

ATTACHMENT 3
SECTION M
EVALUATION FACTORS FOR SELECTION USING PERFORMANCE PRICE
TRADEOFF PROCEDURES

A. BASIS FOR SELECTION

This acquisition will utilize Performance Price Tradeoff (PPT) source selection evaluation procedures to make an integrated assessment for a best fit selection decision. In order to minimize the costs to both the offeror and the Government, DLA Energy will make a selection of the offeror that provides the best technical approach for the greatest level of savings achieving a holistic, comprehensive energy conservation effort at EAFCB. The focus of this selection will be the offeror's likeliness to successfully perform a project of this magnitude. Only one offeror will be selected to proceed forward to perform this resultant Utility Energy Service Contract (UESC).

While the Government source selection evaluation team will strive for maximum objectivity, the source selection evaluation process, by its nature, is subjective and, therefore, professional judgment is implicit throughout the entire process. The Government reserves the right to make a selection without discussions. Therefore, each initial offer should contain the offeror's best terms in response to the Request for Proposal (RFP). However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary.

An offeror must affirmatively demonstrate its responsibility, including, when necessary, the responsibility of its proposed subcontractors. In accordance with FAR 9.103, the Contracting Officer shall make an affirmative determination of responsibility for each Offeror. FAR 9.104-1 defines the general standards to which a prospective contractor must comply in order to be determined responsible.

B. NUMBER OF CONTRACTS TO BE AWARDED

The Government intends to select one offeror for this requirement following the completion of the source selection evaluation process. However, the Government reserves the right not to make a selection, depending on the quality of the offers submitted.

C. EVALUATION FACTORS

1. Offers:

Selection will be made to the offeror proposing the combination most advantageous to the Government based upon an integrated assessment of the evaluation factors listed below:

Factor 1: Technical Capability

Sub-factor 1: Identification of Energy Conservation Measures

Sub-factor 2: ECM Rationale

Sub-factor 3: Subcontracting Arrangements

Factor 2: Past Performance

Factor 3: Price Factor

2. Order of Importance:

In PPT, technical acceptability is a prerequisite to the trade-off between past performance and price. The Order of Importance is used to explain how the other factors will be traded off on technically acceptable proposals. Factor 1, Technical Capability, will be evaluated at the sub-factor level with the sub-factors listed in descending order of importance, and an overall rating for Factor 1 will not be given. Each sub-factor under Factor 1 is more important than Factor 2, Past Performance, which itself is more important than Factor 3, Price. Therefore, any sub-factor under Factor 1 that is rated less than acceptable during evaluation will not be eligible for selection. An offeror that receives a rating of no confidence for Factor 2 will be ineligible for selection.

3. Evaluation Methodology:

The Government evaluation teams will evaluate the technical capability, past performance and price factors simultaneously to facilitate an expeditious selection. The Government technical evaluation team will evaluate the technical capability sub-factors based on a combined technical/risk rating that includes consideration of risk in conjunction with the strengths, weaknesses, significant weaknesses, uncertainties, and deficiencies in determining a technical rating of outstanding, good, acceptable, marginal, or unacceptable for each sub-factor. The proposals shall be evaluated against the sub-factors listed in paragraph (4) below. Past performance will be evaluated as described in the paragraph (5) below. The price factor will be evaluated as described in paragraph (6) below. The source selection evaluation team will then review all evaluated offers to make an integrated assessment for a best fit award decision.

4. Factor 1 – Technical Capability:

Each sub-factor within the technical capability factor will be rated independently, and, only those offeror's with an Acceptable rating or higher for each sub-factor will be considered for selection. Each sub-factor will receive one of the ratings described below based on the criteria listed below.

Combined Technical/Risk Rating Method		
Color Rating	Adjectival Rating	Description
Blue	Outstanding	Proposal indicates an exceptional approach and understanding of the requirements and contains multiple strengths, and risk of unsuccessful performance is low.
Purple	Good	Proposal indicates a thorough approach and understanding of the requirements and contains at least one strength, and risk of unsuccessful performance is low to moderate.
Green	Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate.
Yellow	Marginal	Proposal has not demonstrated an adequate approach and understanding of the requirements, and/or risk of unsuccessful performance is high.
Red	Unacceptable	Proposal does not meet requirements of the solicitation, and thus, contains one or more deficiencies, and/or risk of unsuccessful performance is unacceptable. Proposal is unselectable.

Subfactor 1 – Identification of Energy Conservation Measures:

The criteria is met when the offeror provides sound and logical energy conservation measures that meet the needs of EAFCB. The discussion must also present a clear understanding of the offeror's best industry practices for investigation and development of the ECMs recommended. The response shall clearly illustrate how the offeror drew upon and utilized the information provided in the RFP to make any such recommendation.

Subfactor 2 – ECM Rationale:

The criteria is met when the offeror clearly articulates their rationale for the ECMs selected and the determining factors culminating in the ECM's recommendation for EAFCB. The response should provide clear and convincing evidence why and how the selected ECM will meet the needs of EAFCB. As a minimum requirement, the Utility shall submit their draft schedule RFP Attachment 1) depicting the First Year Estimated Cost Savings by ECM illustrating the Utility's selected ECMs. All of the offeror's assumptions shall be highlighted in its response.

Subfactor 3 – Subcontracting Arrangements:

The criteria is met when the offeror provides a discussion of the resources they intend to utilize as well as any teaming arrangements to be established should they be selected. The submission must include a discussion of the small business participation intended for the subsequent project if selected. The discussion should present the need for any such arrangements and how the arrangement will satisfy the needs of EAFCB.

5. Factor 2 – Past Performance:

The offeror's response to this factor should include three (3) references illustrating the offeror's past performance. The offeror shall provide the agency/owner point of contact (name, title, phone number, and email address), location of each project, contract number, date of task order or contract award, and actual or project construction completion date.

Offerors without a record of relevant past performance or for whom information on past performance is not available will not be evaluated favorably or unfavorably on past performance and, as a result, will receive an "Unknown Confidence" rating for the Past Performance factor. More relevant performance will have a greater impact on the Performance Confidence Assessment than less recent or no relevant efforts. A strong record of relevant past performance may be considered more advantageous to the Government than an "Unknown Confidence" rating. Any offer receiving a rating of "No Confidence" will not be considered for selection.

The past performance evaluation assesses the degree of confidence the Government has in an offeror's ability to successfully perform the solicitation requirements while meeting schedule, budget, and performance quality constraints as

defined in the solicitation. The evaluation is based on recency, relevancy, and a demonstrated record of performance. The past performance factor will receive one of the following performance confidence assessments:

Performance Confidence Assessment Ratings	
Adjectival Rating	Description
Substantial Confidence	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
Satisfactory Confidence	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
Neutral Confidence	No recent/relevant performance record is available or the offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned. The offeror may not be evaluated favorably or unfavorably on the factor of past performance.
Limited Confidence	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort.
No Confidence	Based on the offeror's recent/relevant performance record, the Government has no expectation that the offeror will be able to successfully perform the required effort.

(i). Evaluation Process – The past performance evaluation considers the offeror's demonstrated record of performance in providing products and services that meet customer's needs. The Government may consider past performance in the aggregate in addition to consideration on an individual contract basis. In conducting the past performance evaluation, the Government reserves the right to use both the information provided in the offeror's past performance proposal submission and information obtained from other sources, such as the Past Performance Information Retrieval System (PPIRS), Federal Awardee Performance and Integrity Information System (FAPIIS), Electronic Subcontract Reporting System (eSRS), or other data bases; the Defense Contract Management Agency; and interviews with Program Managers, Contracting Officers, and Fee Determining Officials. The Government may also utilize commercial sources as well as interviews with Government customers and commercial clients. It may also include interviews with any other sources known to the Government. The past performance confidence assessment rating is based on the offeror's overall record of recency, relevancy, and quality of performance.

(ii) Recency Assessment - An assessment of the past performance information will be made to determine if it is recent. To be recent, the UESC effort must have been performed during the past five (5) years from the date of issuance of this RFP. Past performance information that fails this condition may not be evaluated. NOTE: If any part of the performance falls within the above timeframe, the contract in its entirety may be evaluated for past performance. In this evaluation, a rating of acceptable or unacceptable will be assessed to each submitted previously performed energy conservation effort.

RECENCY RATINGS	
Rating	Description
RECENT	Present/past performance efforts were performed no more than five years prior to the issuance of the solicitation.
NOT RECENT	Present/past performance efforts were performed more than five years prior to the issuance of the solicitation.

(iii) Relevancy Assessment - The Government will conduct an in-depth evaluation of all recent performance information obtained to determine how closely the products provided/services performed under those contracts relate to the description of work in the RFP. A relevant contract is one that illustrates experience in developing, designing, implementing and funding an energy conservation effort.

A relevancy determination of the offeror's past performance will be made based upon the aforementioned considerations. In determining relevancy for individual contracts, the Government will consider the portion of the effort accomplished on previous/current contracts compared to the portion to be performed on the proposed effort. For example: Past Performance for a subcontractor for Project Management will only be considered if that same subcontractor is to perform Project Management on the proposed effort. The Government will not be bound by the offeror's opinion of relevancy.

The Government will use the following degrees of relevancy when assessing recent, relevant contacts:

Past Performance Relevancy Rating Method	
Adjectival Rating	Description
Very Relevant	Present/past performance effort involved essentially the same scope and magnitude of effort and complexities this solicitation requires.
Relevant	Present/past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
Somewhat Relevant	Present/past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.
Not Relevant	Present/past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

6. Factor 3 - Price Factor

The criteria is met when the offeror provides a clear discussion, along with its associated percentage of discount, for any cost benefit or other financial advantage their company can bring to the Government that would reduce the amount of principal borrowed for a subsequent project. The ratings assessed for this factor shall be acceptable or unacceptable.

D. DISCUSSIONS

It is the Government's intent to make a selection without discussions; therefore, it is imperative that offerors submit their complete information and best terms initially.

E. NOTICE OF OPPORTUNITY REQUIREMENTS, TERMS AND CONDITIONS

Offerors are required to meet all RFP requirements, such as terms and conditions, representations and certifications, and technical requirements, in addition to those identified as evaluation factors. Failure to meet a requirement may result in an offer being ineligible for selection. Offerors must clearly identify any exception to the RFP and provide complete accompanying rationale.