

Woods



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Billy G. Bassett; Lynch Development, Inc.,

File: B-237331; B-237331.2

Date: February 20, 1990

Billy G. Bassett, for the protester.
Glen W. Lynch, for the protester, Lynch Development, Inc.
Lester Edelman, Esq., Chief Counsel, U.S. Army Corps of
Engineers, for the agency.
William T. Woods, Esq., Office of General Counsel, GAO,
participated in the preparation of the decision.

DIGEST

Where a solicitation lists construction experience and financial condition as technical evaluation factors to be scored up to a maximum of 300 points, there is no merit to the contention that the agency was required to award the full 300 points to all qualified, responsible offerors.

DECISION

Billy G. Bassett and Lynch Development, Inc., protest the award of a contract to Hunt Building Corporation by the U.S. Army Corps of Engineers, Fort Worth District, under request for proposals (RFP) No. DACA63-88-R-0227. We deny the protests.

FACTS

The RFP solicited proposals to design and construct 300 units of build-to-lease off-base housing for military personnel and their families at Fort Bliss, El Paso, Texas, under 10 U.S.C. § 2828(g) (1988). The government has an option on a site and will make the land available to the selected contractor at a cost of \$1,900,000. The developer then will build the project and lease the 300 units to the government for 20 years. The government will operate and maintain the housing units during the life of the lease. The government will pay a fixed rate to the developer, not to exceed \$2,700,000 per year.

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The RFP set forth the evaluation criteria, numerical importance of the criteria, and the basis of award. The following is the technical evaluation scheme identified to potential offerors:

- I. Construction/Experience - (Maximum 300 points)
 - a. Project List - 100
 - b. Experience and Qualifications - 100
 - c. Financial Condition - 100

 - II. Initial Project Cost/Quality - (Maximum 700 points)
 - a. Site Considerations Max. 200 points
 - Site Design 150
 - Site Engineering 50

 - b. Dwelling Unit Considerations Max. 500 points
 - Unit Type/Configurations 100
 - Floor Plans 100
 - Elevations 100
 - Privacy, Storage & Access 100
 - Unit engineering 100

 - III. Project Life Cycle Costs (Maximum 300 points)
 - a. Maintainability Max. 150 points
 - Exterior Finishes 50
 - Interior Finishes 50
 - Equipment 50

 - b. Energy Max. 150 points
 - Envelope Characteristics 50
 - Renewable Energy 25
 - Equipment 75
- TOTAL 1300 pts.

The RFP advised that the agency would use a price/quality ratio in selecting the successful developer. The price/quality ratio would be calculated as follows:

$$\frac{\text{Annual Rent}}{\text{Quality Points}} = \text{P/Q ratio}$$

The RFP stated that the "[f]inal ranking of proposals by price/quality ratio should normally establish the proposal having terms most favorable to the government. However, the judgment of the Selection Board will be applied to insure

that price and other factors are properly considered in making a selection which . . . is in the best interests of the Government."

The agency conducted a pre-proposal conference; no potential offeror questioned the evaluation scheme, basis of award, or points to be allocated to the evaluation criteria. Six proposals were submitted. Following an initial evaluation, the agency advised offerors of ambiguities or weaknesses in their proposals and requested best and final offers (BAFOs). After receiving the BAFOs, the evaluation team reconvened and adjusted point scores to reflect changes in the proposals. The price/quality ratios were calculated, and an abstract of proposals was prepared for the selection board's determination of the successful offeror.

The selection board determined that Hunt's proposal was most advantageous to the government. Hunt's proposal was ranked first in average total points, overall quality points (P/Q ratio), and design quality points.^{1/} The only area in which Hunt's proposal was not superior was with respect to cost. Despite the higher cost, Hunt's proposal had the lowest P/Q ratio. The board determined that the additional rent proposed by Hunt reflected the higher quality of its proposal, and the Corps awarded the contract to Hunt.

The protesters contend that the Corps improperly evaluated their proposals and that Hunt's proposal was not the most advantageous to the government. Basically, they contend that it was improper for the agency to score acceptable proposals differently with respect to financial condition and experience. They contend that if an offeror is financially capable and possesses the requisite experience, it should have received the maximum of 300 points available. If such scoring had been utilized, the protesters allege that a proposal other than Hunt's would have had a lower P/Q ratio, and thus would have been selected as being more advantageous to the government.

^{1/} Design points consisted of the evaluation scores under the "Initial project cost/quality" and "Project life cycle costs" criteria. The solicitation allocated a total of 1000 points in these areas. In evaluating proposals, the agency divided the annual rent by the design points to establish "design quality points."

ANALYSIS

We find no merit to the protesters' position. The solicitation provided for scoring each proposal under the Construction/Experience evaluation criterion on a 300-point scale. The solicitation did not provide for awarding 300 points to each qualified offeror; rather, 300 points was expressly stated to be the maximum available under this technical evaluation criterion. In our view, the only reasonable reading of the solicitation was that the agency would evaluate the strengths and weaknesses of each offeror with respect to the nature and extent of its previous projects, the experience of its personnel, and the quality of its financial position, and then assign various point scores based on this assessment.

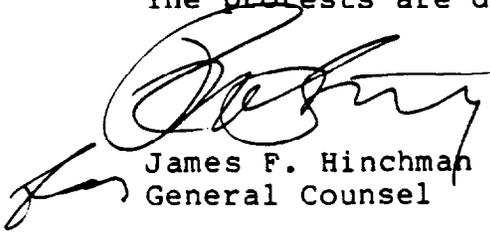
The protesters' objections to the scoring under the Construction/Experience criterion appear also to be based on their disagreement with the scores received. In this regard, it is not our function to evaluate or score proposals, but only to ensure that the evaluation was reasonable and consistent with established criteria. VGS, Inc., B-233116, Jan. 25, 1989, 89-1 CPD ¶ 83. We reviewed the proposals and the evaluations and found no reason for us to object to the scoring under this criterion.

With respect to Bassett, the evaluators believed the firm's experience was very limited: 72 motel units in the past 10 years. Lynch's proposal indicated that it would perform the contract using two contractors whose residential experience was mainly with townhouses rather than single-family residences. These observations support the scores assigned. But in any event, it would have required a significantly higher score under this criterion for either offeror to displace Hunt with regard to the lowest price/quality ratio. Further, even if the scoring under Construction/Experience criterion were disregarded, Hunt's advantage in design points still results in that firm's having the lowest price/quality ratio. In short, it was not only Hunt's experience, but also its superior design features, that caused its proposal to achieve the highest ranking.

Finally, prior to selecting Hunt for award, the selection board specifically considered whether Hunt's low P/Q ratio ranking was in fact indicative of the proposal most favorable to the government, particularly since its proposed rent was at the ceiling. The board concluded that the higher rent was justified based on Hunt's superior design.

That is a judgment the agency was entitled to make under the terms of the solicitation, and we find no reason to question it.

The protests are denied.

A handwritten signature in black ink, appearing to read "James F. Hinchman", is written over the typed name and title.

James F. Hinchman
General Counsel