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Ahearn



Comptroller General
of the United States
Washington, D.C. 20548

Decision

Matter of: Systems Research Laboratories, Inc.
File: B-246242.2
Date: April 21, 1992

Larry D. Harris, Esq., and Mark A. Riordan, Esq., Pettit & Martin, for the protester.
Robert G. Fryling, Esq., John W. Fowler, Jr., Esq., and Debbie S. Kessler, Esq., Saul, Ewing, Remick & Saul, for AEL Defense Corporation, an interested party.
Jeffrey I. Kessler, Esq., and Robert A. Russo, Esq., Department of the Army, for the agency.
M. Penny Ahearn, Esq., and David Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that technical proposals were improperly evaluated, reflecting an unstated agency predisposition for one of the two permitted technical approaches, is denied where, contrary to protester's arguments, record does not demonstrate that the agency waived specification performance requirements in favor of awardee's technical approach or gave undue weight to perceived disadvantage in the other technical approach adopted by the protester.
2. Protest that agency miscalculated price proposals does not provide a basis for overturning the award where even if agency had evaluated prices in manner protester claims solicitation required, awardee's price would have remained \$1.5 million less than protester's and awardee's technical proposal was rated higher.

DECISION

Systems Research Laboratories, Inc. (SRL) protests the Department of the Army's award of a contract to AEL Defense Corporation (AEL) under request for proposals (RFP) No. DAAB07-91-R-K001, for Aviator Night Vision Imaging System/Heads Up Display (ANVIS/HUD) systems. SRL primarily argues that the agency's evaluation of technical proposals was improperly influenced by an unstated predisposition for one of two types of HUD permitted by the RFP. In addition, the protester contends that the agency improperly evaluated price proposals by overstating the firm's own offered price.

We deny the protest.

BACKGROUND

The ANVIS/HUD system is intended for use by military helicopter pilots and crews on low level night flying missions. The ANVIS is a helmet mounted image intensification system--known as a night vision goggle--which magnifies small amounts of available light, such as moonlight. The HUD overlays aircraft information, such as altitude and speed, referred to as symbology, on the image projected by the ANVIS. By overlaying symbology on the ANVIS image, the system provides an independent display of data which reduces the need to refer to instrumentation inside the cockpit, thus enhancing night vision capability and safety. The overlay occurs by transmission of the information onto an optical display unit that is either integrated into the eyepiece, referred to as an E-HUD approach, or is a separate attachment to the eyepiece, referred to as O-HUD approach; the solicitation specifications allowed offerors to propose either an E-HUD or O-HUD eyepiece lens assembly.

The solicitation provided for award of a firm, fixed-price multiyear contract on the basis of the best value proposal. In determining the proposal most beneficial to the government, consideration was to be given to three major evaluation factors, including (1) engineering approach, (2) manprint (safety and human factors engineering) and integrated logistics support (ILS), and (3) price. The first factor was slightly more important than the second, while the second and third were of equal importance. These factors were to be rated as outstanding, good, acceptable, or nonacceptable; to receive consideration for award, a rating of acceptable was required for each of the nonprice factors and for two engineering approach subfactors, HUD goggle integration and aircraft integration. Offerors were required to submit samples of their systems for laboratory and operational flight testing to determine the extent to which they met or exceeded performance requirements and for use otherwise in evaluation of the engineering approach and manprint/ILS factors.

The Army received three proposals, including those from SRL and AEL. After technical evaluation of initial proposals, two written and oral discussions were held with all offerors which were then requested to submit best and final offers (BAFO). Based upon its evaluation of BAFOs, the source selection board rated the awardee's and the protester's proposals as follows:

	<u>Engineering Approach</u>	<u>Manprint, ILS</u>	<u>Overall</u>
AEL	Outstanding/ Moderate Risk	Good/Low Risk	Outstanding
SRL	Good/Low Risk	Acceptable/ Low Risk	Acceptable

AEL's evaluated price was low at \$88,011,865, while SRL's was second low at \$98,719,516. Based upon the above evaluation, the source selection authority determined that AEL's proposal represented the best overall value to the government. Upon learning of the award to AEL, SRL filed this protest with our Office.

SRL primarily contends that the agency evaluated technical proposals with an unstated preference for the O-HUD over the E-HUD approach. According to SRL, as a result of this unstated preference, the agency improperly minimized the significance of certain operational shortcomings of AEL's O-HUD approach, waived compliance with specification performance requirements concerning symbology contrast, image retention, and egress, and overstated the significance of a perceived disadvantage with respect to SRL's E-HUD approach in the maintenance area under the ILS evaluation subfactor. The protester asserts that as an experienced manufacturer of both types of HUDs, it could have proposed a competitively priced O-HUD had it been notified of the Army's preference.

In reviewing an agency's technical evaluation, we consider whether it was reasonable and in accord with the evaluation criteria listed in the solicitation. Information Sys. & Network Corp., B-237687, Feb. 22, 1990, 90-1 CPD ¶ 203. Based on our review of the record we find the agency's evaluation reasonable. Contrary to SRL's argument, there is no indication that the agency waived certain solicitation requirements for AEL or gave undue weight in the evaluation to the perceived maintenance problem in the protester's E-HUD approach.

TECHNICAL EVALUATION

Evaluation of AEL's Proposal

Symbology Contrast

Symbology contrast is the measure of contrast between the target information, i.e., HUD symbology, and the background scene, i.e., the tube phosphor screen. The performance specification required a symbology contrast ratio--target information to background scene--of two to one at a scene light level equivalent of 0.1 ± 10 percent footcandles. In

order to determine compliance with the symbology contrast requirement, the evaluators reviewed the information provided by offerors in their proposals concerning the requirement. All offerors stated their systems met the requirement and provided written support. The evaluators reviewed AEL's offer, and determined that its offered system exceeded the symbology requirement. The RFP made no provision for specific testing of offerors' systems for symbology contrast.

SRL does not challenge the agency's evaluation of AEL's symbology contrast on the basis of the firm's proposal, but instead contends that laboratory testing, which was conducted for purposes other than evaluation of compliance with the symbology contrast requirement, indicates that AEL did not meet the symbology requirement. The testing at issue involved evaluation of the mechanical compatibility of the HUD with the ANVIS system and was conducted to determine the level of outside scene light that would cause the symbology to become illegible or unreadable to the aviator, referred to as "wash out" or "whiteout," in the case of low contrast terrain (e.g., desert or open water). During the testing, AEL's O-HUD symbology was observed to have a potential for wash out when the input light level approached the upper level of full moonlight, that is, when the background scene illumination light level approximated that of the symbology illumination level. While this condition was noted as a disadvantage, the evaluator determined that at these light level and scene contrast conditions, "the aviator will in all probability flip-up or remove the ANVIS system and pilot by either unaided eye or IFR (instrument flight rules) as the situation requires." Consequently, the evaluator concluded that the "symbology whiteout occurrence was of minor significance and noted that "the proposed symbology illumination exceeds the specification."

The Army maintains, and SRL does not deny, that the wash out occurred at test light levels, i.e., at the light level created by a full moon, in excess of that required for symbology contrast, i.e., 0.1 footcandles. The record indicates that the testing at issue was conducted to test the outer limits of the system's capability and assure that the symbology depicted by the HUD would be legible so long as the scene depicted by the ANVIS was legible. There is no indication that the testing demonstrated any noncompliance with the minimum symbology performance specification requirements. Furthermore, beyond the question of AEL's compliance with the minimum specification requirements concerning symbology contrast, we find reasonable the agency's position that the night vision system would not be necessary as conditions approached those of daylight, i.e., with full moonlight on a featureless terrain. Consequently,

we find no basis to question the agency's evaluation of the symbology contrast offered by AEL's proposed O-HUD display.

Image Retention

The performance specification prohibited permanent image retention on the ANVIS photocathode tube, commonly referred to as "burn-in." The RFP specifically provided that:

"The symbology injected onto the ANVIS photocathode shall, at no time, cause image retention or burn-in of the symbology on the image intensifier tube. After prolonged HUD usage, the ANVIS image intensifier should not establish visibly detectable latent symbology images or visibly apparent areas of reduced brightness on the image intensifier which can be attributed to the symbology."

The agency determined that SRL's E-HUD assembly met this requirement based on the firm's statement of compliance in its proposal and agency flight testing.

SRL questions the agency's conclusion on the basis of an agency observation during laboratory testing that under conditions of high light level--i.e., a full moon--and low contrast scenes--i.e. desert or open water--"to overcome the potential white out of the symbology would require increasing the input (symbology) illumination to a level which may permanently damage the image intensifier photocathode." (Emphasis added.) However, during subsequent actual flight testing, the evaluator determined that AEL's O-HUD symbology could be adjusted to a readable condition under conditions of high light and low contrast and then returned to normal operation with no image retention in the form of damage or degradation to the ANVIS system. Since the hypothetical problem referenced in the laboratory report was found not in fact not to occur under actual flight conditions, we have no basis to question the agency's evaluation that AEL's system was acceptable with respect to the potential for image retention.

Egress

With respect to egress, the performance specification required that the HUD be an "easily attached or integrated device which allows . . . the capability to rapidly disengage and egress from the aircraft." Specifically, in the event of a crash, the HUD was required to be "designed to break away as part of the ANVIS system." AEL's initial approach to egress, which located the HUD power supply and calibration unit (PSCU) near the center of the cockpit, was

evaluated as "presenting a potential problem," as described in the following evaluation narrative:

"During the flight demonstration, the pilots experienced difficulty egressing the aircraft. To safely exit the aircraft, the pilot had to reach back and pull on the PSCU to disengage the system. The process took additional time and required intense concentration. The PSCU also disconnected as the pilot stepped out of the aircraft. Additionally, the PSCU had a tendency to get caught between the aircraft seat and airframe. The HUD cord would then pull the goggles off the pilot's helmet, restraining him to the aircraft by the required ANVIS lanyard (cable)."

After discussions, AEL proposed in its BAFO a "preliminary design" change to remedy the egress problem by changing the position of the PSCU from the center of the cockpit area to near the door exit(s), and attaching the HUD assembly by means of a quick release connector so that it would disconnect and fall free of the aircraft in the event of a hard landing or a crash. Upon reevaluation, the proposed solution was determined acceptable, as exit would normally be made through the aircraft doors. However, it was noted that if exit was other than normal, that is, through the windshield, the same egress problem could occur as that initially encountered before relocation of the PSCU. The evaluator recognized that "the likelihood that the pilot will have to exit by means other than the aircraft door is a low risk; however, if such an event occurs, the risk involved in exiting the aircraft would be high." Thus, although AEL's revised approach was rated acceptable with respect to egress in the final evaluation, it was still viewed as containing a major disadvantage in this regard.

SRL primarily complains that the evaluation record fails to address the extent, if any, to which the agency considered the preliminary nature of AEL's redesign, i.e., the risks inherent in an untested design change. We find no merit to this contention. The RFP specifically provided for the circumstance here, i.e., that in the event a deficiency or weakness was discovered during the evaluation, offerors would then have the opportunity to propose corrective action, as AEL did here, without the need for testing the proposed change. Further, although the evaluation narrative did not specifically address this point, it is clear from our review that the agency found no basis to question the feasibility of--that is, AEL's ability to accomplish--the proposed, admittedly untested design change. (Nor has SRL itself shown any basis for questioning the feasibility of the proposed redesign.) Instead, the agency questioned the design on the basis that it would impose additional risks

with respect to egress in the relatively unlikely event that the pilot would have to exit by means of the windshield. The evaluation clearly took this concern into account, viewing AEL's approach in this regard as marked by a major disadvantage. In these circumstances, we conclude that the agency reasonably evaluated AEL's proposed redesign of the PCSU mounting.

Evaluation of SRL'S Proposal

With respect to the evaluation of its own technical proposal, SRL alleges that the Army miscalculated its approach to maintenance planning, which was evaluated under the maintenance concept, one of three equal elements considered under the ILS subfactor of the manprint/ILS factor. Generally, as provided for in the RFP, maintenance planning was to consist of "an effective and economical way for performing the total range and quantity of maintenance tasks inherent in the end item." In the final evaluation of SRL's proposal, the agency questioned the maintenance aspect of the firm's proposed E-HUD design. Specifically, the agency found that due to the integration in the E-HUD design of the E-HUD optical combiner into the eyepiece assembly of the ANVIS, an E-HUD failure would require removal of the entire ANVIS system (i.e., the ANVIS goggles and the E-HUD) from operational use in order to repair the E-HUD, as opposed to removing just the E-HUD itself from service; the agency concluded that the removal from service of a functional ANVIS due to an E-HUD failure constituted a major disadvantage. Nevertheless, notwithstanding its concern in this area, the agency gave SRL's proposal an overall acceptable rating for its maintenance approach (as well as for the other two elements of the ILS subfactor).

SRL generally contends that the agency, in its overall evaluation, accorded greater weight to the maintenance disadvantage than provided for in the RFP, again because of an alleged predisposition towards the awardee's O-HUD design and against an E-HUD design. In addition, the protester specifically challenges the agency's evaluation of the level of maintenance at which two E-HUD failures could be repaired--failure of the optical combiner and failure of the video symbology display (VSD). While the agency determined that the repair of these E-HUD failures could only be performed by taking the items out of service and sending them to an intermediate level of repair, that is, the aviation intermediate maintenance level, SRL maintains that these failures could be repaired at the aviation unit maintenance level, that is, by on-the-spot maintenance personnel with limited training and tools. Further, with respect to the VSD, SRL primarily contends that its final production design configuration provided for easy removal of the VSD (and replacement with a spare VSD) at the lower

aviation unit maintenance level, which would preclude the necessity for removing the ANVIS goggles from service.

We find no merit to this aspect of the protest. First, SRL itself acknowledges that for at least some failures of the optical combiner, i.e., if it is dropped or mishandled, repair would be required at the higher aviation intermediate maintenance level, as found by the agency. As for the VSD, SRL acknowledges that it did not furnish the drawings for its final production design configuration to the agency, but instead furnished prototype drawings which did not portray the firm's E-HUD in the production form it intended to supply. The agency reports that its review of the prototype drawings, furnished with SRL's initial offer, indicated that repair of the VSD could only occur at the higher aviation intermediate maintenance level. Although SRL claims that it subsequently furnished during negotiations sufficient information to indicate that the VSD could easily be removed from the E-HUD assembly by simply unscrewing four screws, the agency points out, and SRL does not deny, that removing the VSD from SRL's proposed system would also entail disassembly of a circuit card assembly which could not be accomplished at the aviation unit maintenance level.

Even if SRL's intended design presented no maintenance disadvantage, we believe that it is clear that SRL did not fulfill its obligation to adequately describe its technical approach in a manner that would allow the agency to understand that maintenance could be performed at the lower aviation unit maintenance level, as the agency desired. See Halter Marine, Inc., B-239119, Aug. 2, 1990, 90-2 CPD ¶ 95. In these circumstances, we find that the agency reasonably concluded that failure of the E-HUD, including the VSD, would require removal of the entire ANVIS system for repair at a level above the aviation unit. Furthermore, we find no indication that the agency in any way gave undue weight in the evaluation to its reasonable concern that SRL's approach to maintenance would prove less effective and economical of resources than an approach permitting more maintenance to be performed at the aviation unit level.

In summary, we find no impropriety in the agency's evaluation of AEL's and SRL's technical proposals in the areas cited by the protester. Contrary to SRL's contention, the record provides no support for its belief that the evaluation was conducted with an unstated, improper preference for the awardee's O-HUD.

PRICE EVALUATION

Finally, on the price evaluation, SRL contends that the agency miscalculated cost proposals by overstating its proposed cost and understating AEL's with respect to line

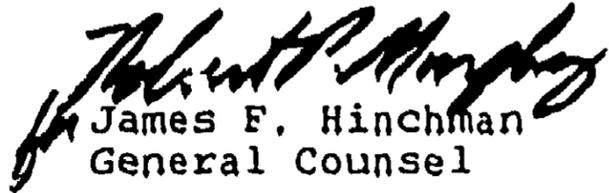
items for aircraft specific data items, required for each of the eight different aircraft types for which the ANVIS/HUD would be used. For each separate line item at issue, the RFP requested a unit price for the quantity "1 lot" or simply for "lot." Subsequently, the solicitation was amended to add that "this data item is required for each aircraft type/model. Bidders shall provide a single price which will be utilized for all aircraft type/model." In calculating SRL's price for these line items, the agency multiplied each offered unit price by 8, since the aircraft specific data items would need to be delivered 8 times, i.e., once for each of the 8 aircraft type. AEL did not separately price the line items at issue, and thus the agency deemed any further calculation of AEL's prices in this area unnecessary. SRL contends that the agency overstated its price because the prices entered in the "Unit Price" and "Amount" columns of the schedule, which was the same price, was intended as a lump-sum single price for the data encompassed by that line item for all eight aircraft types. Moreover, the protester contends that because AEL's aircraft specific line item data prices were not subject to the same multiplication applied to the protester's prices, the agency failed to evaluate price proposals on a common basis and therefore was unable to determine the best value to the government.

The Army maintains that its price evaluation method was in accordance with the RFP's language for prices on the line items at issue. Again, in this regard, although the solicitation as issued described the quantity in question as "1 lot" or "lot," the solicitation was subsequently amended to advise offerors that the "data item is required for each aircraft type/model." The Army believes that this language, when read in conjunction with the solicitation provisions advising that the ANVIS/HUD would be used for eight different aircraft types, reasonably placed offerors on notice that the requested lot price for each line item was for the price for only one of the eight aircraft types and that one lot would be acquired (and priced) for each of the eight aircraft types.

We need not consider this issue. As the agency notes, even if the prices which SRL entered in its offer for the data items had not been multiplied by eight, to reflect the fact that one data package was required for each aircraft, AEL's price would have remained \$1.5 million less than the protester's. Since AEL's technical proposal was rated higher than SRL's with respect to the non-price factors, including the engineering approach factor, which was more significant than the price factor, a revised price evaluation in the area would not have changed the outcome of the competition. Consequently, the alleged deficiency in the evaluation of the data item prices does not provide a

basis for questioning the award. See Fairchild Space and Defense Corp., B-243716 et al., Aug. 23, 1991, 91-2 CPD ¶ 190.

The protest is denied.


for James F. Hinchman
General Counsel