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**Comptroller General
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**United States Government Accountability Office
Washington, DC 20548**

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Decision

Matter of: Delta Building Services, Inc.

File: B-405327.2; B-405327.3

Date: October 21, 2011

Matija M. Gotovac, Esq., Gotovac Law, for the protester.
Michael A. Gordon, Esq., and Fran Baskin, Esq., Michael A. Gordon PLLC, for Urban Services Group, Inc., an intervenor.
Leigh Ann Bunetta, Esq., General Services Administration, for the agency.
Paul N. Wengert, Esq., and Sharon L. Larkin, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest against issuance of task order is denied where the agency record of its evaluation of quotations was reasonable and consistent with the terms of the solicitation, and the contracting officer appropriately documented the evaluation and best value tradeoff consistent with the requirements applicable in the selection of a Federal Supply Schedule contractor.

DECISION

Delta Building Services, Inc., of Northridge, California, a small business, protests the award of a Federal Supply Schedule (FSS) task order to the contractor teaming arrangement of Meridian Management Corporation, LLC, of Ocala, Florida, and Urban Services Group, Inc., of Atlanta, Georgia, a small business, by the General Services Administration (GSA) under request for quotations (RFQ) No. GS-08P-11-JB-C-0028 for operations and maintenance, landscaping, and snow removal services for the David Skaggs Research Center (DSRC) in Boulder, Colorado, and the Fort Collins Federal Office Building in Fort Collins, Colorado. Delta argues that the GSA miscalculated the firm's quotation, failed to document the evaluation, and made an unreasonable source selection decision.

We deny the protest.

BACKGROUND

On May 5, 2011, the GSA issued the RFQ to 10 firms holding FSS contracts under GSA Schedule 03FAC, the facilities maintenance and management schedule

contract.¹ RFQ at cover page; Agency Report (AR) Tab 10, Source Selection Document (SSD), at 1.

The RFQ requested fixed-price quotations to provide services for a base year and nine option years in accordance with the accompanying performance work statement. RFQ, Standard Form 1449, at 1-18 (price schedule).² The performance work statement divided the services into main areas: operations and maintenance, custodial requirements (including “green cleaning” standards, and integrated pest management standards), groundskeeping requirements (which also included integrated pest management), and snow/ice removal requirements. RFQ at 32-87 (performance work statement).

As amended, the RFQ provided that quotations would be evaluated on price, technical capabilities, small business status, and past performance. RFQ amend. 1 at 2. With respect to technical capabilities, the RFQ directed offerors to address six criteria: expertise in data center operations and management, references for up to five data centers, expertise in laboratories operations and management, experience in LEED certified buildings,³ a staffing plan, and a sample quality control plan. With respect to the staffing plan, the RFQ directed offerors to include staffing for each area of the performance work statement (operations and maintenance, custodial, groundskeeping, and snow/ice removal). RFQ at i-ii.

With respect to the business size factor, the RFQ provided that a vendor would receive credit if it was either a small business or a contractor teaming arrangement between a large business and a small business. RFQ amend. 2 at 14.

The RFQ provided that a task order would be issued to the firm submitting the best value quotation. The technical capabilities factor was most important;⁴ followed by past performance and business size, which were equally important. Overall, the non-price factors were significantly more important than price. Id.

¹ GSA states that it received statements of interest from 25 FSS contractors, in response to a pre-solicitation announcement. From those, the GSA selected the 10 firms to receive the RFQ. AR Tab 10, Source Selection Decision, at 2.

² Although portions of the RFQ contain repetitive page numbering, we have cited to the page numbers shown on the cited pages.

³ LEED is an acronym for “Leadership in Energy and Environmental Design” which is a set of standards for reducing the negative impact of buildings on the environment and occupants.

⁴ The RFQ made the technical capabilities factor twice as important as either the past performance or business size factors. RFQ amend. 1 at 2.

The GSA received quotations from 5 contractors, including Delta and the contractor team of Meridian and Urban (Meridian/Urban). Delta’s quotation contained short responses regarding the RFQ technical criteria: approximately half a page regarding expertise in operating and managing data centers, one page regarding expertise with laboratories, and one page on the firm’s expertise in LEED buildings. AR Tab 4, Delta Quotation, at 39-41 (technical capabilities pages 2-4). In responding to the staffing plan requirements, Delta submitted a half page organizational chart. Although the chart showed a “custodial division” of [DELETED] custodial personnel, and a mechanical division for each building ([DELETED] personnel total), the corresponding boxes for a “grounds maintenance division” provided no staffing, and the chart makes no reference to snow/ice removal, or other specific elements of the performance work statement (such as pest management or green cleaning). *Id.* at 45 (technical capabilities page 6).

The record reflects that the GSA evaluated past performance by contacting three references for Delta by telephone to obtain answers to 11 questions. Those questionnaires reflect that, while Delta’s references answered nearly all questions favorably, the responses generally were single-word answers--a simple “yes” to many questions; several responses were found inapplicable to the referenced contract; and two references answered “no” to a question about whether Delta had “recommended or implemented innovative solutions, approaches to the work, or technologies.” AR Tabs 5-7, Past Performance Questionnaires for Delta; AR Tab 9, Contracting Officer’s Notes, at 1.

The technical evaluators reviewed the quotations under the technical evaluation factors and assigned the following adjectival ratings: exceptional, good, adequate, marginal, and poor. Supplemental (Supp.) AR Tab C, GSA Evaluation Plan, at 2. The resulting ratings were as follows:

Factors	Meridian/Urban	Delta
Technical		
Staffing Plan	Good	Marginal
Quality Control Plan	Exceptional	Good
LEED Experience	Adequate	Marginal
Data Center Experience	Good	Good
Lab Experience	Exceptional	Good
Past Performance	Good	Adequate
Business Size	Small	Small
Total Price	\$13,300,872	\$12,575,760

AR Tab 8, Technical Review Report, at 2; AR Tab 10, SSD, at 6.

Overall, the evaluators observed that the quotations of Delta and Meridian/Urban were “more acceptable than the other offerors,” and were “close in both non-pricing factors and price.” AR Tab 8, Technical Review Report, at 1-2. The evaluators

nevertheless concluded that Delta's lower price did not outweigh Meridian/Urban's better technical capabilities and past performance. Therefore they recommended award to Meridian/Urban as the vendor whose quotation offered the best value. Id. at 2.

The contracting officer discussed the evaluation with the evaluators, and then prepared a source selection decision. Under the technical capabilities factor, the contracting officer highlighted the evaluation of each offeror. For Meridian/Urban, the contracting officer identified four strengths: the excellence of the firm's quality control plan, its detailed occupancy plan, its strong and well-documented experience with data centers, and its extensive experience with laboratories. The contracting officer identified as a weakness a concern over whether the firm's staffing level would be sufficient to service both locations. AR Tab 10, SSD, at 5.

For Delta, the contracting officer identified three strengths (each of which was accompanied by an offsetting weakness), and six additional weaknesses, as follows:

- +/- Building Operating Plan shows an understanding of most concepts involved, but is limited in content.

- +/- Experience and support of data centers is good, but limited in detail and no information on energy savings project.

- +/- Good laboratory experience, but is lacking in detail.

- Technical proposal was limited in content overall.

- Weak understanding of LEEDs requirements.

- Reference only 1 project with data centers (DSRC).

- Job descriptions have limited technical references.

- No reference to knowledge of, or program for "green cleaning."

- No mention of pest control, landscape, or snow removal.

AR, Tab 10, SSD, at 5-6.

With respect to Delta's past performance, the contracting officer noted that Delta had the required number of references, and explained that while the responses from Delta's references were generally favorable, they were also limited, which led to its

rating as adequate⁵ under that factor. AR Tab 10, SSD, at 2. As noted above, both firms had the same rating under the business size factor. Id. at 7.

The contracting officer explained her judgment as to which firm offered the best value by noting the price difference, and explaining that in her judgment the advantages presented by Meridian/Urban's quotation outweighed Delta's price advantage. Therefore the contracting officer selected the quotation from Meridian/Urban as the best value. Id. at 7.

After receiving notice of the decision, Delta filed this protest.

DISCUSSION

Delta's protest argued that the GSA improperly downgraded its quotation for lacking detail. Protest at 9-10.⁶ After receiving the agency report, Delta supplemented its protest with more specifics, arguing that the GSA had misevaluated its quotation in numerous respects. Delta argued that the GSA failed to recognize the firm's experience in operation and maintenance both of data centers and of laboratories, Supp. Protest at 3-8, and its experience working under LEED requirements. Supp. Protest at 8-10. Delta also argued that the GSA unreasonably rated the firm's staffing plan as marginal, Supp. Protest at 10-11, and that the GSA unreasonably downgraded the firm for failing to address pest control, landscape, or snow removal, and for similarly neglecting green cleaning requirements. Supp. Protest at 11-12. Delta further argued that the record did not support its rating of adequate under the past performance factor. Supp. Protest at 12-16. Finally Delta argued that the tradeoff rationale was unreasonable, and that the evaluation of Meridian/Urban was unsupported. Supp. Protest at 16-20.

⁵ The GSA defined an adequate rating for both the technical and past performance factors as a quotation that met the specifications and requirements, and demonstrated that the vendor could perform to meet the minimum requirements. Supp. AR, Tab C, GSA Evaluation Plan, at 2.

⁶ Delta's initial protest also raised two arguments that lack factual support in the record. Delta argued that the technical capabilities factor was not the most important factor, Protest at 8, and that the evaluators improperly downgraded the firm's quotation for failing to provide certifications and other documentation that was not required by the RFQ, and for not using a consultant. Id. at 9. Delta failed to substantiate either of these arguments in its comments. To the contrary, the RFQ designated the technical capabilities factor as being twice as important as the other non-price factors. RFQ amend. 1 at 2. Additionally, the identified weaknesses within Delta's quotation do not support the firm's claim that a lack of particular certifications or consultants had a bearing on the evaluation.

The GSA maintains that it conducted a reasonable evaluation under FSS ordering procedures, and complied with the requirements for evaluating FSS quotations, as specified under Federal Acquisition Regulation (FAR) subpart 8.4. AR at 2, 11-12. More specifically, the GSA argues that Delta's quotation made only very brief responses to the areas identified in the RFQ. For example, the GSA points out that Delta submitted only a half-page discussion of the firm's expertise with data centers, and approximately a page describing its expertise with laboratories (of that, half discussed the experience of one of the firm's key personnel for Department of Defense biological testing labs--albeit before joining Delta). AR at 8; AR Tab 4, Delta Quotation, at 39-40 (technical capabilities pages 2-3). With respect to demonstrating its experience under LEED requirements, the GSA maintains that Delta's response lacked meaningful detail regarding the depth of its role, and instead provided vague, cursory responses. For example, Delta's quotation stated that its primary responsibility regarding LEED buildings "is to [DELETED]," and the few tasks that Delta described were so generic as to be uninformative, such as "[p]rovide support, input, review, and documentation." AR at 9 (quoting AR Tab 4, Delta Quotation, at 40-41 (technical capabilities pages 3-4)).

For procurements conducted pursuant to FAR subpart 8.4 that require a statement of work, such as this one, FAR § 8.405-2(e) designates limited documentation requirements. In a FAR subpart 8.4 procurement, an agency's evaluation judgments must be documented in sufficient detail to show that they are reasonable. Neopost USA Inc., B-404195, B-404195.2, Jan. 19, 2011, 2011 CPD ¶ 35 at 7; Advanced Tech. Sys., Inc., B-296493.6, Oct. 6, 2006, 2006 CPD ¶ 151; FAR § 8.405-2.

The contemporaneous record confirms that the GSA's evaluation of Delta was reasonable and consistent with the RFQ. Although Delta argues that the technical review report prepared by the evaluators--when considered by itself--does not provide a reasoned explanation for each of the adjectival ratings, this argument does not provide a basis to sustain the protest. Our review considers whether the record as a whole provides an adequately documented and reasonable basis for the source selection. Delta's argument ignores the more thorough analysis documented in the contracting officer's notes and source selection decision, which identified specific strengths and weaknesses for both Meridian/Urban and Delta that were derived from the contracting officer's discussion with the evaluators and independent review of the quotations.⁷ In short, the contemporaneous record adequately documents a reasonable basis for the contracting officer's decision to select Meridian/Urban over Delta.

⁷ Although Delta also complains that the meaning of the strengths and weaknesses identified by the contracting officer is unclear, that complaint is contrary to the record. While the contracting officer's narrative comments are brief, we find them to be clear and related to the evaluation criteria; thus Delta's objection provides no basis to sustain the protest.

Additionally, we find no basis to question the GSA's evaluation of Delta's past performance as merely adequate. An agency's evaluation of past performance is a matter of agency discretion which we will not disturb unless the agency's assessments are unreasonable. Yang Enters., Inc.; Santa Barbara Applied Research, Inc., B-294605.4 et al., Apr. 1, 2005, 2005 CPD ¶ 65 at 5. As noted above, Delta's references were generally positive, but as reflected in the contemporaneous record, they offered only limited endorsements of the firm's work. Notwithstanding Delta's arguments, based on its own highly favorable opinion of its past performance, Delta has not demonstrated that the GSA's evaluation, based on the contemporaneous record, was unreasonable.

Delta also argues that its incumbency undermines the GSA's criticisms of its quotation for failing to demonstrate experience and ability to perform the required services. Protest at 8. In this regard, an incumbent contractor such as Delta is not excused for writing an unclear or inadequately-detailed technical quotation by arguing that the procuring agency's knowledge of the incumbent's performance should serve as a substitute for information missing from the quotation. See Career Training Concepts, Inc.--Advisory Opinion, B-311429, B-311429.2, June 27, 2008, 2009 CPD ¶ 97 at 5.

In sum, the record reflects that the GSA reasonably evaluated Delta's quotation, and met the requirements set forth in FAR § 8.405-2(e) for documenting its judgments and rationale. In particular, the contracting officer's documentation of specific strengths and weaknesses that formed the basis for the best value judgments, and her measured tradeoff between Meridian/Urban's better evaluation and Delta's lower price adequately documents the basis for the source selection as required for placement of an order under the FSS program.

The protest is denied.

Lynn H. Gibson
General Counsel