



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

Decision

Matter of: Intown Properties, Inc.

File: B-250232

Date: January 14, 1993

Melton Harrell for the protester.
Mitchell B. Polay, Esq., for The Urban Group, Inc., an interested party.
W. Graham Moses, Esq., Department of Housing & Urban Development, for the agency.
Robert C. Arsenoff, Esq., and John Brosnan, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Agency properly eliminated protester's proposal from the competitive range for informational deficiencies relating to plans to establish a contracting office, the experience and qualifications of the protester's proposed staff and the training of that staff, where record shows that these requirements were set forth in the solicitation and reiterated during discussions and that the protester failed to provide the information requested.
2. Award did not have to be made to the protester on the basis of its low price where protester's proposal was properly eliminated from competitive range on the basis of technical deficiencies.

DECISION

Intown Properties, Inc. protests the award of a contract to The Urban Group, Inc. under request for proposals (RFP) No. 13-92-069, issued by the Department of Housing & Urban Development (HUD), for real estate asset management (REAM) services involving agency-owned properties in Orange, Ocoola and Seminole counties, Florida. The protester essentially argues that its technical proposal was not properly evaluated.

We deny the protest.

The RFP was issued on April 30, 1992, contemplating a fixed-price contract for managing HUD-owned real estate in three Florida counties for a period of 1 year with two 1-year options. Award was to be made to the offeror whose

proposal was most advantageous to the government based on an assessment of six technical evaluation factors and fixed prices which were to be submitted on a per unit basis (i.e., a single price for each assigned property for each of the years of the contract). The technical factors, which were more important than price, were to be graded on a 115-point scale as follows:

- "1. Demonstrated experience in the management of single family properties similar to and in the general area as those covered by this solicitation. (25 points).
- "2. Demonstrated experience in developing listings of needed repairs, and developing adequate specifications such as required by HUD's MPS and estimating the cost of repairs, overseeing repair work, inspecting for satisfactory work completion. (15 points).
- "3. Demonstrated experience and management plan for establishing and maintaining an adequate procurement and subcontract system. (15 points).
- "4. Demonstrated experience in managing a rental program, including establishing fair market rentals and collections from present and former tenants, for single family properties. (10 points).
- "5. Understanding of HUD objectives and the required tasks as specified in the solicitation. (25 points).
- "6. Evidence of adequately staffed, trained, and equipped office (or the ability to establish such) reasonably located so as to provide convenient service to HUD and its clients in the area to be served, and to carry out all duties specified in the solicitation. (25 points)."

Thirteen initial proposals were received and evaluated. Intown's proposal was ranked seventh technically with a score of 76. The scoring range of all proposals varied from a low of 43 to a high of 107. The three lowest ranked proposals were eliminated from further consideration. Of the remaining ten proposals, the prices ranged from a low of \$1,560 per property to a high of \$3,630 per property; Intown's price of \$2,367 per property placed it seventh among the group of remaining offerors.

Among other things, during discussions Intown was informed that its proposal was very general--providing few specifics

tailored to the geographic area covered by the RFP and to the requirements of the Statement of Work (SOW) contained in the RFP. More specifically, the evaluators concluded that Intown had not provided a firm proposal to establish a local REAM office and, thus, the agency requested details regarding its plans in this regard. The company was also requested to provide details concerning its proposed staff, including a description of their experience and qualifications and a description of their specific duties and responsibilities under the contract. The firm was further asked to augment its proposal by including a training plan for the staff it intended to hire.

Following discussions, nine best and final offers (BAFO) were received. The offers were rescored and Intown received a score of 92, which ranked it fifth from a technical standpoint. The evaluators continued to be concerned about the lack of specificity concerning Intown's proposed REAM Office, and they were especially critical of the vagueness of the firm's staffing plan and the description of the proposed staff's qualifications and responsibilities.

Three proposals, including the eventual awardee's, received over 100 points; of the nine BAFOs received, the prices ranged from a low of \$1,560 per unit to a high of \$3,465 per unit with Intown ranked fifth at \$2,055. The three top technically ranked offerors were regarded as "technically equal" to one another and were requested to submit a second round of BAFOs. The second BAFOs were rescored, with the scores ranging from a low of 98 points to a high of 109 points. The Urban Group was tied with one other offer with the highest technical score and offered a price of \$2,077.38 per unit. Based on this combination of technical merit and price, the Urban Group was awarded a contract.

Noting that it submitted a lower price than the awardee, Intown principally contends that the agency miscalculated its proposal and that this led to an erroneous decision to remove the protester from the competitive range. Intown asserts that the solicitation did not require offerors to provide in their proposals specific details of the type required by HUD and that a "generic" discussion of its approach to establishing, staffing and operating a REAM office in Florida should have been viewed as a strength. According to the protester, this broad type of approach, when combined with its successful performance of similar contracts in other locations,¹ would permit it to be

¹Contrary to the protester's assertion that its HUD contracting experience outside of Florida was not properly considered, the evaluation record shows that Intown was

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adaptable to changing circumstances. In sum, Intown submits that its proposal was "dynamic" and best suited to the actual needs of the agency.

The fact that a proposal was initially included within the competitive range does not preclude the agency from later excluding it. Scientific Mgmt. Assocs., Inc., B-238913, July 12, 1990, 90-2 CPD ¶ 27. In reviewing complaints about the evaluation of a technical proposal and the resulting determination of whether to include it in, or in this case remove it from, the competitive range, our function is not to reevaluate the proposal and independently judge its merits; rather, procuring officials have a reasonable degree of discretion in evaluating proposals and we will determine only whether the evaluation was reasonable and consistent with the RFP criteria. Third Millennium, Inc., B-241286, Jan. 30, 1991, 91-1 CPD ¶ 91. A protester's disagreement with an agency's evaluation and decision to remove it from the competitive range does not establish that the agency's judgments were unreasonable. Scientific Mgmt. Assocs., Inc., supra.

We have reviewed the evaluation record in the context of all of the protester's arguments and we find no basis for disturbing HUD's judgment concerning the merits of Intown's proposal and the agency's competitive range determination.

As to Intown's general contention that the RFP did not call for specific details concerning the establishment, staffing and operation of a local REAM office, we think that the protester has misread the RFP and has ignored the clear import of the agency's written discussion questions which called for additional details in each of these areas. The sixth technical factor listed in section M of the RFP requires an offeror to provide evidence of an adequately staffed, and equipped office and of its proposed training. Amendment No. 1 to the RFP, which contained a written account of the preproposal conference conducted by HUD, specifically cautioned offerors to not simply restate solicitation requirements but to describe their plans of operation and workflow within their organization in detail. The amendment said that offerors should identify which staff members would perform various specific tasks and called for details concerning the experience and qualifications of the

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credited for its property management experience which the agency viewed as a strength. The record shows that the evaluators' criticisms of the protester's proposal principally involved matters under the sixth technical factor involving staffing, training and equipping a local REAM office.

proposed staff that would be performing the tasks set forth in the SOW. Additionally, Section L-3 of the RFP required offerors to spell out the tasks and methods to be employed in performing the real estate management duties set forth the SOW. The discussion questions presented to Intown paralleled closely these RFP requirements and sought detailed information with regard to the protester's specific plans for the location of the local REAM office, information regarding the size, number and qualifications of its staff and information regarding its training plans.

In its comments on the agency report, Intown concedes that it did not provide the detailed information sought by the agency in a number of areas; however, the protester argues that a "generic" proposal is better because it will provide the firm with "versatility" when it is expected to respond to changing requirements. Whatever the merits of this approach may be, it is not a substitute for providing the detailed information that was required by the terms of the RFP and reiterated to Intown in the discussion questions. It was the protester's responsibility to furnish all of the information required by the RFP and, since it did not, we have no basis upon which to object to the evaluators' failure to assign Intown a high score under the appropriate evaluation factors. HITCO, B-232093, Oct. 11, 1988, 88-2 CPD ¶ 337.

For example, the evaluators found fault with Intown's proposal as it failed to specify plans for establishing a local Florida office in which to perform the HUD contract. The protester explains that it intended after contract award to have an expert management team arrange for a suitable office location in Orlando, convenient to the HUD properties to be managed. In contrast, the awardee offered a specific office site. It is the protester's view that its approach to establishing an office site after award is equal to The Urban Group's approach of having a specifically committed site.

The requirement for evidence of an adequately equipped local REAM office, or the ability to establish one, is clearly set forth in the sixth technical factor listed in section M of the RFP; further, Intown was specifically advised during discussions that the plans to establish an office contained in its initial offer were inadequate. The record shows that, in its BAFO, Intown merely promised to have its team of expert managers--who had allegedly been successful in establishing offices in other locations--establish an office after contract award. In our view, this response to the RFP and the discussion questions ignored Intown's responsibility to provide information requested by the agency to evaluate its proposal.

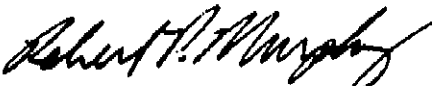
The agency also found fault with Intown's staffing plans in that the firm appeared to propose an undefined start-up period using three regional managers, also devoted to other company duties, who would be setting up an office in the Florida area--to later be pulled back to other assignments with an undefined supervisory role in Florida. The plan also relied upon the expertise of this initial group of managers to hire experienced "locals" to perform the duties of the contract.

The RFP, however, sought evidence of adequate staffing and it required offerors to provide details concerning the experience and qualifications of their proposed staffs. These requirements were reiterated to Intown during discussions. In its protest comments, Intown concedes that it did not provide sufficient detail regarding the qualifications of the staff it intended to hire and argues that, in its experience, a listing of such credentials would not guarantee successful performance of the contract. This does not relieve Intown of its responsibility to provide detailed information concerning its staff and, therefore, the record does not support a conclusion that the agency acted unreasonably in downgrading Intown for the failure to provide the information.

These examples, which are typical of the evaluation record, show that the agency acted reasonably in concluding that Intown's proposal failed to adequately address the requirements of the RFP by providing sufficient details with regard to the basic resources the protester proposed to use in performing the REAM contract. Since the record, thus shows that the technical evaluation was properly conducted, we have no basis to object to the agency's decision to remove Intown from the competitive range after the initial round of BAFOs in which the protester was provided an opportunity to provide the details of its proposal. Scientific Mgmt. Assocs., supra; HITCO, supra.

Finally, Intown contends that its lower price entitled it to an award. Since we have found the agency's decision to eliminate the protester's proposal from the competitive range was reasonable, the fact that Intown submitted a lower price than the Urban Group is not relevant to the award decision. Nova Int'l, Inc., B-241473, Feb. 13, 1991, 91-1 CPD ¶ 164.

The protest is denied.


James F. Hinchman
General Counsel