



Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

**Matter of:** Management Technical Services

**File:** B-251612.3

**Date:** June 4, 1993

Herbert F. Kelley, Jr., Esq., for the protester.  
Richard D. Lieberman, Esq., Sullivan & Worcester, for  
Ameriko Maintenance Company, an interested party.  
Joseph M. Goldstein, Esq., and Martin C. O'Brien, Esq.,  
Department of the Air Force, for the agency.  
Glenn G. Wolcott, Esq., and Daniel I. Gordon, Esq., Office  
of the General Counsel, GAO, participated in the preparation  
of the decision.

### DIGEST

1. Where protester submitted minimal information responding to solicitation requirements that offerors provide information regarding their preperformance plan and past experience, and protester instead relied on its status as the incumbent contractor to demonstrate its capability to meet those solicitation requirements, agency reasonably rated protester's proposal no higher than "green/acceptable" regarding those solicitation requirements.
2. Agency reasonably found awardee's proposal technically acceptable where, read as a whole, awardee's proposal demonstrated compliance with solicitation requirements.
3. Where protester's and awardee's proposals were properly evaluated as technically equal and awardee's proposed price was approximately 11 percent lower than protester's, agency reasonably determined that awardee's proposal represented the best value to the government.

### DECISION

Management Technical Services (MTS) protests the Department of the Air Force's award of a fixed-price contract to Ameriko Maintenance Company under request for proposals

(RFP) No. F04700-92-R-0019 for custodial services at Edwards Air Force Base, California. MTS, the incumbent contractor, protests that the agency improperly evaluated technical and price proposals and failed to make a reasonable price/technical tradeoff.<sup>1</sup>

We deny the protest.

On May 29, 1992, the Air Force issued the RFP under small business set-aside procedures, sending it to 158 prospective offerors. The RFP contemplated award of a fixed-price contract for custodial services for approximately 180 buildings at Edwards Air Force Base, California.

The RFP stated that proposals would be evaluated on the basis of price and technical factors, with technical factors more important than price, and provided that technical proposals would receive three equally weighted ratings--an adjectival rating,<sup>2</sup> a proposal risk rating,<sup>3</sup> and a performance risk rating.<sup>4</sup> Regarding the adjectival rating, the RFP listed five technical factors,<sup>5</sup> stating that proposals would be evaluated under each factor to assess the extent to which the various aspects of the proposals demonstrated soundness of approach, availability of resources, and compliance with RFP requirements. The RFP stated that a performance risk assessment, based on past and present performance data obtained from the offerors and from other sources, would constitute a "general consideration" in the source selection decision.

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<sup>1</sup>MTS also initially protested that the agency failed to conduct meaningful discussions with MTS but, upon receipt of the agency report, withdrew that allegation.

<sup>2</sup>The agency used an adjectival rating scheme of "blue/excellent," "green/acceptable," "yellow/marginal," and "red/unacceptable."

<sup>3</sup>The RFP defined proposal risk as risk associated with the offeror's proposed approach as it related to accomplishing the RFP requirements.

<sup>4</sup>The RFP defined performance risk as risk associated with the offeror's capability to accomplish the proposed effort.

<sup>5</sup>The factors were (1) quality control plan, (2) staffing and scheduling methodologies, (3) management, (4) preperformance plan, and (5) past experience. The factors were listed in descending order of importance, except that factors 2 and 3 were of equal importance, as were factors 4 and 5.

On or before the July 22 closing date, 31 proposals were submitted, including those of MTS and Ameriko. Thereafter, the agency evaluated proposals, established a competitive range which included both MTS and Ameriko, conducted discussions with each offeror in the competitive range, and requested that best and final offers (BAFOs) be submitted by November 5. Upon submission, the BAFOs were evaluated by a technical evaluation committee. Overall, the MTS and Ameriko BAFOs each received an adjectival rating of "blue/excellent," a proposal risk rating of "low," and a performance risk rating of "low." Based on this evaluation, the technical evaluation committee determined that the protester's and the awardee's technical proposals were essentially equal; the contracting officer concurred in that determination.

Ameriko's BAFO offered a price of \$8,235,741; the MTS BAFO offered a price of \$9,274,336. The agency had established an independent cost estimate of \$8,800,000, based on prior procurements of the services at issue. Of the 14 BAFOs submitted, 11 contained prices within 15 percent of the government estimate; Ameriko's BAFO price was within 7 percent of that estimate. Based on a comparison of Ameriko's price with the government estimate and the prices of the other offerors, the agency determined that Ameriko's price was fair, reasonable and realistic. On November 25, Ameriko's proposal was selected for award. This protest followed.

#### EVALUATION OF TECHNICAL PROPOSALS

MTS first protests that its technical proposal was misevaluated under the two least important technical evaluation factors--preperformance plan and past experience. MTS complains that its proposal received ratings of "green/acceptable" under certain aspects of those evaluation factors, but should have been rated "blue/excellent."

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'As noted above, the RFP provided that each proposal would be evaluated under each evaluation factor to assess the extent to which the proposal demonstrated soundness of approach, availability of resources, and compliance with RFP requirements. Under the preperformance plan factor, the MTS proposal was rated "green/acceptable" regarding its soundness of approach and compliance with requirements; under the past experience factor, its proposal was rated "green/acceptable" with regard to availability of resources.

Regarding each of the ratings MTS challenges, the RFP required an offeror to demonstrate specified aspects of its ability to prepare for, or perform, the contract to be awarded.<sup>7</sup> Because it assumed that its plans and preparations for successfully performing the solicited requirements were sufficiently evident to the agency on the basis of its then-current performance as the incumbent contractor, MTS included in its proposal only minimal information regarding its preperformance plan and past experience. In particular, the proposal presented almost no information responding to the RFP requirement that offerors describe how they intend to obtain and train their workforce. MTS contends that its "proposal, of necessity, contained very little regarding how it would recruit and train its personnel because, as the incumbent, it needed to do neither."<sup>8</sup> The agency concluded that the protester's limited responses to the identified RFP requirements were acceptable, but not exceptional.

A procuring agency's technical evaluation of a proposal is dependent upon the information furnished in the proposal. Computerized Project Management Plus, B-247063, Apr. 28, 1992, 92-1 CPD ¶ 401; All Star Maintenance, Inc., B-244143, Sept. 26, 1991, 91-2 CPD ¶ 294. There is no legal basis for an agency to favor an offeror with presumptions on the basis of the offeror's prior performance; on the contrary, all offerors must demonstrate their capabilities in their proposals. Id. We have reviewed the MTS proposal, focusing particularly on its responses to the RFP requirements related to its preperformance plan and past experience. Consistent with the protester's statement quoted above, we find minimal information addressing those requirements. Accordingly, we find no basis to question the "green/acceptable" ratings at issue here.

MTS next protests that Ameriko's proposal should have been rejected as technically unacceptable on the basis that it failed to comply with the RFP requirements. Specifically,

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<sup>7</sup>For example, with regard to the preperformance plan, each offeror was required to describe its procedures for recruitment and training personnel and its plans for acquisition and storage of supplies and equipment.

<sup>8</sup>Contrary to this assertion, the MTS proposal specifically stated that it intended to hire additional employees to perform the new contract.

MTS asserts that Ameriko's proposal indicated its intent to schedule the largest part of its cleaning staff during the day, while the RFP provided that most of the buildings were to be cleaned at night (that is, between 4 p.m. and midnight).<sup>9</sup> In making this argument, MTS relies on a staffing chart Ameriko submitted during discussions in response to an agency clarification request (CR).

The agency responds that, read as a whole, Ameriko's proposal clearly complied with the RFP requirements regarding the time period during which each building was to be cleaned. As discussed below, we agree with the agency's assessment of Ameriko's proposal.

Ameriko's initial proposal, in three separate places, addressed the breakdown of its workforce into day, night, and midnight shifts. First, Ameriko's proposal contained an organizational chart showing a total of 50 employees or "FTEs" (full time equivalents), with a night shift of 31 FTEs, a day shift of 11 FTEs, and a midnight shift of 6 FTEs.<sup>10</sup> Second, the initial proposal contained a separate data sheet for each building to be cleaned. Every sheet listed the time period during which cleaning for that building would occur, and those cleaning times were consistent with the cleaning times specified in the PWS of the RFP indicating that a majority of the buildings were to be cleaned during the night shift. Finally, the initial proposal contained a staffing chart broken down by shift; that chart identified a majority of Ameriko's workforce as assigned to the night shift. In sum, it was clear from Ameriko's initial proposal that the offeror was proposing to comply with the requirement that most buildings be cleaned between 4 p.m. and midnight.

During discussions, the agency requested that Ameriko "[c]larify the number of employees required for each type of service." Ameriko responded by providing a breakdown of its 50 FTE workforce by labor category, that is, managerial,

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<sup>9</sup>The performance work statement (PWS) in the RFP listed each building to be cleaned, specifying a time period during which cleaning must occur. For most of the buildings, the cleaning must occur during the night shift, that is, between 4 p.m. and midnight.

<sup>10</sup>The remaining two employees are managers not assigned to a particular shift.

supervision, janitorial, and so forth. In addition, Ameriko submitted a revised staffing chart to replace the one in its initial proposal.

The revised chart contains several instances of what are clearly clerical errors.<sup>11</sup> For example, the revised chart lists quantities in "hrs." while it is clear that the intent was to refer to FTEs. The revised chart also has no column heading labeled "Midnight Shift"; instead, its four columns are labeled "FTE," "Day Shift," "Night Shift," and "Total No. of."

The allegation that Ameriko's proposal failed to comply with the RFP requirements is based on the assertion that the entries of "30 hrs." under the heading "Day Shift" and "6 hrs." under the heading "Night Shift" in the revised chart indicated Ameriko's intent to staff 30 FTEs on the day shift and 6 FTEs on the night shift. Read this way, the proposal indicates that the offeror would not be complying with the PWS requirement that most buildings be cleaned at night.

A bid or proposal submitted to the government is properly evaluated by reading the bid or proposal as a whole. See, e.g., Earth Resources Corp., B-248662.5; B-248662.7, Dec. 29, 1992, 93-1 CPD ¶ 17. Here, reading Ameriko's proposal as a whole, we find it reasonable for the agency to have determined that the proposal complied with the RFP requirements. Specifically, as noted above, the data sheets in Ameriko's proposal contain a building-by-building statement of the time that cleaning will occur, and those times indicate compliance with the PWS requirement concerning night work. Further, the organizational chart in the proposal provides an unambiguous breakdown of Ameriko's 50 FTE workforce, showing 31 FTEs assigned to the night shift. Neither the data sheets nor the organizational chart in Ameriko's initial proposal was subsequently changed or replaced. Although the revised staffing chart, read by itself, creates some confusion due to the obvious errors in that chart, we conclude that it does not negate Ameriko's otherwise clear intention to comply with the PWS requirement

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<sup>11</sup>MTS does not dispute the existence of errors in the revised staffing chart.

at issue.<sup>12</sup> On this record, we find reasonable the agency's conclusion that Ameriko's proposal was technically acceptable.<sup>13</sup>

Ameriko next protests that the agency's technical evaluation was flawed in that it failed to evaluate past performance as a "general consideration." As noted above, section M of the RFP stated, under the heading "General Considerations," that the agency would conduct a performance risk assessment based on offerors' past and present performance. The agency responds that, consistent with the stated evaluation criteria, it considered offerors' past performance in establishing a performance risk rating for each technical proposal.

The agency properly did not consider offerors' past performance as a separate, "general consideration." Since the RFP did not identify the relative importance of the "general considerations," the agency could not have accorded significant weight to such considerations in its source selection decision. See H.J. Group Ventures, B-246139, Feb. 19, 1992, 92-1 CPD ¶ 203. Further, consistent with the stated evaluation criteria, the Air Force did consider offerors' past performance as part of the performance risk rating assigned to each technical proposal. In this regard, the agency gave performance risk ratings of "low" to both the protester's and the awardee's proposals. Accordingly, MTS offers no explanation of how it could have been prejudiced by the agency's action. Prejudice is an essential element of a viable protest. Lithos Restoration Ltd., 71 Comp. Gen. 367 (1992), 92-1 CPD ¶ 379. We therefore deny this ground of protest.

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<sup>12</sup>Moreover, the only way to make sense of the errors in the revised chart is to conclude that the column headings are incorrect, and that "14" is meant to refer to the number of day shift FTEs, "30" to the number of night shift FTEs, and "6" to midnight shift FTEs, which is consistent with the other parts of the proposal. This interpretation of the chart, which indicates that the majority of the cleaning will be performed during the night shift, leaves the entry in the fourth column, 50, as the (correct) sum of the FTEs in each of the three shifts.

<sup>13</sup>MTS also protested that Ameriko's proposal should have been rejected on the basis that Ameriko proposed to use a particular MTS employee as its project manager without obtaining a letter of intent from that individual. This allegation is baseless; the record shows that Ameriko did not propose an MTS employee as its project manager.

## EVALUATION OF AMERIKO'S PROPOSED PRICE

MTS next complains that the agency failed to perform an adequate analysis of Ameriko's proposed price. MTS notes that Ameriko's BAFO contained a lower price than the price Ameriko submitted in its initial proposal and asserts, on that basis, that the agency erred in not seeking additional information regarding the basis for Ameriko's proposed price.<sup>14</sup>

The agency responds that this solicitation contemplated award of a fixed price contract; that, in submitting its BAFO, Ameriko indicated that its reduced price was based on a lower profit margin and Ameriko's completion of another contract which made certain supplies and equipment available for performance of this contract; and that Ameriko's price was consistent with the government estimate and the other prices submitted. Accordingly, the agency concluded it had no reason to further question Ameriko's price.

The depth of an agency's price analysis is a matter within the sound exercise of the agency's discretion. Research Management Corp., 69 Comp. Gen. 368 (1990), 90-1 CPD ¶ 352; Family Realty, B-247772, July 6, 1992, 92-2 CPD ¶ 6. Here, in light of the government's comparison of Ameriko's price to the government estimate and the prices submitted by the other offerors, along with the reasonableness of Ameriko's explanation regarding its BAFO price reduction, we find no basis to question the agency's price analysis. Id.; see also The Fletcher Constr. Co., Ltd., B-248977, Oct. 15, 1992, 92-2 CPD ¶ 246.

## AGENCY'S PRICE/TECHNICAL TRADEOFF

Finally, Ameriko protests that the agency failed to perform an adequate price/technical tradeoff. Ameriko complains that the record contains no documentation regarding a price/technical tradeoff made between Ameriko's proposal and that of MTS.

As discussed above, we have rejected the protester's arguments that the agency should have rated the MTS technical proposal higher and that the agency should have


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<sup>14</sup>The protester suggests that the agency was obligated to obtain cost and pricing data from Ameriko to conduct a cost realism analysis. However, since there was more than one offeror in the competitive range, the agency reasonably determined that there was adequate price competition and that such cost analysis was not required. FAR § 15.804; Serv-Air, Inc.--Recon., 58 Comp. Gen. 362 (1979), 79-1 CPD ¶ 212.



rated Ameriko's proposal lower, and MTS has not otherwise demonstrated any flaw in the agency's determination that the protester's and the awardee's technical proposals were essentially equal. Once the agency had reasonably determined that the two proposals were technically equal, there was no need to perform a price/technical tradeoff. As a result, on the record before us, there is no basis to question the agency's determination that Ameriko's proposal, whose price was approximately 11 percent lower than the protester's, offered a better value to the government than the MTS proposal.

The protest is denied.

  
for James F. Hinchman  
General Counsel