



Comptroller General
of the United States

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Washington, D.C. 20548

Decision

Matter of: Intelligent Environments

File: B-256170.2

Date: November 28, 1994

Joyce M. Scanlon for the protester, Robert M. Halperin, Esq., Peter Lipperman, Esq., and John E. McCarthy, Esq., Crowell & Moring, for Easel Corporation, an interested party, Michael Colvin and Stan March, Department of Health and Human Services, for the agency, David A. Ashen, Esq., and John M. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that awardee's proposal is technically unacceptable is denied where protester's position is based on an unreasonably restrictive reading of solicitation requirements for graphical user interface development software, under which interpretation the protester's own proposal is also technically unacceptable.
2. A proposal is not subject to rejection as mathematically unbalanced where there is no showing that it contains both nominal and enhanced pricing.

DECISION

Intelligent Environments protests the award of a contract to Easel Corporation under request for proposals (RFP) No. SSA-RFP-94-1643, issued by the Department of Health and Human Services, Social Security Administration (SSA), for commercial, "off-the-shelf" graphical user interface development software; documentation; upgrades; telephone hotline; and training. Intelligent Environments argues that Easel's proposal failed to satisfy several mandatory specification requirements.

We deny the protest.

The solicitation provided for award of an indefinite quantity, 6-year (one base year with 5 option years) contract to the low, technically acceptable offeror. Two offerors submitted proposals--Easel proposed ENFIN software

as its applications software development tool, while Intelligent Environments proposed Applications Manager software. The SSA found the initial proposals of both offerors to be unacceptable, but susceptible of being made acceptable.¹ Following negotiations and the receipt of best and final offers, the SSA determined that Easel had submitted the low, technically acceptable offer and made award to that firm. Intelligent Environments then filed this protest with our Office, challenging SSA's determination that Easel's proposed software complied with mandatory specification requirements.

UPGRADE REQUIREMENT

The specifications provided that "SSA must be able to upgrade the runtime environment without having to re-release all the application software; the runtime environment must be independent of a single application." "Runtime" environment or software refers to vendor-supplied utility software that enables an end-user to perform a business activity using application software. According to SSA, the requirement was intended to avoid the need to cancel and re-implement all of its existing application programs whenever the runtime software was upgraded. Intelligent Environments maintains that Easel's proposed software did not comply with this upgrade requirement because SSA allegedly would have to reissue the complete application image file whenever it changed (upgraded) the runtime environment.

The procuring agency has primary responsibility for evaluating the technical information supplied by an offeror and determining the technical acceptability of the offeror's item; we will not disturb a determination of technical acceptability unless it is shown to be unreasonable. Alpha Technical Servs., Inc., B-250878; B-250878.2, Feb. 4, 1993, 93-1 CPD ¶ 104. A protester's mere disagreement with the agency's technical judgment does not establish that it was unreasonable. See Diversified Technical Consultants, Ltd., B-250986, Feb. 22, 1993, 93-1 CPD ¶ 161.

The agency's determination here was reasonable. The RFP did not require that the upgrade requirement be met using a single approach, and SSA found both Intelligent Environments' and Easel's proposed approaches to the

¹The agency initially determined that Intelligent Environments' proposal, but not Easel's, was capable of being made acceptable. Based upon discussions with the offerors and testing of the proposed software, however, SSA subsequently determined that Easel's proposal also could be made acceptable.

requirement acceptable. According to the agency, while all past runtime versions are replaced with a single upgraded one under Intelligent Environments' approach, various runtime versions can coexist under Easel's different approach. As a result, an upgraded runtime program can be installed to run an upgraded version of an application program, while the prior runtime program will continue to run the other application programs with no need to re-release those programs. The agency's conclusion in this regard was based on the statement in Easel's proposal that ENFIN-generated applications were "stand-alone,"--that is, a change to one application did not affect other applications --and the "Pre-award Hands-on Technical and Functional" testing of Easel's software, as provided for in the solicitation. This testing confirmed that when new runtime files are installed to support new, upgraded application software programs, the existing runtime files supporting other application software will continue to operate.²

Intelligent Environments' contrary position is based on information it allegedly obtained from the manufacturer of ENFIN itself. However, the protester has presented no documentation supporting this allegation and, moreover, even if the protester was advised as it claims, we think Easel's proposal and the agency's tests showing compliance with the requirement provided a reasonable basis for the agency's determination.

STRUCTURED QUERY LANGUAGE (SQL) REQUIREMENT

As initially issued, section C-9 of the specifications, entitled "SQL [Structured Query Language] Specifications," provided that application software "must interface to databases on a remote DB2/2 server" and "must support both Dynamic and Static SQL." DB2/2 is an IBM relational data base management system (RDBMS).³ SQL provides a means for structured communication employing English-based terms and syntax. There are two types of SQL: dynamic SQL and static SQL, which is used exclusively in the context of IBM RDBMSs. The SSA subsequently amended the solicitation to delete the IBM DB2/2 interface requirement. The agency states that deletion of the IBM DB2/2 interface requirement rendered the

²For example, the agency's testing indicated that it could execute ENFIN applications created under two different ENFIN versions--ENFIN releases 2.9 and 4.0--at the same time, and that therefore there was no requirement to re-release applications created under ENFIN version 2.9 when version 4.0 was installed.

³An RDBMS stores data in a series of tables, permitting the user to access interrelated data efficiently.

requirement to support static SQL superfluous but, through an oversight, the agency neglected to also delete the static SQL requirement.

Intelligent Environments argues that Easel's proposal is technically unacceptable because its proposed ENFIN software does not support static SQL. As noted by the SSA, however, Intelligent Environments advised the agency in writing during negotiations that its proposed:

"Applications Manager supports static SQL created for DB2/2 in conjunction with the SQL Workbench. As DB2/2 was not a requirement, we did not include the SQL Workbench."

In other words, Intelligent Environments did not offer the SQL Workbench, which is required to support static SQL on its Applications Manager software. Since neither proposal complied with the RFP's static SQL requirement (compliance with which is not necessary to satisfy the agency's minimum needs), and the agency treated the offerors equally by considering both proposals acceptable in this regard, this issue provides no basis for sustaining Intelligent Environments' protest. See Power Dynatec Corp., B-251501.3, Aug. 3, 1993, 93-2 CPD ¶ 73; Schat Watercraft, Inc., B-244175, June 17, 1991, 91-1 CPD ¶ 574.

COMMERCIALITY REQUIREMENT

The specifications provided that "[a]pplication software must be able to support named pipes to allow processes to create, open, connect and disconnect to other processes to send and receive data." ("Named Pipes" is a method of communicating data between application software programs.) In addition, as noted above, the specifications required that the offered package be commercial, "off-the-shelf" software. Easel offered Named Pipes software from ENFIN, and stated in its proposal that "ENFIN software has been commercially available for several years" and "has been used extensively in Germany over a period of years." Easel also furnished a list of companies, with points of contact at each, at which ENFIN software had been used.

Intelligent Environments does not dispute either that the ENFIN software has been commercially available for many years, or that, as the SSA reports, the agency successfully tested ENFIN with Named Pipes (part of the testing discussed above). Rather, the protester alleges that the combination of ENFIN with Named Pipes is not commercially available.

This argument is without merit. Easel stated in its proposal its compliance with the commerciality requirement of the specifications, and offered information in support of

its statement of compliance. Although Easel's proposal did not specifically address the Named Pipes capability when discussing the commerciality of ENFIN, the agency has furnished a copy of an article from an April 1993 computer periodical in which ENFIN is listed as supporting Named Pipes capability. Based on the proposal and this publicly available information, the agency reasonably determined that Easel's proposed software package complied with the RFP's commerciality requirement.

CONCURRENT MULTI-SQL-TASKING REQUIREMENT

The specifications provided that the "application software must support concurrent multi-SQL-tasking in a program." Easel stated in its proposal that "[a]n ENFIN application can access multiple SQL databases and retrieve data from both," and "[i]f the database management system supports opening of multiple databases . . . ENFIN can access multiple databases concurrently." SSA's pre-award testing confirmed that ENFIN can concurrently access multiple SQL databases. Intelligent Environments argues, however, that concurrent access to multiple SQL databases is insufficient to meet the RFP requirement; according to the protester, multi-SQL-tasking is commonly understood as the ability to undertake multiple concurrent accesses to the same database.

SSA disputes Intelligent Environments' interpretation of the multi-SQL-tasking requirement. According to the agency, the ability to concurrently access multiple SQL data bases satisfies the multi-SQL-tasking requirement as set forth in the specifications, and requiring the ability to undertake multiple concurrent accesses to the same database would comprise an unnecessarily restrictive interpretation of the specifications, which exceeds the agency's minimum needs.

Intelligent Environments has furnished no evidence supporting the reasonableness of its interpretation; the protester has cited no provision in the specifications specifically requiring the ability to undertake multiple concurrent accesses to the same data base, and furnished no evidence of this being the generally understood meaning of the specifically required multi-SQL-tasking. In these circumstances, we find unreasonable Intelligent Environments' restrictive interpretation of the multi-SQL-tasking requirement, and thus have no basis to question the agency's determination that Easel's proposed software complied with this requirement.

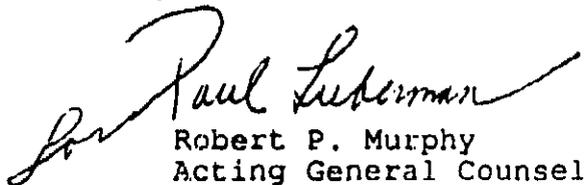
UNREALISTICALLY LOW PRICES

Intelligent Environments claims that Easel's proposed price for ENFIN is unrealistically low, and thus warrants rejection of the proposal because it is substantially lower than the prices for ENFIN on the General Services Administration's Federal Supply Schedule. (Easel's total evaluated price was \$792,686, while Intelligent Environments' was \$2,191,278.) Intelligent Environments, which has not had access to Easel's line item pricing, speculates that Easel's pricing may make sense only "[i]f this contract is viewed as a consulting opportunity instead of a products opportunity."

An allegation that the awardee's prices are unreasonably low is not a basis for sustaining a protest, since there is no legal basis to object to the submission or acceptance of a below-cost offer on a fixed-price contract. See Monopole S.A., Inc., B-254137, Nov. 4, 1993, 93-2 CPD ¶ 268.

The protest also is without merit with respect to the suggestion by Intelligent Environments, without any explanation, that Easel's offer is impermissibly unbalanced. Before an offer can be rejected as unbalanced, it must be found to be both mathematically and materially unbalanced. An offer is not mathematically unbalanced unless it is based on nominal prices for some items and enhanced prices for other items. See Applied Science & Technologies, Inc., B-255258, Feb. 22, 1994, 94-1 CPD ¶ 135. There is no evidence that Easel's offer contains any enhanced pricing, in the absence of which, Easel's offer could not be rejected as unbalanced. Id.

The protest is denied.


 Robert P. Murphy
 Acting General Counsel