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Decision

Matter of: Delaware Resource Group of Oklahoma, LLC

File: B-408962.3; B-408962.4

Date: March 24, 2014

Anne B. Perry, Esq., and Ryan E. Roberts, Esq., Sheppard Mullin Richter & Hampton LLP, for the protester.

William K. Walker, Esq., Walker Reausaw, for Chenega Technology Services Corporation, LLC, the intervenor.

Jared D. Minsk, Esq., Sarah Stanton, Esq., and Major Reagan Beaton, Department of the Air Force, for the agency.

Nora K. Adkins, Esq., and Jonathan L. Kang, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

- 1. Protest alleging that the agency failed to reasonably evaluate the awardee's technical acceptability is denied where record shows that agency's evaluation was reasonable and consistent with the terms of the solicitation.
- 2. Protest alleging that the agency failed to conduct a reasonable price realism analysis is denied where the record shows the agency's analysis was reasonable and adequately documented.
- 3. Protest alleging that the agency evaluated the awardee's past performance in a manner inconsistent with the terms of the solicitation is denied where the solicitation did not require adjustment of an offeror's relevancy rating based upon whether the offeror performed the prior effort as a prime contractor or as a subcontractor.
- 4. Protest alleging that the agency made an unreasonable source selection decision is denied where record shows that agency's source selection was reasonable, and the protest amounts to no more than disagreement with agency's decision.

DECISION

Delaware Resource Group of Oklahoma, LLC, (DRG) of Oklahoma City, Oklahoma, protests the award of a contract to Chenega Technology Services Corporation, LLC,

of Alexandria, Virginia, under request for proposals (RFP) No. FA5215-13-R-7004 for distributed mission operations instructor pilot and academic support services for Pacific Air Force mission training centers at six operating bases. The protester challenges the agency's evaluation and best value award decision.

We deny the protest.

BACKGROUND

The solicitation, issued on May 30, 2013, sought simulator and academic instructors to provide instructor pilot and academic support services (IPASS) for the development of mission-ready aircrews. Performance Work Statement (PWS) at 5. The RFP contemplated the award of a fixed-price contract for a base year with four 1-year options. RFP at 3-5. Award was to be made on a best value basis considering the following evaluation factors: (1) technical, (2) past performance, (3) price, and (4) small business subcontracting plan. Id. at 111. The technical factor was to be evaluated on a pass/fail basis, with the remaining factors considered as part of a tradeoff selection process. Past performance was approximately equal to price, and these two factors combined were significantly more important than the small business subcontracting plan factor. Id.

As relevant here, under the technical factor, offerors were required to provide a workload analysis depicting their proposed labor categories and explaining their methodology. <u>Id.</u> at 103. The RFP also required offerors to submit a workload chart for each operating base location that details each IPASS core task (training device instruction, scenario development, academic support and ancillary support), and "show[s] the positions, manning, tasks covered, specific skills, and security clearance requirements." Id.

The solicitation advised that the agency's evaluation of the technical factor would assess an offeror's "approach to providing qualified personnel for all workload requirements, for all locations." <u>Id.</u> at 112. According to the RFP, the requirement would be met when an offeror "provide[s] a workload chart with analysis of the manning levels and personnel mix for all workload requirements (IPASS core tasks) identified [] in the PWS," and meets the employment qualifications identified in the PWS.¹ <u>Id.</u>

¹ The PWS workload requirements were as follows: 1.3--IPASS Core Tasks; 1.4--Program Management; 1.5--Training Device Instruction; 1.6--Scenario Development; 1.7--Academic Support; 1.8--Ancillary Support (Security); and

^{1.9--}Ancillary Support (Scheduling). PWS at 5-14. The employment qualification requirements were located in section 4.4--Contractor Personnel and section 4.5--Employment Qualifications of the PWS. PWS at 25-27.

With regard to price, the RFP established that the agency would rank all technically-acceptable proposals by their total evaluated price, and conduct a price evaluation to determine if the prices were fair, reasonable, and complete. <u>Id.</u> at 112-13. The RFP advised that the agency "reserves the right to conduct a price realism review to determine whether the price proposed is feasible in relation to the technical proposal and the requirements of the [PWS]." <u>Id.</u> at 113. Price proposals that were unreasonably high or unrealistically low when compared to the independent government estimate and the offeror's proposed technical approach could be found to have an inherent lack of understanding of the solicitation requirements, and the proposal could be rejected. Id. at 104.

With regard to past performance, the RFP stated that the agency would evaluate recent and relevant performance information provided by the offeror, as well as data independently obtained from other government and commercial sources. <u>Id.</u> at 114. As relevant here, the solicitation advised that, in assessing relevancy of previous and/or current contracts, the agency would consider the portion of the effort accomplished by the prime, the subcontractor, and/or teaming partner. <u>Id.</u> at 115. Moreover, past performance regarding predecessor companies and subcontractors proposed to perform core tasks of the requirement would be rated as highly as past performance information for the principle offeror. <u>Id.</u>

Five offerors, including DRG and Chenega, submitted proposals in response to the RFP by the closing date of July 5.² Agency Report (AR), Tab 29, Proposal Analysis Report, at 4-5. The proposals of DRG, Chenega, and a third offeror were evaluated by the agency's source selection evaluation board as follows:

	DRG	CHENEGA	OFFEROR A
Technical	Acceptable	Acceptable	Acceptable
	Substantial	Satisfactory	Substantial
Past Performance	Confidence	Confidence	Confidence
Small Business			
Subcontracting Plan	Good	Excellent	Very Good
Total Evaluated Price	\$83,312,781	\$48,903,749	\$65,665,656

AR, Tab 30, Source Selection Decision, at 2.

The source selection authority independently reviewed and conducted an integrated assessment of the evaluations of the offerors' proposals. <u>Id.</u> at 2. Based upon this analysis, the source selection authority decided that Chenega was the best-value offeror based on its low price, its satisfactory confidence rating, and its rating of

² DRG and Chenega were both subcontractors on the incumbent IPASS contract.

excellent for the small business subcontracting plan. <u>Id.</u> The SSA found that the increased probability of meeting the solicitation's requirements afforded by Offeror A's substantial confidence rating did not merit the 36-percent (\$16.7 million) price premium. <u>Id.</u> at 3. The source selection authority also assessed the other offers and concluded that "none [] provide a better value to the Government" than the Chenega offer. <u>Id.</u> On September 24, the agency awarded a contract to Chenega.

On September 26, DRG filed a protest with our Office challenging the Air Force's award to Chenega. On October 29, the Air Force informed our Office of its intent to take corrective action. AR, Tab 31, Agency Corrective Action Notice (Oct. 29, 2013), at 1. In this regard, the agency advised our Office that it would perform a price realism analysis, reevaluate proposals based upon that analysis, and make a new award decision. Id. Based upon the agency's intended corrective action, we dismissed DRG's protest. See Delaware Resource Group of Oklahoma, LLC, B-408962, B-408962.2, Oct. 30, 2013.

Upon completion of its corrective action, on December 9, the Air Force re-affirmed the contract award to Chenega. On December 13, after receiving a debriefing, DRG filed the current protest.

DISCUSSION

DRG raises numerous challenges to Air Force's evaluation of Chenega's proposal, and also argues that the agency's best value award decision was unreasonable. Although we discuss only certain representative examples of the arguments raised by the protester, we have reviewed each of the arguments, and find no basis to sustain the protest.³

Technical Evaluation

DRG challenges the Air Force's conclusion that Chenega's proposal was technically acceptable. DRG argues that Chenega did not propose adequate staffing to meet the solicitation's requirements and should have been found technically unacceptable. As discussed below, we find no merit to these arguments.

The evaluation of an offeror's proposal is a matter within the agency's discretion. <u>IPlus, Inc.</u>, B-298020, B-298020.2, June 5, 2006, 2006 CPD ¶ 90 at 7, 13. A protester's disagreement with the agency's evaluation is not sufficient to render the

³ DRG also challenges the agency's evaluation of Offeror A's proposal. As explained below, however, we find that the Air Force's evaluation of Chenega's proposal, and the best value award decision were reasonable and in accordance with the solicitation criteria; thus, we need not address DRG's challenges with regard to Offeror A.

evaluation unreasonable. <u>Ben-Mar Enters., Inc.</u>, B-295781, Apr. 7, 2005, 2005 CPD ¶ 68 at 7. In reviewing protests of an agency's evaluation of offerors' technical proposals, our Office does not reevaluate proposals; rather, we review the evaluation to determine if it was reasonable, consistent with the solicitation's evaluation scheme, as well as procurement statutes and regulations, and adequately documented. <u>Wackenhut Servs., Inc.</u>, B-400240, B-400240.2, Sept. 10, 2008, 2008 CPD ¶ 184 at 6.

As discussed above, the solicitation required offerors to provide a workload analysis depicting their proposed labor categories, and a workload chart for the IPASS core tasks at each operating base location as part of their technical proposal. RFP at 103. The RFP did not dictate any particular technical approach for manning levels or personnel mix. Rather, offerors were free to propose a technical approach that accomplished the work contemplated under the solicitation based upon the IPASS performance requirements. See id. at 102-103.

To assist offerors in submitting their workload analysis and charts for the academic support and training device instruction core tasks of the PWS, the RFP directed offerors to "[s]ee Appendix 4 for estimated IPASS workload." PWS at 8-9. The appendix provided an estimated number of hours or "events" per year for the academic support core task, and an estimated number of "events" per year for the training device instruction core task at each operating base. For example, at the Kadena operating base, the workload estimate identified 113 annual events for the academic support core task, and 3,429 annual events for the training device instruction core task. PWS, Appendix 4, at 57-58. The solicitation did not set forth actual or estimated times to complete each event, nor did it provide the number of labor hours or full-time equivalent employees (FTEs) required to staff each event.

The Air Force's evaluation of Chenega's proposal under the technical factor concluded that the awardee submitted an acceptable technical proposal. AR, Tab 29, Proposal Analysis Report, at 6. The agency found that Chenega proposed [DELETED] personnel to provide PWS task coverage, and that this level of staffing met all requirements identified in the solicitation. <u>Id.</u> The agency's analysis noted that Chenega used IPASS PWS workloads to determine the experience, knowledge, and skills required for each labor category; proposed an approach that ensures more experience and higher-performing instructors are placed first to minimize transition risk; identified academic support as a direct workload factor with

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⁴ The PWS defined an "event" under the academic support core task as "[o]ne unit of academic instruction provided to aircrew." PWS at 39. An "event" under the training device instruction core task was defined as "[o]ne unit of simulator training provided to an aircrew. (e.g., One pilot accomplishing a single-ship [] mission will equal one event. Four pilots accomplishing a four-ship [] will equal four events)." PWS at 39.

exhibits showing task coverage; provided a site security manager at each IPASS site; and proposed supporting the ancillary support core tasks as an additional duty of the instructors. <u>Id.</u> at 6-7.

Similarly, the agency concluded that DRG submitted an acceptable technical proposal. The agency found that DRG met the requirements of the solicitation with DRG proposing [DELETED] personnel to accomplish the IPASS tasks. <u>Id.</u> at 38. With regard to DRG, the agency noted, for example, that DRG's workload analysis used a three-stage process to develop its proposed number of personnel and skills required as follows: (1) analyze PWS appendix 4, (2) focus on daily distribution of required training events to determine faces in places, and (3) determine requirement to provide instructors throughout the MTC operating window at each site. Id.

DRG contends that the agency's evaluation of Chenega's technical proposal was unreasonable because Chenega cannot perform all of the PWS requirements with its proposed number of personnel. DRG primarily argues that Chenega's proposed level of staffing could not be reasonable, because the protester based its own higher-level of staffing on its incumbent work, historical knowledge, and analysis of the solicitation's requirements.

We conclude that the agency conducted a reasonable technical evaluation. The underlying basis for DRG's contention is that Chenega's proposed labor hours and FTEs were lower than that proposed by DRG; this contention, however, does not show that Chenega's proposed manning is inadequate. In this regard, as the agency correctly notes, the RFP did not include a number of labor hours or FTEs with which offerors were required to comply. Rather, the solicitation required offerors to propose their own technical approach and staffing levels to accomplish the RFP's requirements. RFP at 102-103. The solicitation also did not mandate a specific schedule for academic or training device instruction. Instead, the contractor was responsible for scheduling these events within the training center's operational hours; full coverage during the operational hours was not a requirement of the solicitation. See PWS at 14, 24. Moreover, the Air Force's own estimate, which was based upon the incumbent contract, provided for [DELETED] less FTEs than proposed by DRG.⁵ AR at 12.

While DRG presents various arguments to support its belief that Chenega failed to propose sufficient personnel to accomplish all of the PWS tasks, we find that each has been effectively rebutted by the evaluation record and the agency's explanations. For example, with regard to the protester's allegations that the Air Force failed to assess whether Chenega could perform all the PWS requirements

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⁵ The agency estimated 51 FTEs to complete the PWS requirements, based on maximum capacity and without accounting for innovations or efficiencies. AR at 12.

during the operational hours, the agency reasonable explains that the solicitation did not require offerors to provide continuous staffing of the mission training center during operation hours; did not require a specific number of events per day; and did not provide a specific length of time for each event or pre- and post-mission briefings. See RFP at 102-103; PWS at 14, 24, and Appendix 4. The agency further explains that it reasonably considered Chenega's proposed technical solution, including its proposed use of cross-utilization of instructors for scheduling and security tasks and found that Chenega's proposed manning level was acceptable. Supp. AR (Jan. 29, 2014) at 5; AR, Tab 30, Source Selection Decision, at 3. In this regard the agency concluded as follows:

[Chenega] proposed an innovative approach of reducing staffing levels by "cross training" employees to perform secondary security manager and scheduler duties. Additionally, [Chenega] indicates that it intends to use instructors that are "multi-qualified to teach academic lessons, to develop simulation scenarios, and to operate the MTC [mission training center]," which "minimizes the risk of rescheduled training events as a result of illness or other emergency." Moreover, [Chenega] proposed sharing employees between Mission Training Centers and sharing employees between other contracts. These three strategies, when combined, enable [Chenega] to maximize the capabilities of its personnel, thereby accomplishing the requirements of the PWS with fewer total persons. The Government reviewed the subject proposal and concluded that, given [Chenega's] technical approach, it will be able to fulfill the requirements of the PWS with the [DELETED] FTE it proposes.

AR, Tab 30, Source Selection Decision, at 3. While DRG disagrees with the agency's evaluation judgments, it provides no basis to conclude that those judgments were unreasonable.

DRG also asserts that the agency should have rated Chenega's proposal unacceptable because the workload information set forth in Chenega's proposal omitted 200 events for a 4-ship mission emergency procedures evaluation training at the Kadena operating base. See AR, Tab 18, Chenega Technical Proposal, at 19. The agency acknowledges that the information provided in Chenega's proposal omitted this training but notes that the solicitation did not require offerors to propose manning and personnel mixes for each event. See Supp. AR (Jan. 29, 2014) at 8. Moreover, the Air Force asserts that the omission of the 200 events was nominal and would not result in an unacceptable rating. Id. In this regard, the agency notes, and the protester does not dispute, that these events represented less than 1 percent of the overall level of effort required. Id.

Here, we find that Chenega's omission, which is <u>de minimus</u> in comparison to the overall level of effort required, would not affect its technical acceptability. See Ultra

Elecs. Ocean Sys., Inc., B-400219, Sept. 8, 2008, 2008 CPD ¶ 183 at 2 n.3. (error constituting less than half of one percent of the total evaluated price is <u>de minimis</u> and does not provide a basis for sustaining the protest). Further, the omission was informational with respect to how Chenega derived its workforce to perform the requirements. Moreover, in this context, the omission did not reflect Chenega's intent to deviate from, or refusal to follow, the solicitation's established requirements, or that Chenega took exception to performing the entirety of the work at a fixed price.

For these reasons, we find no basis to sustain the protest based upon the agency's technical evaluation of Chenega's proposal. The agency's evaluation was reasonable and in accordance with the solicitation.⁶

Price Realism Evaluation

Next, DRG contends that Chenega's price was unrealistically low, and that the Air Force failed to perform a reasonable price realism evaluation. We find no merit to this argument.⁷

Where, as here, an RFP contemplates the award of a fixed-price contract, or a fixed-price portion of a contract, an agency may provide in the solicitation for the use of a price realism analysis for the limited purpose of measuring an offeror's understanding of the requirements or to assess the risk inherent in an offeror's proposal. Ball Aerospace & Tech. Corp., B-402148, Jan. 25, 2010, 2010 CPD ¶ 37 at 8. Our review of a price realism analysis is limited to determining whether it was reasonable and consistent with the terms of the solicitation. Smiths Detection, Inc.; Am. Sci. & Eng'g, Inc., B-402168.4 et al., Feb. 9, 2011, 2011 CPD ¶ 39 at 17. The nature and extent of an agency's price realism analysis are matters within the agency's discretion. Star Mountain, Inc., B-285883, Oct. 25, 2000, 2000 CPD ¶ 189 at 6.

⁶ DRG also contends that the agency waived or relaxed the requirements of the solicitation. Based upon our review of the record, we find that the agency did not waive or relax any requirement. The agency conducted a reasonable analysis of the proposals that presented varying approaches to accomplishing the work. DRG's disagreement with the agency's analysis does not provide a basis to sustain the protest.

⁷ The Air Force chose to conduct a price realism analysis in accordance with section L of the solicitation, even though section M appeared to make the conduct of such an evaluation discretionary. Nevertheless, because the agency chose to conduct a price realism analysis, we will review the agency's evaluation for reasonableness.

The Air Force asserts that it conducted a reasonable analysis of the realism of Chenega's price by reviewing the feasibility of Chenega price and comparing it to the government's estimate and to other offerors' prices. The Air Force explains that it also verified whether Chenega could perform all the PWS requirements.

Here, we find that the agency conducted a detailed and reasonable analysis of the realism of Chenega's price. AR, Tab 25, Price Realism Analysis. As part of the agency's corrective action taken in response to the protester's first protest, the agency conducted a review to determine whether the 38 personnel proposed by Chenega could perform the requirements of the PWS. Id. at 1-10. The agency's analysis found that in comparison with the solicitation's requirements and the government estimate, Chegena's proposal proposed sufficient manning and a feasible technical approach to accomplish the PWS requirements. Id. at 10. In reaching this conclusion the agency reviewed Chenega's proposed 38 personnel; the time allocated to each workload event and the manning for each event; the estimated number of instructors per event; and total instructor hours per event, and found these aspects to be sufficient to accomplish the PWS requirements. Id. at 1-2. The Air Force additionally concluded that Chenega's proposed approach to crossing training employees to perform secondary security manager and scheduler duties, which enabled them to accomplish the requirements of the PWS with fewer FTEs, was realistic because the time required by security and scheduling duties each accounted for only a portion of an FTE. Id. at 2. The agency also compared Chegena's labor rates to the independent government estimate and other offerors as part of its price realism analysis and concluded that Chenega's price was realistic.⁸ Id. at 2-9.

On this record, we conclude that the Air Force conducted a reasonable evaluation of Chenega's price consistent with the RFP criteria. To the extent that DRG believes that Chenega cannot perform the contract at its proposed price, DRG's disagreement with the agency's judgment provides no basis to sustain the protest. See <u>Vizada Inc.</u>, B-405251 <u>et al.</u>, Oct. 5, 2011, 2011 CPD ¶ 235 at 6.

⁸ The agency compared Chenega's direct labor hours, other direct and indirect costs, proposed rates for program management, travel/relocation costs, base year profit/general and administrative expenses (G&A), and wage escalation rates.

Past Performance

Next, DRG challenges the agency's evaluation of Chenega's past performance. DRG alleges that the agency failed to evaluate Chenega's proposal in accordance the solicitation by giving it credit for work it performed as a subcontractor. We find no merit to this argument.

The evaluation of an offeror's past performance is within the discretion of the contracting agency, and we will not substitute our judgment for reasonably based past performance ratings. MFM Lamey Group, LLC, B-402377, Mar. 25, 2010, 2010 CPD ¶ 81 at 10. Where a solicitation calls for the evaluation of past performance, we will examine the record to ensure that the evaluation was reasonable and consistent with the solicitation's evaluation criteria and procurement statutes and regulations. Divakar Techs., Inc., B-402026, Dec. 2, 2009, 2009 CPD ¶ 247 at 5.

As discussed above, the solicitation advised that, in assessing relevancy of previous and/or current contracts, the agency would consider the portion of the effort accomplished by the prime, the subcontractor, and/or teaming partner. RFP at 115. The solicitation defined recent past performance as ongoing efforts or efforts performed during the past three years from the date of the issuance of the solicitation. Id. at 114. The solicitation indicated that each past performance effort would be considered for scope, magnitude of effort, and complexities as compared to the current solicitation requirements using four defined areas as follows: (1) conducting IPASS core tasks as defined in the PWS and having a minimum security clearance requirement of Secret special access required; (2) performing academic instruction, to include, instrument refresher course simulator training, to include live, virtual, and constructive, and distributed mission operations; (3) conducting IPASS core tasks for multiple tactical weapon systems in multiple locations under one contract; and (4) management of contracts and subcontractors valued over \$6 million annually conducting IPASS core tasks. Id. at 115. An effort would be rated very relevant if it met at least three of four areas; relevant if it met at least two of four areas: somewhat relevant if it met at least one of four areas: and not relevant if the effort failed to meet any areas. Id.

Chenega submitted four past performance contract efforts. Chenega's first reference was for its work as a subcontractor on the incumbent contract. The

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⁹ In its initial protest, DRG argued that agency failed to consider several adverse past performance references for Chenega. The protester, however, did not further discuss this contention in its comments responding to the agency report, which fully addressed the issue. We therefore deem this issue abandoned. <u>See International Mgmt. & Commc'ns Corp.</u>, B-272456, Oct. 23, 1996, 96-2 CPD ¶ 156 at 2-3 n.2.

agency found that Chenega's work on this effort satisfied two of the four relevancy areas, which in accordance with the solicitation resulted in a relevant relevancy rating. AR, Tab 29, Proposal Analysis Report, at 19. Chenega's second reference was for work it completed as a prime contractor providing mission crew training; the agency found this reference not relevant. Id. Chenega's last two references were for its subcontractors. Both references were rated relevant for meeting at least two of the four relevancy areas. Id. at 19-20. Based upon the Air Force's review of the quality ratings assigned to the three relevant past performance references, the agency assigned Chenega a performance confidence assessment of satisfactory confidence. Id. at 20.

DRG contends that the agency unreasonably failed to consider the fact that Chenega's sole relevant experience performing IPASS core tasks was performed as a subcontractor. The protester points to the following solicitation language to support its contention: "[i]n determining relevancy, the Government will consider the portion of the effort accomplished by the prime, the subcontractor, and/or teaming partner on previous/current contracts and as described in the offeror's past performance proposal for this solicitation." RFP at 115. The protester argues, in essence, that the solicitation required the agency to evaluate work performed by the offeror as a subcontractor as less relevant than work performed by the offeror as a prime contractor.

Based upon our review of the solicitation language, we conclude that DRG's interpretation of the solicitation's relevancy requirements is not reasonable. In this regard, the solicitation did not require the agency to downwardly adjust an offeror's relevancy rating where the offeror performed the effort as a subcontractor as opposed to a prime contractor. We find that the agency's evaluation properly considered the "portion of the contract completed by the prime [Chenega]," and concluded that, as a subcontractor on the incumbent effort, Chenega performed two of the four relevancy areas, which the agency evaluated as relevant. See id. We find that the agency's evaluation was reasonable and in accordance with the solicitation criteria. 10

¹⁰ DRG also argues that the agency improperly found Chenega's work as a subcontractor for the incumbent contract to be relevant because it involved only two of the four relevancy tasks. We find no basis to object to the agency's evaluation in this regard because the solicitation clearly established that an effort meeting two of the four relevancy tasks would be rated relevant.

Best Value Award Decision

Finally, DRG contends that the agency failed to make a reasonable best value decision, as required by the solicitation, and instead, effectively made award on a low-price technically-acceptable basis. We find no merit to DRG's allegations.

Generally, in a negotiated procurement, 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 extent of such tradeoffs is governed only by the test of rationality and consistency with the evaluation criteria. Best Temporaries, Inc., B-255677.3, May 13, 1994, 94-1 CPD ¶ 308 at 3. A protester's mere disagreement with the agency's determinations does not establish that the evaluation or source selection was unreasonable. Weber Cafeteria Servs., Inc., B-290085.2, June 17, 2002, 2002 CPD ¶ 99 at 4.

As discussed above, the solicitation provided that the agency would evaluate offerors based upon four factors. First, the agency would conduct a pass/fail evaluation of the technical factor. All technically acceptable proposals would then be evaluated based upon past performance, price, and small business contracting plan. For purposes of award, past performance was approximately equal to price, and these two factors combined were significantly more important than the small business subcontracting plan factor.

The record shows that the agency conducted a reasonable analysis of the offerors' technical, past performance, price, and small business contracting plan factors. The source selection authority reviewed the in-depth evaluation findings and conducted a tradeoff concluding that the increased probability of meeting the solicitation's requirements afforded by award to another firm with superior past performance did not offset the approximate \$16.7 million (36%) difference in total evaluated price of Chenega's offer. AR, Tab 30, Source Selection Decision, at 3. Additionally, the SSA concluded that DRG, which was equally rated with Chenega for past performance, but lower rated under the small business subcontracting plan factor and higher priced, did not provide a better value than Chenega. <u>Id.</u> On this record, we have no basis to find the best value award decision unreasonable.

The protest is denied.

Susan A. Poling General Counsel