



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Allenhurst Industries, Inc.

File: B-256836; B-256836.2

Date: July 8, 1994

Scott W. Woehr, Esq., and Todd R. Metz, Esq., Doyle & Bachman, for the protester.
Lester Edelman, Esq., and Mary S. Byers, Esq., Department of the Army, for the agency.
Peter A. Iannicelli, Esq., and Michael R. Golden, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency reasonably rejected the protester's proposal as technically unacceptable where the proposal deviated from the request for proposal's (RFP) required delivery schedule and lacked information required to show how the firm would perform a number of functions (e.g., quality control) that were set forth in the RFP's evaluation scheme for evaluation purposes.

DECISION

Allenhurst Industries, Inc. protests award of a contract to RAMTECH Building Systems, Inc. by the United States Army Corps of Engineers pursuant to request for proposals (RFP) No. DACA31-94-R-0026. The protester alleges that the Corps improperly: (1) determined that Allenhurst's proposal was technically unacceptable; (2) evaluated the prices of technically acceptable offers in a manner that was inconsistent with the RFP's evaluation scheme; and (3) held discussions with the awardee only, but not with other offerors. We deny the protest.

Issued on December 21, 1993, the RFP solicited offers for a firm, fixed-price contract for construction and lease of temporary facilities to be used by the Defense Visual Information School. The statement of work included, among other things, site-work construction, site restoration, resurfacing a parking lot, and leasing approximately 57,000 square feet of modular facilities (i.e., trailers) at Fort Meade, Maryland. The RFP envisioned a 1-year lease with options for two additional 1-year periods, as well as an option to purchase the trailers.

The RFP stated that the contract would be awarded on the basis of initial proposals, without discussions (although it reserved to the Corps the right to conduct discussions if necessary). The RFP stated that, for the purpose of determining the technical acceptability, proposals would be evaluated on the following criteria (listed in descending order of importance): technical documents, project management plan, and qualifications and past performance. Under each evaluation criterion, the RFP listed a number of subfactors that proposals would have to address and that would be evaluated for technical acceptability. In this regard, the RFP stated that:

"Proposals will be reviewed by qualified evaluators to initially determine their acceptability. Each proposal must contain all the information required by the RFP. A proposal may be determined unacceptable if required information is missing or the proposal materially deviates from the requirements of the RFP. . . . Unacceptable proposals will not be considered for further evaluation or selections."

The RFP also stated: "Award will be made on the basis of that technically acceptable proposal offering the lowest price."

Five offers were received by the February 15, 1994, closing date for receipt of initial proposals. After evaluation of technical proposals, the agency determined that three offers (including Allenhurst's) were technically unacceptable and that two offers (including RAMTECH's) were technically acceptable. The two technically acceptable proposals were evaluated for cost realism and reasonableness. Based upon a determination that RAMTECH's offer was the lowest-priced, technically acceptable offer, the evaluators recommended that the contract be awarded to that firm. The contracting officer concurred and, on March 17, awarded the contract to RAMTECH.

The protester contends that the agency improperly determined its proposal to be technically unacceptable. In this regard, Allenhurst argues generally that the Corps's evaluation of its proposal was either unreasonable or inconsistent with the RFP's evaluation criteria, but provides no detailed statement of why it believes the technical evaluation was improper.

In reviewing whether a proposal was properly rejected as technically unacceptable, our Office will not reevaluate the proposal, as the determination of whether a proposal meets the contracting agency's needs is a matter within the

agency's discretion. Triton Marine Constr. Corp., B-250856, Feb. 23, 1993, 93-1 CPD ¶ 171. We will, however, examine the record to determine whether the evaluators' judgments were reasonable and consistent with the stated evaluation criteria. Id. An agency may reasonably find a proposal technically unacceptable where the proposal contains so many deficiencies that it could only be made acceptable with major revisions. See Benton Corp., B-249091, Oct. 21, 1992, 92-2 CPD ¶ 264.

Allenhurst's proposal was found deficient under 6 of the 16 evaluation subfactors set forth in the RFP under the evaluation criteria. Specifically, the evaluators determined Allenhurst's proposal technically unacceptable under four evaluation subfactors related to providing a quality exterior design and to quality control of three facets of the project, because the proposal did not address those subfactors at all and, therefore, included no documentation which could be evaluated. The evaluators determined Allenhurst's proposal technically unacceptable on another subfactor--ability to provide a quality design--because it contained inadequate documentation to demonstrate the firm's design capability. The evaluators also found that Allenhurst's proposed work schedule did not meet the RFP's required construction/delivery schedule.

Allenhurst chose not to respond to the Corps's report but, instead, elected to have our Office resolve the protest on the basis of the existing record. Based upon our review of the protest record--including the RFP's evaluation scheme, the evaluation materials (individual evaluators' score sheets and the technical evaluation team's consensus report), and Allenhurst's proposal--we have no basis to conclude that the evaluation was unreasonable or inconsistent with the stated evaluation scheme.¹

After reviewing Allenhurst's proposal, we agree with the evaluation team's finding that the proposal simply did not address a number of the evaluation factors and subfactors as required by the RFP evaluation scheme. For example, the RFP evaluation scheme required offerors to include a project management plan to show that the offeror's management system would produce a quality project on time and within budget. Within the project management plan subfactor, the RFP required offerors to propose methods to control design quality, construction quality, and the quality of subcontracted work. The evaluators noted the absence of any

¹The evaluation documents show that the factors and subfactors evaluated by the technical evaluation team were entirely consistent with the factors and subfactors set forth in the RFP.

such plans or methodologies and determined Allenhurst's proposal to be unacceptable. Our review of Allenhurst's proposal confirms that the proposal did not include any of the required quality control plans. Further, other than stating prices for various phases of the work, the proposal basically consists of a collection of proposed subcontractors' quotations and their descriptive literature with almost no original narrative from Allenhurst or its proposed subcontractors describing how the work would be accomplished.

An offeror in a negotiated procurement must demonstrate within the four corners of its proposal that it is capable of performing the work upon terms advantageous to the government. See ImageMatrix, Inc., B-243367, July 16, 1991, 91-2 CPD ¶ 61. Where, as here, the solicitation specifically directs offerors to demonstrate their capabilities in their technical proposals, an offeror disregards any specific requirements at its peril. See Laboratory Sys. Servs., Inc., B-256323, June 10, 1994, 94-1 CPD ¶ _____. As Allenhurst did not provide any information in its proposal to demonstrate how it would perform quality control and other required functions, and the proposal would require major revisions to make it technically acceptable, the agency reasonably rejected the proposal as unacceptable. See Monopole, S.A., B-252745, July 23, 1993, 93-2 CPD ¶ 51; Benton Corp., *supra*. In this connection, as noted above, the RFP warned offerors that proposals would be determined unacceptable if required information was missing or the proposal materially deviated from RFP requirements; the RFP also cautioned that unacceptable proposals would not be considered for award.

We also agree with the evaluators' finding that Allenhurst's proposal was technically unacceptable because the firm proposed a construction/delivery schedule that was not in conformance with the RFP's required schedule. The RFP stated that Phase I and Phase II of the project, consisting of 22,638 net usable square feet, must be ready for occupancy no later than June 30, 1994. However, Allenhurst's proposal showed that Phase I and Phase II would be in "factory production" in the middle of July and did not show when those trailers would be delivered and ready for occupancy. One evaluator concluded that Allenhurst was "unable to demonstrate ability to meet project schedule," while another evaluator calculated that Allenhurst would be a "minimum of one month too late" on delivery of Phases I and II. Because the procurement was for temporary

facilities to house the Defense Visual Information School, and the record shows that the next training cycle at the school is scheduled to begin on August 1, the RFP's occupancy date was a material requirement from which Allenhurst's proposal deviated.

As the Corps properly rejected Allenhurst's proposal as technically unacceptable, Allenhurst is not an interested party to protest that the Corps improperly evaluated the prices of technically acceptable offers, since Allenhurst would not be in line for award even if we agreed with its position.² See TSM Corp., B-252362.2, July 12, 1993, 93-2 CPD ¶ 13. Regarding the allegation that the Corps held discussions with RAMTECH only, the agency denies holding discussions with any offeror and there is nothing in the record to support the protester's allegation.

The protest is denied.


 Robert P. Murphy
 Acting General Counsel

²Allenhurst contends that the Corps was required under the RFP to evaluate the option to purchase the temporary facilities. In fact, however, the RFP stated that price evaluation would include all option prices "[e]xcept when it is determined in accordance with FAR 17.206(b) not to be in the Government's interest." The agency made such a determination on the basis that a permanent facility would become available before the end of the lease and that no funds would be available for purchase.