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Decision

Matter of: URS Federal Services, Inc.

File: B-408893; B-408893.2

Date: December 23, 2013

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DIGEST

1. Protest of proposal evaluation is denied where record shows agency reasonably concluded that awardee's proposal warranted more strengths and higher ratings than the protester's based on awardee's more detailed proposal information and depth of experience in area of technical quality.

2. Agency's selection of higher-rated, higher-priced proposal for award instead of a lower-rated, lower-priced proposal is unobjectionable, where the agency's tradeoff decision documented key discriminators, and reasonably explained why awardee's lower risk proposal represented the best value.

DECISION

URS Federal Services, Inc., of Germantown, Maryland, protests the Department of the Army's award of a contract to DynCorp International LLC, of Fort Worth, Texas, under request for proposals (RFP) No. W58RGZ-12-R-0102, for theater aviation sustainment maintenance (TASM). URS protests the evaluation of proposals and the source selection.

We deny the protest.

BACKGROUND

The RFP contemplated award of separate contracts for five (worldwide) geographical regions, for a base year with four 1-year options, for aviation and sustainment level maintenance, including resetting aircraft to a fully mission capable condition, limited depot level repair with maintenance engineering approval and installation of modification work orders, and support to various units and combat aviation brigades both inside and outside the continental United States (OCONUS). Performance Work Statement (PWS) ¶ C.1.0. The work included performance of daily and routine maintenance per appropriate manuals on all assigned rotary wing aircraft and government furnished property/equipment, with support to transient and rotational units, aircraft participating in joint training exercises, mobilization and pre-mobilization aircraft, and approved foreign military sales. Id. ¶ C.1.1. This protest concerns the award of a contract (designated TASM-O) covering the combined OCONUS regions of Korea and Germany, and with options for Southwest Asia. Each contract was to be a hybrid fixed-price, cost-reimbursement, cost-plus-incentive-fee, fixed-price level-of-effort, cost-plus fixed-fee level-of-effort contract.

Award was to be made to the offeror whose proposal represented the best value considering three factors (in descending order of importance): technical, price/cost, and past performance. The technical factor was divided into five subfactors (in descending order of importance): quality, performance management, regional/site management, continuous improvement, and transition-in/transition-out. The non-price factors, combined, were significantly more important than price/cost. The agency used a color/adjectival rating system, including blue/outstanding, purple/good, green/acceptable, yellow/marginal, and red/unacceptable.¹ Past performance was rated on the basis of relevance and varying confidence levels. Price/cost was to be evaluated for reasonableness and realism. The evaluation also included an assessment of the risk associated with the offerors' overall proposals as to disruption of schedule, increased cost or degradation of performance, and level of government monitoring.

Three offerors, including URS and DynCorp, submitted proposals for the TASM-O area and were included in the competitive range. After the initial round of discussions and submission of final proposal revisions (FPR) for the TASM-O area, the agency determined that all three offerors had a significant weakness concerning

¹ Each rating level was defined in terms of whether the proposal met requirements and indicated differing levels of approach and understanding of the requirements; how strengths compared to any weaknesses; and the level of risk of unsuccessful performance. Thus, for example, an outstanding rating indicated an exceptional approach, strengths that far outweighed weaknesses, and very low risk; a good rating indicated a thorough approach, strengths that outweighed weaknesses, and low risk; and an acceptable rating indicated an adequate approach, offsetting strengths and weaknesses, and no worse than moderate risk. Source Selection Evaluation Board Contract Evaluation at 18-19.

the Southwest Asia region. The agency conducted a second round of discussions and obtained revised FPRs. However, the agency then amended the RFP to revise the forecasted level of effort and reopened discussions with the TASM-O offerors. These discussions included identification of each proposal's identified strengths and weaknesses. Following additional amendments to clarify the RFP, the agency requested another FPR from each offeror. The final revised proposals were evaluated as follows:

	URS	DynCorp
Technical	Acceptable	Good
Quality	Good	Outstanding
Performance Management	Acceptable	Good
Regional/Site Management	Acceptable	Good
Continuous Process	Good	Good
Transition In/Out	Acceptable	Good
Most Probable Cost	\$302 million	\$334 million
Past Performance	Satisfactory	Satisfactory

Debriefing Slide No. 13.

The evaluations, including assigned strengths (none of the offerors had any remaining weaknesses), along with the recommendations of the source selection advisory council, were briefed to the source selection authority (SSA). Based upon her review of the evaluation record and her own independent judgment, including a comparison of the assigned strengths of each offeror's proposal, the SSA concluded that DynCorp's technical advantages and lower proposal risk justified its \$32 million higher cost/price over the lower cost proposal of URS. Upon learning of the resulting award to DynCorp, and after a debriefing, URS filed this protest.

DISCUSSION

URS challenges the agency's evaluation of proposals under all but one of the technical subfactors, generally asserting that its proposal should have been rated higher. In this regard, URS argues that it was treated disparately as evidenced by the evaluators overlooking benefits offered in URS's proposal and failing to assign its proposal more favorable ratings despite the proposal possessing strengths comparable to those identified in DynCorp's proposal. Based on these alleged errors, URS asserts that the best value determination was flawed, and otherwise failed to adequately justify the award to DynCorp. We have reviewed all of URS's allegations and find that none furnishes a basis for questioning the source selection. We address below some of URS's more significant arguments.

In reviewing protests relating to an agency's evaluation of proposals, we will not independently reevaluate proposals; rather, we will review the record to ensure that the agency's evaluation was consistent with the terms of the solicitation and

applicable statutes and regulations. Engineered Elec. Co. d/b/a/ DRS Fermont, B-295126.5, B-295126.6, Dec. 7, 2007, 2008 CPD ¶ 4 at 3-4. Mere disagreement with the agency's evaluation is not sufficient to call an evaluation into question. Ben-Mar Enters., Inc., B-295781, Apr. 7, 2005, 2005 CPD ¶ 68 at 7.

Evaluation Definitions

As a preliminary matter, URS generally asserts that the evaluators failed to consistently follow the agency's definitions in rating the proposals. For example, it notes that the definitions of outstanding and good ratings include strengths that "far outweigh" or simply "outweigh" any weaknesses, respectively. Source Selection Evaluation Board Contract Evaluation at 18-19. Since its proposal was evaluated with no weaknesses, URS argues, for example, that the two strengths its proposal was assigned under the quality subfactor should have resulted in an outstanding, instead of a good, rating for the subfactor.

URS's reliance on the number of strengths as dictating a particular adjectival rating is without merit. See Wackenhut Servs., Inc., B-400240, B-400240.2, Sept. 10, 2008, 2008 CPD ¶ 184 at 7 (rejecting protester's attempt to engage in a mathematical or mechanical comparison of the number of significant strengths). The essence of an agency's evaluation is reflected in the evaluation record--the underlying merits of particular strengths and the proposal as a whole--rather than a comparison of the adjectival ratings which are simply guidelines for the source selection authority. See Stateside Assocs., Inc., B-400670.2, B-400670.3, May 28, 2009, 2009 CPD ¶ 120 at 8. Here, the evaluators included detailed explanations of the basis for their evaluations, including for the assignment of the two strengths to URS under the quality subfactor. While the evaluators assigned URS's proposal two quality subfactor strengths, they found that URS simply met the requirements with an adequate approach. Given the language indicating that an outstanding rating required a finding of an "exceptional approach and understanding of the requirements," the evaluators concluded that URS's proposal, with only an adequate approach, warranted no higher than a good overall quality rating. URS has not shown this determination to be unreasonable or inconsistent with the agency's approach in evaluating DynCorp's proposal.

Quality Standard AS9110A

Under the quality subfactor of the technical factor, proposals were to be evaluated on whether the contractor had or had demonstrated "the ability to obtain within six months after start of the base year period of performance" certification under standard No. AS9110 Revision A (or higher), an aerospace industry quality management system (QMS). RFP at 382. Both URS and DynCorp were assigned a strength in connection with their demonstrated likelihood of achieving the certification requirement, but DynCorp's proposal was rated good while URS's was

rated acceptable. URS asserts that the offerors' similar evaluations warranted its proposal being rated comparably with DynCorp's. Protest at 27.

The evaluation was unobjectionable. While neither offeror was currently AS9110A certified and both proposals received a strength for their quality efforts, neither the underlying evaluations nor the strengths were identical. In this regard, while URS met the requirements, indicated an adequate approach and understanding of the requirement, and (identified as a strength) had corporate aviation maintenance processes and procedures that mirrored AS9110A requirements, the evaluators noted that the firm had yet to operate under or demonstrate compliance with AS9110A. URS Evaluation at 6. In comparison, DynCorp's proposal was evaluated as meeting the requirements; indicating a thorough approach and understanding of the requirements; and as evidencing quality management of products and services, based on mature processes developed through the firm's experience of supporting U.S. government aviation programs worldwide. DynCorp Evaluation at 7. DynCorp's proposal was assigned a strength based on its plan for and progress toward obtaining AS9110A certification, including its proposed critical path to complete transition to AS9110 not later than 180 days after performance start; the offeror's experience in implementing an AS9110-compliant QMS at the Johnson Space Center; and its development of a corporate-level AS9110 quality manual. Id. Given the differences in the evaluated level of how well each offeror met the requirement, including the offerors' respective experience with AS9110, the agency reasonably assigned a higher technical rating and lower risk to DynCorp's proposal.

URS, however, argues that DynCorp's proposal did not deserve a strength or higher rating since the awardee failed to commit to achieving certification within the allotted time. In this regard, URS notes that DynCorp's proposal only stated an "expect[ation]" of being "fully compliant" within 6 months, while at the same time referring to audit requirements for AS9100-series standards that stipulate 12 months of performance and trends data to assess effective implementation." DynCorp Proposal at 36. DynCorp further stated that "at new sites or in the event of any shortfall in pre-existing pre-implementation data," the firm would "seek certification as soon as [it had] operated the compliant system long enough to satisfy third-party certification audit requirements." Id. URS also notes that DynCorp's milestone chart included a line reading "[a]ddress non-conformances resulting from the certification audit," indicated as occurring not later than 180 days after start of the base period. DynCorp Proposal Figure 1.1-2.

The agency explains that it interpreted DynCorp's promise to complete transition to the AS9110A standard within 6 months as a commitment to meeting the certification requirement within that time frame. SAR at 2. This interpretation was based in part on DynCorp's explanation that: (1) at most locations it already conducts maintenance operations in compliance with the majority of AS9110 requirements; (2) it already was preparing for the transition through its development of a AS9110 quality manual; and (3) "as an incumbent contractor currently performing work"

under the contract field teams contract vehicle, it could provide existing data prior to implementation to address the 12 months of data audit requirement for certification. DynCorp Proposal at 35-36. In addition, DynCorp stated in its proposal that it “will transition from [its] ISO 9001:2008-certified [QMS] to a site-level AS9110-certified QMS” on schedule. Id. at 27. DynCorp also indicated that it would establish a basic system meeting requirements within the first 60 days after contract start, and would conduct its first fully compliant AS9110 QMS review not later than 150 days after contract start. Id. at 37. In these circumstances, where DynCorp’s proposal indicated substantial progress towards AS9110 certification, we find that the agency reasonably determined DynCorp’s proposal met the RFP requirement for a demonstrated ability to obtain certification within 6 months. Further, while DynCorp acknowledged that some aspects of AS9110 certification would be subject to a third party auditor, an acknowledgment not made by URS, we agree with the agency that DynCorp’s recognition of potential issues could be seen simply as an indication of its greater depth of understanding regarding the AS9110A certification process.

Ground and Flight Risk Procedures Subfactor

Another aspect of the quality subfactor evaluation concerned the offeror’s ability to provide a quality product and comply with the Ground and Flight Risk (GFR) clause of the contract, the Defense Contract Management Agency (DCMA) Instruction No. 8210.1 (Contractor’s Flight and Ground Operations), and the Army Regulation (AR) 95-20 (Contractor’s Flight and Ground Operations). To this end, offerors were required to submit evidence of government-approved GFR procedures that complied with these regulations. RFP at 372, 382.

URS’s proposal was evaluated as acceptable under this subfactor, with no assigned strengths, while DynCorp’s proposal was evaluated as outstanding with one assigned significant strength. Since both offerors demonstrated compliance at multiple locations and the evaluators characterized both offerors’ procedures as “mature and proven,” URS asserts that the evaluation was unequal and that its proposal should have been assigned a strength for its similar proposal features.

The record shows that the evaluation was reasonable and did not result in unequal treatment of the offerors. In the initial evaluation, URS’s proposal was assigned a weakness under this subfactor because it failed to substantiate that it was performing work at any location using the procedures under AR 95-20. Agency Report at 18. In its revised proposal, URS stated that it used proven ground and flight operations procedures “in support of [Regional Aviation Sustainment Management-Pacific], TASM-[Korea], and at several other [Department of Defense] aviation maintenance facilities.” URS Proposal at MC-38. However, its proposal only provided evidence of approved flight and ground operating procedures at Fort Lewis and approved ground operating procedures in Korea, without identifying or

providing supporting evidence of approved GFR procedures for any of the other locations.² URS Proposal at MC-40-MC-41. The evaluators referred to URS's procedures as "mature and proven," but concluded that its proposal simply met the requirements and indicated only an adequate approach. URS Evaluation at 7.

On the other hand, DynCorp provided evidence of current and compliant government-approved flight and ground operations procedures at numerous locations, including four of the five regions covered by the aviation field maintenance contracts, as well as evidence of its 60 years of experience. DynCorp Proposal at 29, 62-63. The evaluators found that these "mature and proven procedures" enhanced the offeror's ability to rapidly implement applicable procedures in new operational locations, and thus assigned DynCorp's proposal a significant strength. While the evaluators used similar "maturity" language in describing the offerors' GFR procedures, the evaluation record shows that there was a significant difference in the levels of the two offerors' relevant compliance. In view of DynCorp's superior quality experience, as expressed in its proposal, the evaluators reasonably assigned DynCorp a higher rating.³

Source Selection Decision

URS asserts that the agency's source selection determination was flawed for various reasons. For example, URS argues that the SSA failed to look behind the evaluators' high-level ratings; did not consider the positive statements made by the evaluators about URS's proposal; and failed to document her justification for selecting DynCorp's higher-priced proposal despite URS's workable approach.

Source selection officials in negotiated procurements have broad discretion in making cost/technical tradeoffs; the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the evaluation criteria. World Airways, Inc., B-402674, June 25, 2010, 2010 CPD ¶ 284 at 12.

² URS's protest included a declaration listing 14 locations where the protester had approved ground or flight operating procedures in accordance with AR 95-20. URS Vice President Declaration, Sept. 20, 2013. Since this listing was not included in URS's proposal, it is irrelevant to the issue of whether the evaluation was reasonable. See Carlson Wagonlit Travel, B-287016, Mar. 6, 2001, 2001 CPD ¶ 49 at 3.

³ URS also asserts that the SSA's selection decision was flawed because it praised DynCorp's representative work in multiple locations while erroneously stating that URS provided evidence of "approved flight procedures at only one location." Selection Decision at 5. Since only one of URS's two identified locations showed approved procedures for both flight and ground operations, the SSA's comparison was not inaccurate. See URS Proposal at MC-38-MC-41.

Where a cost/technical tradeoff is made, the source selection decision must be documented, and the documentation must include the rationale for any tradeoffs made, including the benefits associated with additional costs. Federal Acquisition Regulation (FAR) § 15.308. The MIL Corp., B-297508, B-297508.2, Jan. 26, 2006, 2006 CPD ¶ 34 at 13. However, there is no need for extensive documentation of every consideration factored into a tradeoff decision, nor is there a requirement to quantify the specific cost or price value difference when selecting a higher-priced, higher-rated proposal for award. FAR § 15.308; Advanced Fed. Servs. Corp., B-298662, Nov. 15, 2006, 2006 CPD ¶ 174 at 5.

Here, the SSA's selection decision addressed and compared each offeror's strengths under each factor and related subfactors, including analyzing why she believed, for example, that DynCorp's proposal was technically superior to URS's. For example, under the quality subfactor, based on DynCorp's prior and current compliance, she found DynCorp more likely than URS to achieve the required AS9110A certification within the required 180 days. Selection Decision at 5. Also, the SSA noted that DynCorp's superiority to URS in the area of quality was based in part on its decades of experience in complying with AR 95-20, indicating "more robust operating processes . . . afford[ing] less expensive re-work and decreased turn-around time," which equated to a "better product at lower cost with less potential for loss of life." Id. at 14. Similarly, under the performance management subfactor, the SSA found DynCorp's bottoms-up manpower and skill mix methodology, combined with its thorough direct and indirect full time equivalent analysis (both assigned strengths), to be superior to URS's. Id. at 7-8. The SSA concluded that DynCorp's proposal offered the least risk, and thus the best long term value to the government, given the historic difficulty in obtaining adequate performance of the mission (aviation maintenance overseas, particularly in Southwest Asia), and the consequences to the national interest of unsuccessful performance (a decline in aircraft readiness). Id. at 12-14. The SSA's tradeoff was consistent with the RFP's award criteria, under which the technical factor was the most important non-price factor, and the non-price factors, together, were significantly more important than price. URS has not shown that the tradeoff was unreasonable or insufficiently documented.

The protest is denied.

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