

Jordan 147611



Comptroller General  
of the United States  
Washington, D.C. 20548

## Decision

**Matter of:** Industrial Data Link Corporation  
**File:** B-248477.2  
**Date:** September 14, 1992

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interested party.  
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the General Counsel, GAO, participated in the preparation of  
the decision.

### DIGEST

Where request for proposals to expand and upgrade hardware and software for existing training system required offerors to provide detailed technical proposals describing their approach to meeting the agency's requirements and stated that those proposals would be evaluated under various specific technical evaluation criteria, offerors were on notice that qualitative distinctions would be made among the proposals in the evaluation of offers. Agency properly awarded contract to offeror proposing superior technical approach which in some respects exceeded the minimum solicitation requirements, where the agency reasonably concluded that the technical superiority outweighed a minimal price premium.

### DECISION

Industrial Data Link Corporation (IDL) protests the award of a contract to Applied Data Technology, Inc. (ADT) under request for proposals (RFP) No. N00421-91-R-0109, issued by the Department of the Navy, for an expansion and upgrade to the Tactical Aircrew Combat Training System (TACTS) at the Marine Corps Air Station, Beaufort, South Carolina. IDL contends that the agency did not evaluate the proposals in accordance with the stated evaluation criteria.

We deny the protest.

The TACTS is an electronic tracking system which provides aircrew training in the aspects of air warfare. It is comprised of four subsystems: airborne instrumentation; tracking instrumentation; control and computation; and display and debriefing. Through radio transmissions among aircraft and ground systems, information is gathered and converted to a three-dimensional projection for use by the range training officer in controlling and directing training exercises. The RFP objective is to install and/or modify equipment and software, as required, to upgrade the existing Beaufort TACTS range to include the Pinecastle Electronic Warfare Range in Florida. Accomplishing this objective involves construction of a master station, remote-at-master, and associated remote interrogator stations (RIS) at Pinecastle and linking them to the existing control and computation subsystem at Beaufort.

The RFP contained a detailed statement of work (SOW) and more than 50 pages of performance specifications covering the software and hardware aspects of the system. Offerors were required to submit proposals including a detailed technical approach to achieve the agency's requirements. The RFP instructions advised offerors to address eight specific areas including installation and integration of the tracking subsystem, quality assurance, design approaches, equipment interfaces, and software modifications. Offerors also were required to include their proposed solutions to a potential problem of time delay in data transmissions between Beaufort and Pinecastle. A separate price proposal for base and optional items was required.

The RFP provided for evaluation of proposals in four areas--technical approach; management approach; corporate experience; and facilities--with each factor given an adjectival rating.<sup>1</sup> Technical approach was significantly more important than management approach or corporate experience, which were considered of equal importance. Specifically, each offeror was to be evaluated on the "extent to which its technical approach ensures the timely accomplishment of program goals, and supports the needs, programs, and objectives defined" in the SOW and specifications. Of particular importance was how well each offeror identified problem areas in the requirements and proposed solutions. The RFP stated that technical factors were significantly more important than price. Award was to be made to the responsible offeror proposing the "greatest value to the government, price and other factors considered."

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<sup>1</sup>These ratings were "unacceptable," "average," "good," and "excellent."

ADT and IDL were the only offerors to submit proposals by the October 15, 1991, closing date. Both proposals were evaluated as unacceptable, but capable of being made acceptable with minor revisions. As a result of written discussions in December, the evaluators rated IDL's proposal as technically acceptable. IDL received average ratings in all four technical areas, for an overall rating of "average." Because ADT's proposal still required minor revisions to be considered acceptable, ADT was asked additional questions in the request for best and final offers (BAFO) issued in March 1992.<sup>2</sup> ADT's BAFO was evaluated as technically acceptable. ADT's proposal received a rating of "good" in the technical approach factor, and average in the other three factors, and overall was rated as "good." ADT's combined price for the base requirement and options was \$4,589,769.48, less than \$70,000 higher than IDL's combined price of \$4,520,450.<sup>3</sup>

In making its award decision, the agency considered the superiority of ADT's technical approach as evidenced by ADT's improvements to the RISS; solution to the delay problem; and application of a more rigorous standard in software management. The agency concluded that these and other aspects of ADT's proposal made it worth the relatively small \$70,000 price premium involved. ADT was awarded the contract on April 17. After receiving a debriefing, IDL filed this protest with our Office.

IDL argues that the agency failed to follow its stated evaluation scheme by awarding extra credit to ADT for proposing "additional items above and beyond" those required by the specifications. In this regard, IDL identifies RFP provisions which it contends establish that the agency would evaluate proposals only on the basis of meeting minimum technical specifications. For example, the RFP stated that technical proposals were to "concisely describe the offeror's response to the requirements of the solicitation." [Emphasis added.] Further, the offerors were to provide a "detailed plan that coherently describes the technical approach used to achieve the requirements of the [SOW] and specification." [Emphasis added.] Evaluation was to be based upon "how well the offeror's proposal met the evaluation standards and solicitation requirements." [Emphasis added.]

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<sup>2</sup>The agency did not ask additional questions of IDL.

<sup>3</sup>IDL's base price is more than \$100,000 higher than ADT's base price.

Evaluation and award in negotiated procurements are required to be made in accordance with the terms of the RFP, Environmental Techs. Group, Inc., B-235623, Aug. 31, 1989, 89-2 CPD ¶ 202. In reviewing protests against allegedly improper evaluations, we examine the record to determine whether the agency's judgment was reasonable and in accord with the evaluation criteria listed in the solicitation, Abt Assocs. Inc., B-237060.2, Feb. 26, 1990, 90-1 CPD ¶ 223.

IDL argues that the evaluators could not do more than determine whether each proposal met the mandatory requirements; they could not give one vendor a higher score for exceeding those requirements. IDL is incorrect. While that approach is typical where the contract is to be awarded essentially on the basis of low price to the offeror meeting minimum specification requirements, the agency did not limit itself to performing that type of evaluation. See National Test Pilot School, B-237503, Feb. 27, 1990, 90-1 CPD ¶ 238; Cybernated Automation Corp., B-242511.3, Sept. 26, 1991, 91-2 CPD ¶ 293. Where, as here, detailed technical proposals are sought and technical evaluation criteria are used to enable the agency to make comparative judgments about the relative merits of competing proposals, offerors are on notice that qualitative distinctions among the technical proposals will be made under the various evaluation factors. Hydraudyne Sys. and Eng'g B.V., B-241236; B-241236.2, Jan. 30, 1991, 91-1 CPD ¶ 88; Mutual of Omaha Ins. Co., B-203338.2, Sept. 24, 1982, 82-2 CPD ¶ 268.

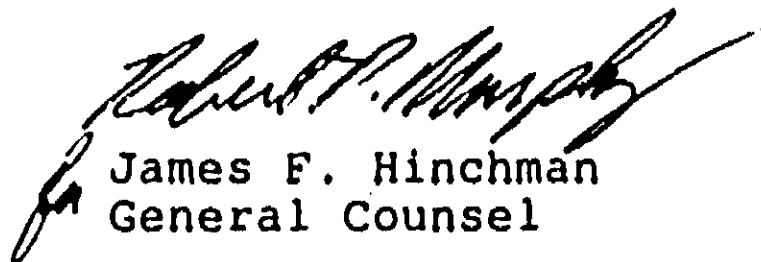
The above-quoted RFP excerpts did not restrict the agency to making an award based only upon low price and technical acceptability. Even the provisions on which IDL relies, as well as others in the RFP, require offerors to provide detailed technical approaches to hardware and software modifications, interfaces of electronic equipment, and connection and coordination of a complicated training system. Offerors also were advised that their proposals would be evaluated for the extent to which their technical approaches ensured the accomplishment of "program goals and supports the needs, programs, and objectives defined" in, and "how well" their proposals met the requirements of the SOW and specifications. Further, the RFP clearly made technical factors more important than price. Thus, offerors should have been on notice that selection was to be based on more than merely a determination of which was the low priced, technically acceptable offer, and that offerors proposing better approaches and solutions than others would be awarded appropriate evaluation credit.

It is clear from this record that the agency reasonably viewed ADT's proposal as representing a technically superior approach. For example, the agency found ADT's amplifier and

preamplifier modifications to its RISs increased tracking range and coverage, as well as improved the units' sensitivity and reliability over the baseline requirement. The agency also found that ADT's proposal to have its software configuration effort comply with a more stringent standard than required by the RFP would result in more traceability to requirements and a more structured environment for developing code. Likewise, ADT's proposed solution for the delay problem was viewed as superior and of low risk. Accordingly, we find that the evaluation was both reasonable and consistent with the evaluation criteria.

In a negotiated procurement, award may be made to a higher rated, higher cost offeror where the decision is consistent with the RFP's evaluation factors and the agency reasonably determines that the technical superiority of the higher cost offer outweighs the price difference. Instrument Control Serv., Inc., B-247286, Apr. 30, 1992, 92-1 CPD ¶ 407. Here, technical considerations were significantly more important than price, and technical approach was the most important of the technical evaluation factors. Thus, based on the superior features of ADT's approach, the agency reasonably determined that ADT's proposal offered the greatest value to the government.

The protest is denied.

  
James F. Hinchman  
General Counsel