



Decision

REDACTED VERSION

Matter Of: Miltope Corporation; Aydin Corporation
File: B-258554.4; B-258554.5; B-258554.6
Date: June 6, 1995

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DIGEST

1. Agency reasonably determined that the protester's offer of an accelerated delivery schedule was unrealistic and risky based upon the agency's reasonable reading of the offeror's proposal and the offeror's failure to propose sufficient test unit resources to allow for accelerated deliveries.
2. Agency reasonably selected the higher-rated, higher-priced offer for award under a "best value" procurement in accordance with a stated evaluation criteria where the awardee proposed credible and realistic accelerated deliveries, which the agency concluded would offer substantial program costs savings and other benefits that outweighed the lower-priced offers of the protesters, whose proposed accelerated delivery schedules were reasonably found to be not credible or realistic.
3. Protest that agency failed to inform protester of every evaluated weakness in the protester's proposal is denied where the agency conducted several rounds of discussions that led the protester into the areas of its proposal requiring amplification.

*The decision issued on June 6, 1995, contained proprietary information and was subject to a General Accounting Office protective order. This version of the decision has been redacted. Deletions in text are indicated by "[DELETED]."

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DECISION

Miltope Corporation and Aydin Corporation protest the award of a contract to Computing Devices International (CDI) under request for proposals (RFP) No. F19628-94-R-0007, issued by the Department of the Air Force, Electronic Systems Center, Hanscom Air Force Base, Massachusetts.

The protests are denied.

The RFP, issued May 2, 1994, contemplated the award of a fixed-price contract for first articles and production quantities of hard disk subsystems (HDS) and associated technical manuals for use on the E-3 Airborne Warning and Control System (AWACS) aircraft. The E-3 AWACS aircraft is a modified Boeing 707, outfitted with extensive avionics, including computer, radar, communications, display and navigation systems. The AWACS aircraft provides essential command, control, communications and intelligence support for military aircraft in combat situations, as well as surveillance support in both combat and noncombat situations.

The HDS sought by the RFP is to be a functional replacement for magnetic tape transport (MTT) subsystems currently used on the aircraft. The purpose of the MTT, and now the HDS, is to store critical data and programs for loading onto the AWACS's mainframe computer and to record events which occur during missions. The MTT subsystems are part of the original AWACS design that was introduced in 1977 and are no longer in production. The agency states that these subsystems have been increasingly unreliable and expensive to operate and maintain, and that a failure in the MTT subsystem can result in a severe degradation of the AWACS's mission capability and/or result in the AWACS aircraft being unable to perform its mission.

The RFP statement of work (SOW) provided that the contractor would produce, test, and deliver the HDS in accordance with the product baseline established in the technical data package provided by the agency.² In essence, the contract sought a "build-to-print" production of the HDS units. Among other things, the SOW required that the contractor:

¹AWACS aircraft, for example, monitor no-fly zones in Iraq and Bosnia and provide surveillance and tracking of possible airborne drug smugglers in the Caribbean.

²CDI developed the HDS design under a prior contract.

"establish and implement a test and evaluation program that ensures that each HDS procured under this contract satisfies the verification requirements of the test requirements document and acceptance test procedures."

The required tests include functional performance, ground and flight tests, and environmental stress screening (ESS),³ for which HDS test stations--one of which the RFP stated would be provided to the contractor as government-furnished property--were to be used.

Offerors were informed that the procurement would be conducted in accordance with the agency's streamlined source selection procedures of Air Force Regulation 70-30, Appendix BB. The RFP provided that award would be made on a "best value" basis, based upon an integrated assessment of the offerors' proposals under stated evaluation factors and general considerations,⁴ and considering the offerors' evaluated proposal risk and performance risk factors.⁵ The following specific evaluation factors and subfactors were identified:

Technical Area

1. Manufacturing/first article test
2. Master schedule
3. Interim contractor support

Cost/Price Area

1. Price evaluation
2. Cost/Price Realism

³ESS includes testing HDS units' responses to temperature variation and vibration.

⁴The general considerations were identified as an in-plant review of each offeror's facility and a pre-award survey to evaluate each offeror's capability to perform the contract requirements.

⁵The RFP provided that "proposal risk" would assess the risk associated with the offeror's proposed approach as it relates to accomplishing the requirements of the solicitation, and that "performance risk" would assess the probability of the offeror successfully accomplishing the proposed effort based upon the offeror's demonstrated present and past performance.

The technical factors were listed in descending order of importance. The RFP further provided that the technical area was more important than the cost/price area and informed offerors that a higher-priced, technically superior proposal could be selected for award if the agency determined that "the additional technical merit offered is worth the additional cost in relation to other proposals received."

The Air Force received proposals from CDI, Aydin, and Miltope by the June 1, 1994, closing date. Discussions were conducted, and best and final offers (BAFO) received and evaluated. CDI's higher-priced, technically superior BAFO was determined to be the best value to the government, in part based upon CDI's offer of an accelerated delivery schedule. Award was made to CDI on September 14, and Aydin and Miltope requested and received unsuccessful offerors' debriefings describing the evaluated strengths, weaknesses, and adjectival/color ratings for each evaluation factor and subfactor in each of the offeror's respective proposals and also describing the basis for the agency's source selection. In addition, the protesters were provided with the adjectival/color ratings of CDI's proposal and CDI's "bottom-line" proposal pricing.

Subsequently, Aydin and Miltope protested to our Office, both protesters asserting, among other things, that the award based in part upon CDI's offer of an accelerated delivery was inconsistent with the stated RFP evaluation criteria. The Air Force determined, in response to the protests, that the RFP did not clearly indicate that credit would be given for accelerated delivery, and that it would amend the RFP to clarify this intent and reopen negotiations. Aydin withdrew its protest in response to the agency's corrective action, and we subsequently dismissed Miltope's protest as academic.

After we dismissed CDI's protest of the Air Force's proposed corrective action, see Computing Devices Int'l, B-258554.3, Oct. 25, 1994, 94-2 CPD ¶ 162, the Air Force reopened negotiations and informed the offerors that:

"The [g]overnment encourages offerors to propose a delivery schedule that facilitates earlier upgrade of the E-3 fleet. Accelerating delivery of production units, and associated items and data, will contribute to efficient installation of the fleet. If offerors propose an accelerated delivery schedule, the [g]overnment reserves the right to award under either the

accelerated or the required delivery schedule,"

and that:

"The government will give positive consideration under the [m]aster [s]chedule for any proposed schedule which will realistically permit earlier retrofit of the fleet."

Offerors were given the opportunity to make any desired changes in their previously submitted BAFOs. All the offerors submitted technical and price revisions to their BAFOs; all proposed accelerated delivery schedules.⁶ The proposal revisions were evaluated, and further discussions conducted with each offeror. A second BAFO was requested from the offerors; attached to the agency's request for new BAFOs was a summary briefing chart, which identified each offeror's evaluated strengths, weaknesses, evaluation ratings, and price totals.

The final BAFO evaluation results were as follows:⁸

	<u>CDI</u>	<u>Aydin</u>	<u>Miltope</u>
Manufacturing/ First Article Test	Excellent Low Risk	Acceptable Low Risk	Acceptable Mod. Risk
Master Schedule	Excellent Low Risk	Marginal Mod. Risk	Marginal High Risk
Interim Contractor Support	Excellent Low Risk	Excellent Low Risk	Marginal High Risk

⁶The three offerors' approach to accomplishing their proposed accelerated delivery schedules differed.

⁷The agency states that this information was released to ensure that all offerors were competing on an equal basis.

⁸Proposals were evaluated under each evaluation factor and subfactor as either excellent, acceptable, marginal, or unacceptable, and were assessed for proposal risk as either low, moderate, or high risk. Performance risk was not reevaluated by the Performance Risk Assessment Group, which had rated CDI and Miltope as low risk and Aydin as moderate risk.

OVERALL RATING	Excellent Low Risk	Acceptable Mod. Risk	Marginal High Risk
Price	\$13.8M ⁹	\$11.7M	\$10.2M

Under the manufacturing/first article test factor,¹⁰ each offeror was judged to be capable of producing the HDS to the design requirements. CDI's proposed production capabilities were judged to be superior to the other offerors' largely on the strength of CDI's established relationships with parts suppliers and superior testing resources.¹¹ Under the master schedule factor,¹² CDI's offered accelerated delivery was found credible and achievable, while Aydin's and Miltope's offered accelerated deliveries were not; this judgment was largely based upon CDI's offer to use additional test units which did not create the "gating" problems that Aydin and Miltope faced using only one test unit.¹³ Under the interim contractor support factor,¹⁴ CDI's and Aydin's BAFOs were rated as excellent based upon their proposed accelerated "turn-around" time for fault isolation and repair, and credible approaches to repairing failed units; Miltope's BAFO, however, provided "minimal insight into their approach" and was rated as marginal with high risk for this factor.

⁹"M" means million.

¹⁰This factor measured, among other things, an offeror's manufacturing, purchasing, and test systems, as well as the offeror's approach to production planning and control.

¹¹CDI proposed to build an additional [DELETED] HDS test units to perform this contract.

¹²The master schedule factor measured the credibility of offeror's proposed schedule for delivery of HDS units and whether the schedule proposed allowed for "efficient installation into the fleet."

¹³The "gating" problem pertains to the limit on the rate of production of HDS units by Aydin and Miltope caused by having only a single HDS test unit, inasmuch as all units had to be subjected to extensive testing by this test unit. While Aydin did offer to build an additional test unit, it also proposed to provide one test unit to a subcontractor, which would be performing ESS testing--thus, Aydin still only had one test unit to perform production and acceptance testing.

¹⁴This factor measured the offeror's proposed approach to depot-level support for fault detection and isolation, repair, and testing.

The source selection evaluation team (SSET) concluded that:

"Because this is a build-to-print production program with technology that is less than state-of-the-art, and all three contractors are recognized defense contractors, there is very little technical risk. All three offerors should, in time, be able to produce the HDS according to the [l]level three drawing package. However, there are differing amounts of schedule risk due to differences in their manufacturing processes, first article test procedures, master schedule planning and interim contractor support abilities."

Specifically, regarding the schedule risk, the SSET concluded that it appeared unlikely that Miltope or Aydin would be able to meet the accelerated schedules that they proposed. On the other hand, CDI's proposed accelerated first article and production schedule was found to be credible and achievable.

The SSET briefed the source selection authority (SSA) on its findings. The SSA determined that CDI's BAFO represented the best value to the government. Specifically, the SSA explained in an affidavit filed with our Office that:

"the strengths offered by CDI were of significant benefit to the program, and were sufficient to merit the payment of the price premium associated with their proposal. CDI's proposal was exceptional, in part, because it posed significantly lower risk than the other proposals. CDI offered many strengths which reduce risk, such as the fact that it has produced identical Removable Media Assemblies and has contractually committed to perform additional in-plant testing. The additional test sets CDI has committed to build will ensure that testing will not impact its delivery schedule. In the [m]aster [s]chedule [f]actor, CDI proposed a credible accelerated schedule which will deliver the prime mission equipment to the field [DELETED] months earlier than the latest date permitted by the solicitation. Also significant was the fact that CDI [DELETED], allowing the Air Force to

immediately begin installing and using the HDS.

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"CDI's superior, low risk technical proposal delivers equipment into the fleet at the earliest possible opportunity [DELETED]. This aspect of CDI's proposal is significant because these technical strengths will reduce the mission impact and high maintenance costs the [g]overnment is currently experiencing due to the low reliability of the MTTs."

Award was made to CDI, and Aydin and Miltope again received unsuccessful offeror debriefings, which identified the evaluated strengths and weaknesses in their respective proposals. These protests followed.

The crux of Aydin's protest is that the Air Force improperly selected CDI's much higher-priced proposal largely on the basis of CDI's proposed accelerated delivery schedule when Aydin also offered an accelerated delivery schedule. In this regard, Aydin complains that the SSA was not informed by the SSET that the agency's technical evaluators had determined Aydin's offer to accelerate its first article schedule to be credible and realistic;¹⁵ consequently, Aydin argues that the SSA's cost/technical tradeoff judgment was based upon erroneous information and was not reasonable.

The Air Force responds that Aydin's proposed accelerated delivery schedule was in fact unrealistic; that it was unlikely that Aydin could satisfy its proposed accelerated delivery of first articles or production units. The agency disputes Aydin's contention that the agency's evaluators actually determined that Aydin's proposed accelerated first article delivery schedule--as opposed to its proposed accelerated production delivery schedule--was or could be considered credible and realistic. While the agency admits that its final proposal analysis report (PAR) suggests that Aydin's accelerated first article schedule was achievable, it asserts that Aydin's proposed first article schedule was in fact properly determined to be risky and that the SSA was properly briefed in this regard.

¹⁵In contrast, Aydin does not assert that the evaluators had found that Aydin's proposed accelerated delivery of production units was realistic or credible.

In reviewing a protest challenging an agency's technical evaluation, we examine the record to ensure that the agency's evaluation was reasonable and consistent with the stated evaluation criteria. See Abt Assocs., Inc., B-237060.2, Feb. 26, 1990, 90-1 CPD ¶ 223. Our consideration of the protest record includes review of the agency's contemporaneous evaluation documents and any explanation or argument concerning the evaluation and source selection. See DynCorp, 71 Comp. Gen. 129 (1991), 91-2 CPD ¶ 575; Hydraudyne Sys. and Eng'g B.V., B-241236; B-241236.2, Jan. 30, 1991, 91-1 CPD ¶ 88.

Here, we find reasonable the agency's evaluation assessment that Aydin's proposed accelerated schedule for first article and production units was risky and unlikely to be attained. In so deciding, we disagree with Aydin's assertion that the agency had actually evaluated Aydin's accelerated first article delivery schedule to be credible and realistic, but had failed to so inform the SSA. We recognize that the PAR states, as Aydin asserts, that Aydin's proposed first article schedule was "achievable" and "fairly realistic"; however, this document--which was prepared after the SSA's source selection briefing and on the day of the SSA's source selection decision--is inconsistent with other contemporaneous evaluation documentation that indicates the agency found that both Aydin's proposed first article and production unit delivery schedules were unrealistic.

Specifically, the technical evaluation summaries--which were prepared a week prior to the preparation of the PAR--assessed Aydin's proposed first article and production schedule as weaknesses, based upon the evaluators' concerns that Aydin's first article schedule was too tight and that Aydin's lack of testing resources would make its proposed accelerated production delivery schedule likely unachievable. Similarly, the SSET's source selection briefing charts identify Aydin's proposed first article and production schedules as weaknesses and as lacking realism. The briefing charts show that the Air Force found that Aydin's proposed first article schedule was risky and unrealistic because Aydin proposed concurrently performing the following required first article tasks: (1) traveler paperwork and first article production;¹⁶ (2) material

¹⁶"Traveler paperwork" is the assembly instruction set that a manufacturer will use to build an item. The agency explains that a contractor authors the traveler paperwork from the technical drawings and parts list, and that the traveler paperwork is tailored to the facility in which the item will be built. The agency states, and Aydin does not dispute, that in an orderly, low risk environment these

(continued...)

receipt and assembly;¹⁷ and (3) microcircuit burn-in and operator control panel (OCP)/tape emulator module (TEM) assembly.¹⁸ Regarding Aydin's proposed production schedule, the briefing charts state that Aydin's lack of testing resources would limit production output with the result that Aydin's proposed accelerated deliveries would likely be unachievable.

Aydin argues that the agency's evaluation of its proposal was unreasonable with respect to its proposed accelerated schedule. Regarding the evaluated weaknesses in its proposed first article schedule, Aydin asserts that it did not propose to prepare traveler paperwork during first article production, but only indicated that it would verify or "debug" that paperwork; that Aydin's offer to build first articles while receiving materials [DELETED]; and that Aydin did not propose to "burn-in" microcircuits, but intended to purchase the electronic parts that had already been "burned-in." Regarding the evaluated weaknesses in its proposed production schedule, Aydin asserts that the agency's concern with Aydin's test unit resources was unreasonable because it ignores the fact that the test unit is fully automated and therefore can operate 24 hours a day without being monitored by an operator.

As discussed below, we have reviewed each of these disputed weaknesses in Aydin's proposal regarding its evaluated unrealistic schedule and find the agency's evaluation conclusions were reasonable.

¹⁶(...continued)
steps are accomplished before an item is built. Beginning unit production before the completion of manufacturing documentation was viewed as a schedule risk with a potential degradation in technical performance.

¹⁷The agency states that typically a contractor controls the production process by "kitting," that is, by controlling the receipt of parts and building a set of parts which will eventually comprise the final unit. Aydin's proposal to build its first article while material was being received was viewed as risky because Aydin failed to explain how it would schedule lower-level assembly.

¹⁸The Air Force states that it is impracticable for Aydin to simultaneously "burn-in" microcircuits for a subassembly while building the OCP/TEM assembly because prior to being inserted into the production assembly the microcircuits must undergo "burn-in" in accordance with the applicable military standard.

Regarding the preparation of the traveler paperwork, the production schedule milestone chart in Aydin's BAFO shows "manufacturing documentation" being prepared during first article production. While Aydin asserts that this was only meant to indicate that it would be verifying or debugging its already prepared travel paperwork during this time, its proposal simply does not indicate this. Moreover, the task of preparing the detailed and precise assembly instructions required for the HDS unit would appear to take more than the "few days" asserted by Aydin in its protest correspondence; in this regard, CDI asserts that it estimated that the preparation of the traveler paperwork takes approximately [DELETED] man-hours. In the absence of any explanation in its BAFO as to what it meant by "manufacturing documentation," the agency could reasonably conclude that Aydin was offering to prepare its traveler paperwork at that time. It is an offeror's obligation to prepare an adequately written proposal which can be evaluated in accordance with the criteria set forth in the RFP. LRL Sciences, Inc., B-251903, May 3, 1993, 93-1 CPD ¶ 357.

Regarding Aydin's offer to build its first articles while receiving materials, Aydin's and CDI's proposals were not unequally evaluated as Aydin asserts. It is true that both firms [DELETED].¹⁹ [DELETED], Aydin proposed receiving materials for 6 months after first article production began, and the record confirms that Aydin did not explain how it would schedule its lower-level assemblies while materials were being received. Based upon these differences in the two firms' proposals, the agency concluded, reasonably we find, that CDI's offer [DELETED] was a proposal strength, while Aydin's failure to explain how it could build first articles while receiving materials was a proposal weakness and risk.

We also find that the agency reasonably evaluated Aydin's BAFO as offering to "burn-in" microcircuits while simultaneously building the OCP/TEM assemblies. The milestone chart in Aydin's BAFO for its proposed accelerated delivery schedule states that Aydin would "burn profiles on Micro Electronics," while assembling and testing the OCP/TEM assemblies. While Aydin now asserts that it intended to purchase microcircuits that were already burned-in and to simply program the integrated circuits during this period, its proposal does not reasonably indicate this. In the absence of any explanation from Aydin in its BAFO as to what performing "burn profiles" microcircuits comprised, we find that agency could reasonably conclude that Aydin meant to burn-in microcircuits during this period. Id.

¹⁹ [DELETED].

We also find that the Air Force reasonably evaluated Aydin's offer of only two HDS test units to accomplish Aydin's proposed accelerated deliveries of the production units to be a significant weakness and risk. The RFP required that every HDS unit to be delivered under the contract pass ESS testing over a test cycle of approximately 27 hours;²⁰ this testing requires the use of the government-furnished test unit, which Aydin proposed to provide to a subcontractor that would perform the ESS testing.²¹ Because each HDS unit must undergo the lengthy ESS testing, the Air Force found that Aydin's offer to use only one test unit for this testing represented a significant limitation on the timing and number of units that Aydin could deliver; indeed, the Air Force calculates that Aydin would only be able to maintain a production schedule of 5 units per month rather than the 8 units per month indicated in its proposal because it will be using only a single test unit. In contrast, CDI, [DELETED], proposed using a total of [DELETED] HDS test units. Aydin complains that the Air Force's evaluation ignores the fact that the HDS test units are computers which can perform the required ESS testing without human monitoring and therefore can perform testing 24 hours per day. The Air Force responds, persuasively we find, that human monitoring was contemplated given the design of the test unit, which is programmed to stop if a unit fails. Thus, if the ESS testing is not monitored, as Aydin suggests, there is substantial schedule risk because if a unit fails, all testing will cease. In any event, Aydin's proposal informed the agency that "[t]he [HDS] units will be monitored during ESS testing by Aydin's Test Engineer, using an HDS test station." Thus, we find reasonable the Air Force's concern that Aydin's limited test unit resources represented a significant limitation upon Aydin's ability to satisfy its proposed accelerated production delivery schedule.

Based upon our review of the record, we find, contrary to Aydin's assertions, its proposed accelerated delivery schedules were considered in the source selection, but not as a strength because, unlike CDI's proposed accelerated schedules, the agency reasonably determined that Aydin's proposed accelerated delivery schedule posed significant risks and was not realistic, and that the SSA was accurately so informed. In addition, the scheduling discrepancies in

²⁰The Air Force states, without challenge, that a complete ESS test, including set-up, would take 30 hours per unit, assuming no unit failure.

²¹While Aydin also proposed to build another HDS test unit, this additional tester was to be used for testing other than ESS.

Aydin's proposed accelerated first article so reasonably cast doubt on Aydin's ability to understand the requirement that the first article be identical to the production units.

While it is true that CDI and Aydin received ratings under one of the technical factors--i contractor support--the agency reasonably found that CDI's proposal was significantly technically superior to Aydin's proposal, primarily because of CDI's excellent, low risk rating for the master schedule factor as compared to Aydin's marginal, moderate risk rating, as well as its excellent low risk rating (as compared to Aydin's acceptable rating) for the most heavily weighted manufacturing/first article test factor.²²

Miltope also challenges the Air Force's selection of CDI's proposal for award, but does not contest, in any depth, that its proposal was properly considered technically inferior to CDI's.²³ Instead, Miltope protests that the Air Force applied an unstated evaluation factor when the agency evaluated CDI's established relationships with its parts vendors as a proposal strength and that positive consideration of these relationships reflected the agency's bias for CDI, as the designer of the HDS system. This allegation is without merit.

The RFP provided that an offeror's approach to achieving production and manufacturing requirements would be evaluated, and that as a part of this evaluation, the agency would assess the offeror's approach to the acquisition and handling of parts. In this regard, offerors were instructed to describe their purchasing system and, at a minimum, to

²²Aydin does not contest CDI's superior rating under the manufacturing/first article test factor.

²³The evaluators noted that Miltope's proposal evidenced a lack of understanding of the HDS technical and contractual requirements. While Miltope argues that the irrationality of the evaluation of its proposal is demonstrated by the assertedly inconsistent ratings of a "low" performance risk and a "high" proposal risk, this argument simply fails to recognize that these risks measure completely different things. As noted above, performance risk measures the probability that an offeror could accomplish the effort based on its demonstrated present and past contract performance, while proposal risk assesses the risk associated with an offeror's proposed approach to accomplish the work as reflect in its proposal. Miltope does not otherwise challenge the relatively low ratings its proposal received.

describe what processes would be followed to expedite long-lead time parts. We fail to see how the evaluation of an offeror's disclosed relationships with parts vendors is not simply part of evaluating the offeror's purchasing system, which offerors were specifically informed would be evaluated. Moreover, rather than indicating any bias, we think the Air Force's assessment of CDI's established relationships with parts vendors as a proposal strength was a reasonable judgment that such relationships would mitigate potential supply problems that could affect CDI's proposed accelerated delivery schedule, especially with regard to parts the agency knew could potentially be long-lead items.

Both protesters challenge the agency's cost/technical tradeoff, asserting that insufficient weight was given to their significantly lower costs. In addition, Miltope protests the selection of CDI's much higher-priced proposal for award, asserting that the agency did not specifically determine that the price premium associated with CDI's proposal was justified. In this regard, Miltope complains that the agency did not give any consideration in its cost/technical tradeoff analysis to the fact that Miltope could satisfy an unaccelerated delivery schedule or that perhaps Miltope could accelerate its delivery schedule to some unspecified degree less than that offered in its proposal.

In a negotiated procurement, the government is not required to make award to the lowest-cost, technically acceptable offeror unless the RFP specifies that cost will be determinative. General Servs. Eng'g, Inc., B-245458, Jan. 9, 1992, 92-1 CPD ¶ 44. Source selection officials have broad discretion to determine the manner and extent to which they will make use of the technical and cost evaluation results in negotiated procurements. Grey Advertising, Inc., 55 Comp. Gen. 1111 (1976), 76-1 CPD ¶ 325. In deciding between competing proposals, cost/technical tradeoffs may be made; the propriety of which turns not on the difference in technical scores or ratings, per se, but on whether the source selection officials judgment concerning the significance of that difference was reasonable and adequately justified in light of the RFP evaluation scheme. DynCorp, B-245289.3, July 30, 1992, 93-1 CPD ¶ 69. In a best value procurement, an agency's selection of a higher-priced, higher-rated offer compared to a lower-priced, lower-rated acceptable offer should be supported by a specific, documented determination that the technical superiority of the higher-priced offer warrants the additional cost involved, even where, as here, cost is stated to be the least important factor. Sturm, Ruger & Co., Inc., B-250193, Jan. 14, 1993, 93-1 CPD ¶ 42.

Here, the record supports the SSA's decision to select CDI's proposal for award on the basis of CDI's reasonably evaluated technical superiority, notwithstanding Aydin's and Miltope's much lower prices. As indicated above, CDI's proposal was evaluated as excellent with low proposal risk, and the agency reasonably determined that CDI's proposal was significantly superior and less risky than Aydin's. Miltope's proposal was even lower rated than Aydin's--it was rated marginal with high proposal risk and presented such a significant schedule risk that it was considered unlikely that Miltope could satisfy its proposed delivery schedule. The SSA concluded that CDI's evaluated strengths as compared to the protesters' proposals, in addition to CDI's credible offer of accelerated deliveries with all necessary technical manuals, would result in significant program and cost savings to the government. In addition to saving approximately \$1.9 million in maintenance costs for the MTT drives, the accelerated installation of the more reliable HDS units will result in fewer mission failures and positively affecting the AWACS mission readiness. In this regard, the Air Force states that last year there were 50 AWACS mission failures (when the AWACS aircraft was unable to perform its mission) attributable to the failure of MTT drives. The Air Force also states that there were MTT drive failures that did not cause mission failures, but which severely degraded the AWACS mission performance. Given the significant program cost savings and benefits that will be realized by CDI's accelerated delivery, the SSA reasonably concluded that these tangible program benefits and cost savings, as well as the other strengths of CDI's proposal, outweighed Aydin's approximately \$2.1 million price advantage as well as Miltope's \$3.6 million price advantage.²⁴ We also find that the record--which consists of the SSA's source selection decision and a later affidavit further explaining the SSA's judgement--contains sufficient detail explaining the SSA's cost/technical tradeoff and does not show that excessive weight was given to the technical factors. While Miltope disagrees with the SSA's judgment that early installation of HDS units into the AWACS fleet will provide important benefits to the agency, this does not demonstrate that the SSA's judgment was unreasonable.

Miltope protests that a number of technical weaknesses identified to Miltope during its final unsuccessful offeror debriefing were not brought to Miltope's attention during discussions, and that it is therefore apparent that Miltope was deprived of meaningful discussions.

²⁴There is no evidence that supports Aydin's contention that CDI's price was unreasonably high.

Agencies are required to conduct meaningful discussions with all competitive range offerors. Price Waterhouse, B-254492.2, Feb. 16, 1994, 94-1 CPD ¶ 168. In order for discussions to be meaningful, contracting officials must advise offerors of weaknesses, excesses, or deficiencies in their proposals that require amplification or correction, and afford offerors an opportunity to revise their proposals to satisfy the government's requirements. Id. This does not mean that offerors are entitled to all-encompassing discussions or that an agency must "spoon-feed" an offeror as to each and every item that must be revised, added, deleted or otherwise addressed to improve a proposal; rather, an agency must only lead offerors into the areas of their proposals considered deficient. SeaSpace Corp., B-252476.2, June 14, 1993, 93-1 CPD ¶ 462. In this regard, there is no requirement that an agency identify relative weaknesses in a proposal that is technically acceptable, but presents a relatively less desirable approach than others received. Id. Contracting officials must balance a number of competing interests in selecting matters for discussions based upon the facts of each procurement, see Federal Acquisition Regulation (FAR) § 15.610; Docusort, Inc., B-254852, Jan. 25, 1994, 94-1 CPD ¶ 38; for example, while agencies are required to conduct meaningful discussions by pointing out weaknesses that, unless corrected, would prevent an offeror from having a reasonable chance for award, contracting officials are admonished by the FAR to not engage in actions that would result in technical leveling, technical transfusion, or auctions. See FAR § 15.610(d), (e).

The Air Force disputes Miltope's contention that it did not receive meaningful discussions, stating that Miltope was informed of most of the weaknesses of which Miltope now complains and that other evaluated weaknesses only first became apparent in Miltope's BAFO after discussions had closed. The agency also states that some of the "weaknesses" identified by Miltope were not considered deficiencies by the agency that would be the subject of discussions, since they did not affect the acceptability of Miltope's proposal. The agency finally asserts that after the numerous rounds of discussions conducted with Miltope both during the discussions that led to the agency's first source selection decision and the discussions that resulted in the source selection protested here, as well as the unsuccessful offeror debriefing and summary briefing chart which Miltope received after the first selection decision was made, the Air Force was concerned that technical leveling or transfusion might result if it further "spoon-fed" information to Miltope.

Miltope, in its comments on the agency report, does not directly respond to the agency's detailed statements showing that Miltope, for each of the weaknesses identified by Miltope for which it asserts that no discussion questions were asked, either received discussion questions pertaining to the weakness; that the weakness first arose in Miltope's final BAFO after discussions had concluded and thus did not require discussions; or that the "weakness" involved did not require discussions because it merely presented a less desirable approach, rather than a deficiency or significant weakness. Instead, Miltope only argues that the agency's concern with technical leveling was not reasonable because, in Miltope's view, there was only one round of discussions in the competition that occurred after negotiations reopened after Miltope's and Aydin's original protest.

From our review of the record, we find that Miltope received meaningful discussions. The record shows that the agency concerns with the realism and credibility of Miltope's proposed delivery schedule centered upon Miltope's failure to provide detail as to its program planning, limited test unit resources, and understatement of the number of manufacturing man-hours that would be required. Each of these concerns was brought to Miltope's attention either during discussions or in the initial unsuccessful offeror debriefing that Miltope received.

Moreover, we disagree with Miltope that successive rounds of discussions were not conducted. Considering only the discussions that occurred after the agency's corrective action, the Air Force conducted two rounds of discussions when it informed offerors of deficiencies and weaknesses in its revised BAFOs and then in its request for final BAFOs provided a summary briefing chart that listed each offeror's strengths, weaknesses and evaluation ratings. In our view, the agency was reasonably concerned that the numerous rounds of discussions conducted with the offerors, as well as the debriefings that disclosed strengths and weaknesses of competitors' proposals, not result in technical leveling or transfusion, and find that the agency's conduct of discussions with regard to Miltope was reasonable and proper.

Aydin also complains that it did not receive meaningful discussions, in that it was never informed of the agency's evaluated weaknesses in its proposed accelerated first article or production delivery schedule. The Air Force and CDI argue that this Aydin's allegation is untimely because while each of these evaluated weaknesses was identified both in the agency's unsuccessful offeror debriefing with Aydin on January 25, 1995, as well as in the agency's protest report, which Aydin received on March 7, Aydin only first raised this complaint in its April 12 supplemental protest.

Aydin argues that it did not know how significant these weaknesses were in the SSA's source selection decision until the agency filed its April 6 supplemental agency report.

Our Bid Protest Regulations contain strict rules requiring timely submission of protests. Under these rules, protests not based upon alleged solicitation improprieties must be filed not later than 10 working days after the protester knew or should have known the basis for its protest, whichever is earlier. 4 C.F.R. § 21.2(a)(2) (1995). Where a protester initially files a timely protest and supplements it with new and independent grounds of protest, the new allegations must independently satisfy these timeliness requirements; our Regulations do not contemplate the unwarranted piecemeal presentation of protest issues. Computer Based Sys., Inc., 70 Comp. Gen. 172 (1991), 91-1 CPD ¶ 14.

Here, the record confirms that Aydin was informed in its January 25 debriefing that its proposed accelerated schedule was an evaluated weakness under the master schedule factor, for which Aydin's proposal was rated as marginal with moderate proposal risk, and specifically that its schedule lacked realism because, among other things, its "limited test resources will limit production output" and "some [first article] schedule elements cannot be done concurrently as proposed, such as traveler paperwork and [first article] build; material receipt and assembly; and microcircuit burn-in and OCP/TEM assembly." Because Aydin knew from its debriefing that its proposal had been significantly downgraded because its proposed accelerated schedule was considered unrealistic and risky, any protest that it should have been informed during discussions of the weaknesses pertaining to this factor was required to be filed within 10 days of the debriefing. Since Aydin's supplemental protest challenging the agency's failure to raise these concerns during discussions was not filed until 3 months after the debriefing, this protest is untimely.²⁵

Finally, Miltope protests that this procurement should have been conducted using sealed bidding, rather than negotiated procedures. Miltope argues that because this is a build-to-print procurement, award could have been based only upon price and price-related factors and that no discussions would have been required. Our Bid Protest Regulations

²⁵The evaluation documents contained in the agency's protest report, which Aydin received on March 7, also informed Aydin that its proposal had been downgraded in these respects and its proposal was rated marginal with moderate risk in this area; Aydin's meaningful discussion allegations were also not filed within 10 working days of receipt of the report.

require that protests of alleged apparent solicitation improprieties, such as whether a solicitation is appropriately using sealed bidding or negotiation procedures, must be filed prior to the bid opening or the closing date for receipt of proposals. 4 C.F.R. § 21.2(a)(1); WN Hunter & Assocs.--Recon., B-237168.2, Mar. 27, 1990, 90-1 CPD ¶ 334; Mount Pleasant Hosp., B-222364, June 13, 1986, 86-1 CPD ¶ 549. Miltope's protest of this allegation after the agency's second source selection is untimely and will not be considered.

The protests are denied.

Robert P. Murphy
General Counsel