be presented to the SSA for use in the modified best value source selection determination.

<p>| Table 3 –Decrement for Range (TRD 2.1.1.12 Table A2-1 Target 3) |
|---|---|---|---|---|
| Range (CTRD) | Threshold | Point 1 | Point 2 | Objective |</p>
<table>
<thead>
<tr>
<th>Adjustment</th>
<th>$0</th>
<th>$103M</th>
<th>$207M</th>
<th>$416M</th>
</tr>
</thead>
</table>

APPENDIX A: CLASSIFIED