Decision

Matter of: Goldbelt Falcon, LLC

File: B-410159

Date: November 3, 2014

Robert E. Korroch, Esq., and William A. Wozniak, Esq., Williams Mullen, for the protester.
Wade L. Brown, Esq., Department of the Army, for the agency.
Mary G. Curcio, Esq., Cherie J. Owen, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protester’s contention that the agency improperly and mechanically applied an undisclosed government estimate to conclude that its proposed staffing was unacceptable is denied where the agency considered the protester’s specific approach to satisfying the performance work statement and stated workload requirements, and informed the protester during discussions that its staffing was inadequate.

DECISION

Goldbelt Falcon, LLC, of Chesapeake, Virginia, protests the Department of the Army’s exclusion from the competitive range of the proposal it submitted in response to basic ordering agreement (BOA) request for proposals (RFP) No. W52P1J-13-R-0038, for logistics support services. Goldbelt asserts that the agency unreasonably evaluated its proposal.

We deny the protest.

The Army issued the RFP to holders of the Enhanced Army Global Logistics Enterprise (EAGLE) BOA with the intention of issuing a task order for logistics support for the Schofield Barracks, Hawaii, Logistics Readiness Center. The RFP, set aside for small business concerns, provided that the task order would be issued on a best-value basis considering the following evaluation factors: technical (with elements for mission capability narrative, mission essential contractor services, organizational diagram, and staffing); past performance; and price. RFP at 116. The estimated value of this procurement is $112 million. Agency Report (AR) at 2.
The Army evaluated proposals in three phases. Id. at 2-5. During phase 1, the agency determined whether offerors would have a facility security clearance by the closing date for the receipt of proposals. During phase 2, those offerors that would have a facility security clearance by the closing date submitted technical proposals. The agency first evaluated on an acceptable/unacceptable basis whether those technical proposals demonstrated that the offeror would adhere to the minimum productive hours listed in the solicitation workload data. The proposals that were rated acceptable in this regard were then evaluated for acceptability under the technical factor for inclusion in the competitive range. A proposal was required to receive a rating of acceptable for each element of the technical factor to be rated overall acceptable under the technical factor. RFP at 117. During phase 3, proposals that were included in the competitive range were to be evaluated against the past performance and price factors and considered for award on a best value basis. RFP at 117.

Fourteen proposals (including Goldbelt’s) were included in Phase 2, and all of them initially were found to be technically unacceptable. The agency then conducted discussions with each of the 14 offerors and requested revised proposals. Based on the revised proposals, the agency established a competitive range which did not include Goldbelt’s proposal. AR at 8. In this regard, Goldbelt’s initial proposal was evaluated with 11 deficiencies under the staffing subfactor. Id. at 6. Following the receipt and evaluation of Goldbelt’s revised proposal, the agency found that deficiencies remained with respect to its proposed staffing for the quality control and environmental responsibilities, which rendered the proposal unacceptable. Id. Upon learning of its exclusion from further consideration, Goldbelt filed this protest.

In its protest, Greenbelt challenges the agency’s finding that its proposed staffing was unacceptable. In this regard, offerors were required to complete attachment 2 to the RFP with their proposed labor categories and staffing levels, based on the performance work statement (PWS) and the workload data provided in the solicitation. RFP at 54. Offerors were advised that proposed staffing must provide support for all required functions, including direct labor hours not specified within the workload data, and indirect labor necessitated by the PWS requirement or implied in order to successfully complete the effort (such as the hours needed for management and quality assurance functions). Id. The solicitation notified offerors that the government would evaluate proposed labor categories and staffing levels to determine if the staffing ensured successful performance of all PWS requirements. Id. at 118.

Goldbelt’s revised proposal was evaluated as unacceptable under the staffing factor because the agency determined that Goldbel did not propose sufficient personnel to perform the quality control and environmental duties detailed in the PWS. Agency Report, Tab 18, Interim Technical Evaluation, June 10, 2014, at 4; see PWS §§ 1.6, 1.7. In this regard, in its initial proposal Goldbelt proposed [DELETED] for a quality...
manager to perform the quality control duties, and [DELETED] to perform the environmental duties. During discussions, the agency sent Goldbelt evaluation notices (EN) stating that its proposed staffing for these functions was inadequate to meet the requirements of the PWS. EN TEA 09-005 (quality); EN TEA 09-007 (environmental). The agency specifically noted that [DELETED] to perform the responsibilities delineated in the PWS for quality control was insufficient. EN TEA09-005.

In response, Goldbelt explained that [DELETED]. Goldbelt nonetheless proposed to [DELETED] to perform quality functions. AR, Tab 12b, Goldbelt Response to EN 0005. With respect to the environmental duties, while explaining that [DELETED], Goldbelt proposed to [DELETED] for the above [DELETED] to perform environmental duties. AR, Tab 12b, Goldbelt Response to EN 0007.

The agency reviewed Goldbelt’s response and determined that, as revised, its proposed staffing to perform the quality control and environmental responsibilities was still insufficient and unacceptable. Specifically, the agency found that an [DELETED] does not have the skills to perform the quality function. Interim Technical Evaluation, June 10, 2014 at 4. The agency was also concerned that, in any case, the quality function required more than the proposed [DELETED] for the quality manager and [DELETED]. Id. at 3. With respect to the environmental duties, the agency found that the proposed [DELETED] was not sufficient to perform the environmental duties which, in the agency’s view, required at least [DELETED] to perform. Id. at 4.

Goldbelt protests that the Army evaluated its proposal against an undisclosed government estimate without taking into account its performance-based solutions. In this regard, Goldbelt notes that the solicitation did not require offerors to propose a specific number of FTEs.

In reviewing protests challenging the evaluation of proposals, we do not conduct a new evaluation or substitute our judgment for that of the agency, but instead will examine the record to determine whether the agency’s judgment was reasonable and in accordance with the RFP evaluation criteria. Abt Assocs., Inc., B-237060.2, Feb. 26 1990, 90-1 CPD ¶ 223 at 4. In this regard, while an agency may rely on its own estimates of the staffing levels necessary for satisfactory performance in evaluating proposals for the award of a fixed-price contract, it is improper for an agency to downgrade a proposal simply because the offeror’s overall proposed FTEs differ from the government’s estimate, where the government’s estimate was not disclosed to the offerors, the agency failed to conduct discussions with the offeror concerning the discrepancy, and the agency did not look beyond the bottom line numbers to determine whether there were specific areas in which the offeror’s proposed staffing was inadequate. Native Resource Development Co., B-409617.3, July 21, 2014, 2014 CPD ¶ 217 at 4-5; Olympus Bldg. Servs., Inc., B-285351, B-285351.2, Aug. 17, 2000, 2000 CPD ¶ 178 at 10; see NCI Info. Sys.,
Inc., B-405589, Nov. 23, 2011, 2011 CPD ¶ 269 at 7. However, the record reflects that this is not the case here.

First, the record does not support Goldbelt’s position that the agency simply performed a mechanical evaluation of its proposed staffing against an undisclosed government staffing estimate. Rather, the agency evaluated Goldbelt’s particular staffing approach against the workload requirements and the tasks required under the PWS and, after raising the matter with Goldbelt during discussions and considering its response, determined that Goldbelt’s approach was inadequate to ensure performance of the PWS quality control and environmental requirements.

With respect to the quality control functions, after being informed that the quality control duties could not be performed with only [DELETED], Goldbelt added an [DELETED] to perform that function. The agency explains, however, and Goldbelt does not disagree, that an [DELETED] does not have the correct skill set to perform the quality function. AR at 10. Specifically, the agency explains that an [DELETED] is primarily focused on conducting tests and field investigations to obtain data for use by environmental, engineering, and scientific personnel in determining sources and methods of controlling pollutants in air, water, and soil. AR at 11-12. In contrast, the quality office deals with the maintenance, transportation and supply offices, and, among other things, develops internal standard operating procedures for quality control functions, addresses the use of best practices to reduce costs, responds to the interactive customer evaluations, and works with the Contracting Officer’s Technical Representative to resolve quality issues. Id. Thus, we conclude that the agency reasonably determined that Goldbelt’s addition of an [DELETED] did not address its concern that Goldbelt did not propose adequate staff to perform the quality function. Moreover, Goldbelt has not shown to be unreasonable the agency position that the quality control responsibilities required more than [DELETED] given that providing logistics support for Schofield Barracks is a large effort with over 200 contract employees performing a wide variety of maintenance, transportation, and supply functions that require quality assurance. AR, Tab 18, Evaluation, June 10, 2014, at 3. Thus, it is clear that the Army looked beyond the staffing estimate and reasonably determined that Goldbelt did not propose an adequate staff to perform the quality control function.

With respect to the environmental duties, the PWS requires the contractor to perform a wide range of duties including: complying with all applicable local, installation, federal, and state environmental laws and regulations; complying with the hazardous material plan; requisitioning and managing hazardous materials; and supporting the long term goals for environmental sustainment of the installation. PWS § 1.7. Given the breadth of the contractor’s environmental duties, and Goldbelt’s lack of any explanation during discussions or otherwise as to how it could perform these duties with only [DELETED], we have no basis to question the agency’s conclusion that this level of staffing for the environmental function was unacceptable.
Further, although Goldbelt stated in response to the EN that it planned for the [DELETED] and [DELETED] to perform the environmental functions, AR, Tab 12b, Goldbelt Response to EN 0007, the agency explains that this does not address its concerns for adequate staffing because the [DELETED] and [DELETED] already have significant duties associated with their respective functions. In this regard, the agency notes that using the [DELETED] to perform environmental tasks would simply exacerbate the above discussed deficiency with respect to quality control staffing. As for the [DELETED], the agency notes that he already supervises 62 employees in the maintenance division. Second Supplemental AR, Oct. 8, 2014, at 1-2. Thus, we find reasonable the agency position that any likely contribution from these managers would be insufficient to remedy the environmental staffing deficiency. In sum, we conclude that the agency reasonably assessed Goldbelt’s proposal as unacceptable based on inadequate staffing in the quality control and environmental areas.

The protest is denied.

Susan A. Poling
General Counsel