

SOURCE SELECTION STATEMENT FOR
CONSOLIDATED LOGISTICS, ADMINISTRATIVE AND SCIENTIFIC
INFORMATION CONTRACT (CLASIC)

On February 6, 2002, I met with the Source Evaluation Board (SEB) appointed to evaluate proposals for the CLASIC contract. The SEB presentation included a review of the evaluation procedures and the results of the evaluation of the proposals, including second final proposal revisions, received from those offerors in the competitive range.

BACKGROUND

CLASIC will provide for Logistics services including transportation and warehousing, vehicle maintenance, moving services, carpet removal and installation, supply and stockroom operations, property utilization/reutilization and disposal, shipping and receiving, and equipment management. It will also provide Administrative services including mail processing and distribution, centralized correspondence and records management, administration of a training program, operation of technology based learning center, administration of reimbursable program, voucher examination, and contract administration support, purchase request screening and assignment, management report generation, property/equipment administration, supply room maintenance, delegation preparation and administration, electronic posting of award notices, electronic distribution of contractual documents, data entry, filing, word processing and other clerical functions in support of Human Resource Management, Financial Management, Procurement, and Project Management. Additionally, it will provide Scientific and Technical Information services including technical editing, graphics and design services, reproduction center services including packaging and distribution, photographic laboratory services, technical services in central library, audio/visual services, and video production. The contractor shall furnish all computer equipment and software for use on the contract and provide all system administration and end-user support for these systems.

The contract will be a performance-based, cost-plus-incentive-fee contract with a fixed-price indefinite delivery/indefinite quantity and an award-term feature. The contract will have a five-year base period commencing approximately April 1, 2001, and there will be seven priced award-term periods (four 6-months and three 1-year) that may be earned by the contractor for a total possible period of performance of 10 years.

A pre-solicitation conference for the CLASIC solicitation was held on July 11, 2001, at Langley Research Center and approximately 30 firms were in attendance. The CLASIC Request for Proposal (RFP) was released on August 3, 2001, via the Internet. Offers were received on September 4, 2001, from the following six firms.

- Critique, Inc.
- EA International, Inc.
- Infinity Technology, Inc.
- LESCO
- Planners Collaborative, Inc.
- Tessada & Associates, Inc.

EVALUATION PROCEDURE

Prior to the issuance of the RFP, a Source Evaluation Board (SEB) was appointed to conduct an evaluation of proposals received in response to the RFP. The SEB developed a detailed evaluation plan, including a numerical and adjectival scoring system for the Mission Suitability subfactors. The plan stated that the SEB would evaluate but not score Cost and Experience and Past Performance. The RFP set forth the following three evaluation factors:

- Factor 1 - Mission Suitability
- Factor 2 - Cost
- Factor 3 - Experience and Past Performance

The Mission Suitability subfactors and the weights assigned are as follows:

Subfactors	Weights
1. Technical Management	900
2. Mission Assurance, Safety and Occupational Health	<u>100</u>
	1,000

While the numerical weights assigned to the above subfactors were indicative of the relative importance of those evaluation areas, they were to be used only as a guide in making my selection decision. The RFP stated that in the overall selection of a contractor for contract award, Mission Suitability, Cost, and Experience and Past Performance would be of essentially equal importance and that all evaluation factors, when combined, would be significantly more important than cost.

The Experience and Past Performance information was submitted by the offerors two weeks before the proposal due date. The SEB members gathered past performance information by conducting telephone interviews with company references and documenting the results for use during the evaluation.

Upon receipt of proposals, the SEB reviewed all offers to determine if any were unacceptable based on initial effort by the offeror to address the essential

elements of the RFP. One proposal, EA International, Inc., was found to be unacceptable and eliminated from the competition. EA International, Inc. was promptly notified and given a telephone debriefing.

Each voting member then independently evaluated each offeror's Technical Management Oral Presentation Package (TMOPP) in preparation for the oral proposals to be given by each offeror. The sequence in which the oral presentations would be given was determined by lottery and then scheduled by the SEB Chairperson. Oral presentations were given by the remaining five offerors. The SEB members independently evaluated the Technical Proposals, noting strengths, weaknesses and risk for each Mission Suitability subfactor. Technical and business consultants evaluated the proposals in their assigned areas of expertise and provided input to the Voting Membership for their consideration. The SEB then developed consensus strengths and weaknesses and consensus adjective ratings for the Mission Suitability subfactors for each offeror. The SEB scored the Mission Suitability Factor for each proposal in accordance with the Evaluation Plan.

Thereafter, the SEB evaluated each offeror's Experience and Past Performance and the SEB assigned corresponding adjective ratings for this area for each proposal. The SEB then analyzed the proposed costs and prices and developed probable costs based on cost realism adjustments. This completed the SEB's initial evaluation.

The results of the initial evaluation were documented in the Initial Evaluation Report dated November 20, 2001 and presented to the Contracting Officer (CO) on December 6, 2001. The RFP stated the Government's intent to award a contract "without discussions." However, in the CO's judgment, discussions were considered to be necessary. Therefore, the CO made a competitive range determination that included the most highly rated firms which were Critique, Inc., (Critique) Infinity Technology, Inc. (Infinity), and Tessada & Associates, Inc. (Tessada). The Competitive Range Determination was documented for the contract file on December 6, 2001. The SEB therefore proceeded with developing discussion issues for each of these companies and conducting written discussions with each company. The SEB requested final proposal revisions by December 21, 2001. While evaluating the final proposal revisions, the SEB discovered potential deficiencies within offerors' proposals in the area of incentive fees. One such error could have been, but was not, identified by the SEB in its review of the original proposal. Therefore, the CO decided that an additional round of discussions was necessary to ensure that "meaningful discussions" had been held to resolve the incentive fee issues with all offerors in the competitive range. The Procurement Office obtained the required approval from the Assistant Administrator for Procurement to re-open discussions. The SEB then conducted another round of written discussions and requested second final proposal revisions by January 31, 2002. The

results of the SEB's evaluation of the offeror's proposals, including second final proposal revisions, are documented below.

EVALUATION RESULTS

I have carefully reviewed the SEB's findings and discussed with the SEB the technical merits and comparative strengths and weaknesses of each proposal. The SEB proposed rankings for the three offerors in each of the three evaluation factors. I concur with the SEB rankings below.

MISSION SUITABILITY

Set forth in order of ranking (high to low) is a summary of the Mission Suitability findings for the three offerors.

Tessada received a final evaluation of "Very Good" for this factor with the highest score of all the proposals. Tessada was credited with three significant strengths, 12 minor strengths and 3 minor weaknesses. Significant strengths were all assigned for Subfactor 1, "Technical Management," and were identified for their Program Manager's demonstrated ability to effectively manage the current CLASSIC contract, the significant expertise of all of their key personnel in managing the current CLASSIC services at Langley and their thorough and detailed transition plan for both personnel and non-personnel resources.

Infinity received a final evaluation of "Very Good" for this factor and had the second highest score of all of the proposals for this factor. Infinity was credited with three significant strengths, one significant weakness, 10 minor strengths and five minor weaknesses. The two significant strengths were identified in Subfactor 1, "Technical Management," for their effective management systems and their sound approach for managing IT. The other significant strength was identified in Subfactor 2, "Mission Assurance", "Safety and Occupational Health," for thorough identification of contract performance risks and a comprehensive risk mitigation plan. The significant weakness was identified for Subfactor 1, "Technical Management," for the lack of comparable experience for three of their proposed key personnel along with a lack of supervisors proposed in the Transportation and Duplicating Facility work areas.

Critique received a final evaluation of "Good" for this factor and had the third highest score in Mission Suitability of all of the proposals. Critique was not credited with any significant strength or significant weakness but was credited with fourteen minor strengths and four minor weaknesses.

PRICE/COST

I carefully analyzed the cost evaluations, and closely questioned the SEB on the process used to determine probable cost for the three offerors.

The cost evaluation was based upon each offeror's cost and incentive fee proposed to perform the required effort. All offerors were determined to have proposed a reasonable price. Price reasonableness was based on comparison of the three competitive offers remaining in the competition and the Government estimate. There was an approximate 4% difference between the highest and lowest total proposed cost for the three offerors. The ranking (from high to low) for proposed costs, including fee, was as follows:

- Critique, Inc.
- Infinity Technology, Inc.
- Tessada and Associates, Inc.

The SEB performed an evaluation of price to determine price reasonableness and then analyzed cost realism to ensure that proposed costs reflected an understanding of and compliance with the requirements of the RFP. Costs were reviewed to; verify that proposed cost elements were realistic for the work performed, that they reflected a clear understanding of the requirements, and that they were consistent with the unique methods of performance and materials described in the proposed technical management approaches. Probable cost adjustments were made for all offers to reflect such issues as omitted software and hardware costs, DCAA recommended indirect rates, adequate labor hours and rates, IDIQ maximums, taxes, materials, fees, insurance, maintenance and the associated changes to proposed incentive fee based on revised costs.

After adjustments, the difference between the highest and lowest offeror's cost was less than 5%. The probable cost adjustments resulted in the following ranking from high to low:

- Critique, Inc.
- Tessada and Associates, Inc.
- Infinity Technology, Inc.

The offerors in order of their proposed prices (from high to low) are set forth below:

Critique proposed the highest total price because they overstated the IDIQ maximum by \$5M. Their proposed price would actually be \$5M less than stated in their proposal (the lowest proposed price) due to this overstatement of the IDIQ contract maximum. The confidence level in their cost proposal is moderate. Discrepancies were found in cost that could increase Critique's price by approximately \$2.9M.

Infinity proposed the second highest total price. The confidence level in their cost proposal is moderate. Discrepancies were found in cost that could decrease Infinity's price by approximately \$7.5M.

Tessada proposed the lowest total price. The confidence level in their cost proposal is high. Discrepancies were found in Tessada's price that could increase their price by approximately \$900K.

EXPERIENCE AND PAST PERFORMANCE

In understanding the evaluation of this factor it is helpful to understand the following definitions from the CLASIC evaluation plan.

- a) Strength – Past performance feedback on an offeror team member that indicates excellent to very good performance (as defined in the Experience and Past Performance form, attachment 3) on relevant contracts.
- b) Weakness – Past performance feedback on a member of an offeror team that indicates Satisfactory to Unsatisfactory performance
- c) Highly Relevant Experience – All team members have recently performed on a routine basis the full range and scope of services that they are respectively proposing to perform on this procurement.
- d) Relevant Experience – All team members have performed on a routine basis services that are similar and comparable to those that they are respectively proposing to perform on this procurement.

Critique received an adjective rating of "Excellent" for Experience and Past Performance (E&PP). Critique has highly relevant corporate experience in their area of responsibility under the proposed contract except for Engineering Drawing files and the Library where they have comparable experience. However, their Scientific Information manager has highly relevant experience managing the Langley Technical Library. Critique's proposed subcontractor, DynCorp, has highly relevant corporate experience in their area of responsibility. There is one exception in the area of "Correspondence and Records Management" where they have comparable experience. Both Critique and DynCorp received "Excellent" to "Very Good" past performance ratings.

Tessada received an adjective rating of "Excellent" for the E&PP factor. Tessada has highly relevant experience in their area of responsibility under the proposed contract except in "Equipment Management" and "Library" where they have no experience. However, the Logistics and Library managers have highly relevant experience in these areas. NCI has highly relevant experience in their respective areas of responsibility; Crewstone has comparable corporate experience in "Video Services", but the Video manager has highly relevant

experience. All three companies have received “Excellent” to “Very Good” past performance ratings

Infinity received an adjective rating of “Very Good” for this factor. Infinity has highly relevant experience in all of their areas of responsibility with the exception of the “Duplicating Facility,” “Photographic Services” and “Library.” They have comparable experience in “Duplicating Facility” and “Library.” Also, the Scientific Information Manager has expertise managing Photographic Laboratory services. Their proposed subcontractor, DTSV, has highly relevant experience in all of the areas for which they will be responsible except for “General Transportation” where they have comparable experience. Both companies received “Excellent” to “Very Good” past performance ratings.

BASIS FOR SELECTION

I have reviewed the SEB’s evaluation findings and find them to be thorough, fair, and objective. In making my decision, I gave equal weight to all three evaluation factors taking notice of the fact that the non-cost evaluation factors combined were more important than cost. I have performed the following cost analysis and trade-offs.

I have analyzed the trade-offs associated with selecting each offeror. Compared to Critique’s proposal, Tessada’s has a higher Mission Suitability adjective rating (Very Good vs. Good) and a lower probable cost. Both Critique and Tessada were rated Excellent in Experience and Past Performance. Since Tessada’s proposal was superior to Critique’s in two of the evaluation factors and equal in the third factor, Tessada’s proposal is clearly superior to Critique’s.

Compared to Infinity’s proposal, Tessada has a higher Mission Suitability score (both are in the Very Good range, but Tessada is 64.5 points higher than Infinity) and a higher Experience and Past Performance rating (Excellent for Tessada vs. Very Good for Infinity). However, Infinity’s probable cost is approximately 3 percent lower than Tessada’s. The advantages to choosing Tessada’s proposal over Infinity’s are as follows: (1) Tessada’s superior technical approach, which includes a strong program manager with experience on this effort at Langley Research Center, (2) a thorough transition plan that is likely to produce a seamless transition to the new contract; and (3) a contractor team with a record of highly relevant experience and strong past performance in all areas under the statement of work. On the other hand, Infinity, by comparison, had a significant weakness associated with their key personnel and while Infinity’s past performance is also strong, the Infinity team was lacking highly relevant experience in three key areas of the statement of work. The one major advantage to choosing Infinity’s proposal over Tessada’s could be Infinity’s lower probable cost. This advantage is somewhat offset, however, by lower confidence in Infinity’s probable cost due to the number of errors and

inconsistencies in their cost proposal (confidence in Tessada's probable cost is high). Taken individually such issues could be considered minor but collectively give me less confidence in Infinity's cost proposal. Therefore, I find that the potential advantage represented by Infinity's lower probable cost is offset by the strengths identified within Tessada's proposal.

Having considered the trade-offs associated with the relative advantages of the proposals as discussed above, it is my judgement that the superior technical approach of Tessada, combined with Tessada's higher "Experience and Past Performance" rating, is worth the potentially higher cost for Tessada over the period of performance. Accordingly, Tessada and Associates, Inc. is selected for contract award, since in my judgement this offeror's proposal represents the best value to the Government.

Lana M Couch

Lana M. Couch
Source Selection Authority

2/14/02

Date