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## Decision

**Matter of:** Jacobs Technology, Inc.

**File:** B-411784; B-411784.2

**Date:** October 21, 2015

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Robert J. Symon, Esq., Aron C. Beezley, Esq., Jennifer F. Brinkley, Esq., and Lisa A. Markman, Esq., Bradley Arant Boult Cummings LLP, for the protester. J. Alex Ward, Esq., Charles L. Capito, Esq., James A. Tucker, Esq., Rachael K. Plymale, Esq., and Kevin C. Dwyer, Esq., Jenner & Block LLP, for Syncom Space Services, LLC, the intervenor. Richard J. McCarthy, Esq., Meredith Blasingame, Esq., and D. Evelyn Lyon, Esq., National Aeronautics and Space Administration, for the agency. K. Nicole Willems, Esq., and Edward Goldstein, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### DIGEST

1. Protest challenging the agency's evaluation of protester's and awardee's proposals is denied where the record reflects that the evaluation was reasonable and consistent with terms of the solicitation.
  2. Protest challenging the agency's cost realism evaluation is denied where the agency's comprehensive evaluation record reasonably supports and adequately documents the cost/price evaluation.
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### DECISION

Jacobs Technology, Inc., (Jacobs) located in Tullahoma, Tennessee, protests the award of a contract to Syncom Space Services, LLC (S3), located in Fort Worth, Texas, under request for proposals (RFP) No. NNS14478585R, issued by the National Aeronautics and Space Administration (NASA), for synergy-achieving consolidated operations and maintenance at Stennis Space Center and Michoud Assembly Facility. The protester challenges various aspects of the agency's evaluation of proposals and its source selection decision.

We deny the protest.

## BACKGROUND

The RFP, issued on May 16, 2014, sought performance of facility operations and maintenance of institutional and technical facilities, and manufacturing and test support services, at the John C. Stennis Space Center (SSC) and the George C. Marshall Space Flight Center's Michoud Assembly Facility (MAF). Agency Report (AR), Tab 3.01, Sources Sought Notice, at 000256.<sup>1</sup> Currently, the agency maintains two separate contracts for the above services, one for SSC and the second for MAF, both of which are currently being performed by Jacobs. This follow-on procurement consolidates the agency's requirements under a single contract, which NASA refers to as the Synergy Achieving Consolidated Operations and Maintenance (SACOM) contract.<sup>2</sup> *Id.* at 000257. The RFP contemplated the award of a hybrid contract consisting of cost-plus-incentive-fee, firm-fixed-price, and indefinite-delivery/indefinite-quantity components, with the potential for a nine-year and five-month period of performance (a one-year base period, a two-year option period, five one-year award term periods, and one seventeen-month award term period, plus an additional eighty-nine days for contract phase-in). RFP § M.7; AR, Tab 4.07, RFP Amendment 6, at 004413.

Award was to be made on the basis of a best-value trade off selection, considering the following three factors: (1) mission suitability; (2) past performance; and (3) cost/price. RFP at §§ M.3(a) and (e). The solicitation established these factors as essentially equal in importance, but, when combined, the mission suitability and past performance factors were significantly more important than the cost/price factor. RFP § M.3(e). The mission suitability factor included three subfactors (technical performance, management approach, and small business utilization). The RFP established that each subfactor would be assigned an adjectival rating ranging from excellent to poor, and a corresponding percentile rating between 0-100. The total possible score for the mission suitability factor was 1,000. Scores would be weighted with the technical performance subfactor accounting for 50% of the total score; the management approach subfactor accounting for 40%; and the small business utilization subfactor accounting for 10%. RFP § M.5(a)(3).

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<sup>1</sup> NASA used a Bates numbering system in preparing its agency report; citations to documents accompanying the agency report generally use the Bates numbers assigned by the agency.

<sup>2</sup> NASA expected that the consolidation would allow it to utilize potential sourcing opportunities in the development/implementation of synergies that do not impact NASA missions; reduce cost by streamlining and incorporating efficiencies; reduce excessive management burden; and provide an environment which promotes excellent performance and competition. AR, Tab 3.01, Sources Sought Notice, at 000256.

The RFP established that evaluation of the mission suitability factor would focus on the offeror's understanding of the requirements, and the offerer's proposed technical performance, management, and small business utilization approaches to meeting the requirements. RFP § M.5(a)(1). As relevant here, under the technical performance subfactor, the RFP provided that the agency would evaluate the extent to which the offeror demonstrated a thorough and comprehensive understanding of technical requirements, as specified in the performance work statement (PWS). RFP § M.5(b)(1). Under the management approach subfactor, the RFP indicated that the agency would evaluate the extent to which the offeror clearly demonstrated a thorough and comprehensive approach to managing the PWS requirements. RFP § M.5(b)(2). For each component of these subfactors, the RFP required offerors to identify risks and mitigating steps, which would be evaluated for overall demonstrated comprehensive understanding, feasibility, efficiency, and effectiveness.<sup>3</sup> RFP § M.5.

Under the past performance factor, the agency was to assess the offeror's ability to perform the solicitation requirements, based upon the offeror's relevant performance under previously awarded contracts. RFP § M.6. The RFP established that the agency would use any available information in evaluating each offeror's current and recent record, to include the record of any teaming partners, joint venture, and major subcontractors, performing services or delivering products similar in size, content, and complexity to the requirements of the RFP. Id. To the extent performance problems were identified, the agency would consider the number and severity of the problems, the effectiveness of corrective actions taken, and the overall record of past performance. Id. Based on its consideration of the above information, the RFP indicated that the agency would assign each offeror a confidence rating, ranging from "very high level of confidence" to "very low level of confidence."<sup>4</sup> RFP § M.6(e).

Regarding cost/price, the RFP established that the agency would use any or all analytical techniques and procedures described in Federal Acquisition Regulation (FAR) § 15.404-1 in its evaluation of an offeror's cost/price. RFP § M.7. The RFP

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<sup>3</sup> The RFP divided each mission suitability subfactor into several distinct components, and required offerors to assess risk and mitigation strategies for each one. As relevant here, the technical performance subfactor was divided into a technical approach component and a staffing plan component. The management approach subfactor was divided into five components including: (1) management plan; (2) key positions and personnel; (3) total compensation plan; (4) labor relations plan; and (5) phase-in plan. RFP § M.5.

<sup>4</sup> A neutral confidence rating might also be assigned in the case of an offeror without a record of relevant past performance or for whom information on past performance was unavailable.

also advised offerors that a proposal could be evaluated as unacceptable where it failed to demonstrate that the final cost/price was reasonable and, where appropriate, realistic. Id.

The agency received six proposals by the RFP's August 26 closing date, including proposals submitted by Jacobs and S3. Thereafter, the source evaluation board (SEB) conducted initial evaluations; established a competitive range of four offerors (Jacobs, S3, [DELETED] and [DELETED]); and conducted discussions with competitive range offerors. Final proposal revisions (FPRs) were received by May 19, 2015. CO's Statement at 22-23. The agency evaluated FPRs and assigned Jacobs the second lowest mission suitability rating and the lowest past performance rating. Jacobs had also proposed the second highest cost/price. The following table displays the final ratings for the competitive range offerors, along with their total proposed and evaluated costs:

	<b>Jacobs</b>	<b>[DELETED]</b>	<b>S3</b>	<b>[DELETED]</b>
<b>Mission Suitability (1,000 Total Points Possible)</b>	<b>862</b>	<b>915</b>	<b>953</b>	<b>781</b>
Technical Performance (500 points possible)	Very Good 400	Excellent 480	Excellent 470	Good 350
Management Approach (400 points possible)	Excellent 368	Excellent 372	Excellent 388	Excellent 368
Small Business Utilization (100 points possible)	Excellent 94	Good 63	Excellent 95	Good 63
<b>Past Performance Level of Confidence</b>	High	Very High	Very High	Very High
<b>Total Proposed Cost (in millions of dollars)</b>	\$1,290	\$1,378	\$1,207	\$1,254
<b>Total Evaluated Cost (in millions of dollars)</b>	\$1,292	\$1,378	\$1,208	\$1,286

AR, Tab 20.02, SACOM Source Selection Statement, at 036218-036233; CO's Statement at 25.

The SEB presented its findings to the source selection authority (SSA), including the basis for each of its ratings. AR, Tab 20.02, SACOM Source Selection Statement, at 036217. The SEB assigned S3 the highest mission suitability score based on the SEB's identification of seven significant strengths, ten strengths, no significant weaknesses, one weakness, and no deficiencies in S3's mission suitability proposal. Id. at 036218. The agency assigned Jacobs the third highest mission suitability score based on the SEB's identification of five significant

strengths, twelve strengths, two weaknesses, and no significant weaknesses.<sup>5</sup> Id. As relevant, under the technical performance subfactor, the SEB identified one significant strength, seven strengths, two weaknesses, and no significant weaknesses in Jacobs' proposal, resulting in a very good rating for the most heavily weighted mission suitability subfactor.<sup>6</sup> Id. The SEB assigned Jacobs an excellent rating under the management approach subfactor, based on the assignment of three significant strengths, five strengths, no weaknesses and no significant weaknesses. Id. Additionally, the SEB assigned Jacobs a high level of confidence rating under the past performance factor, based on the SEB's assignment of four significant strengths, no strengths, no weaknesses, and one significant weakness.<sup>7</sup> Id. at 036220.

Regarding Jacobs' price, the SEB made a minimal upward probable cost adjustment of \$1.9 million, to account for what it viewed as flaws in the cost proposed by Jacobs for the removal of hazardous waste. Id. at 036221. The SSA selected S3 for award, concluding that S3 would provide the best value to the government because it had the best approach with respect to mission suitability; the highest possible rating under the past performance factor; and the lowest probable cost. Id. at 036232. The agency notified unsuccessful offerors on July 2, 2015, and provided Jacobs with a debriefing on July 9. Subsequently, Jacobs filed this protest on July 14.

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<sup>5</sup> NASA assigned [DELETED], the offeror with the second highest mission suitability rating and the highest price, six significant strengths, twelve strengths, no significant weaknesses, no weaknesses and no deficiencies under the mission suitability factor. The RFP defined a significant strength as "[a]n aspect of the proposal that appreciably increases the probability of successful contract performance." RFP § M.5(a)(2). The RFP defined a strength as "[a]n aspect of the proposal that increases the probability of successful contract performance." Id. The RFP defined a weakness as "[a] flaw in the proposal that increases the risk of unsuccessful contract performance." Id. The RFP defined a significant weakness as "[a] flaw in the proposal that appreciably increases the risk of unsuccessful contract performance." Id.

<sup>6</sup> S3 received two significant strengths, eight strengths, one weakness, and no significant weaknesses under the technical performance subfactor. [DELETED] received three significant strengths, eight strengths, no weaknesses, and no significant weaknesses under the technical performance subfactor.

<sup>7</sup> The significant weakness was based on two incidents that resulted in damage to hardware, and occurred during performance of the operations, maintenance, information management and support (OMIMS) contract at the Arnold Engineering Development Center. AR, Tab 20.02, SACOM Source Selection Statement, at 036220.

## DISCUSSION

Jacobs challenges NASA's evaluation of its proposal under the mission suitability factor, arguing that NASA unreasonably assigned its proposal a weakness under the technical performance subfactor, NASA evaluated proposals unequally, and NASA assigned strengths and weaknesses unevenly. Jacobs also challenges NASA's past performance and cost/price evaluations, and argues that NASA's best value determination was flawed.<sup>8</sup> For the reasons discussed below, we deny the protest.

### Mission Suitability

Regarding the agency's evaluation under the mission suitability factor, Jacobs argues that NASA: (1) acted unreasonably when it assigned Jacobs a weakness under the technical performance subfactor, based on its failure to explain how it would prepare one of NASA's facilities for use as a satellite logistics hub; (2) failed to evaluate offerors consistently because it did not assign a weakness to S3's total compensation plan (TCP) although it made an adjustment to S3's probable cost; and (3) assigned strengths and weaknesses unevenly where NASA assigned Jacobs' proposal strengths, rather than significant strengths, for features of its proposal that are similar to features proposed by other offerors, which NASA evaluated as significant strengths. We have considered each of the protester's arguments and have concluded that they are without merit.<sup>9</sup>

### Jacobs' Technical Performance Weakness

Jacobs first argues that the agency unreasonably assigned its proposal one of two weaknesses under the technical performance subfactor. In reviewing a protest challenging an agency's evaluation, our Office will not reevaluate proposals, nor substitute our judgment for that of the agency, as the evaluation of proposals is a matter within the agency's discretion. Management Sys. Int'l, Inc., B-409415, B-409415.2, Apr. 2, 2014, 2014 CPD ¶ 117 at 5. Rather, we will review the record only to determine whether the agency's evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. Id. A protester's disagreement with an agency's evaluation does not show that it lacked a reasonable basis. Lanmark Tech., Inc., B-408892, Dec. 19,

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<sup>8</sup> Jacobs filed a supplemental protest, docketed as B-411784.2, in which it alleged that there was a conflict of interest by virtue of a relationship between S3's president and an SEB member. In its comments on the agency report, Jacobs withdrew that protest ground. Protester's Comments on the AR at 2.

<sup>9</sup> Our decision only discusses the more significant issues raised by Jacobs, but we have considered all of the protester's allegations and find them to be without merit.

2013, 2013 CPD ¶ 295 at 5; VT Griffin Servs., Inc., B-299869.2, Nov. 10, 2008, 2008 CPD ¶ 219 at 4. As discussed below, we have no basis to conclude that the agency's evaluation was unreasonable.

The record reflects that NASA assigned a weakness based on Jacobs' proposed use of one of the agency's facilities, building 9101, to create a satellite logistics hub at SSC. According to the SEB, building 9101 was not currently configured as a warehouse and had been unused for some time. AR, Tab 20.01, SACOM Final Presentation to SSA, at 036026. In this regard, the SEB faulted Jacobs for failing to explain how its proposal accounted for the cost and time associated with modifying the space (e.g., installing racks and shelves; bringing fire systems and the HVAC on-line; and generally addressing safety concerns) in order to have the facility ready by the start of contract performance. Id. The SEB concluded that Jacobs' proposal to use building 9101 introduced uncertainty, and the lack of explanation in Jacobs' proposal increased the risk that Jacobs would fail to have a fully functional satellite logistics hub at contract start, resulting in cost and schedule risk to the government. Id.

The protester argues the assignment of a weakness in this regard was unwarranted. According to the protester, since the RFP described building 9101 as a "warehouse/secure production/assembly facility" and listed it as "active" in a list of facilities for which the contractor would have maintenance responsibilities, it assumed that the building would be available and in good condition such that the explanations sought by the agency should have been unnecessary. Protest at 10; CO's Statement at 27; AR, Tab 3, RFP, Attachment J-1, Appendix A, Additional Workload Data, at 001020. Essentially, the protester argues that, based solely on the designation of building 9101 as active, in a list of properties included in the "additional workload data" portion of the RFP, it was reasonable for the protester to have assumed that the building would be maintained at a certain level, would have sufficient space for the proposed logistics hub, and would have available warehouse space that would meet its needs.<sup>10</sup> We disagree.

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<sup>10</sup> The agency argues that Jacobs had knowledge as the incumbent that informed its choice of building 9101. Jacobs denies that it relied on any information besides the designation of the building as active in the RFP. Jacobs' affiliated company, Jacobs Engineering Group (JEG), has been providing construction management services in building 9101 for the past three years. AR at 3. The agency contends that Jacobs was actually aware of the current state of building 9101, by virtue of JEG's experience with the facility. Id. In particular, the agency cites the fact that JEG filed a report in 2011 indicating that the facility had a number of maintenance problems, including flaking lead paint throughout the unoccupied areas. Id. Jacobs maintains that it did not have knowledge of JEG's findings, regarding the state of the building, and that it was not required to "absorb the knowledge of its affiliated companies." Protester's Comments at 12. Regardless of any incumbent

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In its protest, Jacobs cites NASA's Procedural Requirement 8801.5B, Real Estate Management Program Implementation Manual, which defines an active facility as a facility that "is being utilized for a specific current program, near-term program, or institutional requirement. Space utilization of active facilities is normally at least 50 percent or the usage level exceeds 50 percent of the number of days that it is available." Protest at 10. The agency has confirmed that the active designation is accurate for building 9101 because, consistent with the definition of active, at least 50% of the building was being utilized. CO's Statement at 27. While the protester attempts to characterize the active designation for building 9101 as inaccurate or a latent defect, the fact of the matter is that the protester wishes to read more into the active designation than is reasonable. Protester's Comments at 12-13.

Based on the active designation, it was reasonable for Jacobs to conclude that at least 50% of an active building was being utilized, however, any conclusions beyond this were without any basis. For example, without gathering additional information, an offeror would not have known whether an active building had available space at all (it could have been 100% utilized under the definition), or whether available space was in fact suitable for its needs. Accordingly, the active designation of building 9101, did not provide a reasonable basis for the assumptions made by Jacobs regarding the suitability of the facility as warehouse space.

An offeror has the responsibility to submit a well-written proposal, with adequately detailed information which clearly demonstrates compliance with the solicitation requirements and allows a meaningful review by the procuring agency. ProActive, LLC, B-403545, Nov. 18, 2010, 2011 CPD ¶ 56 at 5. An offeror that does not affirmatively demonstrate the merits of its proposal risks rejection of its proposal or risks that its proposal will be evaluated unfavorably where it fails to do so. Johnson Controls, Inc., B-407337, Nov. 20, 2012, 2012 CPD ¶ 323 at 3. The record reflects that Jacobs proposed to use a facility without knowing the actual availability, configuration, or condition of the facility, such that its proposal failed to reflect any modifications needed to the facility prior to the start of contract performance. Based on this record, the agency was reasonable in assigning Jacobs a weakness under the technical performance subfactor.

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knowledge that Jacobs might have had, its proclaimed reliance on the active designation alone was unreasonable.

### Evaluation of S3's Total Compensation Plan

Jacobs next argues that NASA did not evaluate offerors consistently. Jacobs bases this argument on the fact that, during the initial evaluation of proposals, Jacobs received both a cost realism adjustment and a corresponding weakness for its total compensation plan (TCP) because it had proposed low salaries for key technical employees, which decreased the agency's confidence in its ability to attract and retain a qualified workforce.<sup>11</sup> Comments on the AR at 13; AR, Tab 14.01, Competitive Range Presentation to SSA, at 021141 and 021051. In evaluating FPR's, however, the agency made a cost realism adjustment to the cost proposed by S3, because S3's labor rates appeared low to attract and retain particular labor classifications, but did not assign a corresponding weakness to S3's proposal. Jacobs argues that, under the approach taken by the agency in evaluating its proposal, S3 should have also been assigned a weakness for its TCP. The record does not support the protester's assertions.

The RFP provided that evaluators would consider "the adequacy of the offeror's proposed approach to meeting the requirements of the solicitation, including the appropriateness of the offeror's proposed resources." RFP at § M.5(a)(4). The RFP further cautioned offerors that "[a] lack of resource realism may adversely affect the mission suitability scores and may result in cost realism adjustments under the cost/price factor." *Id.* Thus, the RFP allowed the SEB to assess a technical weakness based on a cost analysis that revealed an inconsistency between an offeror's approach and the resources proposed, but did not require that a weakness be assigned in every case. As such, the fact that the agency did not, as in the case of S3, automatically assess a technical weakness based on the fact that it made a cost realism adjustment to S3's proposal, is consistent with the RFP.

In arguing that the agency did not apply the same approach consistently among the offerors, Jacobs attempts to paint identical pictures of the weakness in its proposal and the basis for NASA's adjustment to S3's probable cost--they both failed to propose labor rates sufficient to attract and retain employees. The record, however, reflects that bases underlying the weaknesses are not in fact comparable. In addition to failing to propose sufficient labor rates, Jacobs' total compensation plan included a projected decrease in [DELETED]. These features of Jacobs' initial proposal decreased the SEB's confidence in Jacobs' ability to attract and retain a qualified workforce, resulting in the assignment of a weakness. AR, Tab 14.01, Competitive Range Presentation to SSA, at 021141.

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<sup>11</sup> Jacobs corrected the weakness during discussions and in its FPR, such that Jacobs did not ultimately receive a weakness or probable cost adjustment for its total compensation plan. Protest at 11.

In stark contrast, S3 proposed a [DELETED]% employee contribution toward healthcare, which the SEB found to be reasonable, and a matching contribution for its 401-K plan of up to [DELETED]%. The SEB ultimately concluded that “the negative proposed aspects of [S3’s] proposed TCP had approximately equal weight to the positive aspects” such that S3 did not merit a strength or weakness. AR, Tab 11.03, Total Compensation Plan Memo, at 015413.

As discussed above, in reviewing a protest challenging an agency’s evaluation, our Office will not reevaluate proposals, nor substitute our judgment for that of the agency, as the evaluation of proposals is a matter within the agency’s discretion. Management Sys. Int’l, Inc., supra. Rather, we will review the record only to determine whether the agency’s evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. Id. Given the differences between the proposals, which are clearly documented in the record, we have no basis upon which to question the agency’s evaluation of S3’s TCP.

#### Uneven Assignment of Strengths and Significant Strengths

Finally, Jacobs argues that the agency assigned strengths and weaknesses unevenly. According to Jacobs, four of the strengths the agency assigned to its proposal under the mission suitability factor should have actually been significant strengths since other offerors received significant strengths for essentially the same features. As a general matter, adjectival descriptions and ratings serve only as a guide to and not a substitute for, intelligent decision-making. See Chapman Law Firm, LPA, B-293105.6 et al., Nov. 15, 2004, 2004 CPD ¶ 233 at 5. The essence of the evaluation is reflected in the evaluation record itself--the actual evaluation findings--and not the adjectival descriptions. We have considered Jacobs’ arguments as to each of the strengths it challenges and find them to be without merit. We address one example here.

The agency assigned a strength to Jacobs’ proposal for its comprehensive integrated logistics and property management approach, while S3’s approach received a significant strength. Jacobs argues that, based on the similarities in the approaches, Jacobs should have also received a significant strength. Our review of the record, however, indicates that while there are some similarities between the two approaches, they are not the same. In particular, Jacobs proposed to centralize its logistics operations at MAF, while also using warehouse space at SSC, as discussed above, in order to mitigate logistics risks resulting from the transition to a fully consolidated logistics operation. AR, Tab 16.06, Jacobs’ FPR, at 030196-030198. S3, on the other hand, proposed to fully consolidate its logistics operations at MAF, and structured its approach so as to require no additional warehouse space at SSC. AR, Tab 20.01, SACOM Final Presentation to SSA, at 036078.

The record reflects that the agency carefully considered each offeror's proposal. In assigning a strength to Jacobs, the SEB identified many positive features in Jacobs' proposal, including [DELETED]. AR, Tab 20.01, SACOM Final Presentation to SSA, at 036019. The SEB concluded that Jacobs' approach increased the probability of effective and efficient performance by increasing the probability that contractor employees would have ready access to necessary consumables in the field, and that inventory levels would be effectively managed.

In assigning a significant strength to S3, the SEB also identified many positive features in S3's proposal, including some that resembled features in Jacobs' proposal. Id. at 036079. As a result, the SEB concluded that S3's approach appreciably increased the probability of ensuring effective and efficient performance by ensuring that contractor employees would have ready access to consumables and needed parts in the field, and ensured inventory levels would be effectively managed to control cost and to be available when required. Id. at 036079. In S3's case, however, the SEB also found that S3's proposal would minimize warehouse space necessary to support inventory storage, by utilizing service vehicles as travelling warehouses, and noted that, unlike Jacobs, S3 would not require warehouse space at SSC. Id.

Jacobs argues that, like S3, it also proposed a consolidated warehouse at MAF, while, at the same time, it touts the risk mitigating benefits of its separate satellite logistics hub at SSC.<sup>12</sup> Protester's Comments on the AR at 14-15. The fact remains that Jacobs' approach requires the use of facilities at both MAF and SSC, while S3's approach does not. Essentially, Jacobs argues that its approach is equivalent to or better than S3's approach, which represents nothing more than a disagreement with the agency's evaluation. As previously discussed, a protester's disagreement with an agency's evaluation does not show that it lacked a reasonable basis. Lanmark Tech., Inc., supra; VT Griffin Servs., Inc., supra. Given the record before us, as well as the obvious difference between Jacobs' and S3's approaches, there is no basis for us to conclude that the agency acted unreasonably when it assigned a strength, rather than a significant strength, to Jacobs' logistics and property management approach.

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<sup>12</sup> Among other things, Jacobs proposed to use space in SSC building 9101 to support receiving of SSC-only tagged property inventory/mail; to act as a staging location for on-site material transportation needs; to store a limited amount of immediate-need stock; and to serve as a small receiving area to support inter-site shuttle deliveries from MAF and mandated direct shipments. Id. at 030197.

## Past Performance

Regarding past performance, Jacobs argues that NASA applied a greater level of scrutiny to Jacobs' past performance on the OMIMS contract, than it applied to other offerors, and contends that the significant weakness assigned to Jacobs' proposal was based on "cherry-picked" adverse information.<sup>13</sup> Protester's Comments on the AR at 5 and 7. Jacobs' complaints center on the fact that NASA pursued information, including information found in award fee correspondence, about two incidents that occurred during Jacobs' performance of the OMIMS contract, both resulting in damage to hardware.<sup>14</sup> Jacobs identified the performance problems in its proposal, indicating that it had recently experienced a drop in its award fee score for the OMIMS contract because of the incidents.<sup>15</sup> AR, Tab 7.02, Jacobs Initial Past Performance Proposal, at 005057-005058.

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<sup>13</sup> In a somewhat-related argument, Jacobs contends that NASA failed to adequately consider the risk associated with the fact that S3 was a newly-formed joint venture. Protester's Comments on the AR at 22. S3 provided past performance information for Babcock and Wilcox Nuclear Operations Group (B&W NOG) in its initial proposal, but proposed Babcock and Wilcox Technical Services (B&W TS) as its joint venture partner. During discussions, the agency asked S3 to explain the connection between the two companies and S3 subsequently changed its joint venture partner to B&W NOG, in its FPR. AR at 18. The record indicates that, contrary to Jacobs' assertions, the SEB considered whether the change in joint venture partner would affect technical performance, risk approach, and cost, and, reasonably found that it would not. AR, Tab 15.14, SEB Disposition of Discussion Questions and FPR Response, at 027236-027237.

<sup>14</sup> The first incident involved a J-6 motor that was dropped while being lifted from a transport vehicle, and the second involved foreign debris contamination, thought to involve a ballpoint pen, which resulted in \$226,000 of damage to an F100 engine. AR, Tab 8.04, Jacobs' Past Performance Questionnaires, at 011585; AR, Tab 16, Jacobs' FPR Addendum, at 030223.

<sup>15</sup> In support of its contention that the agency more closely scrutinized its past performance, Jacobs questions why the agency reviewed its award fee information. The record, however, reflects that Jacobs' proposal referenced its decreased award fee score in conjunction with its discussion of the OMIMS contract incidents, and Jacobs also included many positive references to its award fee scores and award fee letters in its proposal, as evidence of the quality of its performance. AR, Tab 7.02, Jacobs Initial Past Performance Proposal, at 005034, 005037, 005051, 005054, 005058, and 005060. Given Jacobs' reliance on award fee scores in its own proposal, the fact that the agency reviewed the award fee correspondence should not have been a surprise, nor does it suggest unequal treatment.

The RFP provided that, to the extent performance problems were identified, the agency would consider the number and severity of the problems, the effectiveness of corrective actions taken, and the overall record of past performance. RFP § M.6. Additionally, the RFP permitted the agency to use past performance information from proposal data, as well as data from any other source available to the government, including, but not limited to interviews with contracting officers and fee-determining officials. Id. Because Jacobs identified performance problems in its proposal, it was reasonable for the agency to apply additional scrutiny to Jacobs' performance of the OMIMS contract, consistent with the evaluation scheme set out in the RFP. Thus, the agency reasonably sought additional information, such as that found in the award fee correspondence, in order to gain insight into the effectiveness of Jacobs' corrective actions and the quality of its overall performance. The evaluation of an offeror's past performance, including the agency's determination of the relevance and significance of an offeror's performance history, is a matter of agency discretion, which we will not find improper unless it is inconsistent with the solicitation's evaluation criteria. CLS Worldwide Support Servs., LLC, B-405298.2 et al., Sept. 11, 2012, 2012 CPD ¶ 257 at 15; Nat'l Beef Packing Co., B-296534, Sept. 1, 2005, 2005 CPD ¶ 168 at 4. Here, the agency's evaluation was consistent with the RFP, and the record provides no basis to support Jacobs' contention that it was singled out for additional scrutiny.

Additionally, although the protester argues that NASA's reliance on "cherry-picked" adverse information in the award fee correspondence resulted in a skewed evaluation, the record reflects that the agency considered a variety of past performance information while evaluating Jacobs' proposal, including a great deal of positive information, which supported the assignment of two significant strengths and two strengths to Jacobs' performance under the OMIMS contract. Protester's Comments on AR at 9; AR at 15. Ultimately, Jacobs' challenges to the evaluation of its past performance represent nothing more than a disagreement with the agency's judgment, and are thus without merit. A protester's disagreement with the agency's judgment does not establish that the evaluation was unreasonable. FN Mfg., LLC, B-402059.4, B-402059.5, Mar. 22, 2010, 2010 CPD ¶ 104 at 7.

Jacobs also challenges the agency's evaluation of S3's past performance. According to Jacobs, S3 should have received a lower past performance rating because PAE, a member of the S3 joint venture, was part of the Aerospace Testing and Alliance (ATA) joint venture that performed the OMIMS contract, and because the president of S3 was a member of the board of the ATA joint venture when one of the OMIMS incidents occurred. Protester's Comments on the AR at 11. Based on the record, there is no support for Jacobs' contention that S3 should have also received a lower past performance score based on these incidents.

Jacobs, unlike S3, included the OMIMS contract in its proposal to demonstrate its past performance as a prime contractor, identifying itself as the managing partner of ATA, the joint venture responsible for performance of the contract. Jacobs also

indicated that it was solely responsible for managing the effort. AR, Tab 7, Jacobs Initial Technology Proposal, at 005057; AR, Tab 8, Jacobs' Past Performance Questionnaires, at 011562-011563. Further, in its FPR, Jacobs asserted that it takes "full responsibility for all incidents that occur on our contracts," in reference to the OMIMS incidents. AR, Tab 16.06, Jacobs' Final Proposal, at 030223. Given that Jacobs indicated that it should receive full credit for the performance of the OMIMS contract, the SEB reasonably concluded that it was appropriate to only evaluate the OMIMS record for Jacobs. AR, Tab 8, Agency Memo for the Record, at 011641.<sup>16</sup> The record reflects that the agency's evaluation of S3's past performance was reasonable.

### Cost Evaluation

Jacobs asserts that NASA failed to perform a proper cost realism analysis of the cost-plus-incentive-fee contract line item numbers. Protester's Comments at 2. In this regard, Jacobs contends that S3's costs are too low to be realistic, and argues that the cost realism evaluation is inadequately documented.<sup>17</sup> Protester's Comments on the AR at 2. We have considered the protester's arguments, and have concluded that they are baseless. Despite the fact that the protester received a copy of the awardee's cost proposal, the protester failed to raise any challenges to specific aspects of S3's proposal that would raise concerns about whether or not S3's proposed costs are realistic, and instead offers bare assertions that, for example, S3's proposed costs are "curiously low." Id. We find the protester's unsupported allegations insufficient to state an adequate basis of protest. Our Bid Protest Regulations require that a protest include a detailed statement of the legal and factual grounds for the protest, and that the grounds be legally sufficient. 4 C.F.R. §§ 21.1(c)(4) and (f). Here, the protester's bare allegations do not meet this standard.

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<sup>16</sup> Jacobs' argument that S3 should have received a lower past performance score based on the OMIMS contract is diminished even further by the fact that the credit Jacobs received for the OMIMS contract was, on balance, more positive than negative. Thus, if the agency had taken the OMIMS contract into account when evaluating S3's past performance, it is possible that S3 could have received an even higher past performance rating as a result.

<sup>17</sup> Jacobs also argues that NASA's \$1.9 million upward adjustment to the probable cost of Jacobs' proposal was unreasonable. Without the upward adjustment to S3's proposed cost, the awardee's proposed and total evaluated costs would still be over eighty million dollars less than Jacobs. As such, there is no reasonable possibility that Jacobs was prejudiced by the alleged error, therefore we need not discuss the matter further.

In sum, based on our review of the record and the arguments raised by the protester, we find no basis to question the agency's evaluation of proposals. Additionally, because we find that the agency properly evaluated proposals under the mission suitability, past performance, and cost/price factors, we need not address the protester's challenge to the best value determination, which is based on assumed errors with the agency's evaluation.

The protest is denied.

Susan A. Poling  
General Counsel