Closure Memorandum

Case Number:	14-0021-I	**Date of Entry:**	16 June 2015
Primary Investigator:			

Allegation Information

Narrative:

(U//~~FOUO~~) On 18 October 2013, the National Reconnaissance Office (NRO), Office of the Inspector General (OIG) received a complaint from [redacted] of the Office of Security and Counter Intelligence (OS&CI) and the Aerospace Data Facility Southwest (ADF-SW). [redacted] believed that the NRO paid too much for blueprints for [redacted] at ADF-SW. The basis for his complaint was a cost comparison between [redacted] also located at ADF-SW.

Last Investigative Step:

Closure memo drafted (b)(3)

Resolution:

Unsubstantiated

Case Closure Justification

Summary

(U//~~FOUO~~) The NRO OIG reviewed relevant documents relating to the bidding, selection, and contract award for the [redacted] design project. According to their proposal, Jacobs an Authorized Federal Supplier operating under General Services Administration contract [redacted] would provide a "comprehensive design solution for a modular building to be installed at the ADF-SW facility, to house approximately [redacted] personnel for a minimum of 10 years. The associated site work, including fence relocation, will be included in this design." The building was to be a SCIF with tech floor space. The purpose for [redacted] was to make room for a data center in [redacted] and free up swing space in [redacted] No actual modular building purchase or installation was included in the project. The project was for the design phase of [redacted] only.

(U//~~FOUO~~) Source Selection recommendation dated 8 May 2012, stated that discussions for the [redacted] project were held on 10 February 2012. [redacted] NRO COTR signed the team recommendation. Three firms were evaluated for the project, Jacobs, URS and Dewberry. Jacobs received the highest ranking of the three firms. The firms were judged on four FAR criteria.

- Qualifications FAR Para 36.602-1(a)(1)
- Specialized Skills FAR Para 36.602-1(a)(2)
- Capacity to Perform the Work in Time Required FAR Para 36.602-1(a)(3)
- Past Performance FAR Para 36.602-1(a)(4)

(U//~~FOUO~~) Upon selection, Jacobs provided to [redacted] NRO Contracting Negotiator, a detailed pricing proposal for their services. It was noted in the subsequent Price Negotiation Memorandum that "the proposed cost was higher than the Government estimate, yet found acceptable" and the COTR, [redacted] took no exception to the proposed hours or cost. The contract was Firm Fixed Price and awarded as new Deliver Order number 0013 on Basic Ordering Agreement NRO000-09-G-0412. The total value of the contract was [redacted]

(b)(3) (b)(3) (b)(4)

(U//~~FOUO~~) All design requirements for [redacted] were met by October of 2013. Estimated costs for the actual building construction and fit out were [redacted] However, the purchase and installation of the building was put on hold due to funding issues.

(U//~~FOUO~~) The allegation contended that the [redacted] project was overpriced based on a comparison to ADF-SW [redacted] construction costs. The available documentation for the [redacted] project was reviewed. The [redacted] project was a modular building completed in 2010. The [redacted] requirement was for temporary (less than 5 years) SCIF swing space to house personnel while renovations to ADF-SW [redacted] were completed. The building is smaller in size than [redacted] It was built off-site and brought in on several trucks and assembled on-site. The majority of the work was completed with existing funding under the contracts that preceded CFOAM and using contractors already on-site.

(U//~~FOUO~~) Based on the documentation review, the [redacted] design project was fairly competed and the Government willingly and knowingly accepted Jacobs' proposal. In addition, the [redacted] projects are significantly different in their scope and can't be effectively used for cost comparison. There is no evidence that shows the Government over paid for the [redacted] design project as alleged. There is no further action required and recommend closing as unsubstantiated.