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Decision

Matter of: URS Federal Services, Inc.; ManTech Telecommunications and Information Systems Corporation

File: B-408678.5; B-408678.6; B-408678.7

Date: June 20, 2014

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Gregory S. Jacobs, Esq., Gunjan R. Talati, Esq., Joelle E. K. Laszlo, Esq., and Erin L. Felix, Esq., Reed Smith LLP, for DynCorp International, LLC, an intervenor. Tundo N. Pham, Esq., and John Cox, Esq., Department of State, for the agency. Paul E. Jordan, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest alleging lack of meaningful discussions is denied where vendor introduced significantly higher discounts to its Federal Supply Schedule contract in its final proposal revision, leading the agency to assign a major risk; agencies are not required to reopen discussions to afford an offeror an additional opportunity to revise its proposal where a weakness or deficiency is first introduced in the firm's revised proposal.
2. Evaluations of vendors' proposals under the staffing and key personnel factor were unobjectionable where agency reasonably assigned a minor weakness to one protester's proposal for introducing lesser qualified labor categories in final revised proposal, and assigned a significant weakness to other protester's proposal where staffing in the technical proposal was not reflected in the price proposal, in violation of solicitation requirements.
3. Evaluation of vendor's proposal under the efficiency and innovations factor was unobjectionable where protester's final proposal revision failed to adequately explain how one of its proposed innovations would result in promised savings.

DECISION

URS Federal Services, Inc., of Germantown, Maryland, and ManTech Telecommunications and Information Systems Corporation, of Herndon, Virginia, protest the issuance of a task order to DynCorp International, LLC of McLean, Virginia, by the Department of State (DOS), under request for quotations (RFQ) No. SAQMMA13Q0052, for the Vanguard 2.2.3 Global Information Technology Modernization (GITM) program. The task order was issued under the General Services Administration's (GSA) Logistics Worldwide Federal Supply Schedule (GSA Logworld). URS and ManTech challenge the conduct of discussions, evaluation of proposals, and the resulting source selection.

We deny the protests.

BACKGROUND

The RFQ contemplated issuance of a task order, for a base year with four option years, to provide hardware, supply chain, and logistics management support for the modernization of all DOS classified, unclassified, and sensitive-but-unclassified (SBU) local area networks (servers, desktop computers, printers, and switches). The requirement encompasses some 249 classified and 328 unclassified (including SBU) sites located domestically and overseas. The RFQ identified various fixed-price and labor hour contract line item numbers (CLIN), including CLINs for the following services: purchase support; receive, warehouse, issue, pack, and ship; integrate, deploy, and install; repair and return; data services; supply chain visibility and reporting; and program management.

The task order was to be issued on a best-value basis, considering eight factors: technical/management solution/approach; performance measures and metrics; GITM efficiency and innovation plan; staffing plan and key personnel; oral presentations on selected topics; past experience, performance, and customer satisfaction; socio-economic business strategy and subcontracting; and total evaluated price. Technical/management solution/approach and performance measures/metrics were of equal weight and were most important, while GITM efficiency/innovation was more important than the remaining non-price factors, which were of equal weight. The non-price factors, combined, were approximately equal in weight to price. All non-price factors with the exception of past performance were to be rated on an adjectival basis as either excellent, acceptable, marginal, or unacceptable. Past performance was to be rated using the same adjectives, but also included a rating of neutral. Vendors' prices were to be evaluated for reasonableness, realism, and risk; price reductions to GSA Logworld pricing were also to be evaluated for accuracy and completeness.

Six vendors, including URS, ManTech, and DynCorp, submitted proposals by the April 8, 2013 closing time. After conducting discussions with the offerors, the

agency requested final proposal revisions (FPR) in June 2013. Based on the vendors' ratings and various strengths and weaknesses, the source selection authority (SSA) concluded that DynCorp's proposal, rated highest technically, represented the best value to the government despite its higher price. After receiving notice of the task order's issuance to DynCorp, both URS and ManTech filed protests with our Office, challenging the evaluation and source selection.

After the agency submitted its administrative reports in response to the protests, ManTech filed a supplemental protest. Prior to filing a supplemental report, however, the agency advised our Office that it intended to take the corrective action of amending the RFQ, reopening discussions, conducting new oral presentations, evaluating proposals and presentations, and making a new source selection decision. We therefore dismissed the protests as academic. B-408678, B-408678.3, Oct. 23, 2013; B-408678.2, Oct. 23, 2013.

The amended RFQ advised vendors that their oral presentations would also be evaluated under the technical/management solution/approach and GITM efficiency/innovation factors because the two oral presentation scenarios were related to those factors. RFQ at 16. The amendment also advised vendors that any strengths, weaknesses, and risks identified at the oral presentation would be final. Id. at 30. However, the agency included questions related to oral presentations in each vendor's discussions, and any remaining weaknesses after review of their responses were considered in the evaluation of technical/management solution/approach and GITM efficiency/innovation. See URS Supplemental Agency Report (SAR) Contracting Officer's Statement (COS) at 47. Based on the evaluation of proposals submitted after the corrective action and FPRs, including discussion responses, the final consensus rankings were as follows:

	ManTech	URS	DynCorp
Technical/Management	Acceptable	Excellent	Excellent
Performance Measures	Excellent	Excellent	Excellent
GITM Efficiency/Innovation	Acceptable	Acceptable	Excellent
Staffing Plan/Key Personnel	Marginal	Acceptable	Excellent
Oral Presentations	Acceptable	Excellent	Acceptable
Past Experience/Performance	Acceptable	Acceptable	Acceptable
Socio-Economic Strategy	Excellent	Excellent	Excellent
Total Evaluated Price	\$158,630,386	\$162,986,178	\$165,158,973

Source Selection Decision at 30-31, 35, 72. The SSA reviewed the findings of the technical evaluation team, considered the assigned strengths, weaknesses, and discriminators among the vendors, and determined that DynCorp's proposal represented the best value to the government. In making the price/technical tradeoff, the SSA found that DynCorp's higher-technically rated proposal, with a lower risk, was worth its higher price over URS's and ManTech's lower-priced, but

riskier and lower-technically rated proposals. Source Selection Decision at 100-04, 107-08. After their respective debriefings, URS and ManTech filed these protests.

DISCUSSION

URS and ManTech assert that the evaluation of vendors' proposals and selection of DynCorp's proposal were unreasonable based on numerous grounds. In reviewing an agency's evaluation and selection of a vendor in a task order procurement, our Office will review evaluation challenges to ensure that the competition was conducted in accordance with the solicitation and applicable procurement laws and regulations. Logis-Tech, Inc., B-407687, Jan. 24, 2013, 2013 CPD ¶ 41 at 5. Mere disagreement with the agency's evaluation is not sufficient to call an evaluation into question. See Ben-Mar Enters., Inc., B-295781, Apr. 7, 2005, 2005 CPD ¶ 68 at 7. Here, we have reviewed all of URS's and ManTech's allegations and find that none furnishes a basis for questioning the selection of DynCorp's proposal. We address below several of URS's and ManTech's more significant arguments.¹

Meaningful Discussions

ManTech asserts that the agency failed to provide it with meaningful discussions with respect to the agency's concern regarding ManTech's high proposed labor rate discounts (reductions from its GSA Logworld rates) in its FPR. Since the labor rate discounts in its initial proposal were lower than its incumbent rates under its prior Logworld order and those in the independent government estimate, ManTech argues that the agency was required to raise the issue in discussions before assigning it a major risk in the evaluation of FPRs.

¹ The protesters assert that declarations and statements from the technical evaluation team (TET) and the SSA which were included in the agency reports are post hoc rationalizations which should be accorded no weight by our Office. However, in reviewing an agency's evaluation, we do not limit our review to contemporaneous evidence, but consider all of the information provided, including the parties' arguments and explanations. Remington Arms Co., Inc., B-297374, B-297374.2, Jan. 12, 2006, 2006 CPD ¶ 32 at 10. While we generally give little weight to reevaluations and judgments prepared in the heat of the adversarial process, Boeing Sikorsky Aircraft Support, B-277263.2, B-277263.3, Sept. 29, 1997, 97-2 CPD ¶ 91 at 15, post-protest explanations that provide a detailed rationale for contemporaneous conclusions and simply fill in previously unrecorded details, will generally be considered in our review of the rationality of selection decisions where, as here, those explanations are credible and consistent with the contemporaneous record. NWT, Inc.; PharmChem Labs., Inc., B-280988, B-280988.2, Dec. 17, 1998, 98-2 CPD ¶ 158 at 16.

Discussions, when conducted, must identify proposal deficiencies and significant weaknesses that reasonably could be addressed in order to materially enhance the offeror's potential for receiving award. Serco Inc., B-405280, Oct. 12, 2011, 2011 CPD ¶ 237 at 11. However, agencies are not required to reopen discussions to afford an offeror an additional opportunity to revise its proposal where a weakness or deficiency is first introduced in the firm's revised proposal. Raytheon Co., B-403110.3, Apr. 26, 2011, 2011 CPD ¶ 96 at 7.

Vendors were required to propose a comprehensive matrix of their GSA Logworld labor categories showing the negotiated GSA price for government and contractor sites and discounted prices offered to DOS to be used in the calculation of optional CLINs. RFQ at 22; ManTech SAR COS at 2. In addition, vendors were required to propose volume discounts from their GSA labor rates for fixed-price CLINs. ManTech SAR COS at 3.

In its initial proposal, ManTech's optional CLIN rates included discounts ranging from [deleted]% to [deleted]% below its GSA Logworld rates, and fixed-price volume discounts (covering 65 individual base and option year rates) ranging from [deleted]% to [deleted]% in the base year. ManTech SAR COS at 2, 5-6. Although, the evaluators found ManTech's proposed rates lower than its incumbent Logworld order rates and its discounts higher than its incumbent discounts, they did not identify any concerns because the rates and discounts were consistent with those of other vendors. Id. at 3. (They were concerned that ManTech's staffing plan was inadequately supported and raised that matter with the firm in discussions. Id. at 4.)

In its FPR, ManTech increased its labor hours by approximately 40% without increasing its overall price. Instead, while keeping its optional CLIN rates the same, it significantly increased its discount rates. In this regard, of the 65 different rates, 20 reflected a 14% to 30% increase in discount rates over the initial proposal; 24 reflected an increase of 5% to 9%; and the remaining 21 remained unchanged. ManTech SAR COS at 5-7. For example, the base year discount rate for CLIN X002 increased from [deleted]% in its initial proposal to [deleted]% of its GSA rates in its FPR, and the option years 1 and 2 discount rates for CLIN X006 increased from [deleted]% to [deleted]% and from [deleted]% to [deleted]%, respectively. Id. at 5. In addition to being significantly higher than the discount rates in ManTech's initial proposal, the TET found the discounts to be significantly higher than those proposed by other vendors, and thus assigned the firm a risk in the evaluation. Id. at 7.

Thus, the record indicates that the agency's concern with respect to ManTech's proposed discount rates first arose when, in its FPR, ManTech substantially increased the discounts. Because ManTech's increased discount rates did not appear until the firm introduced them in its FPR, the agency was under no obligation to reopen negotiations in order to address them with the firm. See Raytheon Co.,

supra. Thus, there is no basis to conclude that discussions with ManTech were not meaningful.

ManTech's Labor Rates

In addition to challenging the conduct of discussions regarding labor rates, ManTech asserts that the agency unreasonably assigned risk to its proposal based on ManTech's significantly discounted labor rates. We disagree. The RFQ provided for a price realism analysis. RFQ ¶ 2.8.1. The agency recognized that the "aggressive discounts" were ManTech's "business decision" for the fixed-price CLINs, but found these rates would "most likely create a situation where the staff levels proposed cannot be maintained without negatively impacting the contractor and/or the Government." Price Realism Report at 13. DOS anticipated that the result of the rate reductions would lead ManTech to reduce the staff levels that were the basis for the fixed-price task order pricing such that ManTech might not be able to maintain the service level agreements and meet the program objectives. Id. at 14. Given the very significant proposed reductions from ManTech's GSA labor rates, amounting to as much as a [deleted]% discount, we see no basis to question the agency's conclusion that ManTech's FPR created a risk that ManTech would not be able to maintain the proposed staffing levels, and therefore a risk that ManTech would be unable to maintain the required service levels.

Staffing and Key Personnel

Under the staffing factor, vendors were to be evaluated on their demonstrated ability to hire and maintain qualified staffs, including key personnel; handle personnel issues; assemble high quality staffs to fill immediate requirements; and provide staffs with all the necessary support and oversight. RFQ ¶ 2.4.2. Vendors' staffing plans, as contained in their technical proposals, were to include the labor categories, as well as the number, experience and skills mix of all staff. Id. ¶ 2.4.1. Price proposals were required to include a mapping of labor categories that matched those proposed in the technical staffing plan. Id. ¶ 2.8.1.

The TET assigned URS's initial proposal a deficiency because the proposal did not meet the requirement that the technical and pricing staffing plans match. In this regard, the agency found inconsistencies (i.e., higher-level labor categories were proposed in the technical staffing plan and lower-level categories were proposed in the price proposal) and requested that URS resolve the inconsistencies. URS Discussions at 7. URS resolved the inconsistencies in its FPR, primarily by proposing labor categories with lower experience requirements in its technical staffing proposal for 35 of its 64 labor categories to match the categories in its price proposal. URS Initial Comments at 35-37; URS FPR at D-3 to D-7.

The TET found that the original deficiency was resolved, but assigned a new weakness based on the FPR's "proposal of labor categories with less experience

and qualifications” than in the initial proposal. For example, the agency noted that the warehouse manager, initially proposed as a [deleted] category (4 years experience), had been reduced to a [deleted] category (1 year experience); the data services solution architect, originally a [deleted] category (7 years experience), had been reduced to a [deleted] 2 category (2 years experience); and the Facility Security Officer (FSO)/Security Manager, originally [deleted] category (12 years experience), had been reduced to a [deleted] category (1 year experience). URS COS at 32; Source Selection Decision, Attach. D at 76.

URS asserts that the assigned weakness was unreasonable, in part because the RFQ did not set any minimum requirements for the different labor categories. URS SAR Comments at 50. Further, URS argues that because it proposed highly qualified key personnel for two of the three positions identified by the TET (data services solution architect and FSO manager), the weakness is an elevation of “form over substance.” URS Protest at 39-40. In the protester’s view, under the operation of the RFQ’s substitution of key personnel clause, URS will be restricted from replacing these two individuals with anyone with lesser qualifications.

The evaluation in this regard was unobjectionable. As an initial matter, the fact that the RFQ did not set minimum experience and qualification requirements for the labor categories, did not preclude the agency from evaluating the qualifications of the proposed staff to perform the requirements of the SOW where, as here, the solicitation expressly provided for proposal and evaluation of “how” a vendor would staff the project indicating number, experience, and skills mix of all staff to successfully perform the work. RFQ ¶¶ 2.4.1, 2.4.2. As for URS’s proposed staffing approach, to resolve the initial inconsistency between labor categories in its technical proposal with high levels of experience, and labor categories with lesser experience levels in its price proposal, URS chose to reduce the experience levels for the labor categories in its technical proposal. As a result, 35 of the 64 individual labor categories in URS’s FPR reflected a reduction in experience, in some instances quite substantial. URS FPR at D-3 to D-7; URS Initial Comments at 35-37. For example, in addition to the FSO security manager and warehouse manager categories dropping from 12 and 4 years of experience, respectively, to 1 year each, the positions of quality assurance manager (4 years), configuration manager (3 years), and risk manager (4 years) all were reduced to categories requiring only 1 year of experience. URS Initial Comments at 35.

In reviewing the now consistent, but lesser-qualified proposed categories of personnel, the evaluators assigned a weakness because they were concerned that movement from more senior level personnel to relatively junior level personnel increased the likelihood that there could be problems associated with hiring incumbents and would increase program risk. Source Selection Decision at 68; URS COS at 24-25. URS has made no showing that the agency concern in this regard was unreasonable. Indeed, URS’s own FPR recognized the negative impact

of more junior staff in that they did not have the “experience and diplomacy to be excellent” at DOS sites. URS Cost Narrative at 2.

Further, URS’s reliance on the substitution of key personnel clause does not change our conclusion. The solicitation’s substitution of key personnel clause prohibits substitutions without prior notice to and concurrence of the contracting officer, and requires submission of a complete resume and “any other information requested” “to enable [DOS] to judge whether or not the Contractor is maintaining the same high quality of personnel.” RFQ at 67. URS maintains that the clause will require it to maintain the “high quality” of the existing proposed personnel, and that therefore it cannot substitute a lesser-qualified candidate. URS SAR Comments at 38. The agency responds that this clause must be read in conjunction with the substitution of personnel clause in URS’s GSA Logworld contract, which provides only that “substituted personnel will meet or exceed the required qualifications for the departing employee’s labor category,” that is, only requires meeting the qualifications for the labor category rather than those of the departing employee. URS GSA Logworld Contract at 13. DOS argues that, when read together, these provisions mean that the agency cannot require URS to substitute anyone more qualified than the relevant labor category.

We need not resolve which interpretation of the substitution of key personnel clause is correct because it is clear that URS was not prejudiced by the agency’s interpretation in this regard. See Joint Mgmt. & Tech. Servs., B-294229, B-294229.2, Sept. 22, 2004, 2004 CPD ¶ 208 at 7 (prejudice is an element of every viable protest). While URS cites the qualifications of the actual individuals (as opposed to the position descriptions) it proposed for two of the key personnel categories highlighted by the agency, the agency was focused on the risk associated with the broader reduction in qualifications of the proposed staff. See Source Selection Decision at 68, 104; URS COS at 24-25. Again, in this regard, URS’s FPR included reductions in qualifications for 35 out of more than 60 proposed labor categories. Thus, URS’s reliance on the substitution of key personnel clause, applicable to just a few of the labor categories, in no way calls into question the agency’s concern with URS’s reduction in its FPR in the qualifications for more than half of the proposed labor categories.

With regard to DynCorp’s staffing evaluation, URS asserts that the agency treated the vendors unequally because it did not recognize and assign a deficiency to DynCorp’s proposal, even though it allegedly contained the same deficiency as in URS’s initial proposal. Specifically, in URS’s view, DynCorp also proposed higher-level labor categories in its technical proposal and lower-level categories in its price proposal. URS Initial Comments at 31.

The evaluation of DynCorp’s proposal in this regard was reasonable. URS’s argument is based on the fact that DynCorp’s GSA Logworld contract labor categories do not reflect the same high-level qualifications found in the awardee’s

technical proposal. However, the record shows that, unlike with URS's initial proposal, DynCorp's technical and price proposals were generally consistent as to labor categories. In this regard, DynCorp's technical proposal included a detailed listing of its labor categories and their respective position descriptions (DynCorp Technical Proposal at D-14 to D-20), while its price proposal identified corresponding labor categories for each category in the technical proposal, with position descriptions generally consistent with those in the technical proposal. See Price Proposal ¶ 1.4.2 and Appendix D (GITM labor Category Descriptions which are consistent with those in the Technical Proposal at D-14 to D-20). While the qualifications for some of the categories exceed those in the GSA Logworld contract, DynCorp's technical and price proposals were generally consistent in this regard, and thus there was no basis for the agency to assign a deficiency or weakness to the proposal.²

ManTech also challenges its evaluation under the staffing factor. In this regard, ManTech's proposal was rated marginal under the staffing factor due primarily to a significant weakness as a result of an inconsistency between its technical and price proposals. Specifically, the agency found that ManTech's staffing plan in its technical proposal included a [deleted] labor category under CLIN X002 (phase 1 purchase support) comprising 12,800 hours for the base and option years combined, but its price proposal for CLIN X002 did not include any hours or prices for this labor category. ManTech FPR at D-6, 102-106.

ManTech asserts that the assignment of this weakness was unreasonable because one of its proposed innovations called for [deleted]. According to the proposal, this approach allowed for [deleted] and offered [deleted]. ManTech Protest at 12; ManTech Proposal at C-5. ManTech explains that it did not include the missing hours under CLIN X002 because, relying on [deleted], they were accounted for under CLINs X005 (system integration and configuration management) and X008

² Our conclusion is not changed by the agency's identification of five labor categories where there were "minor clerical irregularities" between DynCorp's technical and price proposals. URS SAR COS 2 at 3-4. For example, the technical proposal identified **[deleted]** or more years of experience for the program manager, while the price proposal listed **[deleted]** to **[deleted]** years experience. Id. at 3. While URS asserts that these inconsistencies made it "impossible to say what DynCorp has committed to," URS Final Comments at 26, its argument in this regard is untimely since URS has had access to DynCorp's proposal since May 12, but did not raise this argument until May 29, more than 10 days later. Bid Protest Regulations, 4 C.F.R. § 21.2(a)(2) (2014). (In any case, as noted by the agency, both the technical and price proposal listing of qualifications for the program manager exceeded DynCorp's GSA Logworld contract minimum of 10 years experience for this category, thus reflecting an intention to offer more qualified personnel.)

(perform installations, on-site installation contractor lead and associated sub-CLINS). ManTech Protest at 12. ManTech also notes that, even if it should have included these hours, they make up less than 2.5% of its total hours and FTEs in its staffing matrix. Id. at 13.

As discussed above, the RFQ required vendors to map its CLINs, service description, labor categories, estimated hours and burdened hourly rates so as to ensure a match between the technical and price proposal for each labor category. RFQ at 21. Here, ManTech's initial technical proposal included its [deleted] approach, but did not propose any [deleted] category or hours for CLIN X002. ManTech Initial Proposal at D-6. ManTech nevertheless then added in its FPR for the first time the [deleted] category and proposed hours for the category in its technical proposal, but did not have a corresponding matching cost in its price proposal. ManTech Technical FPR at D-6, Price FPR at 102-106. Further, there was no indication in ManTech's FPR that the missing 12,800 hours or their cost was covered by entries for CLINs X005 and X008. Nor, in the absence of any direct explanation in the proposal, were the agency evaluators required to infer that the hours were covered elsewhere. See Carlson Wagonlit Travel, B-287016, Mar. 6, 2001, 2001 CPD ¶ 49 at 3 (offeror is responsible for the contents of its proposal and ensuring it provides complete information as part of an adequately written proposal). Also, while ManTech asserts that the missing hours had a relatively small impact on its overall proposal, the missing 12,800 hours in the price proposal represented more than 13% of the [deleted] hours (including the 12,800 [deleted] hours) under CLIN X002 in ManTech's FPR technical proposal. Under these circumstances, we find that the agency reasonably assigned a significant weakness to ManTech for failing to price 12,800 hours which it included in its CLIN X002 technical proposal, as well as assigning a risk because it would "most likely result in uncertainty related to the technical solution and serious unresolved cost issues." TET Final Consensus at 36.

GITM Efficiency and Innovation Plan

Vendors were required to provide an efficiency and innovation plan for the GITM program that improves future staff training, business practices, management techniques, and the use of technology in a manner that will result in annual savings to the GITM program. RFQ ¶ 2.3.1. Proposals were to be evaluated on their demonstrated ability to offer a plan meeting these requirements, and their "future smart innovations" were to be evaluated to determine if they would increase the GITM program's ability to successfully and efficiently react to potential federal budget reductions while maintaining the primary objectives of the program. Id. ¶ 2.3.2.

URS's initial proposal was rated as marginal under this factor based on several weaknesses, including that the firm had "failed to adequately explain how a 5% cost reduction utilizing a comprehensive vendor scorecard will be realized." TET Initial

Consensus at 92. In addressing this weakness, URS described how it would achieve the [deleted]% savings and explained how it had successfully used its vendor performance scorecard in conjunction with its [deleted] which had been negotiated with vendors based on the firm's [deleted]. URS FPR at C-4. In this regard, URS explained in its FPR that the [deleted]% savings was based on its corporate experience in which it used master ordering agreements. Id. By monitoring and rating on a scorecard vendor responsiveness to the master ordering agreements and individual order requirements, URS stated that it was able to ensure that [deleted]. Id.

The TET, however, continued to question the innovation due to differences in corporate and governmental procurement practices, such as requirements that DOS follow applicable agency procurement regulations. TET Final Consensus at 84; URS SAR COS at 40-41. The final evaluation was increased to an acceptable rating, with one minor weakness (from marginal with several weaknesses).

URS asserts that the assigned weakness was unreasonable. Having provided more than one and a half pages of explanation in its FPR, URS maintains that it fully explained how the [deleted]% savings could be achieved. Further, in view of its proposal of 19 other innovations, 5 of which were recognized in an overall assigned strength, URS asserts that this single weakness should not be used to downgrade its proposal. In the protester's view, its proposal should have been rated excellent instead of acceptable.

The evaluation in this regard is unobjectionable. While URS provided a detailed explanation in its FPR, the agency viewed that explanation as failing to recognize the particular circumstances under which the task order will be performed. URS COS at 12; TET Final Consensus at 84. Specifically, DOS has to adhere to government purchasing regulations and methods, while URS's solution is based on its own master ordering agreements and purchasing practices which are not necessarily consistent with those of the agency. Since URS would not necessarily possess the same leverage over DOS suppliers that it has over its own suppliers subject to its master ordering agreements, it was unclear how effective the vendor scorecards would be in saving money. In the absence of an adequate explanation of how these differing practices would result in the proposed savings for DOS under the task order, the evaluators reasonably concluded that URS's proposal failed to demonstrate an understanding of the agency's environment, and thereby increased the likelihood of risk of misinterpretation during administration of the task order. URS COS at 12; TET Final Consensus at 84.

Regarding URS's overall rating under this factor of acceptable (rather than the excellent it asserts was warranted), the TET recognized 5 of URS's 19 other proposed innovations as warranting the assignment of a single, overall strength. URS's remaining innovations, however, were found to be neither strengths nor weaknesses because they were inadequately explained or represented matters that

were already required. TET SAR Decl. at 2-5. While the agency concedes that URS's proposal, as was DynCorp's, should have been assigned an additional strength for making clear which innovations were factored into the vendor's pricing solution, URS SAR at 28, it remains that 1 of URS's 20 proposed innovations was reasonably assessed a weakness, and 14 others were reasonably evaluated as warranting neither a strength nor a weakness. Further, under the agency's evaluation approach, a proposal could not be rated as excellent for a factor if there was any assigned weakness under the factor. RFQ ¶ 2.3.2. (Indeed, DynCorps' evaluation as excellent under the GITM efficiency and innovation factor was consistent with that definition in that its proposal was assigned 4 strengths, with no weaknesses.) Thus, in these circumstances, we find unobjectionable the agency's conclusion that a rating of excellent was not warranted for URS under the GITM efficiency and innovation factor.

With regard to DynCorp's evaluation, URS asserts that the agency should have downgraded its proposal under the GITM efficiency and innovation factor based on its receiving only an acceptable rating under the oral presentation factor. In this regard, the oral presentation factor covered vendor responses to two scenarios, the second of which described a situation where GITM needed to reduce costs by 10% in fiscal year 2015 and vendors were to describe their approaches for delivery of services with a 10% reduction in program funding. RFQ ¶ 2.5.1. Part of DynCorp's presentation proposed the use of [deleted] to supplement [deleted], for a savings of [deleted]% in labor costs and additional savings in reduced travel and other direct costs. DynCorp Oral Presentation Slides at 29, 46. DynCorp was assigned a minor weakness for this aspect of its proposal because of "minor doubt" as to whether it could achieve the proposed 10% reduction. DynCorp Evaluation Notice (EN) D-TP-C-003. In this regard, since [deleted] are an optional CLIN that DOS may not exercise, and implementation would mean DOS would incur additional costs, the TET was unsure how this part of the proposal was responsive to the need to operate in a reduced budget environment. URS SAR No. 2 at 4. DynCorp then provided a response to a discussion question on this subject, and the agency found that it provided sufficient information to alleviate its doubt as to the likelihood that DynCorp could achieve the 10% reduction. Source Selection Decision at 69. However, because the RFQ prohibited changes to ratings under the oral presentation factor, that rating remained as acceptable. URS SAR COS at 47. Nevertheless, because the weakness was considered by the agency to be resolved, the TET did not downgrade DynCorp's proposal under the GITM efficiency and innovation factor. URS SAR No. 2 at 5.

URS asserts that DynCorp's rating of excellent under the GITM efficiency and innovation factor was unreasonable and inconsistent with its acceptable rating under the oral presentation factor. In this regard, URS notes that the amended RFQ advised offerors that their oral presentations would be evaluated under technical/management solution/approach and GITM efficiency/innovation. RFQ at 16. The protester argues that, contrary to the provisions of the RFQ, the agency

failed to consider DynCorp's minor weakness assigned under the oral presentation factor in evaluating the proposal under the related GITM factor. Had the agency done so, asserts the protester, DynCorp's proposal would be entitled to nothing higher than an acceptable rating.

The evaluation in this regard was unobjectionable. The TET found that the original minor doubt regarding [deleted] did not impact the evaluation under the GITM efficiency and innovation factor because that type of [deleted] was not included in DynCorp's GITM efficiency and innovation plan or proposed as part of any of the innovations proposed and evaluated under that factor. TET SAR 2 Decl. at 2. In this regard, the record shows that DynCorp's GITM efficiency and innovation proposal only mentions [deleted] once in the context of "customer satisfaction." DynCorp Proposal at C-9.

In any case, in response to the discussion question, DynCorp explained its rationale behind the proposal, stating that it chose [deleted]. DynCorp EN Response at 2. It also recognized that DOS may or may not fund the CLIN, and stated that "it would present a solution to operate in a reduced budget environment based on funding at the time the solution was required." *Id.* The TET was satisfied with this response in that it confirmed that DynCorp understood that [deleted] were optional and that it would find other solutions to operate in a reduced budget environment if the option was not exercised. TET SAR 2 Decl. at 1. (For example, the TET noted that DynCorp had proposed to [deleted]. *See, e.g.*, DynCorp Oral Presentation Slides at 41-43.) Thus, DynCorp ultimately resolved the agency's initial concern with respect to its discussion of [deleted] during its oral presentation. While the solicitation precluded subsequently changing ratings under the oral presentation factor, there was nothing in the solicitation which precluded taking further submissions by the vendor into account under the other factors

Past Performance

Both URS and ManTech challenge their own and DynCorp's past performance evaluations. Each protester maintains that its past performance record deserved ratings of excellent instead of acceptable, and that DynCorp's proposal should have been rated marginal. In this regard, under the past experience, performance, and customer satisfaction factor, the agency was to evaluate the extent to which the offerors and subcontractors demonstrated corporate experience with contracts of a magnitude (size), scope, and complexity similar to the RFQ task order, and their ability to implement and maintain the program successfully. To achieve a rating of excellent, an offeror's past performance had to be recent (within 36 months); "comparable" in scope, complexity, and size; show a quality of work sufficient to give the government a "high expectation" of successful performance; and show that it would be "unlikely" that government intervention would be needed. RFQ at 18-19. In contrast, an acceptable rating was to be assigned if the performance examples demonstrated "much" of the scope, complexity, and size; showed quality sufficient

to give the government a “reasonable expectation” of successful performance; and showed that “little” government intervention would be necessary. Id. at 19.

As a general matter, the evaluation of an offeror’s past performance, including the relevance and scope of the performance history to be considered, is within the discretion of the contracting agency. We will not question an agency’s judgment unless it is unreasonable, inconsistent with the terms of the solicitation, or undocumented. Family Entm’t Servs., Inc., d/b/a/ IMC, B-291997.4, June 10, 2004, 2004 CPD ¶ 128 at 5. A protester’s mere disagreement with the agency’s evaluation does not provide a basis for sustaining a protest. Command Enters., Inc., B-293754, June 7, 2004, 2004 CPD ¶ 166 at 4. Here, we find no basis to question the past performance ratings.

URS asserts that its past performance record, which was comprised of more exceptional than acceptable ratings, and no ratings below those levels, should have been evaluated as excellent overall. In evaluating URS’s past performance, the TET reviewed two past performance surveys submitted for URS, one submitted for URS’s subcontractor, and two contractor performance assessment report system (CPARS) ratings. The TET found that each of the surveyed performances was acceptable. In this regard, a Defense Information Systems Agency contract for life cycle management of the Defense Information Systems Network, including hardware, software systems, and databases, was deemed to represent a performance effort involving the same magnitude of effort and complexities as required by the RFQ. However, of the 27 rated performance areas, only two were rated exceptional and the remaining 25 were rated as acceptable. TET Final Consensus at 90-91. A URS information technology support contract with the Securities and Exchange Commission was rated acceptable where, although 24 areas were rated as exceptional and 3 were rated acceptable, the TET considered this contract to be less complex than the current requirement because it was more related to domestic deployments rather than the worldwide deployments of equipment covered under the RFQ. URS SAR COS at 3-4. A third contract was performed for DOS by a proposed subcontractor, and included installation of telephone switches and cabling at U.S. embassies. While 18 performance categories were rated exceptional and 9 were acceptable, the TET rated the contract overall as acceptable because the TET considered the worldwide deployment of radio and telephone equipment not to be as complex as, and to represent a lower deployment operations tempo than, the RFQ’s information technology supply chain tasks. Id. at 4.

In considering the two CPARs, the evaluators found that both lacked relevance to the RFQ requirement. In this regard, a \$12 million (current value) contract with the Internal Revenue Service (IRS) for warehousing, repairs, and logistics services was neither the same scope nor the same magnitude as the requirement under the RFQ, which was valued at more than \$160 million. IRS CPAR; URS SAR COS at 5. The other CPAR was for a Navy contract which likewise was considered not of

a comparable scope or value since it involved technical modernization and logistics support and was valued at only \$1.48 million. Navy CPAR; URS SAR COS at 6. While the IRS contract performance included exceptional and very good ratings, and the Navy contract included exceptional, very good, and satisfactory ratings, the agency maintains that because these contracts were not relevant to the RFQ requirements, the CPARs only supported an acceptable rating. URS SAR COS at 5-6. Consequently, according to the agency, it had reasonable, but not “high” expectations of successful performance with little intervention. Id.

The evaluation was reasonable. While URS’s past performance record included a number of exceptional ratings, one of the contracts reflected a majority of acceptable ratings and the other two contracts included ratings of acceptable in several relevant performance areas. URS SAR COS at 3-5. In this regard, the SEC contract included ratings of acceptable in the areas of overall ability to provide on-site design services; ability to retain qualified personnel; and ability to provide innovative solutions resulting in cost savings. Id. The subcontractor’s DOS contract included nine acceptable ratings in areas such as completion of milestones on schedule; quality, completeness, and accuracy of price/cost proposals/invoices; ability to provide innovative solutions resulting in cost savings; ability to manage contracts; ability to work in collaboration with other contractors; and ability to choose and manage subcontractors. Id. In view of the relevance of these areas to successful task order performance under the RFQ requirement, the TET could reasonably conclude that URS’s past performance record only supported an overall acceptable rating. Likewise, although the CPARs included generally high ratings, in view of the lack of relevance of those contracts, the TET’s conclusion that they only supported an acceptable rating was unobjectionable.

ManTech asserts that its past performance record, comprised of multiple exceptional ratings on two contracts, along with multiple very good ratings on CPARs issued for its past performance as the incumbent contractor, should have been evaluated as excellent overall rather than acceptable.

The evaluation in this regard was reasonable. In evaluating ManTech’s past performance, the TET reviewed two past performance surveys submitted by the protester, as well as CPARs related to ManTech’s performance as an incumbent vendor on the current GITM task order. The TET found that both contracts were comparable in magnitude and complexity to the RFQ. However, while ManTech’s evaluated performance under an Army contract for systems integration, procurement, warehousing operations, and fielding systems in deployed areas (worth \$85 million) included 17 exceptional ratings and 8 acceptable ratings, the agency noted that the performance survey indicated that the performance under the other, GITM contract (worth \$128 million) was more acceptable than exceptional, with ManTech’s performance rated acceptable 19 times and exceptional only 7 times. ManTech COS at 28.

Further, ManTech's evaluations in its CPARs on the current GITM task order reflected consistent very good ratings, but no excellent ratings, and included at least one satisfactory rating in each CPAR. Id. In addition, the CPARs included an increasing number of areas that the assessing official identified as "requir[ing] special focus for improvement." ManTech SAR COS at 19. For example, in the first CPAR, there was nothing identified as requiring improvement, but the second CPAR called for improvement in the final reporting of invoices, the critical path, the contractor escalation process and communication, and the responsiveness to surge requirements. Id. Similarly, in the third CPAR, the rating official identified five areas for improvement, including, for example: timeliness of performance; taking longer than required for high profile requirements; and communications between installers and post personnel to create a cohesive team. Id. at 20. Taken together, ManTech's evaluated past performance record was generally positive, but not exceptional in all areas. Based on the less than exceptional ratings in the GITM contract survey and related CPARs, we find no basis to question the TET's conclusion that ManTech's performance was more acceptable than excellent.

URS and ManTech challenge the evaluation of DynCorp's past performance, asserting that DynCorp should have been rated marginal rather than acceptable. In this regard, in evaluating DynCorp's past performance as acceptable, the TET reviewed two DOS contract surveys for DynCorp and one for its proposed subcontractor. All three contracts were considered relevant from the standpoint of magnitude of effort and complexity. URS SAR COS at 10. One of DynCorp's DOS contracts, which included supply chain management, a key objective in this procurement, Statement of Objectives at 3, reflected 25 exceptional ratings and 1 acceptable rating, while the other DOS contract (overseas integrated logistics), reflected 2 exceptional, 19 acceptable, and 6 marginal ratings. ManTech SAR COS at 21-22. The subcontractor's DOS contract (IT logistics, integration, installation, and systems administration) reflected 1 exceptional, 16 acceptable, and 6 marginal ratings. URS SAR COS at 12. The TET also considered two interim and one final CPAR for DynCorp which reflected ratings ranging from satisfactory to very good. Id. at 13. In view of the relevance of the various past performance surveys and CPARs, combined with the ratings, the majority of which were exceptional, very good, acceptable, and satisfactory, we believe the TET could reasonably conclude that DynCorp's past performance was acceptable overall.

Our conclusion is not changed by URS's and ManTech's assertions that the agency should have rated DynCorp's past performance as marginal because of the 12 marginal ratings found in two of the performance surveys. As an initial matter, while both the surveys' and the RFQ's rating scheme included adjectival ratings of marginal, they are not defined the same. In this regard, the RFQ called for a marginal past performance rating where the performance examples showed only "some" of the scope, complexity, and size; showed quality leading to a "low" expectation of successful performance; and showed that "some" government intervention would be expected. RFQ at 19-20. However, a marginal rating was

defined in the surveys as the “[c]ontractor’s performance within the area of evaluation experienced minor problems for which solutions were satisfactory.” Past Performance Survey Form at 1. Thus, a marginal rating on the past performance surveys was consistent with a level of performance that would warrant a higher rating than marginal under the RFQ. In any case, during discussions, the TET questioned these marginal ratings and DynCorp responded with a comprehensive 11-page response (which was considered by the SSA) explaining the circumstances of each marginal rating, the corrective actions taken to alleviate the agency’s concerns, and DynCorp’s approaches to avoiding similar issues in the future. URS SAR COS at 16. Finally, as noted above, the predominant performance ratings received by DynCorp were higher than marginal. In these circumstances, the fact that DynCorp received several marginals furnishes no basis for concluding that the agency was required to rate DynCorp’s overall past performance as only marginal.

Best Value Determination

Both URS and ManTech assert that various errors in the evaluation of their own and DynCorp’s proposals rendered the best value determination unreasonable. As discussed above, however, we find nothing in the protesters’ arguments that would call into question the agency’s conclusion that DynCorp’s proposal represented the best value. In this regard, the source selection decision is very detailed (108 pages plus attachments) and provides a synopsis of each proposal’s strengths and weaknesses, a comparison each vendor’s relative evaluations, and the SSA’s basis for concluding that DynCorp’s higher-priced, highest-technically rated proposal was worth its small price premium over either of the protester’s lower-technically rated proposals. Under these circumstances, we have no basis to object to the best value source selection.

The protests are denied.

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