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Washington, DC 20548**

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Decision

Matter of: Research and Development Solutions, Inc.

File: B-410581; B-410581.2

Date: January 14, 2015

James J. McCullough, Esq., and Samuel W. Jack, Esq., Fried, Frank, Harris, Shriver & Jacobson LLP, for the protester.

Michael J. Gardner, Esq., and Shomari B. Wade, Esq., Troutman Sanders LLP, for ICI Services, Corp., the intervenor.

David B. Mercier, Esq., Department of the Navy, and Laura Eyester, Esq., Small Business Administration, for the agencies.

Pedro E. Briones, Esq., and Nora K. Adkins, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Where a competitive request for task order proposals issued under a long-term multiple-award indefinite-delivery, indefinite-quantity contract limits competition to small business concerns, procuring agency may properly make award to a business that was certified as a small business at the time that it submitted its proposal in response to the task order competition, even if the business is no longer considered small by the time of award.

2. Protest challenging agency's cost and technical evaluations and best-value tradeoff determination is denied where the record demonstrates that the agency's evaluations and tradeoff decision were reasonable and in accordance with the terms of the solicitation.

DECISION

Research and Development Solutions, Inc. (RDSI), of McLean, Virginia, protests the issuance of a task order to ICI Services, Corp. (ICI), of Virginia Beach, Virginia, under task order request for proposals (RFP) No. N00024-13-R-3331, issued by the Naval Undersea Warfare Center Division Newport, Department of the Navy, for technical and engineering services. The protester contends that ICI is not eligible for award based on its size status. RDSI also contends that the agency's evaluation of technical and cost proposals, as well as its best value determination, was unreasonable and not consistent with the solicitation.

We deny the protest.

BACKGROUND

The RFP, which was set aside for small businesses, was issued to offerors holding SeaPort-e indefinite-delivery, indefinite-quantity (ID/IQ), multiple award contracts (MACs) in Zone 1 (Northeast), and provided for the issuance of a cost-plus-fixed-fee (CPFF) task order for a base year and 2 option years.¹ Agency Report (AR) at 3-4; RFP at 2. The RFP sought technical and engineering services for integrated product support and configuration management of submarine electromagnetic systems. RFP, Statement of Work (SOW), at 6. The solicitation included CPFF contract line items (CLINs) for labor/services, and cost CLINS for materials/other direct costs (ODCs) and travel. See RFP at 3-4, 64.

The solicitation stated that award would be made on a best-value basis considering technical capability, past performance, and cost. Id. at 66. The RFP stated that technical capability and past performance were of equal importance, and, when combined, were significantly more important than cost. Id. at 67. The technical capability factor included two subfactors, listed in descending order of importance: technical approach and personnel management. Id. Offerors were instructed to submit separate technical and cost proposals. Id. at 59.

With respect to the technical proposals, offerors were to describe their technical approach to performing the requirement, and include: (1) a matrix of personnel labor categories and corresponding hours for each SOW task; (2) a proposed response to a sample task identified in the solicitation; (3) a discussion of knowledge capabilities in three specific disciplines (integrated product support, configuration management, and inventory management); and (4) an appropriate labor/skill mix. Id. at 60-61. Offerors were also required to identify at least one key person and provide resumes for all key personnel, as well as identify all proposed personnel not currently employed by the offeror and provide commitment letters in that regard. Id. at 62. Moreover, offerors were to identify and provide a resume for a senior technical representative. Id.

With respect to the cost proposals, offerors were to quote a cost and fixed fee for the labor/services CLINS. Id. at 4. The solicitation provided estimates for material/ODC and travel that offerors were to insert as plug-numbers for the cost CLINS. See id. at 4, 64. Offerors were instructed to provide a level of effort by labor category (including subcontractor labor), a basis of estimate, and other supporting

¹ Although the solicitation anticipated the issuance of a task order under the awardee's SeaPort-e multiple award contract, the evaluation record primarily refers to "offerors." For the sake of consistency, we use the term offerors in this decision.

documentation such as payroll journals. Id. at 63-64. Offerors were also required to identify any proposed labor escalation for the option years and explain how they calculated their labor escalation. Id. at 65. The RFP stated that the agency would evaluate costs for realism. Id. at 67.

The Navy received proposals from two Seaport-e offerors--RDSI (the incumbent) and ICI--by the August 30, 2013, due date for receipt of proposals. Id. at 1; AR at 6. After initial evaluations of proposals, the agency entered into discussions with both offerors and requested final revised proposals,² which were evaluated as follows:

	RDSI	ICI
Technical Capability Overall	Good	Good
Technical Approach	Good	Good
Personnel Management	Acceptable	Acceptable
Transition Plan ³	Pass	Pass
Past Performance	Substantial Confidence	Satisfactory Confidence
Total Proposed Cost	\$14,551,130	\$10,751,314
Total Evaluated Cost	\$15,003,019	\$11,062,549

AR at 10; Tab 17, Source Selection Decision, at 1. The agency's technical evaluation panel (TEP) documented its evaluation ratings and narratives in a detailed evaluation report. AR, Tab 7, Initial TEP Report; Tab 13, Final TEP Report. RDSI's final revised technical proposal was assigned seven strengths and no weaknesses or deficiencies. AR, Tab 16, TEP Source Selection Recommendation,

² The agency's evaluation of initial technical proposals was conducted from September 2013 through June 2014. AR, Tab 7, Initial TEP Report, at 2. Discussions were conducted between June 30 and July 18, 2014. See AR at 8-9; Protest at 8. Final revised technical proposals were evaluated between July and August. AR at 9.

³ Offerors were required to describe their transition plan for providing resources necessary to perform the SOW within 30 days after contract award. RFP at 60. The RFP stated that transition plans would be evaluated on a pass/fail basis. Id. at 66.

at 2-3. ICI's final revised technical proposal was assigned two strengths and no weaknesses or deficiencies. Id.

The agency's cost/price analyst (C/PA) evaluated initial and final cost proposals and conducted a cost realism analysis. AR at 3, 7-8. The increase in ICI's total evaluated cost, over its proposed cost, was mainly the result of an upward adjustment to ICI's proposed labor escalation rate. Id. at 9; Tab 14, ICI C/PA Report, at 2-5. The increase in RDSI's total evaluated cost also resulted from an upward adjustment to its proposed labor escalation rates, as well as an upward adjustment to its burdened (or indirect) rates. AR at 10; Tab 15, RDSI C/PA Report, at 2-6.

The contracting officer, who was the source selection authority for the procurement, reviewed the technical and cost evaluations and concurred with their findings. AR at 3, 11. In her cost/technical tradeoff decision, the contracting officer acknowledged RDSI's greater number of assessed strengths and higher past performance confidence rating,⁴ but concluded that they were not worth RDSI's 36 percent price premium. AR, Tab 17, Source Selection Decision, at 2-4. The contracting officer determined that ICI's proposal presented the best value to the Navy. Id. The task order was issued to ICI on September 25, 2014, and this protest followed.⁵

DISCUSSION

RDSI protests the award to ICI on the basis of its size status. The protester also challenges the Navy's technical and cost evaluations, as well as the agency's best value determination. While our decision here does not specifically discuss each and every argument, we have considered all of the protester's assertions and find none furnish a basis for sustaining the protest.

Awardee's Size Status

The protester contends that ICI is ineligible for award because ICI recertified as a large business prior to the agency's issuance of the task order.⁶ Protest at 10-11.

⁴ The protester does not challenge the agency's past performance evaluations.

⁵ The estimated value of the task order at issue exceeds \$10 million. Accordingly, this procurement is within our jurisdiction to hear protests related to the issuance of task orders under multiple-award ID/IQ contracts. 10 U.S.C. § 2304c(e)(1)(B)

⁶ On January 15, 2014, ICI recertified as a large business pursuant to the terms of its Seaport-e MAC contract, which requires the offeror to recertify its size status prior to the agency's exercise of options on that contract. See Navy emails to parties, Jan. 7, 2014, Timeline, at 1. ICI's MAC contract, which was issued on

(continued...)

According to the protester, section K of the solicitation, as well as relevant Small Business Administration (SBA) regulations and the Federal Acquisition Regulation (FAR), required the Navy's contracting officer to confirm the apparent awardee's size status prior to making award, and once the contracting officer confirmed that ICI was other-than-small, the agency could not award the task order to ICI. Id. at 11, citing 13 C.F.R. § 121.404(g); Protester's Comments at 2-5. The protester also maintains that the agency failed to comply with the FAR's requirement that a large business submit a small business subcontracting plan. Protester's Comments at 15-16, citing FAR § 19.702.

As relevant here, section K of the solicitation provided as follows:

The requirement for Annual Representation and Certifications at 52.204-8 applies at the basic multiple award contract (MAC) level for each Offeror. Offerors are not required to submit representation or certifications in response to this solicitation or its subsequent Task Order award, if any. All requests for representation or rerepresentation shall come from the MAC Contracting Officer in accordance with the terms of the basic contract. The Ordering Officer will consider quoter's size/socioeconomic status as defined within the SeaPort-e portal at the following web address: <https://auction.seaport.navy.mil/Bid/PPContractListing.aspx>

RFP § K, at 58 (emphasis added).

We do not agree with the protester that section K's requirement to "consider" the offeror's size status required the contracting officer to confirm--at time of award--the status of the presumptive awardee, and find ineligible any firm that is currently certified as other-than-small. Rather, we find that the Navy's contracting officer acted in accordance with section K when she considered--prior to award--ICI's size status. The record here shows that the contracting officer recognized that ICI recertified under its MAC as other-than-small, and that she consulted with the Seaport-e procuring contracting officer and the agency's small business advisor in that regard. AR, Tab 28, CO's Small Business Eligibility Emails. Both individuals advised her that ICI was eligible to receive the task order because ICI was certified as a small business as of the date that it submitted its initial proposal for this task order.⁷ See id. The contracting officer thus concluded that ICI was eligible for award, notwithstanding its current status as other-than-small. See Supp. AR at 3.

(...continued)

April 5, 2004, had a 5-year period of performance with two 5-year option periods; the agency exercised the final option period on May 29, 2014. Id.

⁷ The parties do not dispute that ICI was certified as a small business as of the date that it submitted its proposal.

In our view, the terms of the solicitation here, and the contracting officer's actions described above, are consistent with the applicable SBA regulation, 13 C.F.R. § 121.404(g), which provides, in relevant part, as follows:

(g) A concern that qualified as a small business at the time it receives a contract is considered a small business throughout the life of that contract. Where a concern grows to be other than small, the procuring agency may exercise options and still count the award as an award to a small business. However, the following exceptions apply:

* * * * *

(3) For the purposes of contracts with durations of more than five years (including options), including Multiple Award Schedule (MAS) Contracts, Multiple Agency Contracts (MACs) and Government-wide Acquisition Contracts (GWACs), a contracting officer must request that a business concern re-certify its small business size status no more than 120 days prior to the end of the fifth year of the contract, and no more than 120 days prior to exercising any option thereafter. If the contractor certifies that it is other than small, the agency can no longer count the options or orders issued pursuant to the contract towards its small business prime contracting goals. The agency and the contractor must immediately revise all applicable Federal contract databases to reflect the new size status.

13 C.F.R. § 121.404(g) (2013) (emphasis added). The protester argues that it was improper for the Navy to award the task order to ICI on a small business basis, because section 121.404(g)(3) restricts the Navy from counting the task order towards its small business prime contracting goals. Protester's Response to SBA's Comments at 3.

Because the protester's and the agency's contentions raise legal questions related to the Small Business Act, and SBA regulations implementing it, our Office solicited and obtained the views of SBA on these questions. As a general rule, our Office will defer to SBA's judgment in matters such as this, which fall squarely within its responsibility for administering the Small Business Act. See, e.g., Enterprise Info. Servs., Inc., B-403028, Sept. 10, 2010, 2010 CPD ¶ 213 at 3 n.5

In its filing with our Office, SBA's asserts that section 121.404(g), as well as the terms of ICI's Seaport-e contract, confirm that ICI's size status is determined at the time that it submitted its proposal for the task order competition, not at the time that it was issued the task order. SBA's Comments at 3-4.

We agree. While section 121.404(g)(3) prohibits the agency from counting ICI's task order award towards the Navy's small business goals, the provision does not, contrary to the protester's argument, require that the agency also find ICI ineligible for award. Rather, the question of whether ICI was eligible for award in this context is distinct from the question of whether the agency should count (i.e., take credit for) that award towards its small business prime contracting goals.

Finally, we conclude that the protester's contention, that ICI was required to submit a small business subcontracting plan, is also without merit. FAR § 19.702 provides in relevant part:

[a](1) In negotiated acquisitions, each solicitation of offers to perform a contract or contract modification, that individually is expected to exceed \$650,000 (\$1.5 million for construction) and that has subcontracting possibilities, shall require the apparently successful offeror to submit an acceptable subcontracting plan.

* * * *

(b) Subcontracting plans [a]re not required—

(1) From small business concerns[.]

FAR § 19.702(a)-(b) (emphasis added). Since, as discussed above, ICI is a small business under the SBA regulations for this procurement, ICI was not, in our view, required to submit a small business subcontracting plan. Moreover, the solicitation did not require offerors to submit subcontracting plans or otherwise state that the Navy would evaluate such plans. See RFP at 44; FAR § 52.219-9(a), Small business subcontracting plan ("This clause does not apply to small business concerns.")

Based upon our review of the record, the relevant regulations, and the SBA's comments, we conclude that the Navy properly found, notwithstanding ICI's subsequent recertification as an other-than-small business, that the awardee was eligible to receive the task order here, because ICI was certified as a small business as of the date that it submitted its initial proposal.

Cost Realism Analysis

RDSI also protests the Navy's evaluation of ICI's cost proposal, arguing that the agency failed to properly analyze the realism of ICI's labor rates. Protest at 13-14. The protester complains that ICI is attempting to recruit RDSI's employees and, based on RDSI's experience as the incumbent, contends that ICI will not be able to recruit and retain qualified personnel at ICI's labor rates. Protester's Comments

at 7. In that regard, RDSI asserts that the Navy also failed to consider whether ICI will be able to recruit a local workforce based on its proposed labor rates. Id. The Navy argues that its cost realism analysis was thorough and consistent with the RFP and procurement laws and regulations. AR at 16, 20. The agency maintains that ICI submitted all supporting documentation required by the solicitation in that regard. Supp. AR at 5. The Navy also disputes that it failed to consider local market rates in evaluating ICI's labor rates, and asserts that the agency compared ICI's rates to the agency's historical procurement data. Id.

When an agency evaluates a proposal for the award of a cost-reimbursement contract, an offeror's proposed estimated costs are not dispositive because, regardless of the costs proposed, the government is bound to pay the contractor its actual and allowable costs. FAR §§ 15.305(a)(1); 15.404-1(d); Palmetto GBA, LLC, B-298962, B-298962.2, Jan. 16, 2007, 2007 CPD ¶ 25 at 7. Consequently, the agency must perform a cost realism analysis to determine whether the estimated proposed cost elements are realistic for the work to be performed, reflect a clear understanding of the requirements, and are consistent with the unique methods of performance and materials described in the offeror's proposal. FAR § 15.404-1(d)(1); Advanced Commc'n Sys., Inc., B-283650 et al., Dec. 16, 1999, 2000 CPD ¶ 3 at 5. An offeror's proposed costs should be adjusted, when appropriate, based on the results of the cost realism analysis. FAR § 15.404-1(d)(2)(ii). Our review of an agency's cost realism evaluation is limited to determining whether the cost analysis is reasonably based and not arbitrary. Jacobs COGEMA, LLC, B-290125.2, B-290125.3, Dec. 18, 2002, 2003 CPD ¶ 16 at 26.

Here, in response to the protest, the Navy has provided a detailed record of its evaluation of cost proposals, its cost realism analysis, and its best value tradeoff. The contemporaneous record shows that the agency's cost realism analysis--including of ICI's labor rates--included: (1) verification that ICI's payroll journals, signed letters of intent from employees, and labor category averages matched ICI's proposed labor rates; (2) a comparison of ICI's proposed rates to labor rates recently proposed by other contractors in the same labor categories; (3) a comparison of ICI's proposed labor rates for Service Contract Act (SCA) employees to relevant Rhode Island wage determinations; (4) a comparison of ICI's proposed labor escalation rate to NUWCDIVNPT's⁸ current "Global Insight Rate" (GIR); and (5) a comparison of ICI's proposed labor escalation rate to ICI's maximum Seaport-e MAC escalation rate. AR, Tab 14, ICI C/PA Report, at 1-4. The agency employed similar techniques to evaluate ICI's subcontractor labor and escalation rates. See id. at 10-17.

⁸ That is, the Naval Undersea Warfare Center Division Newport.

Using these steps, the agency's cost analyst determined that, with the exception of one labor category that the agency upwardly adjusted, ICI's labor rates were realistic. Id. at 2. The agency also substituted its current GIR escalation rate for ICI's rate consistent with NUWCDIVNPT's cost realism evaluation methodology. Id. at 4. After performing this analysis, and making upward adjustments to ICI's labor and labor escalation rates, the agency determined that ICI's rates were reasonable and realistic. AR at 20.

We find that the agency's cost realism analysis techniques were consistent with FAR requirements. An agency is not required to conduct an in-depth cost analysis, see FAR § 15.404-1(c), or to verify each and every item in assessing cost realism; rather, the evaluation requires the exercise of informed judgment by the contracting agency. Cascade Gen., Inc., B-283872, Jan. 18, 2000, 2000 CPD ¶ 14 at 8. The methodology employed must, as here, be reasonably adequate and provide some measure of confidence that the rates proposed are reasonable and realistic in view of other cost information reasonably available to the agency as of the time of its evaluation. SGT, Inc., B-294722.4, July 28, 2005, 2005 CPD ¶ 151 at 7. There is no requirement that an agency follow any particular cost realism evaluation method, or evaluate offerors' proposed costs using every possible method of analysis. See id.; Cascade Gen., Inc., supra. In short, we agree with the Navy that its cost realism analysis was reasonable.

Technical Evaluation

The protester also challenges the Navy's evaluations of RDSI's and ICI's technical proposals, arguing that the evaluations were unreasonable because, among other things, the Navy failed to assign adjectival ratings consistent with the evaluation record and the RFP's evaluation scheme. See Protest at 22.

An agency's evaluation of technical proposals is primarily the responsibility of the contracting agency, since the agency is responsible for defining its needs and identifying the best method of accommodating them. Wyle Labs., Inc., B-311123, Apr. 29, 2008, 2009 CPD ¶ 96 at 5-6. In reviewing protests of an agency's evaluation, our Office does not reevaluate proposals, rather, we review the record to determine if the evaluation was reasonable, consistent with the solicitation's evaluation scheme, as well as procurement statutes and regulations, and adequately documented. See Wackenhut Servs., Inc., B-400240, B-400240.2, Sept. 10, 2008, 2008 CPD ¶ 184 at 6; Cherry Road Techs.; Elec. Data Sys. Corp., B-296915 et al., Oct. 24, 2005, 2005 CPD ¶ 197 at 6.

We find, based on our review of the contemporaneous evaluation record that RDSI's protest of the agency's technical evaluations amounts to little more than disagreement with the agency's subjective judgments, and largely reflects the protester's quibbling over evaluation ratings. See, e.g., Protest at 17, 19 (challenging RDSI's technical evaluation ratings based on number of strengths);

Protester's Comments at 8 ("Despite RDSI receiving seven "strengths" for the Technical Capability Factor and ICI Services receiving only two "strengths," the offerors received the same "Good" rating for this factor.").

Where the evaluation and source selection decision, as discussed below, reasonably consider the underlying basis for the ratings, including the advantages and disadvantages associated with the specific content of competing proposals, in a manner that is fair and equitable, and consistent with the terms of the solicitation, the protester's disagreement over the actual numerical, adjectival, or color ratings is essentially inconsequential in that it does not affect the reasonableness of the judgments made in the source selection decision.⁹ General Dynamics, American Overseas Marine, B-401874.14, B-401874.15, Nov. 1, 2011, 2012 CPD ¶ 85 at 10.

The RFP stated that the agency would evaluate an offeror's technical capability with regard to their technical approach and personnel management. RFP at 66. Under the technical approach subfactor, the solicitation stated that the agency would evaluate: (1) an offeror's understanding of the work and its ability to accomplish the requirement down to the task level; (2) the adequacy of a offeror's proposed labor/skill mix; (3) the qualifications of proposed key personnel; (4) an offeror's plan for obtaining specified security clearances by the time of contract performance; (5) an offeror's sample task order response; and (6) an offeror's responses to the specific knowledge capabilities cited above. Id. Under the personnel management subfactor, the solicitation stated that the agency would evaluate the qualifications of the offeror's proposed senior technical representatives. Id.

Consistent with the solicitation, the contemporaneous evaluation record reflects that the Navy reasonably considered the qualitative merits of RDSI's and ICI's technical proposals. For example, the record shows that, consistent with the evaluation criteria described above, the agency found that RDSI demonstrated an exceptional approach and thorough understanding of specified tasks; that RDSI's proposed labor/skill mix applied a highly experienced and qualified workforce in an appropriate mix for each task; that RDSI proposed a significant number of highly qualified personnel; that RDSI demonstrated in-depth and thorough knowledge of the specified disciplines; and that RDSI proposed a senior technical representative

⁹ Our Office has consistently recognized that ratings, be they numerical, adjectival, or color, are merely guides for intelligent decision-making in the procurement process. Citywide Managing Servs. of Port Washington, Inc., B-281287.12, B-281287.13, Nov. 15, 2000, 2001 CPD ¶ 6 at 11. The evaluation of proposals and assignment of adjectival ratings should generally not be based upon a simple count of strengths and weaknesses, but on a qualitative assessment of the proposals consistent with the evaluation scheme. See Clark/Foulger-Pratt JV, B-406627, B-406627.2, July 23, 2012, 2012 CPD ¶ 213 at 14.

with extensive technical and managerial experience. See AR, Tab 7, Initial TEP Report, at 5, 10-11, 14; Tab 13, Final TEP Report, at 2-4. Similarly, with regard to ICI, the agency found, among other things, that its labor/skill mix provided a [DELETED] across applicable task areas commensurate with requirements; that ICI's proposed [DELETED]; that ICI's use of [DELETED]; and that ICI demonstrated [DELETED]. See AR, Tab 7, Initial TEP Report, at 21; Tab 13, Final TEP Report, at 6.

Nothing in this record suggests that the agency's technical evaluations were inconsistent with the solicitation's evaluation criteria, or that the Navy violated procurement laws or regulations in evaluating the protester's and the awardee's respective technical proposals. See, e.g., QinetiQ North America, Inc., B-405163.2 et al., Jan. 25, 2012, 2012 CPD ¶ 53 at 15 (protest of agency's technical evaluations denied where record shows that agency reasonably evaluated proposals consistent with evaluation criteria, extensively documenting qualitative differences between the protester's and awardee's proposals).

Best Value Determination

Finally, RDSI challenges the Navy's best-value determination on the basis of improper cost and technical, as discussed above. Protest at 24-25. The protester also contends that the Navy only evaluated whether ICI's proposal met minimum technical requirements, and argues in that respect that the agency improperly converted the basis of award to lowest-price, technically acceptable. Protester's Comments at 11-12. RDSI maintains that the agency failed to compare the qualitative aspects of RDSI's and ICI's technical proposals. Id. at 13.

Where, as here, a procurement provides for issuance of a task order on a "best value" basis, it is the function of the SSA to perform a price/technical tradeoff, that is, to determine whether one quotation's technical superiority is worth its higher price. General Dynamics Info. Tech., Inc., B-406030, B-406030.3, Jan. 25, 2012, 2012 CPD ¶ 55 at 6; InnovaTech, Inc., B-402415, Apr. 8, 2010, 2010 CPD ¶ 94 at 6. While an agency has broad discretion in making a tradeoff between price and nonprice factors, an award decision in favor of a lower-rated, lower-priced quotation must acknowledge and document any significant advantages of the higher-priced, higher-rated quotation, and explain why they are not worth the price premium. See NOVA Corp., B-408046, B-408046.2, June 4, 2013, 2013 CPD ¶ 127 at 5. For example, in Blue Rock Structures, Inc., B-293134, Feb. 6, 2004, 2004 CPD ¶ 63, our Office sustained a challenge to an agency's selection of a lower-rated, lower-priced proposal, where the SSA failed to acknowledge the evaluated advantages of the higher-rated proposal, and to furnish an explanation as to why the protester's higher-rated proposal's advantages were not worth price premium. In contrast, our Office held in Phoenix Group of Virginia, Inc., B-407852, Mar. 12, 2013, 2013 CPD ¶ 80, that the selection of a lower-rated, lower-priced proposal was unobjectionable where the record showed that the SSA considered evaluated differences in quotations,

documented her deliberations and rationale, and concluded that a slight technical advantage was not worth a substantial price premium.

Based on our review of the record here, we find no merit to the protester's objections to the agency's best-value tradeoff decision. As noted above, the contracting officer, in her cost/technical tradeoff decision, acknowledged RDSI's greater number of assessed strengths and higher past performance confidence rating, but concluded that they were not worth paying a 36 percent price premium over ICI's lower evaluated cost. AR, Tab 17, Source Selection Decision, at 2-4. Moreover, the contracting officer specifically recognized that RDSI's proposal reflected a thorough approach and understanding of the requirement, including specified tasking efficiencies as a result of highly qualified personnel and potential cost savings. Id. at 2. However, contrary to the protester's assertion (Supp. Comments at 11-13), nothing in this record suggests that the agency minimized RDSI's strengths, omitted a qualitative comparison of the offerors' technical proposals, or focused exclusively on ICI's lower price in conducting its cost/technical tradeoff. See AR, Tab 17, Source Selection Decision, at 2-3 (comparing RDSI's and ICI's assessed technical and past performance strengths). Rather, RDSI's protest largely reflects its disagreement with the SSA's determination that the advantages of RDSI's technical proposal were not worth the substantial price premium over ICI's otherwise acceptable proposal. See Phoenix Group of Virginia, Inc., supra.

As discussed above, we find no merit to RDSI's objections to the agency's cost and technical evaluations. Thus, there is no basis to question the agency's reliance upon those evaluation judgments in making its source selection, and the protester's disagreement in that regard does not establish that the agency acted unreasonably or provide a basis to sustain its protest. See Citywide Managing Servs. of Port Washington, Inc., supra, at 10-11.

The protest is denied.

Susan A. Poling
General Counsel