

Award Justification Statement
Solicitation # BC16018
Contract Name: *NASPO ValuePoint Small Package Delivery*

Conclusion

Overall, the evaluation committee determined that the proposals submitted by Fed Ex, Golden State Overnight, and UPS provide the best value and should be awarded a contract.

Evaluation Process

Proposals were evaluated in accordance with Part 7 and 12 of the Utah Procurement Code by an Evaluation Committee comprised of subject matter experts from various member states. A representative from the State of Utah Division of Purchasing attended the evaluation committee meetings to ensure that the process outlined in the Procurement Code was followed but was not a voting member of the evaluation committee. A request for proposal was issued by the State of Utah Division of Purchasing to select a qualified consulting evaluator to provide small package delivery services. Under Utah Code 63G-6a-702(2), the RFP process was used because criteria other than cost were considered important in determining which proposal provides the best value to the State.

The following paragraphs describe the evaluation process, each scoring category and explain and compare the scores assigned to each proposal by the State's evaluation committee.

Responses

In total, four offerors submitted proposals. All but one proposal were determined to meet the mandatory minimum requirements during Phase 1: Minimum Mandatory Requirements and moved to Phase 2 for an evaluation of each vendor's technical proposal. The proposal that did not meet the minimum mandatory requirements was rejected pursuant to the requirements established in the RFP.

Phase 2: Technical Proposal Evaluation Criteria:

The RFP document stated and Attachment E demonstrated that offerors were required to meet a technical score threshold of at least 490 points to move to Phase 3 of the RFP.

Proposals were evaluated against the following technical proposal evaluation criteria:

A. Qualification of Carriers (100 points possible)

Criteria:

Offeror will be evaluated based on its response to Section 4.1(A). Offeror is not limited to its response to Section 4.1(A) and may expand as needed.

Evaluation:

Fed Ex: 88 Points

GSO: 80 Points

UPS: 92 Points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. Fed Ex and UPS were awarded slightly higher for providing more documentation regarding their authorization as carriers. UPS was awarded more points for providing an overall shipment claims ratio rather than a ratio specific to a single state.

B. Prior Experience (100 points possible)

Criteria:

Offeror will be evaluated based on its response to Section 4.1(H). Offeror is not limited to its response to Section 4.1(H) and may expand as needed.

Evaluation:

Fed Ex: 92 Points

GSO: 84 Points

UPS: 88 Points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. Fed Ex and UPS were awarded slightly higher for providing more robust performance and financial reporting. Fed Ex was awarded more points for providing information for 37 states.

C. Drop Boxes (50 points possible)

Criteria:

Offeror will be evaluated based on its response to Section 4.1(J). Offeror is not limited to its response to Section 4.1(J) and may expand as needed.

Evaluation:

Fed Ex: 44 Points

GSO: 40 Points

UPS: 46 Points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. Fed Ex was awarded more points for providing detail regarding shipping supplies available at drop boxes. GSO was awarded extra points for proposing to place drop boxes in new locations upon request. UPS was awarded the most points for allowing all shipments from drop box locations and scanning shipments from drop box locations as opposed to a facility.

D. Point of Contact (50 points possible)

Criteria:

Offeror will be evaluated based on its response to Section 4.1(L). Offeror is not limited to its response to Section 4.1(L) and may expand as needed.

Evaluation:

Fed Ex: 46 points

GSO: 44 Points

UPS: 42 Points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. Fed Ex and GSO were awarded more points for providing greater detail for the point of contact and regional points of contact. Fed Ex received additional points for its proposed quality assurance measures.

E. Marketing Plan (50 points possible)

Criteria:

Offeror will be evaluated based on its response to Section 4.1(O). Offeror is not limited to its response to Section 4.2(O) and may expand as needed.

Evaluation:

Fed Ex: 44 Points

GSO: 40 Points

UPS: 44 Points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. Fed Ex was awarded additional points for providing example

marketing material and a three tiered management plan that will incorporate its marketing plan. GSO was awarded additional points for proposing a press release and its willingness to meet with procurement officers. UPS was awarded additional points for targeting specific regions and providing examples of how it intends to market its awarded contract.

F. Green Initiative (25 points possible)

Criteria:

Offeror will be evaluated based on its response to Section 4.1(P). Offeror is not limited to its response to Section 4.2(P) and may expand as needed.

Evaluation:

Fed Ex: 23 points

GSO: 19 Points

UPS: 25 Points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. UPS was awarded the most points for providing information regarding its own green initiative but also how it will help consumers adapt better green initiatives and address mode optimization. Fed Ex was awarded extra points for developing and testing alternative fuel options. GSO was awarded additional points for its green initiative efforts, although it lacked the detail and expansiveness of the other carriers.

G. Data Security (25 points possible)

Criteria:

Offeror shall describe in detail what measures are taken to protect sensitive customer information.

Evaluation:

Fed Ex: 22 points

GSO: 16 points

UPS: 22 points

Justification:

Fed Ex and UPS were awarded additional points for exceeding most criteria including facilities and technology. GSO was awarded points for its data security plan, although it lacked the detail and expansiveness of the other carriers.

H. Ability to Meet Scope of Work (300 points possible)

Criteria:

Offeror shall describe in detail how it will meet the scope of work provided below:

The scope of this RFP includes US domestic and international door-to-door express small package air services covering interstate, intrastate and international service. This RFP will cover both inbound and outbound shipments. Outbound shipments will move prepaid and inbound shipments will ship collect for each Participating State. Domestic expedited ground parcel shipments will also ship outbound prepaid and inbound collect by each participating state. Domestic shipment service includes the contiguous 48 states, Alaska, Hawaii, American Virgin Islands, and Puerto Rico, for both commercial and residential shipments.

Offerors desiring to offer intrastate ground or pouch services or both for a specific state only must clearly designate each rate table and schedule of rates and charges accordingly. Those rates and service must apply to all points and places within the designated state and Offeror must document its ability to provide statewide pick-up and delivery service in its Proposal.

The scope of work for this RFP only includes small package delivery and does not include courier services, LTL freight or freight.

SCHEDULE OF RATES AND CHARGES

Zone based pricing

Zone based pricing for services must include, but not be limited to, the following:

Intrastate

- Ground (other than guaranteed next day)
- Pouch Service – Specify state, if offered.
- Next Day Ground AM
- Next Day Ground PM
- Next Day Air AM
- Next Day Air PM
- Multiweight/Hundredweight service

Interstate

- Ground (Guaranteed day definite delivery)
- Next Day Air AM
- Next Day Air PM
- Second Day Air AM
- Second Day Air PM
- Three day service
- Multiweight/Hundredweight service

International

- Inbound to US points and places
- Outbound from US points and places

The foregoing shipping services for both commercial and residential deliveries will be provided per Carrier's Service Guides in effect at award date of the Master Price Agreement. The Service Guide in effect at that time will remain in effect for the first year of the Master Agreement with no changes allowed that affect pricing or service without prior written approval of the NASPO ValuePoint Contract Administrator and Lead State.

This Master Agreement is subject to Federal Regulations 39 CFR Part 310 and 39 CFR Part 320 Private Express Statutes (PES).

This Master Agreement is a full service money back guarantee agreement. For the purpose of this RFP, "full service" means the Carrier's pricing offer must include all charges, i.e. all administrative, reporting or other requirements; all overhead costs and profit, and all travel costs, parking fees, and any other ancillary fees and costs including permits, licenses, insurance, etc.; and services not explicitly stated in these specifications, but necessarily attendant thereto. Carriers may also include additional pricing offers in addition to the required guaranteed rates.

Evaluation:

Fed Ex: 264 points

GSO: 288 points

UPS: 288 points

Justification:

Each offeror was awarded points for exceeding many, if not all the requirements established in the RFP. GSO exceeded the scope of work for its proposed region including delivery and extended pickup and delivery times and having a standard

signature required for all packages. UPS exceeded the scope of work by providing all its value added services and offering a single driver for pickup of ground and air packages. UPS was also awarded extra points for its technology solutions. Fed Ex was awarded additional points for its extensive network and infrastructure as well as its capability to meet the scope of work.

Stage 2: Technical Evaluation Totals

All received proposals were evaluated by the criteria above and awarded points. The total technical scores received by the Offerors are as follows:

Total Technical Evaluation Awarded Points:

Fed Ex: 601 points

GSO: 595 points

UPS: 625 points

Overall, the evaluation committee scored each of the offeror's technical proposals and determined that each met the requirement to move to Phase 3 of the RFP Evaluation.

Stage 3: Cost Proposal Evaluation

Cost was scored based on ten different shipping scenarios. Each scenario had a total of 30 cost points. All other offerors were awarded a portion of the total points based on their relationship to the lowest cost using the formula below:

The points assigned to each offerors cost proposal will be based on the lowest proposal price. The offeror with the lowest Proposed Price will receive 100% of the price points. All other offerors will receive a portion of the total cost points based on what percentage higher their Proposed Price is than the Lowest Proposed Price. An offeror whose Proposed Price is more than double (200%) the Lowest Proposed Price will receive no points. The formula to compute the points is: $Cost\ Points \times (2 - Proposed\ Price / Lowest\ Proposed\ Price)$.

Scenario 1: 30 points

Fed Ex: 30 points

GSO: 0 points

UPS: 24.5 points

Scenario 2: 30 points

Fed Ex: 27.1 points

GSO: 30 points

UPS: 24.3 points

Scenario 3: 30 points

Fed Ex: 28.6 points

GSO: 0 points

UPS: 30.0 points

Scenario 4: 30 points

Fed Ex: 23.9 points

GSO: 0 points

UPS: 30.0 points

Scenario 5: 30 points

Fed Ex: 0 points

GSO: 30 points

UPS: 0 points

Scenario 6: 30 points

Fed Ex: 26.5 points

GSO: 0 points

UPS: 30 points

Scenario 7: 30 points

Fed Ex: 30 points

GSO: 0 points

UPS: 28.5 points

Scenario 8: 30 points

Fed Ex: 28.3 points

GSO: 0 points

UPS: 30 points

Scenario 9: 30 points

Fed Ex: 27.6 points

GSO: 0 points

UPS: 30 points

Scenario 10: 30 points

Fed Ex: 28.7 points

GSO: 0 points

UPS: 30 points

Cost Total: 300 points

Fed Ex: 250.6 points

GSO: 60 points

UPS: 257.2 points

Total Scores:

Fed Ex: 851.6 points

GSO: 655 points

UPS: 882.2 points

Conclusion

Based on the justifications and total scores outlined above, the evaluation committee determined that the proposals submitted by Fed Ex, GSO, and UPS provided the best value and should be awarded contracts.