441 G St. N.W. Washington, DC 20548 Comptroller General of the United States

Decision

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Matter of: AAR Airlift Group, Inc.

File: B-414690; B-414690.2; B-414690.3

Date: August 22, 2017

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DIGEST

- 1. Protest challenging award under a multiple award indefinite-delivery, indefinite-quantity contract is dismissed where the protester is also an awardee and has not established that it is an interested party to protest.
- 2. Protest that agency unreasonably determined that the awardee met the task order solicitation's minimum requirements is dismissed as untimely where agency expressly advised offerors of its contrary interpretation of the requirements, and the protester did not file a protest prior to the submission deadline for final proposal revisions.
- 3. Protest that agency failed to engage in meaningful or equal discussions with the protester, by failing to advise the protester that its proposed price was too high, is denied where the agency did not find the protester's price unreasonable, and was not otherwise obligated to raise this matter during discussions.
- 4. Protest challenging agency's evaluation of past performance is denied where record shows that agency's evaluation was reasonable and considered both the relevance and quality of offerors' past performance efforts.

DECISION

AAR Airlift Group, Inc., of Palm Bay, Florida, challenges the awards of indefinite-delivery, indefinite-quantity (IDIQ) contracts and associated task orders to Construction Helicopters, Inc. d/b/a CHI Aviation (CHI), of Howell, Michigan, and Columbia Helicopters, Inc., of Aurora, Oregon, by the Department of Defense (DOD), United States Transportation Command (USTRANSCOM) under request for proposals (RFP) No. HTC711-17-R-R001, for rotary wing aviation support for the United States Central Command (USCENTCOM). AAR argues that the agency ignored CHI and Columbia's noncompliance with the solicitation's eligibility requirements, failed to conduct meaningful and equal discussions, and unreasonably evaluated past performance.

We dismiss the protest in part and deny the protest in part.

BACKGROUND

The solicitation, which was issued on December 23, 2016, contemplated the award of approximately three IDIQ contracts with fixed-price and cost-type contract line items for rotary wing airlift transportation services within USCENTCOM's area of operations. RFP at 93.¹ The solicitation also anticipated the immediate issuance of one or more task orders for 11 heavy, and one super heavy, rotary wing aircraft to provide airlift services at locations in Afghanistan. <u>Id.</u> at 107.

For the IDIQ awards, the RFP provided for the evaluation of proposals under four factors: basic eligibility, technical, past performance, and price. The basic eligibility and technical factors were to be evaluated on an acceptable/unacceptable basis. <u>Id.</u> at 101. The agency would then make a best-value determination using the remaining two factors, with past performance of significantly greater importance than price. <u>Id.</u>

For the award of the task orders, the solicitation provided for an integrated assessment based on three factors: operational date, past performance, and price. <u>Id.</u> at 107.² Under the evaluation criteria, the operational date and past performance factors were considered approximately equal in importance, and both factors, when combined, were considered significantly more important than price. <u>Id.</u>

Regarding past performance, the RFP provided for the assignment of an overall confidence assessment rating based on the recency, relevancy, and overall quality of the offeror's past performance. <u>Id.</u> at 104. First, the agency would determine the

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¹ Citations to the RFP refer to the January 24, 2017, conformed solicitation provided at Tab 21 of the agency report (AR).

² The solicitation also provided for the evaluation, on an acceptable/unacceptable basis, of each offeror's basic eligibility and technical capability. RFP at 108.

recency and the relevancy of each past performance effort. <u>Id.</u> A recent past performance effort was an effort that was currently ongoing or had been completed within the past three years. <u>Id.</u> With regard to relevance, the RFP provided four ratings (very relevant, relevant, somewhat relevant, and not relevant) that were defined in relation to the degree of similarity to the current requirement in terms of scope, magnitude, and complexity. <u>Id.</u> The solicitation provided that the agency would give greater consideration to past performance efforts deemed more relevant to the effort described in the solicitation. <u>Id.</u> at 105. The RFP further noted that the agency would not "establish, create, or change the existing record and history of the offeror's past performance on past contracts; rather, the past performance evaluation process gathers information from customers on how well (quality) the offeror performed those past contracts." <u>Id.</u> at 104.

With regard to task order pricing, the RFP provided for the evaluation of all the proposed rates and prices found in the solicitation's pricing table, which included individual fixed-price line items as well as a calculated total price. <u>Id.</u> at 109. These pricing line items would be evaluated to assess if the prices were fair and reasonable, balanced, and realistic. <u>Id.</u> at 109. The RFP provided that the fair and reasonable determination would be accomplished by conducting a price analysis using one or more of the techniques set forth in Federal Acquisition Regulation (FAR) § 15.404-1(b). <u>Id.</u>

AAR timely submitted a proposal in response to the solicitation. Following the establishment of a competitive range, USTRANSCOM conducted discussions with AAR, CHI, and Columbia to address the agency's concerns that certain of the offerors' line item pricing and rates were "deemed high." AR, Tabs 56-64, Evaluation Notices.

On April 3, 2017, AAR sent a letter to the agency asking it to reopen discussions and clarify the solicitation's performance work statement (PWS). AR, Tab 70, April 3 Letter, at 1. AAR explained that it interpreted the PWS as requiring air carriers to have the capability and training to operate rotary wing aircraft utilizing instrument flight rules (IFR). See id. at 1-2. AAR further stated that the PWS also required aircraft "to be equipped with instruments to allow for IFR operations." Id. AAR explained that it had learned that other companies responding to the solicitation were not in compliance with this requirement. Id. at 2. AAR represented that this created a significant price advantage for these companies, and noted that if a waiver of the requirement were to be granted, AAR would be able to reduce the price of its proposal. Id. at 2.

On April 14, the agency responded to AAR's letter by providing offerors with a cover letter from the contracting officer and a clarification memorandum. AR, Tab 75, April 14 Letter; AR, Tab 74, Clarification Memo. The cover letter stated that certain DOD additional standards, which would otherwise require aircraft operated by two pilots to be equipped for IFR operations, do not "require Rotary Wing Aircraft to be IFR . . . certified by the [Federal Aviation Administration (FAA)] for the subject effort. IFR certification is not applicable as the . . . PWS section 1.2.3 requires the contractor to operate under Visual Flight Rules (VFR)." AR, Tab 75, April 14 Letter, at 1 (internal parentheticals removed). The attached memorandum similarly explained that the agency did not

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consider IFR equipment to be required on aircraft when the contract restricted operations to VFR only, because, in such circumstances, the aircraft crew did not need to be trained or qualified to use IFR equipment. AR, Tab 74, Clarification Memo. Having provided this guidance, USTRANSCOM's cover letter provided offerors with the opportunity to submit revised proposals. AR, Tab 75, April 14 Letter, at 1. None of the offerors submitted a revised proposal in response to the agency's clarification. Contracting Officer's Statement (COS) at 11.

Following the receipt of final proposal revisions, USTRANSCOM evaluated the proposals, under the task order portion of the competition, as follows:

	Basic Eligibility	Operational Date for 1 Heavy Aircraft ³	Technical Capability	Past Performance	Total Evaluated Price (1 Aircraft)
				Satisfactory	
AAR	Acceptable	Α	Acceptable	Confidence	\$65,672,649
				Substantial	
Columbia	Acceptable	Α	Acceptable	Confidence	\$59,503,390
				Substantial	
CHI	Acceptable	Α	Acceptable	Confidence	\$59,050,091

AR, Tab 91, Source Selection Advisory Council Report, at 2-3.4

On May 3, USTRANSCOM announced IDIQ awards to AAR, Columbia, and CHI, and task order awards to CHI and Columbia to fulfill the agency's immediate need for twelve rotary wing aircraft.⁵ Following a debriefing, AAR filed the instant protest challenging both the IDIQ and task order awards.

DISCUSSION

AAR challenges USTRANSCOM's award of IDIQ contracts, and issuance of associated task orders, to CHI and Columbia. With regard to the IDIQ awards, the protester argues

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³ The solicitation provided for a letter grade to be assigned based on the dates aircraft are proposed to be operational. RFP at 108.

⁴ The awarded value of the task orders to CHI and Columbia both exceed \$25 million. Accordingly, this procurement is within our jurisdiction to hear protests related to the issuance of delivery orders under multiple-award indefinite-delivery, indefinite-quantity contracts. See 10 U.S.C. § 2304c(e)(1)(B).

⁵ The agency issued orders for two heavy aircraft to CHI and nine heavy and one super heavy aircraft to Columbia. AR, Tab 92, Task Order Source Selection Decision Document (SSDD), at 3. Additionally, AAR received an order for the \$2,500 IDIQ contract minimum. AR, Tab 96, AAR Award Notice, at 1.

that CHI and Columbia did not satisfy the IDIQ's basic eligibility requirements. With regard to the orders, AAR contends that CHI and Columbia did not comply with PWS provisions that required offerors to propose aircraft equipped with IFR equipment and pilots that are IFR-qualified. The protester additionally challenges the agency's price discussions as unequal and not meaningful. Finally, AAR asserts that the agency failed to reasonably evaluate past performance.⁶

IDIQ Award

As an initial matter, AAR challenges the award of IDIQ contracts to CHI and Columbia, alleging that these firms did not meet the solicitation's basic eligibility requirements. We find, however, that AAR lacks standing to bring this protest ground because, as an IDIQ awardee, it is not an interested party to challenge the award of IDIQ contracts to other offerors. Under the Competition in Contracting Act of 1984 (CICA), which governs the bid protest jurisdiction of our Office, only an "interested party" may protest a federal procurement. 31 U.S.C. § 3551(1). CICA defines an interested party as "an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract[.]" 31 U.S.C. § 3551(2)(A). Our Bid Protest Regulations employ the same definition. 4 C.F.R. § 21.0(a)(1). Accordingly, to meet the interested party standard under CICA and our Regulations, a protester must (a) be an actual or prospective bidder or offeror, and (b) demonstrate that it possesses a direct economic interest in the contract award. Integral Sys., Inc., B-405303, Aug. 16, 2011, 2011 CPD ¶ 161 at 3.

Here, we find that because AAR is an IDIQ contract awardee, it is not an actual or prospective offeror. As we have noted in our prior decisions, even if a protester has a direct economic interest in the contract award, the protester is not an interested party if it is not an "actual or prospective bidder or offeror." Aegis Def. Servs., LLC, B-412755, Mar. 25, 2016, 2016 CPD ¶ 98 at 3; Pacific Allied Prods., Ltd., B-220181, B-220182, Oct. 18, 1985, 85-2 CPD ¶ 424 at 2. By definition, an IDIQ contract awardee, such as AAR, cannot be an actual or prospective offeror with respect to another IDIQ contract

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⁶ While we do not address every argument raised by AAR in its protest, we have reviewed each issue and do not find any basis to sustain the protest. For example, the protester argued in its initial protest that the agency's price evaluation failed to conduct an "apples-to-apples" comparison of offerors' prices because offerors proposed pricing based on different understandings of the requirements. Protest at 27. The agency responded to, and contested, this argument in its June 14 agency report. AAR, however, failed to respond to the agency's arguments in its subsequent comments. We therefore consider this argument to be abandoned. See Atlantic Coast Contracting, Inc., B-291893, Apr. 24, 2003, 2003 CPD ¶ 87 at 4-5 n.3.

⁷ Because we find that AAR is not an actual or prospective offeror, we need not determine if the second prong of the interested party standard has been met, i.e., whether the protester has a direct economic interest in the contract award.

awarded under the same solicitation. <u>Aegis Def. Services, LLC</u>, <u>supra</u>, at 3-4. This conclusion stems from the simple fact that a contractor that has already been awarded an IDIQ contract cannot be awarded additional IDIQ contracts, even if it could show flaws in the agency's award of those contracts. Indeed, if AAR were to successfully challenge the IDIQ awards to Columbia and CHI, it would not result in further IDIQ contract awards to AAR.

The protester argues, in response to this point, that the principle stated in Aegis, which found that an IDIQ awardee did not qualify as an actual or prospective offeror, relied on Court of Federal Claims case law that "has now been brought into question." Second Response to Dismissal Req. at 3 (citing National Air Cargo Grp., Inc. v. United States, 126 Fed. Cl. 281, 295 (2016)). While we recognize that the court, in the National Air Cargo Grp., Inc. decision, reached a different conclusion than our Office reached in Aegis, we do not find that this inconsistency necessitates reconsideration of our interested party standard. In this regard, while we respect the decisions of the Court of Federal Claims with regard to its own jurisdiction, our Office is not bound by such decisions. DNC Parks & Resorts at Yosemite, Inc., B-410998, Apr. 14, 2015, 2015 CPD ¶ 127 at 7. Moreover, we do not agree with the protester's characterization of our decision in Aegis as principally relying upon Court of Federal Claims precedent. Although we cited Court of Federal Claims precedent in support of our interpretation of CICA's actual or prospective offeror requirement, it was not the principal basis for our interpretation. Accordingly, we dismiss AAR's challenge to the agency's IDIQ awards since AAR, as an awardee, is not an interested party to bring these protest grounds.⁸

Task Order Solicitation Requirements

AAR further argues that the solicitation required offerors to comply with certain IFR requirements, and that Columbia, and potentially also CHI, did not comply with these requirements. We dismiss this protest ground as untimely.

Our Bid Protest Regulations require that protests based upon alleged improprieties in a solicitation that are apparent prior to the closing time for receipt of proposals must be

separately from our review of the agency's task order evaluation.

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⁸ The protester additionally argues that this case is factually inapposite to <u>Aegis</u>, because here the IDIQ and task order procurements were "intricately intertwined," rather than taking place separately. Second Resp. to Dismissal Req. at 3. We do not agree. In this regard, we find the two procurements to be sufficiently distinct such that we do not consider the agency's award of IDIQ contracts to AAR, CHI, and Columbia to be indistinguishable from its award of task orders to CHI and Columbia. In addition, we note that the protest challenge at issue was to the agency's alleged failure to evaluate proposals in accordance with the IDIQ criteria, criteria that were not a part of the task order evaluation. Accordingly, we conclude that the IDIQ challenge can be addressed

filed prior to that closing time. 4 C.F.R. § 21.2(a)(1). Where the solicitation contains a patent ambiguity, <u>i.e.</u>, an obvious, gross, or glaring error, our timeliness rules require an offeror to bring any challenge to the alleged ambiguity prior to the time set for receipt of proposals. <u>Odyssey Sys. Consulting Grp., Ltd.</u>, B-412519, B-412519.2, Mar. 11, 2016, 2016 CPD ¶ 86 at 5. Where a patent ambiguity is not challenged prior to the submission of solicitation responses, we will not consider subsequent arguments asserting the protester's own interpretation of the ambiguous provisions. <u>FFLPro, LLC</u>, B-411427.2, Sept. 22, 2015, 2015 CPD ¶ 289 at 10.

Here, AAR first raised its concerns about the alleged IFR requirements in an April 3 letter to the USTRANSCOM contracting officer. AR, Tab 70, April 3 Letter. In that letter, AAR asked the agency to reopen discussions and clarify the IFR requirements in light of AAR's interpretation of the PWS as requiring IFR-certified pilots and IFRequipped aircraft. Id. On April 14, the agency responded to these concerns by providing a cover letter and memorandum to all offerors. The cover letter stated that "IFR certification is not applicable as . . . PWS section 1.2.3 requires the contractor to operate under . . . VFR." AR, Tab 75, April 14 Letter, at 1 (internal parenthesis omitted). The memorandum similarly conveyed that the agency was not imposing a requirement for IFR equipment to the level of an IFR certification by the FAA, or a requirement for crews to be trained on such equipment. AR, Tab 74, Clarification Memo. Reading this language in the context of responding to AAR's April 3 letter, it clearly expresses the agency's position that the solicitation did not contain the IFR requirements advocated by AAR in its April 3 letter. Having provided this clarification, the agency then provided offerors with an opportunity to revise their proposals. AR, Tab 75, April 14 Letter, at 1.

As the above description indicates, the protester had notice, prior to the submission deadline for final proposal revisions, of the discrepancy between its position and the agency's position on the PWS requirements. In our view, this express notice, coupled with the lack of an explicit IFR PWS requirement, created, at best, a patent ambiguity that was apparent from the face of the solicitation. See Delaware Res. Grp. of Oklahoma, LLC, B-412617, B-412617.2, Apr. 14, 2016, 2016 CPD ¶ 118 at 9 n.4 (finding that protester's view of a solicitation requirement, which was contradicted by guidance provided by the agency, created, at best, a patent ambiguity). Such a patent ambiguity, however, should have been protested prior to the deadline for the receipt of final proposal revisions. See id. Accordingly, we dismiss this protest ground as untimely.

Price Discussions

The protester also argues that the price discussions conducted by the agency were misleading, unequal, and not meaningful. In this regard, AAR asserts that the agency advised CHI and Columbia that their prices for certain line items were too high, but failed to conduct similar discussions with the protester despite the fact that AAR was the

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highest-priced offeror. ⁹ The protester additionally asserts that because the only price discussion items it received involved a question about its IDIQ escalation rate and a question about whether AAR's per aircraft rate would stay the same if the agency ordered only one aircraft, AAR was misled into thinking that its prices were either competitive or too low. The protester contends that its high price was the primary reason the agency did not issue AAR a task order.

The regulations concerning discussions under FAR part 15, which pertain to negotiated procurements, do not, as a general rule, govern task and delivery order competitions conducted under FAR subpart 16.5. NCI Info. Sys. Inc., B-405589, Nov. 23, 2011, 2011 CPD ¶ 269 at 9. In this regard, FAR § 16.505 does not establish specific requirements for discussions in a task order competition; nonetheless, when exchanges with the agency occur in task order competitions, they must be equal, fair, and not misleading. CGI Fed. Inc., B-403570 et al., Nov. 5, 2010, 2011 CPD ¶ 32 at 9. In the context of both FAR part 15 and 16 procurements, we have also explained that equal treatment does not mean that discussions with offerors must, or should, be identical; rather, discussions must be tailored to each offeror's proposal. Unisys Corp., B-406326 et al., Apr. 18, 2012, 2012 CPD ¶ 153 at 7. In addition, unless an offeror's proposed price is so high as to be unreasonable or unacceptable, an agency is not required to inform an offeror during discussions that its proposed price is high in comparison to a competitor's proposed price, even where price is the determinative factor for award. Joint Logistics Managers, Inc., B-410465.2, B-410465.3, May 5, 2015, 2015 CPD ¶ 152 at 4.

Here, the record evidences that the agency's decision regarding which pricing elements to address during discussions stemmed from USTRANSCOM's price reasonableness assessment. To conduct this assessment, the agency employed a statistical analysis known as the Tukey method to determine outlier pricing and a fair and reasonable pricing range. See Supp. COS at 3. The Tukey method used the three offerors' pricing, as well as the independent government cost estimate (IGCE), to calculate an interquartile range by which outlier pricing could be identified. AR, Tab 120, Price Evaluation Memo., at 3. Outliers were removed and the agency then calculated thresholds for determining fair and reasonable pricing. Id. Where a price fell outside the threshold, the agency raised the matter with the offeror.

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⁹ Specifically, the agency advised Columbia that its option year escalation rates and its proposed prices for [DELETED] and for [DELETED] were "deemed high." AR, Tab 61, Columbia Evaluation Notice #3, at 1; AR, Tab 63, Columbia Evaluation Notice #5, at 1; AR, Tab 64, Evaluation Notice #6, at 1. Similarly, USTRANSCOM advised CHI that its proposed prices for [DELETED] were "deemed high." AR, Tab 59, CHI Evaluation Notice #2, at 1.

¹⁰ The agency represents that USTRANSCOM has used the Tukey method since 2014 and that it is especially useful in procurements, such as the instant one, with a small number of data points. Supp. COS at 3.

AAR challenges USTRANSCOM's use of this methodology to determine which prices to address during discussions. The protester alleges that the agency mechanically relied on this "overly convoluted" methodology, which unreasonably led to the agency conducting price discussions with CHI and Columbia, but not AAR, despite the fact that AAR was the highest-priced offeror. Second Supp. Protest at 6. AAR also argues that it was unreasonable for USTRANSCOM to tell Columbia that its [DELETED] price-which was [DELETED] percent higher than the next closest offeror--had been deemed high, but not tell AAR that its [DELETED] price--which was [DELETED] percent higher than the next closest offeror--was too high. AAR contends that there was no need for the agency to use this methodology to determine which of the prices was the highest, because there were only three offerors, and all three had incumbent experience. Id. at 7.

A price reasonableness determination is a matter of administrative discretion involving the exercise of business judgment by the contracting officer that we will question only where it is unreasonable. Comprehensive Health Servs., Inc., B-310553, Dec. 27, 2007, 2008 CPD ¶ 9 at 8. In addition, the depth of an agency's price analysis is a matter within the sound exercise of the agency's discretion, and we will not disturb such an analysis unless it lacks a reasonable basis. Redcon, Inc., B-285828, B-285828.2, Oct. 11, 2000, 2000 CPD ¶ 188 at 9.

We do not find anything unreasonable about the pricing methodology used by the agency. While the protester broadly asserts that the agency's statistical analysis was unnecessarily complex, the protester has failed to substantively demonstrate any real flaw in the agency's methodology or otherwise establish why the agency did not have the discretion to conduct an in-depth pricing analysis. We also do not agree that the use of a statistical analysis comparison was generally unreasonable or inappropriate in light of the competition being conducted. The solicitation here informed offerors that the agency would conduct a price analysis using one or more of the techniques set forth in FAR § 15.404-1(b). RFP at 109. FAR § 15.404-1(b) includes a variety of price analysis techniques, including comparisons to the pricing provided by other offerors, comparisons to historical pricing, and comparisons to the IGCE. Here, the agency's statistical analysis used a comparison of the prices proposed by the offerors as well as the IGCE, which was itself based on historical pricing, to determine which prices fell

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¹¹ For instance, the protester has not demonstrated, or even asserted, that the statistical yardsticks calculated by the agency (<u>e.g.</u>, the standard deviation or the coefficient of variation) were unreasonable.

¹² Additionally, FAR § 15.404-1(a)(4) permits the contracting officer to request the advice and assistance of experts, such as the price analysis team used by the agency here, to ensure that an appropriate analysis is performed.

outside the upper and lower thresholds. This methodology was entirely consistent with the solicitation's evaluation criteria and with FAR § 15.404-1(b). 13

Nor do we find that the application of this methodology led to unreasonable results. In this regard, we note that, at the time of discussions, AAR's total evaluated task order price (1) was within three percent of the average of the three offerors' total prices and the IGCE, (2) was only three percent higher than the price of the next highest offeror, and (3) was below the IGCE. AR, Tab 120, Price Evaluation Memo. at 8. And, while the protester is correct that AAR's [DELETED] price was at least [DELETED] percent higher than the next highest offeror, we note that AAR's [DELETED] price was still below the IGCE. See id. at 7. In contrast, while Columbia's [DELETED] price was only [DELETED] percent higher than the next highest offeror, Columbia's price was above the IGCE. Id. 14

We therefore conclude that the agency's identification of above-the-threshold task order pricing was reasonable. Similarly, we find the agency's subsequent discussion of that pricing to be reasonable. Moreover, we conclude that the agency, having discussed such outside-the-threshold pricing with CHI and Columbia, was not under any obligation to discuss AAR's pricing with the protester, since AAR's pricing fell within the agency's calculated threshold. See Unisys Corp., supra (discussions need not be identical among offerors; rather, discussions need only be tailored to each offeror's proposal); Joint Logistics Managers, Inc., supra (unless an offeror's proposed price is so high as to be unreasonable or unacceptable, an agency is not required to inform an offeror during discussions that its proposed price is high in comparison to a competitor's proposed price).

Past Performance

The protester argues that the agency failed to conduct a qualitative evaluation of past performance, and instead "relied on an improper, and inflated, quantitative tally" of offerors' contractor performance assessment report (CPAR) and past performance questionnaire (PPQ) ratings to assign CHI and Columbia substantial confidence assessment ratings, while only assigning AAR a satisfactory confidence assessment rating. Second Supp. Protest at 10. AAR asserts that the agency ignored the disparity between its past performance, which involved recent and very relevant incumbent

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¹³ The protester also asserts that the agency's "myopic focus" on individual line item pricing was improper. Second Supp. Protest at 4. We do not agree. In this regard, we note that the solicitation advised offerors that the agency would evaluate all proposed rates and prices found in the RFP's pricing table. RFP at 105.

¹⁴ AAR asserts that comparing prices to the IGCE "skewed the statistical analysis." Second Supp. Protest at 7 n.4. The protester, however, has not provided any concrete basis for us to conclude that the IGCE, which was based on historical information, distorted the price evaluation or was otherwise unreliable.

experience, and CHI and Columbia's past performance, which generally involved less relevant and less recent experience.

An agency's evaluation of past performance, including its consideration of the relevance, scope, and significance of an offeror's performance history, is a matter of agency discretion that we will not disturb unless the agency's assessments are unreasonable, inconsistent with the solicitation criteria, or undocumented. <u>SIMMEC Training Solutions</u>, B-406819, Aug. 20, 2012, 2012 CPD ¶ 238 at 4. The evaluation of past performance, by its very nature, is subjective, and we will not substitute our judgment for reasonably based evaluation ratings. <u>American Envtl. Servs., Inc.</u>, B-406952.2, B-406952.3, Oct. 11, 2012, 2013 CPD ¶ 90 at 5.

Based on our review of the record, we conclude that USTRANSCOM reasonably evaluated past performance, giving due consideration to the recency, relevance, and quality of each offeror's past performance efforts. In this regard, in accordance with the solicitation's evaluation criteria, the agency assessed the relevance of past performance efforts for each offeror by evaluating the size, scope, magnitude, and complexity of such efforts. See AR, Tab 43, CHI Past Performance Evaluation Narrative; AR, Tab 44, Columbia Past Performance Evaluation Narrative; AR, Tab 66, AAR Past Performance Evaluation Narrative. Where efforts, such as AAR's involvement on two predecessor contracts, involved essentially the same scope, magnitude of effort, and complexity as the instant requirement, the agency assigned the effort a very relevant rating. See AR, Tab 66, AAR Past Performance Evaluation Narrative, at 2-3.

Similarly, where efforts, such as CHI's experience on a United States Forest Service firefighting contract, involved some of the scope, magnitude, and complexity of the solicited requirement, the agency assigned it a somewhat relevant rating. AR, Tab 43, CHI Past Performance Evaluation Narrative, at 3. USTRANSCOM's past performance

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¹⁵ With regard to recency, the protester asserts that the agency should have considered more recent past performance more favorably than less recent past performance. We do not agree. The solicitation stated that the agency would "begin its evaluation by first determining the recency and relevancy of each past performance effort being evaluated. To be considered a recent effort, the effort must be currently on-going or have been completed within 3 years of proposal submission." RFP at 104. Here, the agency evaluated each past performance effort to ensure that it was either ongoing or had been completed within the past three years. <u>See</u> AR, Tab 43, CHI Past Performance Evaluation Narrative; AR, Tab 66, AAR Past Performance Evaluation Narrative. Nothing in the solicitation's evaluation criteria required the agency to make further qualitative distinctions between more recent and less recent efforts beyond the 3-year cutoff described above. We note that, in contrast, with respect to relevance, the solicitation defined varying relevance subratings and expressly stated that more relevant past performance would be evaluated more favorably than less relevant past performance. RFP at 104-105.

evaluation team then created a table for each effort that compiled total contract value, recency, relevance, the rationale for the relevance rating, and various PPQ and CPAR ratings received for that effort. See, e.g., AR, Tab 66, AAR Past Performance Evaluation Narrative. The remainder of the narrative similarly analyzed both the quality and the relevance of the offeror's past performance efforts. See id. Ultimately, USTRANSCOM used this integrated analysis to determine an overall confidence assessment rating for each offeror. See id. at 11.¹⁶

We find the agency's integrated assessment to be reasonable and do not agree with the protester's contention that the agency simply tallied CPARS and PPQ ratings and largely ignored the relevance of each past performance effort. While the agency did create a matrix of the CPARS and PPQ ratings, this matrix, which also listed the relevance of each effort, was simply a worksheet that was one part of the overall integrated assessment. See AR, Tab 38, AAR Past Performance Worksheet; AR, Tab 39, CHI Past Performance Worksheet; AR, Tab 42, Columbia Past Performance Worksheet; AR, Tab 45, Past Performance Crosswalk. Looking at the entirety of the agency's analysis, it is clear that USTRANSCOM considered both quality and relevance in determining each offeror's overall confidence assessment rating.

The ratings assigned to each proposal evidence the agency's reasonable consideration of both the quality and relevance of past performance efforts. In this regard, while AAR argues that the agency should have assigned its proposal a higher rating based on its performance on two very relevant predecessor contracts, the quality scores AAR received on these efforts fully support the agency's satisfactory confidence rating. On these two efforts, AAR received a total of 49 different PPQ or CPARS ratings, representing assessments of different categories under these contracts. AR, Tab 45, Past Performance Crosswalk. 17 A substantial majority of these ratings (37) were satisfactory, with AAR also receiving one exceptional and eight very good ratings. Id. These 49 ratings also included three marginal ratings. 18 The marginal ratings reflected serious concerns such as a perceived (1) lack of management communication between AAR's corporate office and its personnel in Afghanistan, (2) failure by AAR to quickly respond to the changing environment in Afghanistan, and (3) difficulty encountered by AAR in "right sizing" its operation. AR, Tab 66, AAR Past Performance Evaluation Narrative, at 3-4. In addition to these marginal ratings, AAR received three contract discrepancy reports (CDRs), on these same contracts, based on incidents that the

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¹⁶ The Source Selection Evaluation Board (SSEB) and Source Selection Authority, in turn, adopted these ratings in their reports. <u>See</u> AR, Tab 87, Task Order SSEB Report; AR, Tab 92, Task Order SSDD.

¹⁷ Unless otherwise noted, this decision does not include ratings that were marked unknown or not applicable in any ratings total.

¹⁸ In addition, AAR received three marginal ratings on its other past performance efforts. AR, Tab 66, AAR Past Performance Evaluation Narrative, at 3-4.

contracting officer representative noted [DELETED] <u>Id.</u> at 3.¹⁹ Despite the concerns reflected by this record, the agency ultimately concluded that AAR's past performance warranted a satisfactory, rather than a limited, confidence rating because these concerns had largely been resolved. <u>Id.</u> at 11; AR, Tab 87, Task Order SSEB Report, at 10. We find this determination to be reasonable and well-supported by the evaluation record.

In contrast to the mostly satisfactory ratings received by AAR, CHI and Columbia received above average ratings on their very relevant efforts. CHI, for instance, received 20 reviews for its performance under a predecessor contract, of which 19 were rated exceptional and only one was rated satisfactory. AR, Tab 45, Past Performance Crosswalk. Columbia similarly performed highly on a predecessor contract, receiving 23 exceptional and three very good scores out of a total of 28. Id. Neither Columbia nor CHI received any marginal scores on any of their evaluated contracts. Id. On the basis of this record, we find nothing unreasonable about USTRANSCOM's assignment of substantial confidence ratings to CHI and Columbia's past performance. While both offerors generally had less relevant experience than AAR, both offerors greatly exceeded AAR in the quality of their performance on the predecessor effort.

The protest is dismissed in part and denied in part.

Susan A. Poling General Counsel

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General Counsel

¹⁹ AAR's proposal additionally included information on three separate accidents or incidents that AAR had been required to report to the FAA, including one incident, [DELETED]. <u>See</u> AR, Tab 66, AAR Past Performance Evaluation Narrative, at 10.

²⁰ CHI also received above average ratings on three somewhat relevant contracts, with 41 out of 44 of these ratings being assessed as either exceptional or very good. Columbia similarly received exceptional or very good ratings on 41 out of 42 ratings received on three somewhat relevant contracts. While the protester challenges the relevance of these six projects, the record demonstrates that these efforts had at least some of the scope, magnitude, and complexity of the solicited effort. See AR, Tab 43, CHI Past Performance Evaluation Narrative, at 3-5; AR, Tab 44, Columbia Past Performance Evaluation Narrative, at 3-5. We therefore do not find USTRANSCOM's assessment of these contracts as somewhat relevant to be unreasonable. See RFP at 104 (defining a somewhat relevant rating as "[p]resent/past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.").

²¹ Columbia's proposal disclosed a safety incident that required FAA notification. <u>See</u> AR, Tab 105, Columbia Past Performance Proposal, at 6. In light of Columbia's exceptional performance history, however, we do not agree with the protester's contention that this incident warranted the downgrading of Columbia's confidence assessment rating.