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**Comptroller General  
of the United States**

Washington, D.C. 20548

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# Decision

**Matter of:** Quality Elevator Company, Inc.

**File:** B-276750

**Date:** July 23, 1997

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William H. Carroll, Esq., and George W. Ash, Esq., Dykema Gossett, for the protester.

James A. Hughes, Esq., Patton Boggs, L.L.P., for Maryland Elevator Services, Inc., an intervenor.

Terrence J. Tychan and Michael Colvin, Department of Health and Human Services, for the agency.

Tania L. Calhoun, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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## DIGEST

1. Protest that contracting agency's evaluation of proposals was unreasonable because it was inadequately documented is denied; even though the contemporaneous record contained nothing more than the maximum point scores assigned to both offerors' proposals, the post-protest narrative explanations provided by the agency provide sufficient detail to judge the reasonableness of the evaluation, considering the similarity between the two proposals.
2. In the award of a firm, fixed-price contract, agency's price realism evaluation which compared the awardee's proposed price to that of the other offeror, the current contract pricing, and the government estimate is unobjectionable; that the award price was 14 percent below the government estimate does not show that the awardee's price was unreasonably low or that the price realism evaluation was inadequate.

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## DECISION

Quality Elevator Company, Inc. protests the award of a contract to Maryland Elevator Services, Inc. under request for proposals (RFP) No. RFP-36-96-HHS-OS, issued by the Department of Health and Human Services (HHS) for elevator maintenance and repair services at the agency's Hubert H. Humphrey Building in Washington, D.C. Quality argues that the agency's evaluation of proposals was unreasonable.

We deny the protest.

The solicitation, issued January 27, 1997, anticipated the award of a fixed-price contract for the maintenance and repair of all elevator equipment and systems in the Humphrey Building for 1 base year, with up to 4 option years. The Building is 7 stories high, with an additional penthouse and mechanical floors, and is served by 16 elevators, all of which were manufactured by the U.S. Elevator Company. Quality is the incumbent contractor.

Award would be made to the offeror whose proposal was most advantageous to the government, considering technical and price factors. Technical factors would be more important than price, but proposals had to be fair and reasonably priced to be selected for award. The technical aspect of the evaluation would consider written proposals and oral presentations, both of which would be pointscored, with a total maximum possible score of 100 points. Business proposals would not be scored but would be evaluated to assess the realism of the proposed price.

Written technical proposals would be evaluated under two factors: understanding of the scope of work (5 points) and qualifications of the offeror (40 points). This latter factor was broken down into three subfactors: qualifications and experience of the firm's management staff (20 points); qualifications and experience of key mechanical personnel to be assigned to the contract (10 points); and past performance (10 points). Oral presentations would be evaluated under one factor, operating plan and quality control plan (55 points), which was broken down into numerous subfactors.

HHS received two proposals by the March 6 closing date, and the agency's three-member evaluation team evaluated both the written technical proposals and the oral presentations. Their individual rating sheets show that each team member assigned each proposal 100 points--the maximum points available under each factor and subfactor<sup>1</sup>--but made no substantive narrative comments pertaining to strengths, weaknesses, or distinctions between the two offers. The evaluation team's recommendation that award be made to Maryland, whose proposed price of \$825,120 was lower than Quality's price of \$1,002,420, was equally bereft of narrative comment. The contract specialist concurred with this recommendation, stating that "[t]echnical considerations were of more importance than cost, and both firms had been ranked equal technically and it had been determined by the

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<sup>1</sup>While one of the three evaluators of Maryland's oral presentation assigned it slightly less than the maximum score, the subsequent contemporaneous documentation and post-protest agency filings show that HHS considered both proposals to have merited the maximum score. The overriding concern in these matters is not whether the final ratings are consistent with earlier, individual ratings, but whether they accurately reflect the relative merits of the proposals. See Household Data Servs., Inc., B-259238.2, Apr. 26, 1995, 95-1 CPD ¶ 281 at 4 n.2.

contracting office that Maryland's price was more competitive." Award was made to Maryland on April 8. Quality filed this protest after its debriefing.

Quality primarily argues that the agency's failure to document its evaluation of proposals renders that evaluation unreasonable. Quality asserts that differences between the two proposals merited, at a minimum, an explanation for the identical ratings.

While judgments concerning the evaluation of proposals are by their nature subjective, they must be reasonable; such judgments must bear a rational relationship to the announced criteria upon which proposals were to be evaluated. Management Technology, Inc., B-257269.2, Nov. 8, 1994, 95-1 CPD ¶ 248 at 6-7. Implicit in the foregoing is that the rationale for these judgments must be documented in sufficient detail to show that they are not arbitrary and that there was a reasonable basis for the selection decision. Id. Federal Acquisition Regulation (FAR) § 15.608(a)(3) requires documentation to support the evaluation of proposals, including the basis for evaluation and an analysis of the technically acceptable and unacceptable proposals, an assessment of each offeror's ability to accomplish the technical requirement, and a summary of findings. FAR § 15.612(d)(2) requires supporting documentation for the source selection decision, stating the basis and reasons for the decision and showing the relative differences among proposals and their strengths, weaknesses, and risks in terms of the evaluation criteria. Numerical point scores, while useful as guides to decision-making, do not of themselves supply the basis and reason for the award decision. U.S. Defense Sys., Inc., B-245563, Jan. 17, 1992, 92-1 CPD ¶ 89 at 3; S&M Property Management, B-243051, June 28, 1991, 91-1 CPD ¶ 615 at 4. Where there is inadequate supporting documentation for an award decision, we cannot conclude that the agency had a reasonable basis for the decision. Hattal & Assocs., 70 Comp. Gen. 632, 637 (1991), 91-2 CPD ¶ 90 at 7.

The contract specialist states that she "does not dispute the fact that the agency failed to comply with FAR § 15.608." She asserts, however, that the proposals were properly evaluated, and HHS has provided post-protest narrative explanations as to why the proposals were considered to be technically equal, including rebuttals of the distinctions that Quality alleges exist between the two proposals. Where explanations in agency reports justifying a source selection provide sufficient detail by which the rationality of the agency's evaluation decision can be judged, it is possible to conclude that the agency had a reasonable basis for the decision.

Management Technology, Inc., *supra*; Champion-Alliance, Inc., B-249504, Dec. 1, 1992, 92-2 CPD ¶ 386 at 6-7; Hydraudyne Sys. and Eng'g B.V., B-241236; B-241236.2, Jan. 30, 1991, 91-1 CPD ¶ 88 at 4-5. In our view, the record here contains sufficient information to show that the evaluation was reasonable.<sup>2</sup>

Quality's protest focuses on the evaluation of written technical proposals under the qualifications factor. Quality asserts that its proposed management and mechanical personnel have significantly more experience working with elevators manufactured by U.S. Elevator than do Maryland's and, therefore, should have received higher ratings than Maryland under each qualifications subfactor.

The first subfactor, qualifications and experience of the firm's management staff, required each offeror to:

"[a]ddress corporate experience in its ability to provide elevator maintenance and repairs required to be performed in a large office buildings similar in size to the Humphrey Building. There are 13 passenger and 3 freight elevators within the building. Firm must demonstrate at least five years experience in elevator maintenance and repair in a like environment. Provide information on individual management officials and capabilities in assuring compliance with all elements on this solicitation. . . . Include at least one corporate official, a Project Manager, and any other on-site supervisor. Define corporate ability generally in elevator maintenance and repairs."

HHS disputes Quality's contention that specific experience with elevators manufactured by U.S. Elevator was to be a discriminator here. The agency contends that the "like environment" described in this provision refers to the size of the building and the number of elevators to be serviced.<sup>3</sup> We agree.

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<sup>2</sup>Quality also argues that proposals were improperly evaluated under the assumption that award was to be made to the lowest-priced, technically acceptable proposal, and not to the proposal offering the best value to the government. This allegation is understandable, given various fragments of unrelated language contained in the agency report in combination with the paucity of contemporaneous narrative. However, as discussed below, our review of the record shows that the agency properly turned to price as a determinative factor after concluding that both proposals had equivalent technical merit. See Ogilvy, Adams & Rinehart, B-246172.2, Apr. 1, 1992, 92-1 CPD ¶ 332 at 5.

<sup>3</sup>Quality does not dispute that the two proposals are relatively equal with respect to corporate or individual experience in buildings similar in size and number of elevators to the Humphrey Building.

Where a dispute exists as to the actual meaning of a solicitation requirement, we will resolve the dispute by reading the solicitation as a whole and in a manner that gives effect to all provisions of the solicitation. Insituform East, Inc., B-272399, Oct. 3, 1996, 96-2 CPD ¶ 134 at 2. This provision requires offerors to discuss their corporate experience with buildings "similar in size" to the Humphrey Building and lists the number--but not the type--of elevators within the Building; these statements are immediately followed by a request that firms demonstrate their experience in a "like environment." Hence, the term "like environment" plainly refers to the immediately preceding description of the size of the building and the number of its elevators. That experience with U.S. Elevator-manufactured elevators is not a discriminator here is underscored by the absence of any reference to such experience here, and the presence of this specific requirement in the second subfactor, discussed below. While Quality evidently disagrees, HHS was not bound to give preference to a firm with a type of experience not required under the solicitation.<sup>4</sup>

HHS states that it gave the full point value to both proposals here because all of the management personnel proposed, by both offerors, were certified elevator mechanics with numerous years of experience in the elevator trade. Since Quality does not specifically address the general experience of these individuals, and since our review of the proposals shows virtually no distinction between the two proposals in this regard, we find the evaluation to be reasonable.

The second subfactor, qualifications and experience of key mechanical personnel, required offerors to "demonstrate experience including specific experience on US Elevator systems and the operations of these specific type elevators."

While HHS agrees with Quality that specific experience with U.S. Elevator-manufactured elevators was to be considered here, the agency notes that it was not the sole consideration. Quality's view to the contrary notwithstanding, we agree with the agency, given the provision's specific requirement to demonstrate experience "including" that with elevators manufactured by U.S. Elevator.

HHS states that both proposals were given full point value here because the mechanic and back-up mechanics proposed by both firms were all certified elevator mechanics and each mechanic had specific experience with U.S. Elevator-manufactured elevators.

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<sup>4</sup>Quality's similar argument that the past performance factor required experience with U.S. Elevator-manufactured elevators fails for similar reasons--the solicitation did not include such a requirement. As for the protester's argument that HHS improperly failed to give it full credit for its past performance, the record shows that it received the maximum score.

The record shows that Maryland's proposed mechanic once worked for U.S. Elevator installing and adjusting elevators and is currently responsible for servicing a building containing at least one U.S. Elevator-manufactured elevator. One of Maryland's two back-up mechanics is currently responsible for servicing a building containing at least one U.S. Elevator-manufactured elevator, and the other back-up mechanic has maintained U.S. Elevator equipment in the past. The resumes of all three men show that each has extensive additional elevator maintenance experience. The record further shows that Quality's proposed mechanic once worked for U.S. Elevator installing and adjusting elevators, attended U.S. Elevator training school, and is the current mechanic for this contract. None of the resumes of Quality's three "first echelon" field engineers proposed as back-up mechanics makes reference to U.S. Elevator experience. Like the mechanics proposed by Maryland, the resumes of all of these individuals show that each has extensive additional elevator maintenance experience.

While Quality appears to argue that the fact its proposed mechanic has been maintaining the U.S. Elevator-manufactured elevators at issue here dictates a higher rating, the agency has reviewed the totality of experience presented in these proposals, in accordance with the solicitation, and concluded otherwise. In the absence of any specific argument concerning the overall experience of these mechanics, Quality's disagreement with this conclusion does not render the evaluation unreasonable.<sup>5</sup>

With respect to the evaluation of oral presentations, Quality simply argues that its operating plan and quality control plan, the subjects of the oral presentation, were longer and more detailed than Maryland's and, as a result, deserved a higher rating. Our review of these plans, which, pursuant to the solicitation, are contained in the written technical proposals and as an extensive outline appended to these proposals, shows no substantive distinctions between the two. Accordingly, and in the absence of any specific objection to the evaluation, we have no basis to dispute the agency's claim that both presentations were judged to be superior because both described their plans in detail and "it was obvious that both offerors had long

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<sup>5</sup>Quality also asserts that one evaluator's view was "tainted" by his discovery, during the course of the procurement, that Quality's mechanic would remain on the job if the contract were awarded to another firm. Since the evaluator states that he did not evaluate Maryland's proposal based upon its hiring of the incumbent mechanic, but on the basis of the personnel it proposed, and since the record discloses no substantive distinction between the two proposals in this respect, we do not share Quality's view that the evaluation was "tainted."

experience in the field and were prepared to handle both routine maintenance and correction of deficiencies with a high degree of efficiency."<sup>6</sup>

Quality finally argues that HHS conducted an unduly cursory price realism analysis of Maryland's proposal. The protester asserts that Maryland's price, 14 percent below the government estimate, was unreasonably low.

The depth of an agency's price realism analysis is a matter within the sound exercise of the agency's discretion. Cardinal Scientific, Inc., B-270309, Feb. 12, 1996, 96-1 CPD ¶ 70 at 4. The FAR provides a number of price analysis techniques that may be used to determine whether prices are reasonable and realistic, including a comparison of the prices received with each other and comparison of proposed prices with an independent government estimate. FAR § 15.805-2. HHS compared Maryland's pricing with Quality's proposed pricing, with the current pricing, and with the government estimate. The agency found that Maryland's proposal showed that it would conform with the current wage determination, and that, though slightly below current pricing, the amounts proposed would be adequate to cover the required items (like stocking of additional parts) in addition to labor. Given the agency's utilization of the techniques provided under the FAR, we have no basis to challenge its conclusion; the mere fact that Maryland's total price was 14 percent below the government estimate is not a basis for finding the price realism evaluation inadequate. EC Corp., B-266165.2, Feb. 20, 1996, 96-1 CPD ¶ 153 at 4 n.2, citing Birch & Davis Assocs., Inc.--Protest and Request for Recon., B-246120.3, B-246120.4, Apr. 20, 1992, 92-1 CPD ¶ 372 at 6-7 (price realism evaluation adequate even though award price was 24 percent below government estimate).

In conclusion, while HHS failed to adequately document its evaluation, the post-protest explanations were adequate under the circumstances of this procurement. The record indicates that relatively little documentation was required because the proposals were very similar and the agency, therefore, reasonably found the proposals technically equal. Champion-Alliance, Inc., supra, at 7. In view of the undisputed indications in the record that the proposals were essentially the same, and in the absence of any specific evidence to the contrary, we find that HHS had a

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<sup>6</sup>Quality also complains that the oral presentations of the two offerors were not evaluated by the same three evaluators, allowing for "inconsistency." The agency explains that the change in evaluators was due to scheduling conflicts that arose after the date for Quality's oral presentation--originally scheduled for the same date as Maryland's--was extended at Quality's request. In the absence of any substantive argument to show that the evaluators' conclusions were unreasonable or inconsistent with the solicitation, we have no basis to object to the agency's use of different evaluators under these circumstances. See Innovative Logistics Techniques, Inc., B-275786.2, Apr. 2, 1997, 97-1 CPD ¶ 144 at 9.

reasonable basis for its conclusions. Id. Since price can become the determining factor between proposals that have been evaluated as technically equal in a "best value" award decision, Ogilvy, Adams & Rinehart, supra, we have no basis to challenge the agency's award decision.

The protest is denied.

Comptroller General  
of the United States