



Comptroller General
of the United States

94338

Washington, D.C. 20548

Decision

Matter of: Power Dynatec Corporation

File: B-251501.3

Date: August 3, 1993

Sam Zalman Gdanski, Esq., for the protester,
Michael R. Hatcher, Esq., and Charles E. Raley, Esq., Israel
and Raley, for Essex Electro Engineers, Inc., an interested
party.

Demetria T. Carter, Esq., and Elizabeth Rivera Bagwell,
Esq., Department of the Navy, for the agency,
Henry J. Gorczycki, Esq., and James A. Spangenberg, Esq.,
Office of the General Counsel, GAO, participated in the
preparation of the decision.

DIGEST

Even though the protester correctly argues that awardee's proposal did not meet certain solicitation requirements concerning equipment reliability, the General Accounting Office will not sustain the protest where the protester likewise does not comply with the equipment reliability requirements since the agency has treated the offerors equally by considering both proposals technically acceptable, and where the actual minimum needs of the government are being satisfied by the award.

DECISION

Power Dynatec Corporation protests an award to Essex Electro Engineers, Inc. under request for proposals (RFP) No. N00604-92-R-0090 issued by the Department of the Navy, Naval Supply Center, Pearl Harbor, Hawaii, for motor generator sets. Power Dynatec asserts that Essex's proposal was technically unacceptable for failing to satisfy various specification requirements.

We deny the protest.

The RFP, which contemplated the award of a firm, fixed-price contract, included detailed technical specifications for the motor generator sets and stated that award would be made to the offeror submitting the lowest priced, technically acceptable proposal.

The Navy received proposals from eight offerors, conducted discussions with the four offerors in the competitive range and requested best and final offers (BAFO). The following BAFO prices were submitted:

<u>Offeror</u>	<u>Price</u>
Essex	\$202,500
William I. Horlick	239,896
Power Dynatec	243,366
Cummins Hawaii	284,630

The offerors were all found technically acceptable. The Navy awarded the contract to Essex as the lowest priced, technically acceptable offeror.

Power Dynatec asserts that Essex's proposal, as well as the proposal of Horlick, the intervening offeror, were technically unacceptable with regard to a variety of RFP specifications, including those defining the required reliability of motor generator set bearings.

The minimum requirements for reliability of the motor generator sets and of the bearings within the sets were set forth in the RFP specifications as follows:

"2.2 MOTOR-GENERATOR SETS

"2.2.1 Rating

"Provide set[s] which have a calculated mean time between failures (MTBF) exceeding 15,000 hours when provided with yearly servicing and maintenance.

"2.2.3.1 Bearing Requirements

"Provide a vertical shaft configuration. Construct shaft using bearings with a minimum calculated 150,000-hour life when properly lubricated."

The RFP also provided:

"Descriptive Literature Required --- See [specifications], paragraph 1.3 and Clause (L) 15-107."

Paragraph 1.3 of the specifications listed all of the descriptive literature which was required "[t]o be provided with [the] proposal." Included on this list was subparagraph 1.3.3.1, entitled "Motor-Generator Sets Calculations," which required "as a minimum" the "step-by-step calculations," as well as "explanatory data for [the] calculations," to include "[m]ean time between failure reliability calculations for: (1) [m]otor generator sets [and] (2) [b]earings."

Clause (L) 15-107, entitled "Requirement for Descriptive Literature," stated, in pertinent part, that "offerors shall provide, in duplicate, descriptive literature in English with details of the product offered pertinent to the design, construction, operation, materials, components, capacities and performance characteristics, and accessories." This provision further provided "OFFERS WHICH DO NOT PRESENT SUFFICIENT INFORMATION TO PERMIT COMPLETE TECHNICAL EVALUATION BY THE GOVERNMENT MAY BE REJECTED." [Emphasis in original.]

From our review, we discovered that the descriptive literature required by the RFP for determining compliance with stated minimum requirements, in particular that concerning the reliability of the motor generator sets and bearings, was missing from not only Essex's and Horlick's proposals, but also from Power Dynatec's proposal, and that this information was not requested during discussions. In response to our inquiries on this matter, the Navy generally asserted that no offeror submitted a proposal which complied with all of the stated RFP specifications; however, it asserted that these deficiencies did not render the proposals technically unacceptable, since the technical evaluator now deems the deviations "noncritical or minor in nature." After Power Dynatec was apprised of this discrepancy in its proposal, it submitted supplemental comments, which did not address the acceptability of its own proposal but only reiterated that Essex's proposal should be rejected as technically unacceptable.

When an RFP requires the submission of descriptive literature showing technical adequacy, an offeror must demonstrate technical sufficiency in its proposal. AEG Aktiengesellschaft, 65 Comp. Gen. 418 (1986), 86-1 CPD ¶ 267. A blanket offer of compliance with the specifications is not sufficient to comply with an RFP requirement for detailed technical information necessary for evaluation purposes. Id. Here, none of these three offerors submitted the MTBF reliability calculations with regard to the motor generator sets or bearings with their proposals as required by the RFP. Without these calculations, we do not understand, and the Navy does not explain, how it can be determined whether the proposed motor generator sets and bearings

met the stated minimum reliability requirements or why this information--which seems critical to judging the reliability of the units and which was clearly solicited by the RFP--is not material.

It is apparent that if Essex's proposal should be rejected as unacceptable for its failure to provide these reliability calculations, as is contended by Power Dynatec, then Power Dynatec's proposal should also have been rejected for this same reason. Furthermore, the Navy has accepted delivery of the Essex motor generators and states that the products delivered meet its requirements. Also, after award, Essex submitted the calculations and an explanation of the estimated reliability of its bearings, which exceeded the minimum stated requirement for bearing reliability. Since the Navy treated the offerors equally with regard to the technical deficiencies in their proposals by determining them technically acceptable, notwithstanding their proposal deficiencies, and since the agency's minimum needs are actually being satisfied by the award, there is no basis for sustaining Power Dynatec's protest concerning the agency's waiver of the requirement that offerors demonstrate their equipment's reliability. C3, Inc., 70 Comp. Gen. 313 (1991), 91-1 CPD ¶ 230; see also Integral Sys., Inc., 70 Comp. Gen. 105 (1990), 90-2 CPD ¶ 419; O.V. Campbell & Sons Indus., Inc., B-236799 et al., Jan. 4, 1990, 90-1 CPD ¶ 13; Emulex Corp., B-236732, Dec. 27, 1989, 89-2 CPD ¶ 600.

Similarly, we cannot say that any of Power Dynatec's remaining allegations of noncompliance in Essex's proposal require us to sustain the protest. For some of the items, Essex apparently complies with the solicitation requirements; for others it is not clear that Essex's proposal was noncompliant; for still others the alleged instances of noncompliance seem to be clerical errors or minor in nature. In any case, it is apparent that neither the agency nor the offerors, including Power Dynatec, believed that strict compliance with the solicitation requirements would be required. For example, while Power Dynatec complains that Essex does not offer the required "vacuum" output, Power Dynatec's proposal was similarly silent regarding whether it offered the "vacuum" output. Thus, we cannot say the offerors were treated unequally.

The protest is denied.



for James F. Hinchman
General Counsel