

**SELECTION STATEMENT
FOR
HEADQUARTERS INFORMATION TECHNOLOGY SUPPORT SERVICES
SOLICITATION NO. NNH11351229R**

On June 6, 2012, I, the Source Selection Authority (SSA), along with senior officials from the National Aeronautics and Space Administration (NASA) Headquarters and the Goddard Space Flight Center, met with members of the Source Evaluation Board (SEB) to hear findings the SEB made after evaluating proposals for the Headquarters Information Technology Support Services (HITSS) contract.

PROCUREMENT DESCRIPTION

The HITSS requirement was issued as an 8(a) Competitive Procurement under NAICS code 541512, with a size standard of \$3M average annual sales over the past three years. HITSS consists of a Cost-Plus-Incentive-Fee (CPIF) core requirement with ability to issue Indefinite Delivery Indefinite Quantity (IDIQ) task orders on a CPIF or Cost-Plus-Fixed-Fee (CPFF) basis. There is also a separate 30-day firm-fixed-price contract for Phase-in.

The scope of work under the HITSS procurement is to provide information technology (IT) support services to NASA Headquarters, including planning and management of information systems; life-cycle support for applications and information systems; operation of the NASA Headquarters Data Center; systems engineering and integration services; IT security; technology innovation and infusion; and customer support.

EVALUATION PROCEDURES

The Request for Proposals (RFP) defined the evaluation factors as Mission Suitability, Cost and Past Performance. The RFP specified the relative order of importance of the evaluation factors as follows:

“The Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual Factors, the Cost Factor is less important than the Mission Suitability Factor but more important than the Past Performance Factor.”

The RFP contained a detailed explanation of the evaluation procedures, including the evaluation Factors and Subfactors, the Mission Suitability numerical scoring scheme delineated below, and the criteria to be used in the evaluation.

The RFP stated that only the Mission Suitability Factor would be point scored in the evaluation process. The Mission Suitability Factor consisted of the following three Subfactors with assigned points as indicated:

SUBFACTOR		POINTS
A	Technical Approach	400
B	Representative Task Orders	200
C	Management Approach	400
TOTAL		1,000

The RFP stated that the cost evaluation would be conducted in accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1)(B). Offerors were referred to FAR 2.101(b) for a definition of “cost realism” and to FAR 15.404-1(d) for a discussion of “cost realism analysis” and “probable cost”. The proposed costs of the core requirement, Representative Task Orders (RTOs) and the rates proposed in Attachment B (Direct Labor Rates, Indirect Rates and Fee Matrices), were analyzed to determine reasonableness and cost realism. The total core proposed costs, as well as the probable cost and fee, including the probable cost, proposed target technical incentive fee amount, and the cost incentive fee amount, were presented to me, in addition to the total firm-fixed-price (FFP) Phase-in price and any cost risks identified in the SEB’s analysis of Offeror’s responses to the RTOs and Attachment B.

For the Past Performance Factor, the RFP stated the evaluation of past performance would be conducted in accordance with FAR Part 15. The evaluation of past performance involved (1) the degree of relevance (i.e., level of pertinence) of the contract based on size, content, and/or complexity; and (2) the quality of performance on the contract. First, the SEB examined the Offerors’ contract references (including those of significant subcontractors) to determine whether each contract met the minimum requirements to warrant consideration. If the contract was deemed “recent” and met the minimum cost/fee expenditures (relevant size) criteria, then the SEB evaluated the degree of relevance and quality of contract performance of each referenced contract. Finally, the SEB assigned an overall Level of Confidence rating to the Offeror based on a subjective evaluation of the information provided for all of the referenced contracts.

Consistent with the RFP, the past performance of significant subcontractors was evaluated and attributed to the Offeror, and weighted according to the work proposed to be performed on HITSS. Performance of the prime was weighted more heavily than any significant subcontractor or combination of significant subcontractors.

The Past Performance Factor was not point scored, but was assigned one of the following adjectival ratings:

- “Very High Level of Confidence”
- “High Level of Confidence”
- “Moderate Level of Confidence”
- “Low Level of Confidence”
- “Very Low Level of Confidence”
- “Neutral”

EVALUATION PROCESS

As NASA's SSA for this procurement, I appointed the SEB, which included a team of technical and business members and consultants from appropriate disciplines, to assist in proposal evaluation. NASA issued the RFP on April 8, 2011. Amendments were issued as follows:

Amendment 1	April 12, 2011
Amendment 2	April 27, 2011
Amendment 3	May 6, 2011
Amendment 4	May 16, 2011

The following ten companies submitted initial proposals by May 23, 2011:

Craig Technologies, Melbourne, Florida
Digital Management, Inc., Bethesda, Maryland
E&E Enterprises Global, Inc., Hampton, Virginia
e-Management, Silver Spring, Maryland
InuTeq L.L.C, Greenbelt, Maryland
ICS Nett Inc., Vienna, Virginia
MRI Technologies, Houston, Texas
Powertek Corporation, Rockville, Maryland
Tantus|OnPoint Information Technology Infrastructure Solutions, LLC, Arlington, Virginia
Zantech IT Services, McLean, Virginia

E&E's proposal did not represent a reasonable initial effort to address the essential requirements of the RFP. In accordance with NASA FAR Supplement 1815.305-70(a)(1), the proposal was determined to be unacceptable. The Contracting Officer's Determination was made on November 8, 2011, and E&E was notified on that day. NASA did not receive any further response from this Offeror.

The SEB presented its initial findings to me on March 9, 2012. At this meeting, the Contracting Officer determined that a competitive range would be established and discussions would be held with the Offerors in the competitive range. With my concurrence, the Contracting Officer included the following four Offerors in the competitive range: Digital Management, Inc. (DMI), MRI Technologies (MRI), Powertek Corporation (Powertek), and Zantech IT Services (Zantech). The Agency requested Final Proposal Revisions (FPRs) on April 20, 2012 by issuing Amendment 5 to the RFP, and received FPRs by the due date of May 7, 2012.

MISSION SUITABILITY EVALUATION

After re-evaluating each Subfactor in accordance with the weights delineated in the RFP, the SEB rated the FPRs in the following order, based on their total Mission Suitability score:

1. DMI
2. MRI
3. Zantech
4. Powertek

The table below provides the adjectival ratings assigned in each Mission Suitability Subfactor.

Subfactor Adjectival Ratings				
Subfactor	DMI	MRI	Zantech	Powertek
A – Technical Approach	Very Good	Very Good	Good	Good
B – RTOs	Good	Good	Good	Good
C – Management Approach	Very Good	Good	Good	Good

Numerical scoring was also assigned, consistent with the adjectival ratings, as prescribed in the RFP.

The details of the SEB’s evaluation of Mission Suitability for each Offeror’s FPR are presented below.

DMI

Under Subfactor A, Technical Approach, DMI received an adjectival rating of “Very Good” with one Significant Strength, five Strengths, one Weakness, no Significant Weaknesses, and no Deficiencies. DMI received the following specific findings under Subfactor A:

A Significant Strength for their Phase-in Plan, which was extremely comprehensive and significantly detailed, including identification of schedule, risks, dependencies, roles, responsibilities, and communication needs for each key phase-in activity, a communication and outreach plan for all HITSS stakeholders, and a well-analyzed set of risks and mitigation strategies that demonstrates the Offeror’s ability to assume full responsibility, ensure continuity, and provide for a smooth contract transition.

A Strength for Customer Relationship Management features, including their proposed system that provides a front-end gateway of services to enhance customer satisfaction and control, as well as the communications flow between the HITSS Program and the customers; their recognition that assessing potential service impacts will present challenges as the Agency transitions to the I3P service model; and their proposal to align individual HITSS staff performance goals with the Information Technology and Communications Division’s goals for HITSS.

A second Strength for obtaining numerous project management-based and other related certifications, demonstrating an understanding of IT project management life-cycle principles.

A third Strength for an effective strategy to modernize a legacy application environment, including a number of noteworthy features, such as a suite of tools using adaptive reuse technology and automated source code tailoring/generation. This approach for

modernizing will enable rapid and accurate modernization of legacy applications and includes a Service Oriented Architecture model, which would provide an effective strategy for applications development.

A fourth Strength for an effective approach to systems engineering and integration, including an innovation center and test lab to identify and pilot potentially relevant technologies; and for an advanced troubleshooting and problem resolution team to manage technically challenging problems.

A fifth Strength for their effective approach to establish the Online Documentation Environment for Metrics, Analysis and Deliverables (On DEMAnD) service, including the use of modeling and graph representation of data for efficient linkage and ingestion of new data sources.

A Weakness for a lack of resource realism, demonstrated by underestimates in labor resources in three Performance Work Statement (PWS) areas.

Under Subfactor B, RTOs, DMI received an adjectival rating of “Good” with no findings.

Under Subfactor C, Management Approach, DMI received an adjectival rating of “Very Good” with one Significant Strength, four Strengths, two Weaknesses, no Significant Weaknesses, and no Deficiencies. DMI received the following specific findings under Subfactor C:

A Significant Strength for a proposed integrated Business Systems Infrastructure (BSI) that includes a dashboard already in use by the company, which provides one-stop portal access to program and project data and provides a wide-ranging tool set that supports collaborative planning, analysis, and forecasting.

A Strength for their complete, thorough, and effectively described approach to managing subcontractor arrangements, including functional splits and responsibilities that are well aligned with competencies/experience, as well as the accountability of subcontractor staff to DMI’s management team.

A second Strength for their approach to fostering workforce development, which includes an automated skills tracking system, skill set assessments, and individual development plans that will contribute to the quality of service enhancements during the period of performance.

A third Strength for their thorough Quality Assurance (QA) process, which includes a suite of automation tools to create an end-to-end quality assurance program and a dedicated Service and Quality team. The QA program provides the Agency with a high confidence level in meeting contract deliverables.

A fourth Strength for their approach to collaboration that includes a plan to take full ownership of tickets, issues and service requests until resolution or responsibility acceptance is confirmed by another service provider; to establish an IT Service Partner

Forum with non-HITSS NASA contractors; and to establish an emergency response team to deal with service outages, all of which provide the Agency with high confidence that collaboration with other NASA contractors will be seamless.

A Weakness for an unreasonable backup staffing plan (if their primary staffing plan is not successful).

A second Weakness for their proposed average cost contribution for one aspect of their employee benefits package being significantly lower than a recent national survey indicates it should be.

MRI

Under Subfactor A, Technical Approach, MRI received an adjectival rating of “Very Good” with one Significant Strength, five Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies. MRI received the following specific findings under Subfactor A:

A Significant Strength for their Phase-in Plan that was comprehensive and provided a high level of detail, had a schedule with clearly defined tasks and milestones, and identified team members with their roles and responsibilities. Their plan reflected a clear understanding of dependencies on the incumbent, which will ensure continuity and smooth transition.

A Strength for their highly effective approach to Customer Relationship Management (CRM), which provides an integrated and accountable approach to work requests, customer satisfaction metrics, and communications through use of an automated work order processing and workflow system.

A second Strength for obtaining numerous project management-based and other related certifications that demonstrate an understanding of IT project management life-cycle principles. In addition, MRI proposed that all IT Project Managers will become Project Management Professional (PMP) or Certified Associate in Project Management (CAPM) certified within the first contract year.

A third Strength for establishing a framework to govern the development, maintenance, and day-to-day management of software development activities for both new and legacy application support, including a consistent set of tools and processes for the entire portfolio of applications.

A fourth Strength for an effective and innovative approach to systems engineering and integration, including a proposal to use a team member’s corporate centers of excellence to study existing and upcoming services and service offerings; and an effective plan to leverage and extend their current role as team members and engineering leads on several Agency working groups.

A fifth Strength for their effective approach to establishing the Online Documentation Environment for Metrics, Analysis and Deliverables (On DEMAnD) service, including the

use of commercially available and proven automated tools to implement key features of their approach to On DEMAnD.

Under Subfactor B, RTOs, MRI received an adjectival rating of “Good” with no findings.

Under Subfactor C, Management Approach, MRI received an adjectival rating of “Good” with no Significant Strengths, seven Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies. MRI received the following specific findings under Subfactor C:

A Strength for their approach to management of their subcontractors, including an easy to understand and complete end-to-end process flow summary for task assignments; a single, designated MRI subcontract administrator for HITSS; and an integrated cost and schedule function where critical subcontractors will report both budget and schedule against their assigned work breakdown structure for given tasks.

A second Strength for their critical management positions, which are well aligned with and highly appropriate for the requirements of the HITSS Performance Work Statement. The qualifications for these positions include robust, specific minimum requirements for experience, education, certifications, and licensing.

A third Strength for their incumbent capture plan, including their plan to target incumbent top performers, bring them on board, and enlist their help in recruiting additional desirable incumbents; and for their backup staffing plan, which includes multiple noteworthy features.

A fourth Strength for their workforce development plan, which includes continuous/ongoing learning, career development, and HITSS-specific training; performance incentives tied to technical certifications; peer-to-peer knowledge sharing; reach-out to federal/state training grants; and tracking of employee skills.

A fifth Strength for their approach to Quality Assurance that includes twenty-five discrete methods and techniques to provide control and assurance methodologies, and quality surveillance as a further measure to monitor performance, deliverables, and customer satisfaction.

A sixth Strength for their approach to collaboration. They propose to use quick-response teams to respond to service outages, and to provide quick-response training to team members. Also, one of the Offeror’s significant subcontractors is the prime contractor for two Agency-wide IT contracts. This will facilitate the negotiation, establishment and maintenance of service level agreements and memoranda of understanding.

A seventh Strength for their substantive college course reimbursement program and a strong paid time off (PTO) program for the prime and significant subcontractors.

Zantech

Under Subfactor A, Technical Approach, Zantech received an adjectival rating of “Good” with no Significant Strengths, three Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies. Zantech received the following specific findings under Subfactor A:

A Strength for their understanding of the use of automated tools associated with data center operations and management in a multi-platform environment, including identification of desirable characteristics to differentiate automated tools, and acknowledgement of the need to track utilization of both physical and virtual servers. They also presented a good analysis of which data center systems are critical.

A second Strength for their approach to systems engineering and integration (SE&I); e.g., establishment of an innovation council consisting of senior technology experts; use of an established methodology for assessment and systems integration to provide a future state roadmap for servers and storage systems; and use of existing workflow software to develop a basic set of workflows for SE&I and application development projects.

A third Strength for an innovative system design feature in the On DEMANd service; i.e., the ability for users to receive a variety of customized alerts in real-time via RSS feeds, text messages, Facebook and Twitter. These are effective, efficient and expedient ways to obtain relevant information.

Under Subfactor B, RTOs, Zantech received an adjectival rating of “Good” with no findings.

Under Subfactor C, Management Approach, Zantech received an adjectival rating of “Good” with no Significant Strengths, five Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies. Zantech received the following specific findings under Subfactor C:

A Strength for their robust approach to staffing, including traditional approaches such as employee referrals, direct advertising, college recruitment, and job fairs, as well as innovative methods such as social media, including LinkedIn. They also proposed a strong benefits package, which will increase the likelihood of incumbent capture.

A second Strength for their workforce development program, which includes individual development plans for employees, self-improvement programs, and corporate and program sponsored training. Other noteworthy features include a Computer Based Training system that has 5,000 courses; preparatory courses for professional certifications; mentoring; job shadowing; and training in project management and IT Infrastructure Library (ITIL).

A third Strength for their flexible QA program, in which a QA plan is created for every significant task order, and the level of detail in the plan is tailored depending on need and risk. Also, the proposal includes staff roles linked to the QA process to ensure a unified application of the program, and a criteria-based peer review process for project deliverables to help ensure that products and services conform to contract requirements.

A fourth Strength for a proposed substantial, integrated Business Systems Infrastructure (BSI), including use of a leading industry solution for cost inputs; an automated system for financial reporting; and an existing tool for contract reporting that is already in use by the Offeror at comparable Government installations.

A fifth Strength for Zantech's generous paid time off (PTO) benefit, including substantial accrual of vacation and sick leave. One of their significant subcontractors includes an above average sick leave benefit and a strong education and training reimbursement benefit for tuition and professional certifications.

Powertek

Under Subfactor A, Technical Approach, Powertek received an adjectival rating of "Good" with no Significant Strengths, four Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies. Powertek received the following specific findings under Subfactor A:

A Strength for their effective approach to establish and maintain Customer Service and Customer Relationship Management, including assignment of a team lead to every program, project or service who will be measured on customer satisfaction; use of process maps for business process modeling to identify interfaces and decision authorities; and a multi-faceted approach for soliciting customer feedback.

A second Strength for their thorough understanding of project management life cycle processes and best practices in a NASA IT environment, as demonstrated by a detailed cross-reference of project activities correlated to the phases in NASA Procedural Requirements (NPR) 7120.7 and the NASA Headquarters Software Management Guide (SMG).

A third Strength for their approach to systems engineering and integration, including establishment of an innovation best practices panel to evaluate emerging technologies for potential application at NASA Headquarters, and an effective plan to leverage and extend their current role as team members and engineering leads on several Agency working groups.

A fourth Strength for their mature Phase-in Plan, which provided a high level of detail, including clearly-identified tasks and milestones, a highly appropriate set of risks and mitigation plans, and a plan to conduct a thorough review of all documentation and procedures to ensure continuity of operations at contract start.

Under Subfactor B, RTOs, Powertek received an adjectival rating of "Good" with no findings.

Under Subfactor C, Management Approach, Powertek received an adjectival rating of "Good" with no Significant Strengths, four Strengths, no Weaknesses, no Significant Weaknesses, and no Deficiencies. Powertek received the following specific findings under Subfactor C:

A Strength for their effective approach to managing subcontractor arrangements, including a good presentation of their plans for governance, expectations, and

communications. Their approach also included a plan for the Program Manager to have formal input into subcontractor employee performance reviews.

A second Strength for their philosophy and approach for fostering workforce development, including employee development plans that are actively assessed for effectiveness; annual training; access to a computer-based training system that has more than 3,000 courses; educational subsidies; on-the-job mentoring; and cross-training and job shadowing via rotational assignments.

A third Strength for their robust approach to collaboration with other NASA contractors, including coordinated project planning and execution; web tool leveraging, schedules and process improvements; and a well-articulated approach to maintaining and negotiating agreements. They also proposed a detailed approach for responding to service outages using an end-to-end incident management process. In addition, one of the Offeror's subcontractors is the prime contractor for an Agency-wide IT contract, and their plan to leverage this relationship will help establish trust and meet their contract commitments.

A fourth Strength for Powertek's very good overall benefits package, including reimbursement of professional membership dues, moving expenses, and computer purchases. They also provide award and bonus programs and an employee assistance program. One of their significant subcontractors has a substantial PTO balance accrual benefit.

COST EVALUATION

A cost evaluation was conducted in accordance with FAR 15.305(a)(1), NFS 1815.305(a)(1)(B), the RFP, the definition of "cost realism" at FAR 2.101(b), and the discussion of "cost realism analysis" and "probable cost" at FAR 15.404-1(d). The SEB provided me with their detailed cost analysis during their presentation.

In conducting its assessment, the SEB evaluated the cost elements proposed by each Offeror to determine if the costs were realistic for the work to be performed, reflected a clear understanding of the requirements, and were consistent with the unique methods of performance (technical and management approach and utilization of proposed personnel) described in the technical proposal. Direct and indirect rates were verified by the Defense Contract Audit Administration (DCAA), as applicable. If information was not available from DCAA, NASA performed its own evaluation by examining supporting data provided by the Offeror. The SEB also verified that the proposed indirect rates were correctly applied to costs.

After its initial evaluation, the SEB conveyed calculation anomalies and mission suitability Weaknesses leading to probable cost adjustments to the Offerors in the competitive range, through requests for clarification and oral discussions. When they submitted their FPRs, three Offerors (MRI, Powertek and Zantech) corrected all anomalies and Weaknesses for which a probable cost adjustment had been made. Consequently, the SEB made minimal probable cost adjustments to these Offerors' proposed cost after FPRs were submitted. DMI, the fourth Offeror, retained one resource realism Weakness in mission suitability after receipt of its FPR.

This Weakness in resource realism resulted in the SEB making an upward probable cost adjustment to DMI's proposed cost.

DMI was evaluated as having the lowest proposed and probable cost, followed by Powertek, Zantech, and MRI, respectively. DMI's proposed costs were approximately nine percent lower than that of the next lowest cost Offeror (Powertek), and DMI's probable costs were approximately three percent lower than that of the next lowest cost Offeror (Powertek). All three of these Offerors had a significantly lower (by at least 20 percent) proposed and probable cost when compared to MRI's proposed and probable cost.

PAST PERFORMANCE EVALUATION

The past performance evaluation was performed in accordance with FAR Part 15 and the RFP. The SEB assigned an overall Level of Confidence rating to the Offerors, as defined in the RFP, and based on a subjective evaluation of the information provided.

For DMI's team, the SEB determined that the team's past performance had very high overall relevance after considering the size, content and complexity for all team members' evaluated contracts. Considering all performance data, the SEB determined that DMI's team had a moderate overall performance rating. The SEB determined that DMI's past performance provided the Government with an overall Moderate Level of Confidence in accordance with the criteria set forth in the RFP.

For MRI's team, the SEB determined that the team's past performance had low overall relevance after considering the size, content and complexity for all team members' evaluated contracts. Considering all performance data, the SEB determined that MRI's team had a very high performance record. The SEB determined that MRI's past performance provided the Government with an overall Low Level of Confidence in accordance with the criteria set forth in the RFP.

For Zantech's team, the SEB determined that the team's past performance had low overall relevance after considering the size, content and complexity for all team members' evaluated contracts. Considering all performance data, the SEB determined that Zantech's team had a very high performance rating. The SEB determined that Zantech's past performance provided the Government with an overall Low Level of Confidence in accordance with the criteria set forth in the RFP.

For Powertek's team, the SEB determined that the team's past performance had very low overall relevance after considering the size, content and complexity for all team members' evaluated contracts. Considering all performance data, the SEB determined that Powertek's team had a high performance rating. The SEB determined that Powertek's past performance provided the Government with an overall Low Level of Confidence in accordance with the criteria set forth in the RFP.

DECISION

I carefully reviewed the SEB's presentation materials from June 6, 2012, as well as the SEB's detailed cost narrative reports. I noted the SEB presentation supported each finding with extensive details. In addition to reading the findings and supporting details, I solicited and considered the views of all of the attendees at the presentation, including key senior officials from NASA Headquarters and Goddard Space Flight Center. These key senior officials have responsibility related to this acquisition and provided input on the application of the evaluation factors set forth in the RFP.

In determining which proposal offered the best value to NASA, I referred to the relative order of importance of the three evaluation factors as specified in the RFP, which stated that:

The Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual Factors, the Cost Factor is less important than the Mission Suitability Factor but more important than the Past Performance Factor.

My selection was based on a comparative assessment of each proposal against each of the source selection factors.

Regarding the Mission Suitability evaluation, I reviewed the Significant Strengths, Strengths, and Weaknesses associated with the Offerors and agreed with the SEB's assignment of Significant Strengths, Strengths, and Weaknesses based on the relative benefit and value of the various proposal features. The evaluation presented by the SEB provided a clear understanding of the differences in the Mission Suitability ratings of all Offerors.

For Subfactor A, Technical Approach, DMI and MRI received an overall adjectival rating of "Very Good", and Zantech and Powertek received an overall adjective rating of "Good." I did not find any significant advantages between DMI and MRI in this Subfactor, despite the fact that DMI received one Weakness. DMI and MRI both received Significant Strengths for their comprehensive and detailed phase-in plans, and each plan would be highly effective in ensuring a smooth contract transition. DMI's and MRI's five Strengths were in the same areas of customer service, project management discipline, applications environment, systems engineering and integration, and program data management. Both of their proposals included several ideas and plans that would be extremely beneficial in helping the Offerors provide high-quality IT services to satisfy the needs of the Headquarters customers. DMI's Weakness in resource realism reflected the Government's concern that they underestimated staffing in three PWS areas, but it was more than offset by the magnitude of their Strengths and proposed efficiencies. I believed DMI's Significant Strength and five Strengths for Technical Approach, even when combined with their single Weakness, demonstrated overall competence and supported a "Very Good" rating. I also believed MRI's Significant Strength and five Strengths demonstrated overall competence in Technical Approach and supported a "Very Good" rating.

I noted there was a commonality among the Strengths each Offeror received. All four Offerors received Strengths for an effective approach to systems engineering and integration, and three of the Offerors (all except Powertek) received Strengths for their approach to On DEMAnD

services. I agreed with the SEB's assessment that Zantech's technical approach should be rated lower than the technical approach of DMI and MRI, since Zantech's only other Strength for this Subfactor involved their understanding of the use of automated tools associated with data center operations. This Strength was not as important to me as DMI's Strength for their strategy to modernize a legacy application environment or MRI's Strength for establishing a software development framework, and was not sufficient to warrant a higher rating than "Good" for this Subfactor.

While I believed the Powertek proposal was slightly superior to the Zantech proposal regarding this Subfactor, I agreed that the proposals from DMI and MRI deserved a higher adjectival rating than the one the SEB gave to the Powertek proposal. All three of these proposals contained Phase-in Plans that exceeded requirements; however, the plans DMI and MRI submitted were more comprehensive than the one Powertek submitted. The SEB distinguished between Phase-in Plans on this basis, giving DMI and MRI Significant Strengths for their Phase-in Plans, while giving Powertek a Strength for their Phase-in Plan. Powertek's two other Strengths regarding their effective approach to customer service and their thorough understanding of project life cycle processes and best practices were not sufficient to warrant a higher rating than "Good" for this Subfactor.

In summary, regarding Subfactor A, Technical Approach, I found significant advantages in the two Offerors receiving "Very Good" ratings in Subfactor A (DMI and MRI) over the two Offerors receiving only "Good" ratings (Zantech and Powertek). Neither Zantech nor Powertek received a Significant Strength. Zantech received Strengths in the areas of data center, systems engineering and integration, and program data management, each of which were considered to provide benefit to NASA. Powertek received Strengths in the areas of customer service, project management discipline, systems engineering and integration, and Phase-in Plan, which would also be beneficial to the Agency. However, the findings for Zantech and Powertek did not have comparable advantages to the findings for DMI and MRI for the reasons discussed above.

All four Offerors received an overall adjectival rating of "Good" for Subfactor B, Representative Task Orders. I did not find any significant advantages among the Offerors in this Subfactor.

For Subfactor C, Management Approach, only DMI received an adjectival rating of "Very Good". The other three Offerors, MRI, Zantech, and Powertek, received an adjectival rating of "Good" for Subfactor C. DMI received the only Significant Strength finding in this Subfactor for their Business Systems Infrastructure (BSI), which will ensure contract reporting requirements are satisfied. This integrated BSI, which is already in place, also supports collaborative planning, analysis and forecasting. I agreed with the SEB's conclusion that the BSI proposed by DMI, when combined with DMI's other four Strengths, supported a "Very Good" rating and enhanced DMI's potential for successful contract performance. DMI's other Strengths were in the areas of managing subcontractor arrangements, fostering workforce development, having a good quality assurance process, and proposing an approach to collaboration that included a plan to take full ownership of tickets and service requests until resolution or responsibility acceptance was confirmed by another service provider.

I also noted that DMI was also the only Offeror to receive Weaknesses in this Subfactor, based on concerns regarding their backup staffing plan and the costs associated with one aspect of their benefits package. These Weaknesses were not of great concern, nor did I believe they warranted reducing the rating DMI received because they were either contingent, as in the case of the backup staffing plan, or of relatively low impact in terms of the one aspect of employee benefits.

The proposals from DMI and MRI both contained Strengths in Management Approach in the areas of subcontractor management, staffing and workforce development, quality assurance, and collaboration. MRI did not receive a Strength for BSI, as compared to DMI who received a Significant Strength for its BSI. MRI received other Strengths in this Subfactor for aligning critical management positions with HTSS requirements, proposing an effective incumbent capture plan, and having a substantive college course reimbursement. Nevertheless, I did not believe these Strengths were as valuable as having an integrated BSI system, since this system will improve performance by supporting collaborative planning, analysis, and forecasting. Although I agreed with the SEB rating DMI's proposal "Very Good" and MRI's "Good" for this Subfactor, I believed DMI's Management Approach proposal was only marginally better.

Comparing DMI's proposal to that of Powertek, I found that Powertek had three Strengths in similar areas as DMI: managing subcontractor arrangements, fostering workforce development, and having a robust approach to collaboration with other NASA contractors. I did note Powertek's proposal received a Strength for its benefits package. In contrast, the proposal from Powertek did not contain a Strength for its quality assurance process or BSI. Based on this view, I determined the SEB appropriately evaluated the proposal from Powertek as being of a lesser value to NASA with regard to the Management Approach Subfactor than the proposal DMI submitted.

The proposal from Zantech for Subfactor C contained two Strengths in similar areas as the proposal from DMI: having strong quality assurance and workforce development programs. I also noted that Zantech received Strengths in two areas where DMI did not: a Strength for their robust approach to staffing and a Strength for a generous PTO benefit. I also recognized Zantech received a Strength for its BSI; however, the BSI system proposed by Zantech was not as detailed and integrated as the one DMI proposed. I agreed with the SEB's rating of "Good" for Zantech as compared to DMI. DMI's comprehensive integrated BSI system should increase the likelihood of successful contract performance because it supports collaborative planning, analysis and forecasting. Additionally, I thought that the different Strengths in DMI's proposal (managing subcontractor arrangements, and proposing an approach to collaboration that included a plan to take full ownership of tickets and service requests until resolution or responsibility acceptance was confirmed by another service provider) would be of more value to NASA than the different Strengths in Zantech's management proposal (a Strength for their robust approach to staffing and a Strength for a generous PTO benefit.)

My overall conclusion regarding the Mission Suitability was that there were no compelling discriminators between DMI and MRI, even though DMI received a slightly higher Mission Suitability score. I determined, however, that the Mission Suitability Factor provided a meaningful distinction between the proposals of DMI and MRI and the proposals of Zantech and Powertek. The lower-rated proposals from Zantech and Powertek had no Significant Strengths

and provided less benefit to NASA than the proposals of DMI and MRI. Therefore, the Mission Suitability Factor was a discriminator in my decision not to select Zantech or Powertek, but it was not a discriminator in my selection decision between DMI and MRI.

Regarding the cost evaluation, DMI's proposed and probable costs were significantly lower than MRI's proposed and probable costs by approximately 30 percent and 25 percent, respectively. DMI's proposed and probable costs were also lower than the proposed costs in the Zantech and the Powertek proposals. Given this, I concluded DMI provides a cost advantage over all three other Offerors, but especially over the cost proposal submitted by MRI. The SEB made moderate upward probable cost adjustments to DMI, minor downward probable cost adjustments to MRI, and minor upward probable cost adjustments to Zantech and Powertek. However, I found none of these adjustments had a meaningful impact on the cost advantage proposed by DMI. I did not have any cost concerns based on cost realism for any Offeror; and I agreed with the SEB's findings that all Offerors submitted reasonable cost proposals.

There was a wide range in proposed costs among the four Offerors for the 30-day Phase-in contract, with DMI being the lowest because they, alone, offered to perform the 30-day Phase-in at no cost to the Government. The other three Offerors' Phase-in costs were determined to be reasonable.

I noted that DMI received a "Moderate Level of Confidence" rating for Past Performance due to their very highly relevant experience and moderate level of performance. DMI's very high relevance rating was heavily influenced by the assessment of their existing prime contract with another Government agency, whose average annual cost/fee incurred significantly exceeds that of DMI's HITSS proposal and whose scope of work very closely aligns with the content and complexity of the HITSS requirements. The other three Offerors received a "Low Level of Confidence" rating for Past Performance, which was heavily influenced by their low (MRI and Zantech) and very low (Powertek) overall relevance ratings. I found the very highly relevant experience of DMI to be a discriminator in the Past Performance Factor; however, since Past Performance is the least important evaluation factor, it, alone, was not a significant discriminator in my selection decision.

In summary, I concluded that DMI and MRI were essentially equal and more advantageous than Zantech and Powertek under the Mission Suitability Factor, which was the most heavily weighted factor in the evaluation. DMI had a higher Past Performance Level of Confidence rating than MRI, Zantech and Powertek. Given the closeness of DMI and MRI with regard to Mission Suitability, I primarily based my selection on the fact DMI offered a significantly lower proposed and probable cost than MRI. I noted that DMI offered a lower proposed and probable cost than Zantech and Powertek. However, this fact was not as meaningful since Zantech and Powertek offered less capability to NASA than DMI based upon the evaluation of Mission Suitability.

I was not required to perform a trade-off analysis because DMI received the highest Mission Suitability score, had the lowest proposed and lowest probable cost of all the Offerors in the competitive range, and obtained the highest level of confidence for Past Performance.

Based on my above review of Mission Suitability, Past Performance, and Cost, I have concluded that DMI's proposal represents the best value to NASA. Consequently, I have selected DMI for the award of the Headquarters Information Technology Support Services contract.



Leah Hollander
Source Selection Authority

6/29/2012
Date