

SELECTION STATEMENT

RESEARCH EQUIPMENT OPERATIONS SERVICES PROCUREMENT

On June 8, 1999, I met with the Source Evaluation Committee (SEC) appointed to evaluate proposals to provide Research Equipment Operations Services (REOS) to NASA Langley Research Center (LaRC). The SEC's presentation included a synopsis of the procurement background, a summary of the evaluation procedures that were used, and a discussion of the evaluation findings.

PROCUREMENT DESCRIPTION

The REOS contract will provide support services in the areas of fluid systems, including compression of gases, gas reclamation, gas deliveries, and off-loading; drive systems operations and power dispatching; National Transonic Facility (NTF) operations support; and routine maintenance and corrective repairs of these systems.

These services are currently being performed under contract NAS1-19834 with DTSV (except steam plant operations, which will be excluded from REOS), contract NAS1-20243 with EG&G (only the drive control operations will be included under REOS), and NAS1-98108 with Calspan Corporation (except data systems and instrumentation support, which will be excluded under REOS). All three contracts have been extended to August 31, 1999; the REOS contract will start on September 1, 1999.

A cost-plus-fixed-fee, level-of-effort contract was determined to be the most appropriate type for this procurement. The contract will have a one-year initial period of performance plus four one-year option periods, for a total potential period of performance of five years.

SOURCES

A draft Request for Proposal (RFP) was issued electronically via the LaRC Procurement Home Page (Internet) on December 14, 1998. Representatives from six firms attended a presolicitation conference held January 6, 1999. The final REOS RFP was issued via the Internet on March 17, 1999, with a proposal due date of April 30, 1999. Timely proposals were received from the following two firms:

- The Atlantic Group (TAG)
- Diversified Technology and Services of Virginia, Inc. (DTSV)

EVALUATION PROCEDURES

Prior to the issuance of the RFP, I appointed a SEC to conduct an evaluation of proposals received in response to the RFP. The SEC developed a detailed evaluation plan, including a numerical and adjectival scoring system for the Mission Suitability Subfactors. In addition, the evaluation plan stated that the SEC would evaluate, but not score Cost and Relevant Experience and Past Performance. The RFP set forth the following three evaluation factors:

- Mission Suitability
- Cost
- Relevant Experience and Past Performance

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

<u>Subfactors</u>	<u>Weights</u>
1. Phase-In/Staffing	30%
2. Management and Operations Approach	60%
3. SDB Participation	<u>10%</u>
	100%
4. Cost Realism	up to -30%

While the numerical weights assigned to the above subfactors were indicative of the relevant 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 Relevant Experience and Past Performance would be of essentially equal importance.

Technical consultants were appointed to review various portions of the technical proposals (Factor 1 – Mission Suitability). These consultants provided written evaluations of the proposals in accordance with the evaluation plan and met with the SEC to elaborate on their evaluations. A Cost/Price Analyst from the Office of Procurement was similarly utilized for Factor 2, Cost.

Upon receipt of the proposals, the SEC reviewed all offerors to determine if any were patently unacceptable. Both proposals were found to be acceptable by the SEC. Each voting member then independently evaluated the Technical Proposals in alphabetical order, noting strong and weak points and assigning adjective ratings to each Mission Suitability Subfactor except Subfactor 4, Cost Realism. Subfactor 4 could not be evaluated until the probable cost assessment was completed, since the formula for making Cost Realism adjustments is a function of that assessment. After each voting member had individually assessed the strengths and weaknesses of Subfactors 1, 2 and 3, the SEC developed consensus strong and weak points and consensus adjective ratings for

these subfactors. The SEC then scored each Technical Proposal in accordance with the evaluation plan.

Thereafter, the SEC assessed the Business Proposals to evaluate the proposed costs and Relevant Experience and Past Performance (REPP), and to make cost realism adjustments as required. Consensus adjective ratings were developed for each offeror under Factor 3, REPP, in accordance with the evaluation plan.

The initial evaluation findings were then summarized in a report and presented to the Contracting Officer on May 27, 1999. The Contracting Officer, in conjunction with the SEC, determined that discussions would not be necessary for the Source Selection Authority to make a selection. In accordance with the evaluation plan, the SEC then provided me with a written and oral report of their findings.

I have carefully reviewed the facts presented in the report and discussed with the SEC the technical merits and comparative strengths and weaknesses of each proposal. The evaluation findings are summarized below:

MISSION SUITABILITY

Set forth below in order of ranking (high to low) is a summary of the major strengths and weaknesses identified for the Mission Suitability factor for the two offerors.

DTSV

DTSV received a Mission Suitability rating of Excellent. The proposal included a comprehensive phase-in plan and the total compensation plan offered substantial flexibility and provided strong support for attracting and retaining a qualified workforce. Their proposal demonstrated a clear understanding and in-depth knowledge of the requirements for all three Contract Line Item Numbers (CLIN's), and included an effective plan for managing and operating each CLIN area. DTSV proposed an effective approach to performing routine maintenance, corrective repairs, and procurement of parts and consumables for all CLIN's. Finally, DTSV received major strengths for their training programs, safety programs, organization, purchasing and subcontracting procedures, plans to accommodate fluctuating workloads, approach to scheduling and arranging all work to minimize facility downtime, and their approach to preventing "personal services". Overall, fifteen major strengths and no major weaknesses were identified for the DTSV proposal.

TAG

TAG received a Mission Suitability rating of Poor. Although TAG received a major strength for their continuous improvement process, this strength was more than offset by numerous major weaknesses identified for other aspects of their proposal. Major weaknesses were identified with the approaches to performing and managing the

requirements of each CLIN area. A weakness was identified for the proposed staffing/skill mix associated with CLIN 3. TAG did not address their procedures for procurement of consumables and critical parts, for maintaining inventories of consumables or critical parts, or for general purchasing and subcontracting. Weaknesses were identified for TAG's approach to ensuring that all operations are performed in compliance with NASA and LaRC safety program requirements, to handling major changes in workload, and to scheduling and arranging work to cause the least interference with LaRC's mission and normal operations. Finally, TAG received weaknesses associated with their ISO compliance plan, plan for preventing personal services, subcontracting plan, and plan for meeting the SDB participation requirements for the Major SIC Groups. Overall, one major strength and thirteen major weaknesses were identified for the TAG proposal.

Note that it wasn't necessary for the SEC to make cost realism adjustments to the Mission Suitability scores for either offeror.

COST

The SEC's cost evaluations were based on the costs and fixed fees proposed by each offeror for the basic contract period and the four priced option periods. Upward probable cost adjustments were made to proposed costs for both offerors; however, the relative ranking of the companies' proposed and probable costs did not change as result of these adjustments. DTSV had the lowest proposed and probable costs. The difference between the two probable costs was approximately 30 percent.

RELEVANT EXPERIENCE AND PAST PERFORMANCE

The relevancy of the DTSV team's experience to REOS was deemed to be moderate and the level of performance was rated as excellent by their customers. DTSV received an overall adjective rating of Very Good.

The TAG team received very good to excellent performance evaluations from their customers; although, the relevancy of the team's experience to REOS was rated as minimal. TAG was assigned an overall adjective rating of Good.

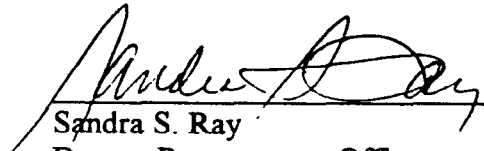
SELECTION DECISION

After the SEC's presentation, I reviewed and assessed the evaluation findings. I noted that the DTSV proposal received the superior rating for Mission Suitability and that DTSV's proposal had no major weaknesses. I further noted that DTSV received a higher adjective rating in the area of Relevant Experience and Past Performance. I then reviewed the comparative position of the proposals from the standpoint of cost based on

the SEC's assessment. I noted that DTSV had the lowest proposed and probable cost and that DTSV's probable cost was 30 percent lower than TAG's probable cost.

In making my decision, I considered all three factors equally. I concluded that DTSV's superior Mission Suitability score, its higher Relevant Experience and Past Performance rating, and the fact that it had the lowest proposed and probable costs, resulted in the DTSV proposal being the most advantageous proposal to the Government, all factors considered. Therefore, DTSV is selected for the purpose of contract award.

I am convinced that the SEC conducted a thorough, fair, and objective evaluation of all proposals in accordance with the established evaluation plan.



Sandra S. Ray
Deputy Procurement Officer
Source Selection Authority

6/24/99

Date