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## Decision

**Matter of:** CACI-ISS, Inc.

**File:** B-412074

**Date:** December 21, 2015

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Christopher J. Kimball, Esq., Erin M. Estevez, Esq., Thomas O. Mason, Esq., and David E. Fletcher, Esq., Cooley LLP, for the protester.  
Robert Nichols, Esq., Covington & Burling LLP, for PAE Professional Services, Inc., an intervenor.  
Thomas J. Warren, Esq., and Paul L. Huhtanen, Esq., Department of the Army, Corps of Engineers, for the agency.  
Glenn G. Wolcott, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### DIGEST

1. In evaluating protester's proposal to provide construction security and surveillance services, agency reasonably considered protester's failure to adequately address emerging security requirements where solicitation's stated evaluation criteria provided for the evaluation of an offeror's plan for managing labor and other resources.
  2. Where protester's proposal provided that subcontractors would perform a substantial portion of the solicitation requirements, the agency reasonably considered protester's failure to provide sufficient information regarding its subcontractor relationships pursuant to the solicitation's evaluation criteria that contemplated evaluation of an offeror's organization and management plan.
  3. Agency was not required during discussions to direct protester's attention to the prices proposed for individual line items where the protester's total proposed price was considered fair and reasonable.
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### DECISION

CACI-ISS, Inc. (CACI), of Chantilly, Virginia, protests the Department of the Army's award of a contract to PAE Professional Services, Inc., of Arlington, Virginia, pursuant to request for proposals (RFP) No. W912UM-15-R-0010, to provide construction security and surveillance services for secure construction projects in

South Korea. CACI challenges various aspects of the agency's evaluation, including its identification of weaknesses in CACI's proposal, and asserts that the agency failed to conduct meaningful discussions.

We deny the protest.

## BACKGROUND

On May 6, 2015, the agency published the solicitation at issue, seeking proposals to provide security and surveillance services for secure construction projects throughout South Korea.<sup>1</sup> The solicitation contemplated a fixed-price single-award indefinite-delivery, indefinite-quantity (IDIQ) contract for a two-year base period and a one-year option period, and included a performance work statement (PWS) for the first task order, which will be awarded with the IDIQ contract. The solicitation provided for award on a best-value basis considering price and the following non-price evaluation factors: planning and scheduling, approach for delivery of task order 0001, past performance, organization and management plan, collaborative approach for delivery of services, and key personnel qualifications for task order 0001.<sup>2</sup>

On June 19, initial proposals were submitted by three offerors, including CACI and PAE.<sup>3</sup> Thereafter, the agency issued various solicitation amendments, conducted

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<sup>1</sup> The solicitation elaborated that, "The Contractor shall be capable of providing a turn-key construction security and construction security monitoring program which shall include all aspects of physical, personnel, technical, and procedural security as required for supported secure projects to fully comply with ICD [Intelligence Community Directive] 705 and ensure successful accreditation of the secure facility." Agency Report (AR), Tab 1, RFP at 12.

<sup>2</sup> The solicitation provided that the first two factors listed above, planning/scheduling and approach for delivery of task order 001, were the most important and were of equal weight; that past performance was the next most important factor; that organization/management plan and collaborative approach to delivery of services were the next most important factors and were of equal weight; and that key personnel qualifications for task order 0001 was the least important factor and would be evaluated only on a go/no go basis. RFP at 109. The solicitation also provided that price was of equal importance to the non-price factors, combined. Id.

<sup>3</sup> The proposal of the third offeror, and the agency's evaluation thereof, is not relevant to this protest and is not further discussed.

two rounds of discussions, and requested the submission of final revised proposals (FRPs). On August 17, FRPs were submitted and were subsequently evaluated.<sup>4</sup>

In evaluating CACI's proposal, the agency's source selection evaluation board (SSEB) identified various strengths and weaknesses. For example, under the scheduling and planning evaluation factor, the SSEB assigned a weakness to CACI's proposal, stating:

Offeror lacks plan for rapidly addressing emerging security requirements due to quick modifications or changes in risk mitigation techniques, which would impact manning resources and lead to deficits in security coverage for short durations.

AR, Tab 5, SSEB Report, at 6.

Additionally, in evaluating CACI's proposal under the organization and management plan evaluation factor, the agency assessed weaknesses, stating:

Offeror's teaming arrangement is mentioned, but any established contracts or agreements are not described in detail. The stability of the teaming relationship and its ability to provide contracted services for the entire period of performance is not addressed.

Offeror's proposed management plan is for the prime contractor to perform contract management functions [redacted]. [redacted] will be provided via subcontractors [redacted]. Because [redacted] is subcontracted, the Offeror does not have direct control of these resources which weakens their ability to maintain personnel on-site and balance needs across task orders.

Id. at 4.

Finally, under the evaluation factor, collaborative approach for delivering services, the agency assessed weaknesses to CACI's proposal, stating:

Offeror's plan for collaborative approach for delivery of services does not address CSM [construction security monitoring] team's plan for adapting security processes to local conditions in order to gain construction contractor's buy-in of security policies.

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<sup>4</sup> In evaluating proposals under the non-price factors (other than key personnel qualifications for task order 0001), the agency assigned ratings of outstanding, good, acceptable, marginal, and unacceptable. RFP at 112.

Offeror’s proposal did not provide a plan to de-conflict issues or work in partnership with construction contractor.

Id. at 5.

Notwithstanding the identified weaknesses, the agency rated CACI’s proposal as good under both the planning/scheduling and organization/management plan evaluation factors, and as acceptable under the collaborative approach to delivery of services factor. Overall, CACI’s and PAE’s final proposals were rated as follows:

	<b>CACI</b>	<b>PAE</b>
<b>Planning/Scheduling</b>	Good	Outstanding
<b>Approach for Delivery of Task Order 0001</b>	Outstanding	Acceptable
<b>Past Performance</b>	Substantial Confidence	Substantial Confidence
<b>Organization/Management Plan</b>	Good	Outstanding
<b>Collaborative Approach for Delivery of Services</b>	Acceptable	Outstanding
<b>Key Personnel Qualifications for Task Order 1</b>	Go	Go
<b>Price</b>	\$29,999,887	\$29,259,186

AR, Tab 4, Source Selection Decision (SSD), at 2, 6.

Thereafter, the source selection authority (SSA) reviewed the SSEB report and considered the offerors’ prices along with the strengths and weaknesses in their proposals. Id. at 1-9. Based on that review, the SSA concluded that although CACI’s adjectival ratings under the two most important evaluation factors were “slightly higher” than PAE’s ratings for those factors, such superiority was “de minimis.” Id. at 9. Further, in light of the other weaknesses in CACI’s proposal under the less important factors, the SSA concluded that CACI’s “relative technical strength does not overcome their price premium.” Id. Accordingly, PAE was selected for award, and a contract was awarded on September 1. This protest followed.

## DISCUSSION

CACI protests that the agency improperly evaluated its proposal with regard to the planning and scheduling evaluation factor; improperly evaluated its proposal with regard to the organization/management plan evaluation factor; and failed to conduct meaningful discussions.<sup>5</sup> As discussed below, CACI’s assertions are without merit.

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<sup>5</sup> CACI’s protest also challenged the agency’s evaluation under the collaborative approach to delivering services factor. In its report responding to the protest, the agency fully addressed this allegation. CACI’s comments on the agency report did  
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## Evaluation Under the Planning and Scheduling Factor

First, CACI asserts that its proposal should have been rated outstanding, rather than good, under the planning/scheduling evaluation factor. Protest at 16-17. Specifically, CACI complains that the agency's assessment of a weakness under this factor was based on unstated evaluation factors. Id. at 15.

Here, with regard to the planning and scheduling evaluation factor, the solicitation stated:

The Government will evaluate the ways the successful CSM [construction security monitoring] contractor plans to manage labor and other resource constraints to gain operational efficiencies that reduce the overall cost of the Government for CSM services. The Government will evaluate the effectiveness of Offeror's proposed scheduling system for ensuring management of resources.

RFP at 110.

As noted above, in evaluating CACI's proposal under this factor, the agency identified the following weakness:

Offeror lacks plan for rapidly addressing emerging security requirements due to quick modifications or changes in risk mitigation techniques, which would impact manning resources and lead to deficits in security coverage for short durations.

AR, Tab 5, SSEB Report, at 6.

CACI complains that the solicitation's evaluation scheme for this evaluation factor "says nothing about" any need to address emerging security requirements or

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not respond to the agency report regarding this matter. Accordingly, we view this portion of CACI's protest to have been abandoned. Advanced Techs. & Labs. Int'l, Inc., B-411658 et al., Sept. 21, 2015, 2015 CPD ¶ 301 at 4-5 n.4. Additionally, CACI's protest asserted that the agency had engaged in disparate treatment of the offerors; however, other than its conclusory assertion, CACI's protest provided no support for that allegation. Our Bid Protest Regulations require that a protest must include a sufficient factual basis for its allegations. 4 C.F.R. § 21.5(f). Since CACI's assertion regarding disparate treatment failed to meet this requirement, that portion of its protest is dismissed.

changes in risk mitigation. Protest at 15. Accordingly, CACI asserts that the agency's assessment of a weakness was improper. We disagree.

A solicitation must inform offerors of the bases for proposal evaluation. Federal Acquisition Regulation (FAR) § 15.605(d)(1); Israel Aircraft Indus., Ltd., MATA Helicopters Div., B-274389 et al., Dec. 6, 1996, 97-1 CPD ¶ 41 at 6-7. Nonetheless, a solicitation need not identify each element to be considered by the agency during the course of the evaluation where such elements are reasonably related to, or subsumed within, the stated evaluation factors. AT&T Gov't Solutions, Inc., B-406926 et al., Oct. 2, 2012, 2013 CPD ¶ 88 at 7; Marine Animal Prods. Int'l, Inc., B-247150.2, July 13, 1992, 92-2 CPD ¶ 16 at 6, 15.

Here, the terms of the solicitation clearly provided that the agency would consider the offeror's plans to manage labor and other resources and, further, would evaluate the effectiveness of the offeror's proposed scheduling system regarding such management. In our view, whether a proposal addressed the offeror's plan for dealing with emerging security requirements could reasonably be viewed as reflecting the offeror's management and availability of labor and other resources. Accordingly, the agency's consideration of these matters was clearly within the scope of the solicitation's stated evaluation criteria. CACI's assertion to the contrary is without merit.<sup>6</sup>

#### Evaluation Under the Organization and Management Plan Factor

Next, CACI asserts that its proposal should have been rated outstanding, rather than good, under the organization/management plan evaluation factor. Protest at 18-19. Again, CACI complains that the agency's evaluation reflected the application of unstated evaluation factors.

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<sup>6</sup> CACI also asserts that, even if the solicitation reasonably contemplated evaluation of an offeror's anticipation of emerging security requirements and risk mitigation, CACI's proposal more than adequately addressed those matters, and the agency's evaluation ignored portions of its proposal. In reviewing a protest challenging an agency's technical evaluation, our Office will not reevaluate the proposals; rather, we will examine the record to determine whether the agency's evaluation conclusions were reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. See, e.g., OPTIMUS Corp., B-400777, Jan. 26, 2009, 2009 CPD ¶ 33 at 4. Here, we have reviewed CACI's assertions regarding the adequacy of its proposed risk mitigation techniques and proposed approach for dealing with emerging security requirements, along with the relevant record, and we find no basis to question the agency's evaluation.

With regard to the planning and scheduling evaluation factor, the solicitation stated:

The Government will evaluate how well the contractor's proposed Organization and Management Structure explains how that structure supports the ability to provide a turnkey solution for construction security as required for this contract. Specifically, it will evaluate how well the Organization and Management plan demonstrates the capability to provide qualified personnel for Task Orders issued either concurrently or consecutively. . . . The Government will evaluate how well the plan provides for adaptation of services across Task Orders during concurrent or consecutive task orders for both planned and unplanned events.

RFP at 109.

As noted above, in evaluating CACI's proposal under this factor, the agency identified the following weaknesses:

Offeror's teaming arrangement is mentioned, but any established contracts or agreements are not described in detail. The stability of the teaming relationship and its ability to provide contracted services for the entire period of performance is not addressed.

Offeror's proposed management plan is for the prime contractor to perform contract management functions [redacted]. [redacted] will be provided via subcontractors [redacted]. Because [redacted] is subcontracted, the Offeror does not have direct control of these resources which weakens their ability to maintain personnel on-site and balance needs across task orders.

AR, Tab 5, SSEB Report, at 4.

CACI maintains that the agency's consideration of its subcontractor relationships constituted an unstated evaluation factor. Protest at 15. We disagree.

Here, the record establishes that CACI's proposal reflected CACI's intent to perform a substantial portion of the contract requirements through subcontractors. Nonetheless, CACI failed to provide information regarding the relationship between CACI and its subcontractors that would have permitted the agency to make assessments regarding the strength and/or stability of such relationships. In our view, the strength and/or stability of CACI's relationships with its subcontractors could reasonably impact CACI's ability to provide a turnkey solution, including providing qualified personnel to perform the required construction security services. Accordingly, the agency's criticism of CACI's proposal for failing to provide adequate information regarding its proposed organizational structure and how that

would be managed was reasonably within the scope of the solicitation's stated evaluation criteria. CACI's assertion to the contrary is without merit.<sup>7</sup>

### Meaningful Discussions

Finally, CACI asserts that the agency failed to advise CACI during discussions that its proposed prices for a limited number of individual line items was unreasonably high. CACI asserts that the agency's failure to direct CACI's attention to those particular prices rendered the agency's discussions less than meaningful. We disagree.

As a general matter, although discussions must address deficiencies and significant weaknesses in a firm's proposal, the precise content of discussions is largely a matter of the contracting officer's judgment. FAR § 15.306(d)(3); Metro Mach. Corp., B-295744, B-295744.2, Apr. 21, 2005, 2005 CPD ¶ 112 at 19. We review the adequacy of discussions to ensure that agencies point out weaknesses or deficiencies that, unless corrected, would prevent an offeror from receiving award. Id. In terms of discussing price, agencies are not required to advise a firm that its prices are considered high, unless it has determined that the offeror's prices are unreasonably high, such that they would preclude award to the firm. Karrar Sys. Corp., B-310661, B-310661.2, Jan. 3, 2008, 2008 CPD ¶ 51 at 3.

Here, the record establishes that CACI's proposal included five items the agency considered to be unreasonably high-priced. The five items, and associated quantities proposed, were: walk-through metal detector (6); vehicle mirror (3); portable radio (30); environmental padlock (12); and handheld megaphone (2). CACI's total proposed price for all of these items exceeded the total government estimate for all of the items by \$71,125.24--that is, less than one-half of one percent of CACI's total proposed price of \$29,999,887. See Agency Legal Memorandum at 23 (comparing AR, Tab 16, CACI's Final Price Proposal, at 8-29, 8-22, 8-24, 8-28, and 8-31 to AR, Tab 17, Independent Government Estimate).

The record further establishes that the agency viewed CACI's total proposed price as reasonable, and relied on that price in performing its cost/technical tradeoff. AR, Tab 4, SSD, at 7. That is, the record is clear that the agency did not view CACI's prices for the five line items listed above as precluding consideration of CACI's proposal for award. On this record, we reject CACI's assertion that the agency was

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<sup>7</sup> Again, CACI asserts that, even if the agency's consideration of its subcontractor relationships was appropriate, the identification of a weakness in this area was improper because its proposal contained adequate information in that regard. Again, we have reviewed the record and find nothing unreasonable in the agency's evaluation under this factor.



required to advise CACI during discussions that the individual line item prices were considered unreasonably high.

The protest is denied.<sup>8</sup>

Susan A. Poling  
General Counsel

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<sup>8</sup> In pursuing this protest, CACI has raised arguments that are in addition to, or variations of, those discussed above. We have considered all of CACI's assertions and find no basis to sustain its protest.