



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
ATOMIC SAFETY AND LICENSING BOARD PANEL  
WASHINGTON, D.C. 20555

ATTACHMENT # 1

July 20, 1984

MEMORANDUM:

Ex. 5

FROM: Chairman  
Source Evaluation Panel

SUBJECT: REPORT OF THE SOURCE EVALUATION PANEL -- ASB-B4-352

On July 11, 17, 18, and 20, 1984, the Source Evaluation Panel met to evaluate the bids received in response to ASB-B4-352. This contract, unlike the Tayloe Contract which expired, requires the cost of travel be included in the pricing of the contract.

There were two bids, one from Ace Federal Reporters, Inc., the other from Tayloe Associates. The Ace bid totaled \$850,189.75, the Tayloe bid totaled \$583,727.20, both for one year. Bidders were required, under the solicitation, to post a bid guarantee with their bid. Ace posted the required bond, Tayloe did not.

Because Tayloe did not submit a bid guarantee as required by Part 11.B.23, IFB Number ASB-B4-352, the Panel was required to first determine if the Ace bid was reasonable. If the Panel determined the Ace bid was reasonable, the Tayloe bid could not be considered because it was non-responsive.

Notwithstanding the obvious difference in the bids -- \$266,462.55 -- but, in view of the fact that Ace had met the requirement of posting a bid guarantee, the Panel proceeded to perform a careful analysis of the Ace bid.

The Panel felt it should be able to identify two elements in analyzing the Ace Federal Reporters, Inc. submission. They are: (1) travel costs, and (2) a current rate for stenographic reporting services such as NRC requires.

In order to appreciate the travel costs in the pricing figure which Ace had submitted the Panel took a representative sample of travel costs based on 109 days of hearing claims made by Tayloe from August 20, 1983 - February 29, 1984, for which next-day, or daily, transcript delivery was requested. From this sample the Panel calculated the travel cost per page for daily copy averaged \$2.91 (see CHART A).

In order to establish a base rate the Panel used six bids submitted by vendors for the recently awarded stenographic reporting contract (SECY-84-327, March 9, 1984) for Metropolitan Washington, D.C. The Panel considered these data current and responsive to the requirements of the NRC in its court reporting requirements. In establishing this base rate the Panel also focused on the next-day requirements figures, which represent the bulk of the contracts requirements (see CHART B).

From these data (CHART B) the Panel established the following in-town daily rates per page:

TABLE I -- DAILY RATES

<u>Low</u>	<u>Average</u>	<u>High</u>
\$3.50	\$4.63	\$6.00

These figures, as in-town requirements, do not include travel.

The figures were then corrected to include the average travel costs which were developed from the data on the most recent reporting contract with Tayloe:

TABLE II -- DAILY RATES WITH ADJUSTED TRAVEL FROM CHART A

	<u>Low</u>	<u>Average</u>	<u>High</u>
In-Town Bids:	\$3.50	\$4.63	\$6.00
Travel Adjustment	<u>2.91</u>	<u>2.91</u>	<u>2.91</u>
Total Adjusted Cost Per Page	\$6.41	\$7.54	\$8.91

The Panel then compared the adjusted rates with the Bid submitted by Ace:

TABLE III -- ADJUSTED COST COMPARISON

<u>Low</u>	<u>Average</u>	<u>Ace Bid</u>	<u>High</u>
\$6.41	\$7.54	\$8.00	\$8.91

In comparison Ace was:

\$1.59/page above the lowest  
 .46/page above the average  
 .91/page less than the highest

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TABLE IV -- DAILY RATES WITH ADJUSTED TRAVEL FROM CHART C

	<u>Low</u>	<u>Average</u>	<u>High</u>
In-Town Bids:	\$3.50	\$4.63	\$6.00
Travel Adjustment	<u>2.58</u>	<u>2.58</u>	<u>2.58</u>
Total Adjusted Cost Per Page	\$6.08	\$7.21	\$8.58

The Panel then compared the total adjusted cost with that determined for the Ace bid.

TABLE V --

<u>Low</u>	<u>Average</u>	<u>Ace Bid</u>	<u>High</u>
\$6.08	\$7.21	\$8.00	\$8.58

In comparison Ace was:

\$1.92/page above the lowest  
.79/page above the average  
.58/page less than the highest

Based on the less than 15% difference between these two travel cost factors the Panel concluded that with either factor the Ace bid was reasonable.

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The fact that Ace was the only bidder to comply with the bid guarantee requirement and was between the average and high on the scale (see Tables III and V), the Panel concluded the Ace bid is reasonable.

Were NRC to have used the Tayloe option year daily rate from the recently completed contract the figures would have been:

TABLE VI --

	From Chart A		From Chart C
Daily Cost/Page	\$5.88	or	\$5.88
Travel Cost	<u>2.91</u>		<u>2.58</u>
Rate/Page Daily Copy	\$8.79		\$8.46

These figures are 79¢ and 46¢, respectively, per page over the price per page submitted by Ace. Therefore, the Panel concludes the Ace bid is reasonable and represents a saving to the Government over the Tayloe option year contract.

The Panel recommends subject to a favorable finding in the pre-award survey, the contract be awarded to Ace Federal Reporters, Inc.

PANEL RECOMMENDATION APPROVED:

Ex. 5

7/23/84  
Date

cc:

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Source Eval. Panel Mbr.  
Source Eval. Panel Mbr.  
Contracts  
ELD

CHART A: TRAVEL COSTS  
109 DAYS REPRESENTATIVE SAMPLE TRAVEL COST FACTOR  
AUGUST 20, 1983 - FEBRUARY 29, 1984

TAYLOE CONTRACT NRC-17-83-399

	<u>Hearing Location</u>	<u>No. Pages</u>	<u>No. Days</u>	<u>Total Travel Cost</u>
1.	Dover, NH	466	5	\$ 1,046.93
2.	Fulton, MO	160	1	1,533.49
3.	Midland, MI	708	4	1,867.61
4.	Rock Hill, SC	845	4	2,231.19
5.	Beaver Valley, PA	146	1	329.46
6.	Los Angeles, CA	697	4	3,489.36
7.	Phoenixville, PA	521	2	1,525.66
8.	Rock Hill, SC	1,065	5	2,262.21
9.	Harrisburg, PA	180	1	130.70
10.	Fort Worth, TX	380	2	2,482.25
11.	Rock Hill, SC	806	3	1,981.20
12.	Petoskey, MI	2,490	10	5,806.66
13.	Midland, MI	1,357	8	3,530.58
14.	Rock Hill, SC	1,072	4	2,741.69
15.	Rock Hill, SC	1,231	4	2,834.00
16.	Rock Hill, SC	1,059	4	2,288.40
17.	Houston, TX	114	1	2,245.27
18.	Rock Hill, SC	358	5	2,556.18
19.	Charlotte, NC	1,428	5	1,956.46
20.	Cincinnati, OH	92	1	442.90
21.	Philadelphia, PA	866	5	1,935.31
22.	Riverhead, NY	662	4	2,345.70
23.	Burlington, KS	1,821	9	5,030.56
24.	Charlotte, NC	614	2	2,088.14
25.	Chicago, IL	219	1	1,605.08
26.	Hartsville, SC	426	3	2,452.52
27.	Emporia, KS	403	3	2,181.45
28.	Fort Worth, TX	1,029	5	2,495.60
29.	Homestead, FL	84	1	1,011.50
30.	Philadelphia, PA	83	1	239.25
31.	Vicksburg, MS	95	1	666.61
<hr/>				
	Totals	22,477	109	\$ 65,333.92

Total Travel Cost =  $\frac{\$65,333.92}{22,477}$  = \$2.91  
Total No. Pgs. for  
109 days of Original  
Transcripts.

Average Travel Cost  
per page for daily  
Original Transcript.

CHART B: SECY-84-327

ORIGINAL TRANSCRIPT RATES -- REGULAR HOURS

(BIDS RECEIVED: MARCH 9, 1984)

INTOWN -- NO TRAVEL REQUIREMENT

<u>Page</u>	<u>Position</u>	<u>Five-Day</u>	<u>Two-Day</u>	<u>Daily</u>	<u>Five Hour</u>
High	6	B-5.50	B-5.75	B-6.00	B-9.50
	5	T-4.90	T-5.10	T-5.45	T-6.75
	4	C-4.10	C-4.40	C-4.90	6.13
Average		3.73	4.21	4.63	C-6.10
	3	Y-3.05	Y-3.55	S-4.15	F-6.00
	2	S-2.95	S-3.55	Y-3.75	S-4.40
Low	1	F-1.90	F-2.90	F-3.50	Y-4.05
<hr/>					
Withdrawn bid too low to be viable		SK-1.79	SK-2.78	SK-2.88	SK-3.38
Averages not in- cluding withdrawn bid		$\frac{22.40}{6} = 3.73$	$\frac{25.25}{6} = 4.21$	$\frac{27.75}{6} = 4.63$	$\frac{36.80}{6} = 6.13$

LEGEND

B = Bossard  
 C = Court Reporting Service  
 F = Freestate  
 S = SCI Management Resource  
 SK = SKS Group Limited  
 T = Tayloe Associates  
 Y = York Steno

CHART C:

INDEPENDENT TRAVEL COST DETERMINATION

Estimated travel costs based on Attachment 10 of Amendment 2, dated June 1, 1984, IFB-ASB-84-352. Attachment 10 lists projected estimates for location, type of hearing, number of trips, and number of days per trip.

Ex. 5

[continued]



CHART C:  
INDEPENDENT TRAVEL COST DETERMINATION

[continued]

<u>Attachment 10 Subtotals</u>			
<u>Page No.</u>	<u>Total Air Fare</u>	<u>Total Per Diem</u>	<u>Total Rent-A-Car</u>
1	\$ 29,682	\$ 19,240	\$ 780
2	19,327	22,620	240
3	17,444	17,940	960
4	20,098	39,390	5,100
5	5,794	24,440	8,520
6	17,590	20,540	1,200
7	2,604	1,950	-0-
	<u>\$112,539</u>	<u>\$146,120</u>	<u>\$16,800</u>

Total Travel:

$$\$112,539 + \$146,120 + \$16,800 = \$275,459$$

$$\$275,459 \times .57^{\star/} = \$157,012$$

$$\frac{\$157,012}{60,775} = \text{Total travel cost/daily original transcript}$$

$$60,775 = \text{Total pages/daily original transcript}$$

$$\$2.58 \text{ travel cost per page for daily original transcript}$$

$\star/$  See CHART D for representative sample percentage.

CHART D:

DAILY ORIGINAL TRANSCRIPT  
AS REPRESENTATIVE SAMPLE

ACE FEDERAL REPORTER

$$\frac{\text{Five-Day}}{\$20,268} + \frac{\text{Two-Day}}{\$68,313} + \frac{\text{Daily}}{\$486,200} + \frac{\text{Five-Hour}}{\$500} = \frac{\text{Total}}{\$575,281}$$

Total Contract = \$850,189.75

Percentage of Total Contract Costs  
Presented by Original Transcripts

$$\frac{\$575,281.00}{\$850,189.75} = 68\%$$

Percentage of Total Contract Costs  
By Original Transcript Categories

<u>Five-Day</u>	<u>Two-Day</u>	<u>Daily</u>	<u>Five-Hour</u>
$\frac{\$20,268}{\$850,190} = 2.3\%$	$\frac{\$68,313}{\$850,190} = 8\%$	$\frac{\$486,200}{\$850,190} = 57\%$	$\frac{\$500}{\$850,190} = .06\%$

Daily = 57%

Item No.	Description	Qty	Unit	Amount	Unit	Amount
1 a. i.	Orig - Reg Hours					
iii	5-day copy	4,378	6.00	24,268	8.36	36,600
	Daily	60,775	8.00	486,200	8.68	527,527
	Dupe Copies - Reg Hours					
1. b. i.	5-day copy	1,000	.50	500	.38	380
iii	Daily copy	219,400	.50	109,700	.38	83,372
	Orig - Non Reg Hours					
2 a. i.	5-day copy	577	7.50	4,327 <sup>50</sup>	10.22	5896 <sup>94</sup>
iii	Daily	31,35	10.00	31,350	10.98	34422 <sup>38</sup>
	Dupe Copies - Non Reg Hours					
2. b. i.	5-day copy	225	.50	112 <sup>50</sup>	.38	85 <sup>50</sup>
iii	Daily	11,500	.50	5750	.38	4370
				664,208		692,653 <sup>82</sup>
					(28,445 <sup>52</sup> )	
	Taylor Option Year	Reg Hour				
	Tech: Daily - 5.88	Non-Week - 5-day	5.15			
	+ Travel 2.80		3.31			
	8.68		8.36		4.24 OP	
	Daily - 8.18	Non-Reg	6.91		- .98 (229.5K)	
	+ Travel 2.80		3.31		3.31	
	10.98		10.22		T <sub>Ext</sub> 706	
					T <sub>FP</sub> 3634 = 2170	
					4378	
					- 963 2270	
					3,415	
					x 4.24	
					14,480 ÷ 4378 = 3.3	



SUMMARY OF PROCUREMENT

A. General Information

1. Contractor (Name, Address, and Telephone Number):  
Geo - Federal Register, Inc., 444 N. Capitol St., N.  
#402, Washington, D.C.
2. Contract Number: NRC-21-84-352  
Solicitation Number: ASB-84-352  
Modification Number: \_\_\_\_\_  
RFPA Number: ASD-84-352
3. Type of Organization:  
☐ educational    ☐ profit    ☐ non-profit (not for profit)  
☐ small business    ☒ large business    ☐ government
4. Negotiation Authority (reference F&D, if applicable):  
N/A

- B. Type of Contract: (reference F&D, if applicable) Fixed Price - Requirements
- Project Title and Description of Work: Stenographic Reporting Service  
throughout the Contiguous United States including the  
Washington, D.C. Metropolitan Area
- Period of Performance: One Year, 8/16/84 - 8/15/85
- Place of Performance: Nationwide except Wash. DC. Area
- Contract Amount: \$ 850,189.75 - Estimated
- Amount of this Action: \$ 850,189.75
- Cumulative Total: \$ 850,189.75

FOIA-84-734

C/7

## C. Compliances (if not applicable, mark "N/A"):

1. Determinations and Findings - Negotiation Authority approved on N/A by \_\_\_\_\_.
2. Determinations and Findings - Cost Type Contract approved on N/A by \_\_\_\_\_.
3. Determinations and Findings - Privacy Act approved on N/A by \_\_\_\_\_.
4. Determinations and Findings - Personal Services or other as specified approved on 2/6/84 by M. J. Mattia.
5. Procurement Planning Schedule showing major Milestones ☒ is ☐ is not attached (explain if not attached). \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. Synopsis of this procurement ☒ was ☐ was not released to the Commerce Business Daily on 1/5/84 (if not, why). \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## 7. Source Evaluation Documentation (if applicable):

- a. Justification for noncompetitive procurement or sole source based upon N/A  
\_\_\_\_\_, and  
approved on \_\_\_\_\_ by \_\_\_\_\_.  
(Reference PCM Report found at side \_\_\_\_\_ in file folder.)
- b. Competitive Range Determination and Approval dated N/A  
see side \_\_\_\_\_ of file folder.
- c. Approval of Final Evaluation Report dated N/A  
see side \_\_\_\_\_ of file folder.
- d. Letters to offerors in competitive range dated N/A  
see side \_\_\_\_\_ of file folder.
- e. Letters to unsuccessful offerors dated 8/10/84  
\_\_\_\_\_. See side 6 of file folder.
- f. Memorandum of debriefings with N/A  
\_\_\_\_\_  
See side \_\_\_\_\_ of file folder.



8. The Contractor has submitted a Certificate of Current Cost or Pricing Data dated \_\_\_\_\_ (FPR 1-3.807-4; see side \_\_\_\_\_ of file folder). ☒ Not applicable (FPR 1-3.807-3)
9. Date List of Debarred, Ineligible and Suspended Contractors was checked 2/6/84 & 7/25/84.
10. Funds availability documentation dated 8/1/84 (Reference RFPA and any amendments thereto.).
11. Pre-Award Survey ☒ was ☐ was not performed. Date of July 26, 1984. Report attached to Determination of Prospective Contractor Responsibility.
12. Narrative of Procurement Action and Reasonableness of Price - See page 5.



12. Narrative of Procurement Action and Reasonableness of Price:

IFB No. ASB-84-352 entitled "Stenographic Reporting Services Throughout the Contiguous United States Excluding the Washington, D.C. Metropolitan Area" was issued February 6, 1984. The IFB covered NRC's requirements for stenographic reporting services outside the D.C. area for a one-year period with an option to extend the term of the contract one additional year. Services were to be a follow-on to Contract No. NRC-17-83-399 with Tayloe Associates which was to expire on March 15, 1984. The solicitation was issued on an unrestricted basis. The size standard determined for the requirement was average annual receipts for the preceding three fiscal years must not exceed \$2 million to be classified as a small business.

The IFB was issued to 28 firms. Bids were scheduled to be opened March 7, 1984. Following initial contact by Mr. Verle Zanders, SBA Procurement Center Representative, SBA by letter dated January 30, 1984 formally recommended that the procurement be set aside for small business. The recommendation was rejected by the NRC Contracting Officer on February 10, 1984. SBA appealed the rejection to the HPA (Director, Division of Contracts), NRC. Amendment One to the IFB was issued February 17, 1984 suspending procurement action pending further review of the decision to issue the solicitation on an unrestricted basis. The SBA recommendation ultimately went through the entire review/appeals procedure prescribed by FPR 1-1.706-2. The EDO, responding as Head of the Agency, made the final decision on May 25, 1984 that the procurement would not be set aside for small business but would continue on an unrestricted basis. Amendment Two to the IFB was issued June 1, 1984 notifying bidders that the procurement was no longer suspended and reestablished bid opening date as June 29, 1984.

To provide continuing service during the suspension and until award could be made under this IFB, Contract No. NRC-17-83-399 was extended through May 15, 1984. A limited competitive solicitation, RFP RS-ASB-84-353, was issued April 27, 1984 to provide services for a 2-month period beginning May 16, 1984 with an option to extend the term one additional month, or through August 15, 1984. Award under this solicitation was made to Tayloe Associates, Ltd., Contract No. NRC-21-84-353, on May 15, 1984.

As indicated above, Amendment Two to the IFB was issued June 1, 1984. Among other changes, Part II.B. was amended to add a requirement for submission of a bid guarantee in the amount of 20 percent of the bid price, and if the successful bidder, a requirement for the submission of a Performance Bond in the amount of \$100,000. The bidders were notified that failure to submit the bid guarantee with their bids may be cause for rejection of the bid.

Bids were opened June 29, 1984. Two bids, summarized below, were received:

<u>Bidder</u>	<u>Total Estimated Amount - First Year</u>
Ace-Federal Reporters, Inc.	\$850,189.75
Taylor Associates, Ltd.	\$583,727.20

Taylor did not submit the required bid guarantee with their bid. They did submit a letter which stated that because of their past exemplary performance they elected not to incur the expense of providing a performance bond. Taylor requested the Contracting Officer to exercise his discretion by not requiring the performance bond and stated that if no performance bond is required, then a bid guarantee is unnecessary.

FPR 1-10.103-4 and FAR 28.101-4 provide that when noncompliance with a solicitation requirement for a bid guarantee occurs the bid shall be rejected except in specific situations none of which are present in this case. The Comptroller General has held that a bid guarantee requirement is a material part of an IFB, and that, except as provided in applicable regulations, a procuring activity must reject as nonresponsive a bid that does not conform with that requirement (B-198095, June 27, 1980, 80-1 CPD 446; B-188978, August 29, 1977, 77-2, CPD 155). Accordingly, Taylor's bid was rejected as nonresponsive and was not considered for award. Since Taylor's prices were not guaranteed and could not be considered, comparison of Ace-Federal's prices for purposes of determining reasonability of price was not made.

The Source Evaluation Panel (SEP) met, beginning July 11, 1984, to review prices submitted by Ace-Federal. As is shown in the Report of the Source Evaluation Panel - ASB-84-352, dated July 20, 1984 (Attachment 1), prices were determined to be reasonable for services to be provided under the contract. The SEP recommended award be made to Ace-Federal Reporters, Inc. (subject to a favorable finding in the pre-award survey) which was subsequently approved by the Designating Official on July 23, 1984. the Ex. 5

As is shown in the SEP Report, reasonability of price was determined, using as a base, the prices bid for NRC work in D.C. (IFB SECY-84-327) without travel, adding travel costs, and then comparing Ace-Federal's prices. Travel costs were calculated in two ways; one, actual costs incurred by Taylor under Contract No. NRC-17-83-399 for 109 hearing days requiring daily delivery, and also by calculating estimated travel costs for hearing sites and duration projected in Attachment No. 10 of the IFB. In both cases, Ace was between the average and high calculations. An independent calculation of travel costs per page for original transcripts delivered under the Taylor contract was done by the Contract Negotiator. Time span covered was four months, July 17, 1983 through November 17, 1983. Data was extracted from contract

vouchers actually paid. Of 23 hearings held requiring daily delivery of 19,805 pages, travel costs averaged \$2.80 per page. For hearings requiring 5-day delivery, the average travel cost for 2,449 pages was \$4.24 per page. Combining the two, average per page travel cost was \$2.96. These averages are substantially the same as those developed by the SEP and lend further support to the Panel's findings. As shown on Attachment 2, comparison of Ace's prices with Tayloe's prices for the option year factoring in travel and adjustment for use of subcontractors shows an estimated savings of \$28,445 by award to Ace-Federal.

Attachment 3 is a spread sheet showing (1) prices bid by Tayloe and Ace-Federal on the present IFB, (2) the government estimate, (3) prices offered under RFP RS-ASB-84-353, the 2-month interim procurement, (4) prices used in the determination made by NRC not to exercise the option under the Tayloe contract, and (5) Tayloe's option year prices and first year prices (NRC-17-83-399) and the prior contract prices with Alderson Reporting Co.

Prices in Item 1 cannot be compared since the bid guarantee was not submitted by Tayloe and the bid could not be considered for award. The SEP did, however, review the prices using the same travel costs as those used to determine reasonability of Ace's prices. The Panel determined that if a formal evaluation of the bid had been made, the bid would not have been viable. See Memorandum for the File, Subject: Report of the Chairman, SEP, ASB-84-352, dated July 23, 1984, Attachment 4.

As noted in the SEP Report, the initial government estimate of \$6.50 per page was based on prices in the Alderson contract (May 1980 - March 1983) for which bids were submitted in late 1979. Adjustment of the estimate using Tayloe's first year price of \$5.47 as a base plus 23 percent for travel and 4.7 percent inflation changes the per page price to \$7.05. With inclusion of the estimate for duplicated copies of \$.45 per page and \$1.25 per page for magnetic tape, the corrected government estimate is \$770,069. The Ace-Federal price of \$850,190 is within 10 percent of the government estimate.

Examination of prices in Item 3 show a wide range for the same services. This was a short term procurement (two months with a one-month option) to provide services pending award under this IFB. The award was made to Tayloe Associates.

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Their prices were lower than they bid on the NRC in-town IFB in March 1984 which did not involve travel costs.

Ex. 4

Ex. 4

Interstate failed to submit a technical proposal, therefore, knowledge as to how they proposed to do the work was not available.

The determination that the option in the Tayloe contract would not be exercised was, of necessity, made within five months following award. The \$1.32 per page travel cost was based on the limited information available at that time. Actual travel costs experienced, which were reimbursable, were more than double this estimate as evidenced by the SEP Report and independent DC/ACB calculation of travel costs. The projected market price of \$6.59 did not materialize for this requirement. The lack of competition is directly attributable to the complexity of the NRC requirements and stringent delivery provisions.

Item 5 shows prices for the two prior NRC contracts. The Alderson prices include travel; Tayloe's do not. It is noted that Tayloe's original transcript prices are higher than those bid under this IFB which include travel costs.

The following prices are those paid by the indicated agency for out-of-town service, daily delivery:

<u>Agency</u>	<u>Price</u>	<u>Contractor</u>
FERC	\$-0-	Ace-Federal
FTC	\$ 5.62	Alderson
FCC	\$ 6.49	SKS Group, Ltd.
NLRB	\$ 8.25 (Regional Office City)	Acme Reporting
NLRB	\$ 9.25 (Outside Regional Office City)	Acme Reporting

Original per page price for three major House Committees range from \$4.22 to \$4.80, daily delivery - D.C. only (no travel), depending on the Committee.

As can be seen from the above range, prices vary significantly and only through comparison of prices for the same requirement can valid comparisons be made. Causes for the variances in prices are types of proceedings (administrative or technical; if technical, the level of difficulty), delivery requirements (daily vs. 10 days), validity/stability of projected hearing sites; extent of subcontracting, and public sales. The end effect of subcontracting on prices in the formal advertising mode cannot be determined; e.g., does use of subcontractors offset to some degree travel costs.

Ex. 4

Public sales affect prices as can be seen by the - 0 - price for FERC's work. In actuality, FERC received two - 0 - bids, one from Ace-Federal, the other from Acme. Past NRC contracts have not required the contractor to maintain or submit data on public sales of NRC transcripts. There are no data available to evaluate impact of public sales on our contract price, therefore, reasonability of price was of necessity determined without consideration of sales.

Prices bid by Ace of \$.50 per page for duplicate copies, daily delivery (bulk of the requirement) are the same as those in the GSA Schedule Contract (March 1, 1984 - February 28, 1985); NLRB has established \$.97 as a reasonable price per page for additional copies. The price bid by Ace for magnetic tape of \$1.25 is considered reasonable. Prices under FERC's prior contract (September 30, 1981 - September 30, 1983) were \$1.25 per page and the government returned the tapes, after transfer of the transcripts, back to the contractor. Under Modification One, Contract NRC-17-83-399, August 17, 1983, Tayloe furnished magnetic tape of Indian Point hearings at \$1.25 per page.

Ace-Federal, as a large business concern, was required and did submit a subcontracting plan within the time prescribed by the IFB. Their plan dated July 20, 1984, as revised July 31, 1984, is very responsive to the requirements of Public Law 95-507 and is acceptable. OSDDBU (Von Deloatch) has also reviewed and approved the plan. The plan anticipates subcontracting 75 percent of the reporting work of which 60 percent or \$350,058 will be subcontracted to small business. Of this small business goal, 20 percent or \$116,686 will be subcontracted to small disadvantaged business concerns.

The NRC contract work is highly technical with demanding delivery requirements which require the maximum skills and managerial capabilities to produce quality transcripts on a timely basis. The hearing sites projected in Attachment No. 10 are best estimates, subject to change. In many cases, hearing sites are located in remote areas with limited facilities and services. The contractor must respond to NRC requirements upon 2-days notice.

The prices submitted by Ace-Federal Reporters, Inc. are reasonable for the contract effort required and acceptance of their bid is in the best interest of the government.



## SUMMARY OF PROCUREMENT (Continued)

Contract Number

NRC-21-84-352

Supplemental Agreement No.

OTHER POINTS (including any necessary amplifications of items covered in Contract Checklist)

## CERTIFICATION

To the best of my knowledge, the information set forth above is complete and accurate. Award is recommended.

Signature of Contract Specialist

Kathryn A. Davis

Date

August 3, 1984

REVIEWED AND APPROVED

Signature of Contracting Officer

M. J. Rella

Date

8/6/84

CARBON COPIES TO: (Specify)

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