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Decision

Matter of: Worldwide Information Network Systems, Inc.

File: B-408548

Date: November 1, 2013

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Michael F. Mason, Esq., C. Peter Dungan, Esq., Erin L. Alexander, Esq., Hogan Lovells US LLP, for Lockheed Martin Corporation, an intervenor.

Maj. Brent A. Cotton, and Gregory A. Moritz, Esq., Defense Intelligence Agency, for the agency.

Paul E. Jordan, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that evaluation ignored changes in awardee's revised final technical proposal is denied where record shows that evaluators were aware of all changes made in final proposal revision and reasonably concluded that the changes did not materially diminish the strength of the proposed approach.
2. Best value determination was unobjectionable where source selection authority reviewed vendors' respective non-price strengths and reasonably determined that protester's technical advantage did not outweigh competing vendor's significantly lower price.

DECISION

Worldwide Information Network Systems, Inc., of Seabrook, Maryland, a wholly-owned subsidiary of ManTech International Corporation, protests the Defense Intelligence Agency's (DIA) issuance of a task order to Lockheed Martin Corporation, of Gaithersburg, Maryland, under task order request (TOR) No. HHM402-13-R-0038, for enterprise infrastructure engineering services (EIES). Worldwide challenges the evaluation of technical proposals and the source selection.

We deny the protest.

BACKGROUND

The solicitation requested proposals to provide enterprise integration support services to DIA and the intelligence community and will consolidate several ongoing DIA contracts into a single, centrally-managed, support contract. The primary objective is to streamline engineering support services. The procurement, conducted under Federal Acquisition Regulation (FAR) § 16.505, was restricted to vendors holding one of the Solutions for the Information Technology Enterprise (SITE), multiple award indefinite-delivery/indefinite-quantity (ID/IQ) contracts.

The amended TOR contemplated issuance of a task order, for a base year with 4 option years, to the vendor whose proposal represented the best value considering three factors: technical capability, including past performance; program management, including staffing and transition planning; and price. Technical capability was considered more important than program management. Under the original TOR, vendors were to propose their best possible staffing quantity/mix at a fixed price of \$22 million per year.

Worldwide, Lockheed Martin, and a third SITE vendor submitted proposals, all of which were included in the competitive range. After discussions, the agency requested final proposal revisions (FPR). In its consensus report that ranked Worldwide's submission the highest-ranking proposal, the source selection evaluation board (SSEB) identified 1 significant strength and 16 other strengths under technical capability, 3 strengths under program management, and no weaknesses under either factor. SSEB Consensus at 2; SSEB Post Discussions Evaluation (Worldwide). In ranking Lockheed Martin's submission as second highest-ranking proposal, the SSEB identified 12 strengths and 1 weakness under technical capability, and 8 strengths under program management. SSEB Consensus at 2; SSEB Post Discussions Evaluation (Lockheed Martin).

After reviewing the SSEB's evaluation, the source selection authority (SSA) decided that the price evaluation criteria should be changed from one seeking varying numbers of full time equivalents (FTE) based on a common price, to one seeking varying prices based on a fixed level of effort (92 FTEs). The TOR, as amended to reflect this change, mapped the statement of work's (SOW) 24 service areas to the 92 FTEs, and instructed vendors to submit fixed pricing for their proposed labor. The non-price proposal criteria were unchanged by this amendment.

All three vendors submitted revised FPRs. Both Lockheed Martin and the third vendor submitted revised technical and price proposals, while Worldwide only revised its pricing. The SSEB convened the same day to review the revisions and completed its review the following day. Based on Lockheed Martin's changes, the SSEB eliminated the weakness assessed against Lockheed's proposal; the technical ratings, however, were unchanged.

The results of the evaluation are set forth below:

	Worldwide	Lockheed Martin	Vendor 3
Technical Capability	Outstanding	Good	Good
Program Management	Good	Outstanding	Good
Evaluated Price	\$107.2 million	\$80 million	\$83.4 million

Source Selection Decision at 2.

The SSA reviewed the SSEB's evaluations of revised FPRs and made a comparative assessment of the vendors' relative strengths and weaknesses. SSA Declaration ¶ 9. Based on his review, the SSA concluded that Lockheed Martin's lower price (approximately 25% lower than Worldwide's price) warranted accepting its lower-rated technical solution. Upon learning of the subsequent issuance of a task order to Lockheed Martin, and after a debriefing, Worldwide filed this protest.

DISCUSSION

Worldwide challenges the adequacy and the documentation of the agency's evaluation of Lockheed Martin's revised proposal, asserting generally that the evaluators failed to take sufficient time to review Lockheed Martin's proposal. Worldwide specifically asserts that the SSEB report failed to address various changes made by Lockheed Martin in its revised FPR. Based on these alleged errors, Worldwide asserts that the best value determination was flawed. We have reviewed all of Worldwide's allegations and find that none furnishes a basis for questioning the source selection.

Evaluation of Lockheed Martin's Proposal

The task order competition here was conducted among ID/IQ contract holders pursuant to FAR Part 16. The evaluation of proposals in a task order competition, including the determination of the relative merits of proposals, is primarily a matter within the contracting agency's discretion, since the agency is responsible for defining its needs and the best method of accommodating them. Wyle Labs., Inc., B-407784, Feb. 19, 2013, 2013 CPD ¶ 63 at 6. In this regard, the agency, not our Office, is in the best position to determine the amount of time necessary to conduct a satisfactory evaluation of proposals. See IMODCO, B-216259, Jan. 11, 1985, 85-1 CPD ¶ 32 at 3, 4. Further, while an agency must document its judgments in sufficient detail to show that they are not arbitrary, there is no absolute requirement that evaluation records include narrative explanations for every score assigned. See Apex Marine Ship Mgmt. Co., LLC; American V-Ships Marine, Ltd., B-278276.25, B-278276.28, Sept. 25, 2000, 2000 CPD ¶ 164 at 8. Our Office will review evaluation challenges to task order procurements to ensure that the competition was conducted in accordance with the solicitation and applicable

procurement laws and regulations. Logis-Tech, Inc., B-407687, Jan. 24, 2013, 2013 CPD ¶ 41 at 5.

The evaluation of Lockheed Martin's revised final proposal revision was unobjectionable. For example, Worldwide notes that Lockheed Martin had originally proposed three centers of excellence and had emphasized how each would be staffed with highly qualified, cross-trained personnel. Lockheed Martin FPR at 1-3, 2-5. However, although Lockheed Martin's revised FPR eliminated one of the centers of excellence related to "infrastructure security support," the SSEB final report did not address this change, and in fact referred to the proposal of three centers of excellence in finding that Lockheed Martin's proposal met the relevant requirement. SSEB Final Evaluation at lines 39 and 43. Worldwide asserts that the evaluators thus failed to evaluate this significant change to Lockheed Martin's proposal. Worldwide Response to Document Production at 2.

The record, however, reflects that, although not addressed in the SSEB report, the SSEB in fact recognized Lockheed Martin's change from three centers of excellence to two. SSEB Chairman Declaration ¶ 4, 5. Rather, the SSEB did not view the change as significant. In this regard, not only did the solicitation fail to include any requirement for centers of excellence, Lockheed Martin's reduction in the number of centers was consistent with the agency's own reorganization in which the relevant agency division (systems integration) reduced its branches from three to two, transferring the security integration branch to the security services division. Id. ¶ 4. Likewise, the SSA did not view the number of centers of excellence as having any relevance for his tradeoff analysis. SSA Declaration ¶ 11. Thus, Worldwide's argument in this regard fails to provide a basis for questioning the evaluation.¹

¹ Worldwide argues that the explanations of the SSEB chairman and the SSA are post hoc rationalizations and should be accorded no weight by our Office. Worldwide Comments at 4. However, in reviewing an agency's evaluation, we do not limit our review to contemporaneous evidence, but consider all of the information provided, including the parties' arguments and explanations. Remington Arms Co., Inc., B-297374, B-297374.2, Jan. 12, 2006, 2006 CPD ¶ 32 at 10. While we generally give little weight to reevaluations and judgments prepared in the heat of the adversarial process, Boeing Sikorsky Aircraft Support, B-277263.2, B-277263.3, Sept. 29, 1997, 97-2 CPD ¶ 91 at 15, post-protest explanations that provide a detailed rationale for contemporaneous conclusions and simply fill in previously unrecorded details will generally be considered in our review of the rationality of selection decisions where, as here, those explanations are credible and consistent with the contemporaneous record. NWT, Inc.; PharmChem Labs., Inc., B-280988, B-280988.2, Dec. 17, 1998, 98-2 CPD ¶ 158 at 16.

As another example, Worldwide asserts that the evaluation unreasonably failed to address Lockheed Martin's deletion in its revised FPR of previous proposal language offering to "constantly evaluate" its quality assurance surveillance plan (QASP) performance standards and quality control plan (QCP) metrics collection procedures in connection with quality assurance. Lockheed Martin FPR at 3-16.

The evaluation in this regard was unobjectionable. The SOW required the successful contractor to "ensure the highest quality deliverables and infrastructure performance," as well as provide an EIES program management plan (PMP) describing the contractor's methodology for ensuring quality assurance risk mitigation and enabling the monitoring of progress and assessment of contractor performance in accomplishing EIES objectives. SOW ¶¶ 5.1.7, 5.2.10, 5.2.13. While Lockheed Martin's initial FPR provided that "[w]e constantly evaluate QASP performance standards and QCP metrics collection procedures" (Lockheed Martin FPR at 3-16), this sentence was deleted in its final FPR. The SSEB, however, reviewed Lockheed Martin's compliance with this requirement, including its deletion of the language cited by Worldwide, but found the change to be "inconsequential" in light of Lockheed Martin's detailed discussion elsewhere in its proposal of its quality management system. SSEB Chairman Declaration ¶ 8.

In this regard, the balance of the paragraph from which the sentence was deleted discussed Lockheed Martin's QCP. For example, it provided for Lockheed Martin's collaboration with the agency; stated that Lockheed Martin's "[o]ngoing exchanges and continuous improvement in the QASP and QCP [would be] driven by the SOW"; and further provided that its QCP "measures, tracks, reports, and analyzes [its] performance against the QASP, enabling accurate, objective measurements by applying metrics provided in the QASP and SOW." Lockheed Martin FPR at 3-16. In addition, Lockheed Martin's proposal included a draft management plan (in response to SOW ¶ 5.2.10) which further discussed its approach to quality assurance through its QCP, including such measures as setting goals for highest quality contract services, use of historical data to improve quality control, and meetings with agency and customer staff regarding performance quality. *Id.* at 3-1, 3-3, 3-7, 3-10, 3-13, 3-15. In our view, the SSEB reasonably concluded that, in light of these provisions in Lockheed Martin's revised FPR, the challenged deletion did not materially diminish Lockheed Martin's approach to ensuring quality and therefore was not significant.

Best Value Determination

Worldwide challenges the adequacy of the SSA's tradeoff decision based on its assertion that the technical evaluation was flawed, an assertion which, as discussed above, we found to be without merit, and its argument that the SSA's tradeoff decision failed to adequately explain why Lockheed Martin's lower technically rated proposal represented the best value.

Source selection decisions must be documented, and must include the rationale for any business judgments and price/technical tradeoffs made or relied upon by the SSA. Wyle Labs., Inc., *supra* at 6; *see* FAR § 16.505(b)(7). However, there is no need for extensive documentation of every consideration factored into a tradeoff decision. *See Terex Gov't Programs*, B-404946.3, Sept. 7, 2011, 2011 CPD ¶ 176 at 3. Rather, the documentation need only be sufficient to establish that the agency was aware of the relative merits and costs of the competing proposals and that the source selection was reasonably based. *Id.* Generally, an agency may properly select a lower-rated, lower-priced proposal where it reasonably concludes that the price premium involved in selecting a higher-rated proposal is not justified in light of the acceptable level of technical competence available at a lower price. Bella Vista Landscaping, Inc., B-291310, Dec. 16, 2002, 2002 CPD ¶ 217 at 4.

The tradeoff decision here was reasonable. In this regard, the SSA recognized in the source selection document that while neither proposal contained any weaknesses, Worldwide's strengths under the more important technical capability factor outweighed Lockheed Martin's strengths under that factor. Source Selection Document at 3-4. Specifically, the SSA acknowledged various significant strengths of Worldwide's proposal under this factor, including: a significantly detailed process for [deleted] of the service area; an advanced understanding of [deleted] management; a sound grouping of [deleted] disciplines; a complete approach to monitoring and delivery of innovations/improvements for [deleted]; and a solid approach to reducing the [deleted] dependence on [deleted]. *Id.* at 3-4. The SSA concluded that, while Lockheed Martin proposed a solid technical capability approach with applicable past performance references, Worldwide's proposal demonstrated a strong understanding of the work supported by successful relevant past performance. *Id.* at 4.

In contrast, the SSA noted that Lockheed Martin's proposal was stronger than Worldwide's under the less important program management factor. Source Selection Document at 4. For example, the SSA found as strengths of Lockheed Martin's proposal under this factor such elements as: a clear program management framework; essential quantitative measures and customizable data views; a very well defined risk management approach with interaction/collaboration with DIA in the process; and Lockheed Martin's incorporation of DIA's service delivery standard model and automated service delivery standard toolset into the project management framework. *Id.*; SSEB Final Evaluation at lines 33-34. The SSA concluded that while Worldwide's proposal showed a commitment to innovation and improvement, Lockheed Martin's proposal exemplified mature management capabilities. Source Selection Document at 4.

In deciding that Lockheed Martin's proposal represented the best value to the government, the SSA specifically recognized Worldwide's superiority under the more important technical factor, but concluded that the benefits associated with Lockheed Martin's proposal under both factors, in addition to Lockheed Martin's

price advantage (approximately 25% lower price), outweighed the benefits of Worldwide's proposal. Id. Worldwide has not shown this tradeoff to be unreasonable.²

The protest is denied.

Susan A. Poling
General Counsel

² Worldwide also asserts that the award decision was flawed because there is no evidence that the agency ever evaluated whether a reduction in Lockheed Martin's final price (in response to the TOR amendment eliminating the required \$22 million pricing level), indicated that Lockheed Martin was offering a "stripped down version" of its original technical proposal. Worldwide Comments at 12. This argument is untimely. In this regard, it simply raises, more than 10 days after the basis for protest was known, an issue Worldwide included in its initial protest, Protest at 11, but later withdrew. Worldwide Motion to Dismiss Response at 2, n.1; see Bid Protest Regulations, 4 C.F.R. § 21.2(a)(2); ADC Ltd., B-255457, Oct. 25, 1993, 93-2 CPD ¶ 258 at 2. In any case, this argument is without merit. The essence of Worldwide's argument is that the agency failed to perform a price realism evaluation. Where, as here, the issuance of a fixed-price task order is contemplated, an agency is not required to perform a price realism analysis unless the solicitation so requires. Global Protection Group, B-407221, Nov. 26, 2012, 2012 CPD ¶ 328 at 2. Because the solicitation here did not require a realism analysis, we have no basis to review Worldwide's complaint that the agency was required to consider how Lockheed Martin could perform the contract at its low proposed price.