

CONCURRENCE SHEET

1. DATE:

10/06/08

1a. CAITS CONTROL NO.:

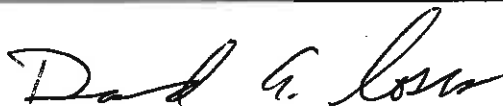
2. SUBJECT (Or brief description):

Occupational Health Services Acquisition Source Selection Statement

3. ADDRESSED TO: PS41/Tyler C. Cochran

4. NAME OF ORIGINATING DIVISION OR OFFICE AND PHONE NO.:

David A. Iosco/544-0387

5. APPROVAL OF DIRECTOR, CHIEF OR
AUTHORIZED REPRESENTATIVE:

10/6/08

SIGNATURE AND DATE

6. CONCURRENCES:

DIVISION OR OFFICE

SIGNATURE OF DIRECTOR, CHIEF
AUTHORIZED REPRESENTATIVE

DATE

AS01/Office of Center Operations



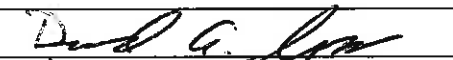
10/6/08

PS32/Operations of Business Sup. Ofc.

PS30/Institutional Support Office

LS01/Office of Chief Counsel HBM

PS01/Office of Procurement



10/6/08



10/7/08



10/7/08

7. REMARKS / COMMENTS:

Selection Statement for the Occupational Health Services Procurement

RFP NNM08226865R

On October 2, 2008, I along with other senior officials of the George C. Marshall Space Flight Center (MSFC) met with the Source Evaluation Committee (SEC) appointed to evaluate proposals in connection with the Occupational Health Services (OHS) Procurement.

I. PROCUREMENT DESCRIPTION

I appointed the members of the SEC which included representation from the Office of Center Operations, the Engineering Directorate, and the Office of Procurement. To aid in the evaluation, the SEC appointed technical evaluators with expertise in appropriate disciplines in order to provide assessments of proposal strengths and weaknesses. The SEC utilized this information in conjunction with the predetermined evaluation factors and subfactors in formulating its assessment of the strengths and weaknesses for each Offeror.

The Request for Proposal (RFP) for the Occupational Health Services Procurement was released on April 21, 2008. The RFP required the Offerors to provide the necessary management, personnel, equipment, and supplies to provide Occupational Health Services at MSFC to facilitate the health and welfare of MSFC employees.

This effort will be performed under a firm-fixed-price type contract with indefinite delivery, indefinite quantity (IDIQ) provisions. The contract consists of a one-year base period with four options years.

Three amendments were issued to the RFP:

Amendment No. 1 was released on May 7, 2008, and provided revisions to the RFP. These revisions included (1) Updating NASA FAR Supplement Clause 1852.204-76, Security Requirements for Unclassified Information Technology Resources, to remove the requirement for contractor system administrators to be certified, and specifically be certified through the NASA System Administrator Security Certification Program, (2) Replacing the labor category identified as Nursing Assistant IV (Treadmill Technician) in the RFP with the labor category identified as EKG Technician, and (3) Revising the IDIQ Price Model (Government Worksheet) in section M of the RFP to replace Nursing Assistant IV (Treadmill) with EKG Technician, and replacing the summary row "Total Estimated Value" with "Total Price."

Amendment No. 2 was released on May 14, 2008, and provided Offerors with answers to written questions received in response to the RFP.

Amendment No. 3 was released on June 20, 2008, and provided a revision to the RFP. This revision included incorporating an adjective rating/definition of Very Good to the table of adjective ratings/definitions for the Past Performance evaluation factor under Section M of the RFP. The adjective rating/definition of Very Good under the Past Performance evaluation factor was inadvertently omitted at RFP issuance.

The Government designated this procurement as a 100 percent small business set-aside under Federal Acquisition Regulation (FAR) Part 19.5. The procurement was conducted as a small business competition in accordance with FAR Part 15, entitled "Contracting by Negotiation." On May 29, 2008, proposals were received from the following companies:

AJT & Associates, Inc.
8910 Astronaut Boulevard
Cape Canaveral, FL 32920

Alliant Corporation
P.O. Box 31645
Knoxville, TN 37930-1645

Eagle Applied Sciences, L.L.C.
12500 San Pedro Ave. Suite 530
San Antonio, TX 78216

HPM Corporation
2625 W. Entiat Ave
Kennewick, WA 99336

Occupational Medicine Network, Inc.
936 Murfreesboro Road
Lebanon, TN 37090

II. EVALUATION PROCEDURES

The proposals were evaluated in accordance with the procedures prescribed by FAR Part 15 and NASA FAR Supplement (NFS) Part 1815. The Government evaluated the proposals in two general steps:

Step One – An initial evaluation was performed to determine if all information had been provided and that the Offeror had made a reasonable attempt to present an acceptable proposal. No proposal was determined to be unacceptable.

Step Two – All acceptable proposals were evaluated against the three evaluation factors contained in the RFP. Based on this evaluation, the Government had the option to utilize one of the following methods: (1) Make selection and award without discussions; or (2)

after discussions with all the finalists, afford each Offeror an opportunity to revise its proposal, and then make selection.

Selection and award is in accordance with the "Best Value Selection" (BVS) technique delineated in the RFP. A best value selection seeks to select a proposal based upon the best combination of price and qualitative effort, which includes Mission Suitability and Past Performance. The BVS evaluation is based upon the premise that, if all proposals are of approximately equal qualitative merit, award will be made to the Offeror with the lowest evaluated Price. However, the Government will consider awarding to an Offeror with the higher qualitative merit if the difference in Price is commensurate with added value. Conversely, the Government will consider making award to an Offeror whose proposal has lower qualitative merit if the Price differential between it and other proposals warrants doing so.

The RFP prescribed three evaluation factors considered essential in an offer: Mission Suitability, Price, and Past Performance. Offerors were advised that the three factors were essentially equal in importance. The three evaluation factors were described as follows:

Mission Suitability: Mission Suitability was used to evaluate the Offeror's approach to effectively and efficiently accomplish the work specified in the Performance Work Statement (PWS). The Offeror's understanding of the requirements of the PWS and the processes MSFC employs to accomplish assigned Occupational Health services in supporting those tasks were evaluated under this factor. For each Mission Suitability subfactor, the Offeror's assessment of risks inherent in their approach and their plan to mitigate those risks were evaluated as further indication of the Offeror's understanding of the requirement and the effectiveness and efficiency of their approach.

Mission Suitability consisted of four subfactors, and each subfactor received both an adjectival rating and a numerical score:

- | | |
|--------------------------------------|--------------|
| A. Management and Technical Approach | (425 points) |
| B. Staffing and Total Compensation | (300 points) |
| C. Key Personnel | (200 points) |
| D. Safety, Health and Environmental | (75 points) |

Overall, each Offeror could receive a total of 1000 points and a commensurate adjectival rating in Mission Suitability. The applicable adjective ratings were "Excellent," "Very Good," "Good," "Fair," and "Poor" as set forth and described in the NASA FAR Supplement and contained in the Occupational Health Services Evaluation Plan.

Price: The proposed price was evaluated for adequacy, reasonableness and realism. The Government evaluated price components, including indirect burdens. The adequacy, reasonableness, and realism of the proposed fully burdened labor rates and burden(s) applied to Other Direct Costs (ODCs) were evaluated for each Offeror.

The total price for the base period and all option periods were combined (including the effect of any proposed innovative approaches) and were reported. The Government derived an evaluated price for accomplishment of the IDIQ effort, for the base year and each option year, by applying the SEC predetermined skill mix and allotment of hours to the fully burdened labor rates as proposed by the Offeror.

The Government's estimated skill mix and allotment of hours were not provided to the Offerors, but were included in the Government Source Evaluation Plan in order to create a predetermined IDIQ scenario that was used for evaluation purposes only. Fully burdened IDIQ labor rates, as proposed, were populated by the Government on to the predetermined IDIQ scenario utilizing the SEC's predetermined skill mix and allotment of hours for each contract year to arrive at a total evaluated IDIQ price per year.

For evaluation purposes, the total evaluated price consisted of the total of Lump Sum Work and the IDIQ Pricing Model for the base year and all option years. Each Offeror's proposed phase-in cost was identified separately and reported to the SSA.

The SEC assessed its level of confidence (High, Medium, or Low) in the offeror's ability to successfully perform the contract at the proposed price. This assessment was reported to me.

Past Performance: The Offeror's overall corporate past performance, to include the corporate past performance of any proposed teammates/subcontractors (as opposed to that of proposed key personnel), on comparable or related program/project efforts was evaluated. Emphasis was given to the extent of direct relevant corporate experience and quality of past performance on previous contracts that were relevant to the effort defined in the RFP. This area was not numerically scored, but was assigned an adjective rating and reported to me in my capacity as the Source Selection Authority for consideration in making the selection.

The applicable adjective ratings were "Excellent," "Very Good," "Good," "Fair," and "Poor" and "Neutral" as set forth and described in Section M.4 of the solicitation.

III. DISPOSITION AND EVALUATION OF INITIAL PROPOSALS

All offers received were determined to be acceptable and were evaluated consistent with the criteria identified in the RFP. The initial findings of the Source Evaluation Board were presented to me, the Source Selection Authority (SSA), on August 6, 2008. Based on these findings, I determined that award on initial proposals was not appropriate, and I established a competitive range of the most highly rated proposals. The Offerors determined to be within the competitive range included both AJT & Associates, Inc. and HPM Corporation.

Alliant Corporation was not included in the competitive range because it did not have a reasonable chance of being selected for award. It was determined that Alliant was outside the competitive range based primarily on their Mission Suitability assessment, which was an adjectival rating of Fair. Although Alliant received one significant strength and four strengths in Mission Suitability, the discriminators included two significant weaknesses found in the Management and Technical Approach subfactor and one significant weakness found in the Key Personnel subfactor of the Mission Suitability area in their proposal. Alliant's Mission Suitability rating was lower than those firms included in the competitive range. It should be noted that Alliant's price, as proposed, was deemed competitive with those proposals remaining in the competitive range, but the SEC had low price confidence in their proposal. However, in the Past Performance factor, Alliant received an adjectival rating of Very Good, which is lower than the Offerors in the competitive range. As a result, it was determined that Alliant was not one of the most highly rated proposals and therefore was not determined to be within the competitive range.

Eagle Applied Sciences, L.L.C. was not included in the competitive range because it did not have a reasonable chance of being selected for award. It was determined that Eagle was outside the competitive range based primarily on their Mission Suitability assessment, which was an adjectival rating of Fair. Although Eagle received one significant strength and two strengths in Mission Suitability, the discriminators included one significant weakness found in the Management and Technical Approach subfactor, one significant weakness found in the Staffing and Total Compensation subfactor, and one significant weakness found in the Safety, Health and Environmental subfactor of the Mission Suitability area in their proposal. Eagle's Mission Suitability rating was lower than those firms included in the competitive range. Eagle's price, as proposed, was not deemed to be competitive with those proposals remaining in the competitive range. Additionally, in the Past Performance factor, Eagle received an adjectival rating of Very Good, which is lower than the Offerors in the competitive range. As a result, it was determined that Eagle was not one of the most highly rated proposals and therefore was not determined to be within the competitive range.

Occupational Medicine Network, Inc. (OMNI) was not included in the competitive range because it did not have a reasonable chance of being selected for award. It was determined that OMNI was outside the competitive range based primarily on their Mission Suitability assessment, which was an adjectival rating of Fair. Although OMNI received no significant strengths and four strengths in Mission Suitability, the discriminators included one significant weakness found in the Management and Technical Approach subfactor and one significant weakness found in the Key Personnel subfactor of the Mission Suitability area in their proposal. OMNI's Mission Suitability rating was lower than those firms included in the competitive range. OMNI's price, as proposed, was not deemed to be competitive with those proposals remaining in the competitive range. Additionally, in the Past Performance factor, OMNI received an adjectival rating of Good, which is lower than the Offerors in the competitive range. As a result, it was determined that OMNI was not one of the most highly rated proposals and therefore was not determined to be within the competitive range.

By letters dated August 7, 2008, the two firms in the competitive range were advised of their status and provided with their respective weaknesses and clarifications identified during the evaluation of their proposals. The letters established August 19, 2008, as the due date for all written responses. Accordingly, August 25-26, 2008, was established as the date for oral discussions with AJT, and August 27-28, 2008, was established as the date for oral discussions with HPM. Oral, written, and telephonic discussions continued with both firms throughout the week of August 25, 2008 and with AJT on September 3, 2008.

On September 4, 2008, a letter requesting Final Proposal Revisions (FPRs) was sent to AJT and HPM with a due date for receipt of FPRs on September 10, 2008. Subsequently, these final proposals were evaluated consistent with the criteria identified in the RFP. During review of the FPRs, potential errors were identified with the Price Volume Excel spreadsheets of each offeror, which affected the price of each offeror's proposal. Additionally, upon preliminary review of AJT's FPR, it was noted that an issue/error had been created in the area of Service Contract Act minimum leave requirements. Pursuant to NASA Far Supplement 1815.307, Proposal Revisions, discussions were reopened by letters dated September 22, 2008 with both offerors for the limited purpose of correcting the above cited errors. Both offerors submitted corrections for the above cited errors on September 24, 2008.

IV. Evaluation of Final Proposal Revisions

As a result of the discussion process and the Final Proposal Revisions, both Offerors, determined to be finalists, increased their Mission Suitability numerical scores; however, both offerors maintained the adjectival rating received in the initial scoring. The Past Performance adjective rating for both Offerors did not change. In addition, both Offerors revised their Price Proposals based upon discussions. The final evaluation results of the FPRs are summarized below.

AJT

In the Mission Suitability factor, AJT received an overall score of 781 and an adjective rating of Very Good. AJT had no deficiencies, 2 significant strengths, 8 strengths, no significant weaknesses, and 1 weakness remaining after discussions.

Under the Management and Technical Approach subfactor, AJT received an adjective rating of Excellent. AJT received 1 significant strength, 4 strengths, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: 1

- The offeror proposes an organizational structure with clear lines of communication and authority that will facilitate contract performance. The only

subcontractor is for ambulance services, which is only 2.9 WYE. The bulk of the employees work for the prime. This will greatly enhance the offeror's ability to manage implementation of the PWS in an efficient manner.

Strengths: 4

- The offeror thoroughly defined their quality approach methodology beyond the Request for Proposal (RFP) requirements. In particular, their meticulous understanding of quality management and its processes is very well documented in section MTA6 of their proposal. In addition, each of the offeror's DRD descriptions thoroughly describes their quality control processes. As documented in Appendix B, DRD 1237QE-001, Medical Quality Assurance (QA) Plan, shows their well defined, systematic approach to ensuring quality control is maintained.
- The proposal utilizes paramedic staff to administer the Automated External Defibrillator (AED) program. This cross-utilization personnel demonstrates an efficient use of resources.
- The offeror will approve outside labs' Quality Assurance Plans prior to using those labs, which will ensure only high quality labs will be used for contracted work.
- The proposal demonstrated a very good understanding of how to communicate within the MSFC community as shown by their explanation of internal cross-communication between the various functional teams and processes for ensuring issues and concerns are brought forward to their MSFC counterparts.

Significant Weaknesses: None

Weaknesses: None

Under the Staffing and Total Compensation Plan subfactor, AJT received an adjective rating of Good. AJT received no significant strengths, 2 strengths, no significant weaknesses, and 1 weakness. These findings are summarized as follows:

Significant Strengths: None

Strengths: 2

- The proposal includes processes and appropriate staffing levels that show a thorough understanding of the PWS, including use of 3.8 registered nurses and 4 industrial hygienists. This provides the staffing needed to implement the PWS and the ability to handle minor fluctuating/increasing workloads.

- The proposal includes 100% premium payment for health/disability benefits for the prime employees who require self only coverage. This enhances the offeror's ability to recruit/retain employees who require self only coverage.

Significant Weaknesses: None

Weaknesses: 1

- The proposal states employees who select family health insurance must pay above the national average for the coverage and all employees have a waiting period before their health insurance takes affect. This will adversely impact the ability to attract and retain quality employees.

Under the Key Personnel subfactor, AJT received an adjective rating of Good. AJT received no significant strengths, 1 strength, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: None

Strengths: 1

- The proposal includes a well qualified person for the position of Medical Director who has very good experience in managing occupational medicine programs. The Medical Director has one year experience as the medical director for occupational medicine as well as two years as the deputy medical director and 15 years managing a family clinic. He received an excellent referral from his customer representative on his previous contract.

Significant Weaknesses: None

Weaknesses: None

In the Safety, Health, and Environmental Plan subfactor, AJT received an adjective rating of Excellent. AJT received 1 significant strength, 1 strength, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: 1

- The proposal provides a Safety, Health, and Environmental (SHE) Plan that is comprehensive, of exceptional merit, is extremely thorough in addressing each Core Process Requirement and subelement and proposed additional safety initiatives beyond the MSFC requirements. Examples include the employee safety committee and a quarterly review of the contractor SHE Program.

Strengths: 1

- The proposal identified a very good continuous risk management process consisting of 6 steps of identifying the risks associated with implementing their SHE Program at MSFC. The plan will analyze, track, and control each risk.

Significant Weaknesses: None

Weaknesses: None

In the Past Performance factor, AJT received 2 significant strengths, no strengths, no significant weaknesses, and no weaknesses which resulted in the adjective rating of Excellent. These findings are summarized as follows:

Significant Strengths: 2

- The offeror demonstrated highly relevant past performance on the MSFC Occupational Health Services contract for all aspects of the PWS. Overall, the quality of past performance was assessed to be excellent.
- The Offeror's three year Lost Time Case (LTC) average is less than 50 percent of the Department of Labor, Bureau of Labor Statistics LTC national average for a given NAICS. Specifically, NAICS 621111 is 0 compared to 0.4.

Strengths: None

Significant Weaknesses: None

Weaknesses: None

In the Price factor, AJT proposed a Total Evaluated Price of \$24,161,609. The Total Evaluated Price consisted of a Firm-Fixed Price of \$17,326,247 and an IDIQ price (as calculated using the Government Model) of \$6,835,362. The SEC determined the proposed price was reasonable, complete, and ensured that all PWS requirements were reflected in the price. The SEC gave AJT a Medium Price confidence rating.

HPM

In the Mission Suitability factor, HPM received 2 significant strengths, 11 strengths, and had no significant weaknesses and no weaknesses. HPM received an overall score of 859 and an adjective rating of Very Good in Mission Suitability.

Under the Management and Technical Approach subfactor, HPM received an adjective rating of Excellent. HPM received 1 significant strength, 6 strengths, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: 1

- The Offeror's proposed deployment of the Automated External Defibrillator (AED) program at MSFC modeled after a nationally recognized AED program.

Strengths: 6

- The offeror proposes an organizational structure with clear lines of communication and authority that will facilitate contract performance. The majority of the employees work for the prime. This will enhance the offeror's ability to manage implementation of the PWS in an efficient manner.
- The proposal demonstrates a clear understanding of the industrial hygiene processes necessary to execute the PWS requirements. Specifically, the proposal flowchart provides a concise and thorough model for resolving both reactive and proactive industrial hygiene issues.
- The proposal provides for the utilization of corporate assets to cover short term and surge needs. The proposal does a thorough job of describing Offeror assets outside this contract (e.g., Wyle personnel at JSC) that could be brought to bear on this contract if needed, which will greatly reduce the impact of short term personnel shortages or increased workload.
- The offeror thoroughly defined their quality approach methodology beyond the Request for Proposal (RFP) requirements. In particular, their complete descriptions in section MTA6.1 for managing their quality control processes shows a high level of understanding for quality management and its processes.
- The offeror proposes a sound approach for verifying the credentials for professional employees utilizing Credential America to provide application processing and to serve as the primary source of credential verification.
- The offeror proposes to be compliant with Accreditation Association for Ambulatory Health Care (AAAHC) standards and Coordinated Quality Improvement Program (CQIPs) rules and criteria which will provide a robust quality program. This compliance exceeds the requirements of the PWS.

Significant Weaknesses: None

Weaknesses: None

Under the Staffing and Total Compensation Plan subfactor, HPM received an adjective rating of Good. HPM received no significant strengths, 3 strengths, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: None

Strengths: 3

- The proposal includes processes and appropriate staffing levels that show a thorough understanding of the PWS, including use of 3.7 registered nurses and 4.5 industrial hygienists. This provides the staffing needed to implement the PWS and the ability to handle minor fluctuating/increasing workloads.
- The proposal provides for carry over of seniority of incumbent years of service. This enhances the offeror's ability to attract and retain employees.
- Wyle employees who select family health insurance coverage and HPM employees who select self only coverage pay below the national average for the coverage. This will enhance their ability to attract and retain quality employees.

Significant Weaknesses: None

Weaknesses: None

Under the Key Personnel subfactor, HPM received an adjective rating of Excellent. HPM received 1 significant strength, 1 strength, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: 1

- The offeror is proposing a highly qualified person for the position of program manager who has 7 years of experience managing an equivalent program at Johnson Space Center (JSC) utilizing 100+ employees and who received an exceptional recommendation from the current JSC head of the Life Sciences Directorate.

Strengths: 1

- The proposal includes a well qualified person for the position of Medical Director who has very good experience in managing occupational medicine programs. The Medical Director has one year of experience as the medical director for occupational medicine as well as two years as the deputy medical director and fifteen years managing a family clinic. He received an excellent referral from his customer representative on his previous contract.

Significant Weaknesses: None

Weaknesses: None

In the Safety, Health, and Environmental Plan subfactor, HPM received an adjective rating of Good. HPM received no significant strengths, 1 strength, no significant weaknesses, and no weaknesses. These findings are summarized as follows:

Significant Strengths: None

Strengths: 1

- The proposal identified a very good risk and mitigation plan that assures SHE Plan compliance, as well as ensuring worksite hazard analysis.

Significant Weaknesses: None

Weaknesses: None

In the Past Performance factor, HPM received 3 significant strengths, no strengths, no significant weaknesses, and 1 weakness which resulted in the adjective rating of Excellent. These findings are summarized as follows:

Significant Strengths: 3

- The offeror demonstrated highly relevant past performance on the Site Occupational Medicine contract at DOE's Hanford site, covering every aspect of the PWS with the exception of health physics. Overall, the quality of past performance was assessed to be excellent plus.
- The offeror demonstrated highly relevant past performance on the Occupational Medicine/Occupational Health contract and the Bioastronautics contract at JSC, covering every aspect of the PWS with the exception of a small number of consultation services (e.g. ergonomic surveys). Overall, the quality of past performance was assessed to be excellent.
- The Offeror's three year Lost Time Case (LTC) average of 0.08 for their subcontractor Wyle is less than 50 percent of the Department of Labor, Bureau of Labor Statistics LTC national average of 0.4 for the specific NAICS code 541710. Also, Wyle's two year LTC average was zero under NAICS code 62111 as compared to the national average of 0.4.

Strengths: None

Significant Weaknesses: None

Weaknesses: 1

- The Offeror's three year Lost Time Case (LTC) average of 1.16 is two times greater than the Department of Labor, Bureau of Labor Statistics LTC national average of 0.4 for the NAICS code 62111 (Site Occupational Medicine Contract (SOMC)).

In the Price factor, HPM proposed a Total Evaluated Price of \$24,393,266. The Total Evaluated Price consisted of a Firm-Fixed Price of \$17,355,193 and an IDIQ price (as calculated using the Government Model) of \$7,038,073. The SEC determined the proposed price was reasonable, complete, and ensured that all PWS requirements were reflected in the price. The SEC gave HPM a High Price confidence rating.

V. Decision

Immediately following the SEC presentation on October 2, 2008, I met in executive session with the key senior advisors, all of whom heard the presentation and were familiar with the RFP. These advisors included representatives from the Office of Center Operations, Office of Chief Counsel, Office of Chief Information Officer, Office of Safety & Mission Assurance, Office of the Chief Financial Officer, and Office of Procurement. I solicited and considered their views in reaching my decision. With respect to the process and findings, we concluded that the evaluation plan was followed, and the evaluation of the proposals was comprehensive, thorough, and well-documented.

During the presentation, the senior advisors and I thoroughly questioned the SEC on a number of points. We noted that the discussion process was well utilized because labor rate and skill mix issues for both Offerors were satisfactorily resolved. In addition, both AJT and HPM increased their Mission Suitability scores, although AJT lost a significant strength as a result of a change in the Program Manager position from the initial proposal submission to the Final Proposal Revision. Only HPM eliminated all of its Mission Suitability weaknesses.

We noted this was a close competition across two of the three evaluation factors. In probing the SEC during its presentation and taking into consideration its evaluation of the proposals against the prescribed evaluation criteria contained in the RFP, I concluded the successful Offeror is HPM Corporation. The rationale for my decision follows.

Although both offerors received an overall Mission Suitability adjectival rating of Very Good, HPM had the highest overall Mission Suitability numerical score by approximately 10%. A comparison of the two Offerors in Mission Suitability revealed that both companies received the same adjectival ratings for the Management and Technical Approach subfactor and the Staffing and Total Compensation subfactor, although HPM received slightly higher numerical scores in these two subfactors. A comparison of the Key Personnel subfactor revealed that HPM received a higher adjectival score and commensurate higher numerical score than AJT. A comparison of the Safety, Health and Environmental subfactor revealed that AJT received a higher adjectival score and commensurate higher numerical score than HPM. In total, AJT received two significant strengths, eight strengths, no significant weaknesses, and one weakness in the overall Mission Suitability factor. HPM received two significant strengths, eleven strengths, and no significant weaknesses nor weaknesses.

In the Management and Technical Approach subfactor, both Offerors received an adjectival rating of Excellent; however, HPM received a slightly higher numerical score than AJT. HPM received one significant strength and six strengths; AJT received one significant strength and four strengths. I was impressed with HPM's significant strength resulting from their proposal to deploy an Automated External Defibrillator (AED) program at MSFC in a manner modeled after a nationally recognized AED program. Furthermore, it is noteworthy that HPM provided for the utilization of their corporate assets to cover short term needs and surge needs. I noted that AJT's significant strength was their proposed organizational structure having clear lines of communication and authority that would facilitate contract performance. However, I determined that HPM's accumulated strengths in this subfactor outweighed those of AJT. Therefore, while we noted that both Offerors were qualified to perform the contract, HPM demonstrated an advantage in the Management and Technical Approach subfactor.

In the Staffing and Total Compensation subfactor, both Offerors received an adjectival rating of Good; however, HPM received a higher numerical score than AJT. Under this subfactor, neither company received any significant strengths; however, HPM received three strengths and AJT received two strengths and one weakness. We noted that AJT's proposal included family health insurance costs to be paid by employees were above the national average for the coverage and that all employees would have a waiting period before their health insurance takes affect. This could adversely impact the ability to attract and retain quality employees. As a result, I concluded that HPM had an advantage in the Staffing and Total Compensation subfactor.

In the Key Personnel subfactor, HPM received an adjectival rating of Excellent and AJT received an adjectival rating of Good. Under this subfactor, HPM received one significant strength and one strength; AJT received one strength. We noted that HPM's proposed program manager was determined to be highly qualified for the position and had seven years of experience managing an equivalent program at the Johnson Space Center utilizing over one hundred employees. This individual also received an exceptional recommendation from customer references. Subsequent to the discussions process, we also noted that AJT proposed a new program manager in its Final Proposal Revision. Based on review of the resume included in the FPR and discussions with references provided, a determination was made that AJT's proposed program manager was adequate. Both offerors proposed a medical director who was determined to be well qualified and who has very good experience in managing occupational medicine programs. The proposed person for both offerors has one year of experience as a medical director, as well as two years as a deputy medical director and fifteen years managing a family clinic. This individual received an excellent referral from customer representatives. As a result, based on my review and analysis of the strengths of both Offerors, I determined that HPM had a clear advantage under the Key Personnel subfactor.

In the Safety, Health, and Environmental subfactor, AJT received an adjectival rating of Excellent and HPM received an adjectival rating of Good. AJT received one significant strength and one strength; HPM received one strength. We noted that AJT's proposal

included a Safety, Health, & Environmental (SHE) Plan that was comprehensive, of exceptional merit, was extremely thorough in addressing each Core Process Requirement and subelement and proposed additional safety initiatives beyond the RFP requirements. Examples included the employee safety committee and a quarterly review of the contractor SHE Program. As a result, I concluded that AJT had a clear advantage under the Safety, Health, and Environmental subfactor.

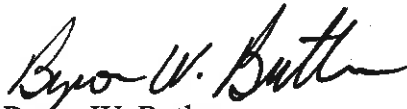
We next considered the Price factor. Both Offerors adjusted their price proposals in response to discussions. For the total evaluated price, AJT's evaluated proposed price (*i.e.*, \$24,161,608) was less than HPM's evaluated proposed price (*i.e.*, \$24,393,267), representing a difference of 0.96%. It was noted HPM's proposed price (*i.e.*, \$17,355,193) for the lump sum portion of the contract, which includes the base year plus all four option years, was only 0.17% higher than the price proposed by AJT (*i.e.*, \$17,326,247). It was noted that AJT proposed a higher profit percentage than HPM whereas HPM proposed more productive work hours within each year of the contract. HPM proposed a phase-in price of \$41,570 that I determined to be reasonable for this effort. Although AJT's evaluated price was slightly lower than HPM's, I was mindful that HPM's proposal contained more productive work hours. As a result, I concluded that neither offeror had an advantage in the Price factor nor was price any longer a valuable discriminator.

In the Past Performance factor, both Offerors received an adjectival rating of Excellent. HPM received three significant strengths and one weakness; AJT received two significant strengths. The senior advisors and I noted that past performance was evaluated for comparable or related efforts with emphasis given to the extent of direct relevant corporate experience and quality of past performance on previous contracts that are highly relevant to the effort defined in this RFP. It was noted that AJT demonstrated highly relevant past performance on only one contract, which was the MSFC Occupational Health Services contract and, that overall, the quality of past performance was assessed to be excellent. In comparison, it was noted that HPM demonstrated highly relevant past performance on three contracts. That is, the Site Occupational Medicine contract at the Department of Energy's Hanford site, with the quality of past performance assessed to be excellent plus and HPM's subcontractor, Wyle, demonstrated highly relevant past performance on the Occupational Medicine/Occupational Health contract at the Johnson Space Center (JSC), and the Bioastronautics contract at the Johnson Space Center with the quality of past performance assessed to be excellent on both JSC contracts. Between these three contracts, all aspects of the Performance Work Statement were covered. Given the past performance experience on multiple highly relevant contracts by HPM and rating of excellent and excellent plus on these contracts, even taking into consideration HPM's one weakness pertaining to the lost time case rate, I concluded that HPM had a slight advantage over AJT in the Past Performance factor.

After polling all of my advisors and obtaining their inputs, I determined that this competition was close. However, in using the best value selection process, I sensed there were discriminators favoring the selection of HPM. That is, I felt that HPM's proposed Program Manager was clearly superior to AJT's proposed Program Manager as

evidenced by the granting of a significant strength to HPM's proposed Program Manager as opposed to an adequate rating for AJT's proposed Program Manager. In light of the fact that the RFP designated this position as key, I was well aware that the selected individual would have significant influence on the successful performance of this entire contract. Further, I was mindful of AJT's clear advantage in the Safety, Health and Environmental subfactor. However, as set forth in the RFP, this was the least important subfactor with only 75 points available out of 1,000 Mission Suitability points, and as a result, I weighed this accordingly. Therefore, in line with the discussion above pertaining to the Mission Suitability factor, I concluded HPM held the advantage under this factor. As to price, based on the above explanation, I concluded that neither offeror maintained an advantage and as a result, this factor was not a valuable discriminator. Finally, in looking at Past Performance and considering the relevant contracts proposed by the offerors, AJT referenced only one highly relevant contract with excellent ratings, albeit the incumbent contract, whereas HPM referenced three highly relevant contracts with excellent and excellent plus ratings. Therefore, I concluded HPM had a slight advantage in the Past Performance factor.

Therefore, taking into consideration the totality of the above, I concluded that HPM Corporation provided the best value selection for the Government and select HPM Corporation for award of the Occupational Health Services contract at the George C. Marshall Space Flight Center.

A handwritten signature in black ink, reading "Byron W. Butler". The signature is fluid and cursive, with the first name "Byron" and last name "Butler" clearly distinguishable.

Byron W. Butler
Source Selection Authority