



DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

Decision

Matter of: West Coast General Corporation

File: B-411916.2

Date: December 14, 2015

David S. Demian, Esq., Christopher S. Sillari, Esq., P. Randolph Finch, Jr., Esq., Finch, Thornton & Baird, LLP, for the protester.
Bruce D. Rudman, Esq., Abdulaziz, Grossbart & Rudman, for Fast Track Construction Corporation, an intervenor.
Mark Ezersky, Esq., General Services Administration, for the agency.
Young H. Cho, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging price/cost evaluation scheme as improper because it relied solely on offerors' proposed general and administrative (G&A) rates as a proxy for price, when first raised after the closing date for receipt of initial proposals, is dismissed as untimely.
2. Protest challenging agency's evaluation of price proposals in a procurement anticipating multiple awards of indefinite-delivery, indefinite-quantity contracts is sustained where agency failed to evaluate the offerors' G&A rates in accordance with solicitation's requirement for submission of certified financial statements or a Defense Contract Audit Agency report to substantiate the proposed G&A rates, and instead accepted offerors' informal "commitments" regarding such rates.
3. Protest challenging agency's source selection decision is sustained where award determination was based entirely on a mechanical comparison of total technical scores and G&A rates.

DECISION

West Coast General Corporation (West Coast), of Poway, California, protests the evaluation and selection decision under request for proposals (RFP) No. GS-09P-15-KS-D-00015, issued by the General Services Administration's (GSA), Public Building Service, for repair and alteration services with design-build effort for

four designated geographic zones. The protester argues that the agency's evaluation of price proposals and its source selection decision were flawed.

We sustain the protest.

BACKGROUND

The RFP,¹ issued on February 13, 2015, under Federal Acquisition Regulation (FAR) part 15, was set aside for small businesses. RFP, Tab 1.² The RFP contemplated the award of up to 20 fixed-price, indefinite-delivery, indefinite-quantity (IDIQ) construction contracts for repair and alteration services, with separate contracts to be awarded for four geographic zones within the Pacific Region.³ RFP, Tab 1; Tab 2 at 2; Tab 3 at 15. The total anticipated period of performance was five years, with a one-year base and four one-year options. Id., Tab 2 at 3. The solicitation contemplated that during this period task orders would be issued with an estimated value between \$150,000 to \$500,000; however, the total maximum value for the entire five-year period was not to exceed \$50 million. RFP, Tab 1; Tab 2 at 23; Tab 3 at 4. At issue here are the awards for zone 3.⁴

The solicitation provided that award would be made on a best-value basis, considering the following evaluation factors: prior experience on similar projects, past performance, evidence of local office, socio-economic status, and total evaluated price or cost. Id., Tab 3 at 23. The solicitation provided that the first two non-price factors were equal in weight and were more important than the remaining two non-price factors, which were equal to each other in weight. Id. The solicitation stated that all non-price factors, when combined, were significantly more important than cost or price; however, where the technical merit of competing proposals became more equal, price/cost would increase in importance in the award decision. Id. at 8, 31. Offerors were to submit separate technical and price proposals. Id. at 5.

¹ The agency provided the solicitation in three tabs: Tab 1, Standard Form (SF) 1442; Tab 2, the Agreement; and Tab 3, the Solicitation. Agency Report (AR), exh. 1, Solicitation Documents.

² The agency issued five amendments to the solicitation. AR, exh. 8, Amendments 1-5. All references herein are to the RFP, as amended.

³ The Pacific Region includes the states of Arizona, California, Hawaii, and Nevada. RFP, Tab 2 at 2.

⁴ Zone 3 was comprised of a multi-county area in Southern California. RFP, Tab 2 at 2.

For the “price proposal,” the solicitation required offerors to submit G&A rates, and stated that these rates alone would be used to evaluate price. Id. at 9, 33. Specifically, the solicitation stated that the offerors’ G&A rates would be evaluated using cost analysis to determine reasonableness, based upon verification of the offerors’ cost submissions for their G&A rates and confirming that the submissions are in accordance with the contract cost principles and procedures described in FAR part 31. Id. at 33.

The solicitation instructed offerors to provide the following for its price proposals: Standard Form (SF) 1442 (“Solicitation, Offer, and Award”); acknowledgment of amendments; joint venture agreement; price/cost schedule; representations and certifications; bid guarantee; pre-award survey information; and certified financial statements or DCAA report substantiating the offeror’s G&A rate. Id. at 6.

For the “price/cost schedule,” the RFP provided a contract price form on which offerors were to indicate only their G&A rates at this stage of the competition. RFP, Tab 2 at 6. This contract price form appeared as follows:

01 Basic Contract Line Item Nos. 0001-0006: Provide services to include repairs, alterations, renovations, and occasional new construction to various Government-owned and leased buildings within the zones identified above under task orders. In addition, some orders may include the requirement to provide design capability in the form of, but not limited to, drawings or sketches to describe proposed repair and alteration projects and to provide descriptions or specifications for proposed materials or equipment. Specific tasks will be further defined and work accomplished by issuance of individual task orders and in accordance with the amount set forth in this Bidding Schedule.

02 Direct Costs -----To be determined per Task Order
03 Labor Burden Cost [. . .] -----To be determined per Task Order
04 Field Office Overhead-----To be determined per Task Order
05 General and Administrative (G & A) Costs----- _____%⁵
06 Profit/fee----- To be determined per Task Order

RFP, Tab 2 at 6 (emphasis added).

⁵ The solicitation also made numerous references to “contract prices,” to include the base contract price, unit prices, and option prices, to which the contractor would be bound. Id. at 3, 5-6. The solicitation, however, did not require, nor did the offerors provide, any cost or price information other than the G&A rates.

In addition, the solicitation informed offerors that detailed cost proposals were not required; and repeated in numerous places that offerors would be required to provide certified financial statements or a DCAA report to substantiate their proposed G&A rate. RFP, Tab 3 at 8. See also RFP, Tab 3 at 10; AR, exh. 8, Amendments 1-5, Tab 2, Amendment 02 at 4 (Answer to Question 15)⁶; Tab 3, Amendment 03 at 3 (Answer to Question 7) (“If the offeror is proposing on more than one zone and the offeror’s G&A rate is different for each of the zones a certified financial statement OR DCAA report will be required to substantiate each G&A rate.”).

The solicitation also advised offerors that clarification of proposals, if necessary, would be obtained by the contracting officer prior to finalizing the initial evaluation. RFP, Tab 3 at 8.

The solicitation also advised offerors that if there was a need to establish a competitive range, the source selection evaluation board (SSEB) would advise the contracting officer which proposals were the most highly-rated, and the contracting officer could further limit the number of proposals to the greatest number that would permit an efficient competition among the most highly-rated proposals. Id. at 31-32. The solicitation advised that all offerors excluded from discussions would be notified and allowed an opportunity to request a debriefing. Id. at 32.

The solicitation stated that the SSEB would perform an evaluation comparing each proposal against the evaluation criteria, after which the source selection authority (SSA) would analyze proposals by comparing them against each other, utilizing an abstract that listed the offerors and included their technical ratings and proposed G&A rates. Id. The solicitation provided a detailed description of how the SSA

⁶ Despite the language in the solicitation stating that offerors were only required to propose G&A rates, i.e., no other pricing information was required, potential offerors asked the agency to clarify its approach. The following question from a potential offeror, and the agency’s answer, was added to the solicitation via an amendment:

Question 15: Page 5 of the solicitation I.G. references a “sample project”. Other areas of the solicitation note to price your proposed G&A rate. Please confirm what we are supposed to price and if there is a sample project, please provide the plans and specifications.

Answer to Question 15: There is no sample/seed project, just price your firm’s proposed G&A rate and provide supporting Certified Financial Statement OR DCAA report substantiating your firm’s G&A rate.

AR, exh. 8, Amendments 1-5, Tab 2, Amendment 02 at 4.

might perform the analysis, to include comparing (or trading off) the strengths and weaknesses of all non-price technical areas of the evaluation to the price/cost area, and documenting the SSA's best-value analysis in sufficient detail to support the source selection decision. Id. at 32-33.

The agency received 71 proposals for all four zones, 34 of which were for zone 3, including those from the protester and the 12 awardees for zone 3. The technical proposals were scored for each evaluation factor⁷ and each factor's score was weighted to reflect the relative importance of that factor as stated in the solicitation.⁸ SSP at 18, 28-29, 59; see, e.g., AR, exh. 6, Source Selection Decision Document (SSDD) at 8. These weighted ratings were used to calculate a total technical score. Id. Based on the results of the SSEB's evaluation, the zone 3 proposals received a total technical score ranging from 2.05 to 2.95.⁹ Id. at 67-69. The agency assigned technical rankings to the proposals according to total technical scores, i.e., 2.95 was ranked as T1, 2.90 as T2, 2.50 as T3, 2.45 as T4, 2.40 as T5, and 2.05 as T6. Id.

The price proposals were reviewed to verify that the offerors complied with the solicitation's requirements, and that the proposed G&A rates were substantiated by the required certified financial statements. Id. at 80-84.

The agency subsequently compared the proposals and established a competitive range comprised of 23 proposals that each received a total technical score of 2.95 or 2.90, based on the agency's conclusion that the proposals "offered a very high probability of success with no significant weaknesses . . . [and the] risk of unsuccessful performance is very low."¹⁰ Id. at 70. The agency also decided that

⁷ The total available points for Factors 1, 2, and 4 ranged from 1 (Unsatisfactory), 2 (Satisfactory), and 3 (Excellent); and for Factor 3, 1(Unsatisfactory) or 2 (Satisfactory). Source Selection Plan (SSP) at 28-29. While the evaluation factors were numerically rated and assigned point scores, a numerical/adjectival combination rating/scoring matrix was provided to the SSEB for "ease of scoring and setting standard values" that provided a numerical score, corresponding adjectival rating, and scoring/rating guidelines. Id.

⁸ Factors 1 and 2 (experience and past performance) were weighted as 45% and Factors 3 and 4 (evidence of local office and socio-economic status) were weighted as 5%. SSP at 18-19.

⁹ Based on the total available points for each factor and their weighted importance, the highest available total technical score was 2.95 (0.45 x 3 + 0.45 x 3 + 0.05 x 2 + 0.05 x 3). See, e.g., AR, exh. 6, SSDD at 8.

¹⁰ The proposals that received a total point score of 2.95 and were assigned a technical ranking of T1 were considered "most highly qualified"; those that received a total point score of 2.90 and were assigned a technical ranking of T2 were
(continued...)

proposals with a total technical score of 2.5 or less posed a moderate-to-high risk of unsuccessful performance; these proposals were not included in the competitive range. Id. The agency further determined that “[m]any of the proposals in the competitive range are equal in technical quality[,] so the proposed G&A rate will increase in priority of importance to determine contract awards.” Id. The protester’s proposal was included in the competitive range. Id. at 71-72.

The agency then narrowed the pool of offerors for zone 3. Specifically, the agency first determined which proposals “complied with the requirements of the solicitation (technical and price) and [which] potentially could be eligible to receive an award for [zone 3] based on technical scores.”¹¹ Id. at 84. The agency further determined that two of the T1 technically-ranked proposals with G&A rates of 12% and 20.10%, and three of the T2 technically-ranked proposals with G&A rates of 11%, 11.40%, and 19.58%, did not have “the most favorable G&A rates when compared to the others.”¹² Id. at 84. As a result, these proposals, including the protester’s proposal --which received a T2 technical ranking and proposed a G&A rate of [deleted]--were not further considered for award.

With respect to the 12 remaining proposals, the agency contacted eight of the offerors and requested that they verify or confirm their G&A rates because of concerns about the rates.¹³ Id. at 79-84, 87. See also GSA Rate Verification

(...continued)

considered “highly qualified.” AR, exh. 6, SSDD at 71. The protester’s proposal received a total technical score of 2.90 and was ranked as a T2 offeror. Id. at 72.

¹¹ The basis of the agency’s actions in this regard is not clear from the record. For example, the source selection decision states that the three offerors whose proposals received the higher technical ranking (T1) and were eliminated from further consideration “did not comply with the requirements of the solicitation regarding the submission of their price proposal.” AR, exh. 6, SSDD at 71, 81, 83, 84. However, the agency did not eliminate from further consideration the proposal of one offeror that was ranked in the lower (T2) category, and whose proposal also “did not comply with all the requirements of the solicitation regarding the submission of their price proposal.” Id. at 81, 84.

¹² The proposed G&A rates of the remaining proposals ranged from 3% to 10.60%. AR, exh. 6, SSDD at 84.

¹³ The agency stated that these offerors--whose proposals were considered “most favorable to the Government--were asked to verify and confirm their rates because they proposed a G&A rate that was not supported by their certified financial statements; submitted certified financial statements that were not for a complete accounting cycle (less than 12 months); or proposed a G&A rate that was significantly low. AR, exh. 6, SSDD at 71-72, 79-84, 87.

Emails (multiple dates in June 2015); Contact Conversation Logs.¹⁴ The offerors generally responded by confirming their G&A rates.¹⁵ Id. In these cases, the agency did not request any further substantiation, nor did the agency conduct any analysis of the “verified” rates. Agency Responses to GAO Emails (Dec. 2, 2015, Dec. 7, 2015). The agency, nonetheless, accepted the rates provided in the responses as the offeror’s “verified” rate. Id., AR, exh. 6, SSDD at 79-84.

The SSA selected all 12 of these proposals for award. Id. at 88. In making award to proposals with a “low G&A rate” and a total technical score of 2.90, the source selection decision document stated that through a tradeoff process those proposals were “considered to be in the Government’s best interest,” because the proposals with technical scores of 2.95 and 2.90 were “so close in range and very comparable with one another the risk of unsuccessful performance with a contractor receiving a score of 2.90 is very low. The score of 2.90 is still considered significantly qualified just not the most qualified . . . either offeror could easily accomplish the technical requirements.” Id. at 87.

¹⁴ In this regard, the agency contacted six offerors via email and identified inconsistencies between the offeror’s proposed G&A rate and the financial statements; in these cases the agency requested that the offeror “verify” or confirm the proposed G&A rate. GSA Rate Verification Emails (multiple dates in June 2015). For two offerors, the agency verified the rates by phone. Contact Conversation Logs.

¹⁵ For example, in response to the agency’s email which asked: “You proposed a G&A rate of 3%. Your financial statement indicates a rate of 12% is a true number. Please verify your proposed G&A rate.”; the offeror responded that “3% is the proposed rate.” GSA Rate Verification Email (June 9, 2015) and Response (June 10, 2015).

The evaluation results for the 12 proposals selected for award are set forth below:

Awardee	Total Technical Score	Proposed G&A Rate¹⁶	G&A Rate Reflected in Financial Data
Awardee A	2.95	3%	12%
Awardee B	2.95	4.90%	N/A ¹⁷
Awardee C	2.95	5.00%	10.8%
Awardee D	2.95	6.28%	6.28%
Awardee E	2.95	6.35%	12.5%
Awardee F	2.95	7% ¹⁸	16.3%
Awardee G	2.95	7%	N/A ¹⁹
Awardee H	2.95	10%	10%
Awardee I	2.95	10.60%	17%
Awardee J	2.90	5%	5%
Awardee K	2.90	5.43%	11.9%
Awardee L	2.90	10%	N/A ²⁰

Id. at 79-84, 88. On August 15, 2015, the agency provided the protester with written notice of the 12 awards. Protest at 1. The protester was given a written debriefing on September 3, 2015. Id. This protest followed.

¹⁶ Of the 12 awardees, only the G&A rates of Awardees D, H, and J were substantiated by certified financial statements. AR, exh. 6, SSDD at 81-83.

¹⁷ The financial data submitted by Awardee B raised a number of concerns for the agency. AR, exh. 6, SSDD at 81. For example, while Awardee B submitted a cover letter from its certified public accountant (CPA) stating that the CPA firm compiled the 2014 financial data, the CPA did not audit or review the financial statements, and accordingly did not express an opinion or other form of assurance on them. Id. The proposed rates also could not be substantiated. Id.

¹⁸ Awardee F proposed a 7% G&A rate and explained that the 16.3% G&A rate reflected in its 2014 certified financial statements was an anomaly from its historic rates due to two projects in 2014 that changed the company's operations significantly. AR, exh. 6, SSDD at 83. Awardee F explained it was able to propose a reduced rate because it decreased its workforce at the end of 2014 to address reduced customer needs. Id. The agency accepted Awardee F's explanation for the reduced G&A rate. Id.

¹⁹ Awardee G's certified financial statement was not clear on how its proposed G&A rate was calculated. AR, exh. 6, SSDD at 83.

²⁰ Awardee L did not submit certified financial statements. AR, exh. 6, SSDD at 81. See also supra, n.11.

DISCUSSION

The protester challenges the agency's evaluation of price proposals and its source selection decision.²¹ Specifically, the protester argues that the agency accepted G&A rates from some offerors that were unsubstantiated, and were not explained by the submitted financial data, as expressly required by the RFP. Comment and Supp. Protest at 2; Supp. Comments at 3-5. The protester further argues that the agency's source selection decision was flawed because it failed to document any meaningful consideration of the differences between the offerors' proposals. Comment and Supp. Protest at 5-6. See also Protest at 4. We have reviewed the entire record and the arguments of the parties, and as described below, find that the agency's evaluation and award decision were unreasonable.²²

In reviewing protests of an agency's evaluation and source selection decision, our Office will not reevaluate proposals; rather, we review the record to determine whether the evaluation and source selection decision are reasonable and consistent with the solicitation's evaluation criteria, and applicable procurement laws and regulations. Velos, Inc., B-400500.8, B-400500.9, Dec. 14, 2009, 2010 CPD ¶ 13 at 11; Keeton Corrections, Inc., B-293348, Mar. 4, 2004, 2005 CPD ¶ 44 at 6. While we will not substitute our judgment for that of the agency, we will sustain a protest where the agency's conclusions are inconsistent with the solicitation's

²¹ West Coast also complains that the solicitation's price/cost evaluation scheme was improper because it relied solely on proposed G&A rates as a proxy for price or cost, and argues that these rates provide no meaningful basis to determine the likely cost of these IDIQ contracts to the government. This post-award challenge to the terms of the solicitation is untimely. 4 C.F.R. § 21.1(a)(1). While we do not address this untimely issue, nothing in this decision should be construed as reflecting this Office's concurrence with the agency's assertion that consideration of G&A rates alone is sufficient to comply with the FAR requirement for a meaningful consideration of proposals' relative costs to the government. FAR §§ 15.304(c)(1), 15.305(a)(1). See also CW Gov't Travel, Inc., et al., B-295530.2 et al., July 25, 2005, 2005 CPD ¶ 139 at 4; The MIL Corp., B-294836, Dec. 30, 2004, 2005 CPD ¶ 29 at 9 ("Contrary to [the agency's] apparent belief, there is no exception to the requirement set forth in [the Competition in Contracting Act] that cost or price to the government be considered in selecting proposals for award because the selected awardees will be provided the opportunity to compete for task orders under the awarded contract.").

²² The protester has raised arguments in addition to those discussed herein. While we do not address every issue raised, we have considered all of the protester's arguments and allegations and find that, except as discussed below, they provide no basis to sustain the protest.

evaluation criteria, undocumented, or not reasonably based. DRS ICAS, LLC, B-401852.4, B-401852.5, Sept. 8, 2010, 2010 CPD ¶ 261 at 4-5.

The protester first argues that the agency's evaluation of price proposals was inconsistent with the RFP requirement that offerors' proposed G&A rates be verified and substantiated using certified financial statements or DCAA reports, as described above. The protester asserts that instead, the agency accepted from eight of the 12 awardees "post-bid commitments" of G&A rates that were either unsubstantiated or unexplained by financial data (and in some instances, directly contradicted by the financial data). Comments and Supp. Protest at 2. In response, the agency argues that the solicitation did not require it to evaluate price proposals using only the submitted financial statements but rather, allowed the agency to seek clarification of proposals and otherwise "verify" the offerors' G&A rates. Agency Response to Supp. Protest at 3-4. We disagree.

As stated above, the solicitation unequivocally required that price proposals include either certified financial statements or a DCAA report substantiating an offeror's G&A rate. See RFP, Tab 3 at 6, 8, 10; AR, exh. 8, Tab 2, Amendment 02 at 4 (Answer to Question 15); Tab 3, Amendment 03 at 3 (Answer to Question 7). The solicitation also clearly stated that the proposed G&A rates would be evaluated using a cost analysis "based upon verification of the offerors' cost submissions for their G&A rates and confirming that the submissions are in accordance with the contract cost principles and procedures described in FAR Part 31." RFP, Tab 3 at 33 (emphasis added).

The agency's contention that it could seek clarification of proposals to "evaluate and verify the offerors' G&A rates," is not consistent with the plain language of the solicitation. Agency Response to Supp. Protest at 3-4. In support of its contention, the agency states that all 12 awardees submitted financial statements that supported their G&A rate or had their proposed G&A rate verified by being contacted by the agency. Id. Based on our review of the record, we cannot conclude that the agency acted in accordance with the solicitation.

Here, the record shows that the agency contacted eight offerors whose proposals were considered "most favorable" to the government, informed those offerors that it was bringing to their attention a problem with their proposals in accordance with FAR § 15.306, identified the inconsistencies between the proposed G&A rate and proposal information, and requested that the offeror "verify" or confirm the proposed G&A rate. AR, exh. 6, SSDD at 87; GSA Rate Verification Emails (multiple dates in June 2015); Contact Conversation Logs. In all eight instances, the offerors' essentially confirmed their originally-proposed G&A rates. Id. The agency did not request any further substantiation. Id. See also AR, exh. 6, SSDD at 79-84; Agency Responses to GAO Emails (Dec. 2, 2015, Dec. 7, 2015).

During the development of this protest, our Office requested that the agency provide documentation pertaining to the agency's verification of the G&A rates, including any cost analysis documentation for the verified rates. GAO Emails to Agency (Nov. 30, 2015, Dec. 2, 2015, Dec. 7, 2015). In response, the agency stated that the G&A rate verification information is contained in the source selection decision document, as well as the emails and records of phone calls verifying the G&A rate. Agency Responses to GAO Emails (Dec. 2, 2015, Dec. 7, 2015). However, there is nothing in the source selection decision document that shows that the agency requested any support for these "verified" rates or performed a cost analysis "based upon verification of the offerors' cost submissions for their G&A rates." Rather, the source selection decision document reflects that for 8 of the 12 awardees, the agency accepted G&A rates that were not supported by the underlying financial data.

In reviewing a protest challenging an agency's evaluation, our Office will not reevaluate proposals, nor substitute our judgment for that of the agency, as the evaluation of proposals is a matter within the agency's discretion. Computer World Servs. Corp., B-410513, B-410513.2, Dec. 31, 2014, 2015 CPD ¶ 21 at 6. However, we will review the record to determine whether the agency's evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. Id.

Here, we find that the agency's acceptance of the unsupported G&A rates for eight of the awardees was unreasonable and inconsistent with the solicitation requirements. The RFP required that the proposed G&A rates would be evaluated using a cost analysis "based upon verification of the offerors' cost submissions for their G&A rates and confirming that the submissions are in accordance with the contract cost principles and procedures described in FAR Part 31." RFP, Tab 3 at 33. The protester, whose proposal complied with the solicitation requirements and whose G&A rate was supported by its certified financial statements, was prejudiced by the agency's actions as follows: one offeror did not comply with the requirement to submit certified financial statements or a DCAA report; two offerors' rates could not be verified by the information submitted; and five offerors proposed significantly lower rates than those identified in the certified financial statements they submitted with their proposals. AR, exh. 6, SSDD at 79-84. As a result, these offerors were viewed as offering a lower "price" to the government since the agency was using G&A rates as a proxy for price or cost. There is nothing in the solicitation that informs offerors that the agency would accept a G&A rate that was not supported by certified financial statements or DCAA reports and verified through a cost analysis of the required cost submissions. Accordingly, we sustain this basis for protest.

Finally, we find that the agency's source selection decision was flawed because it failed to document any meaningful consideration of the differences between the proposals selected for award and those that were not.

As we have long held, source selection based on a mechanical application of point scores, without any qualitative assessment of proposals (*i.e.*, without a consideration of the proposal strengths or weaknesses), is unreasonable. See Celta Servs., Inc., B-411835, B-411835.2, Nov. 2, 2015, 2015 CPD ¶ __ at 9 (citing YORK Bldg. Servs., Inc., B-296948.2 et al., Nov. 3, 2005, 2005 CPD ¶ 202 at 5; Opti-Lite Optical, B-281693, Mar. 22, 1999, 99-1 CPD ¶ 61 at 5 (finding source selection not reasonable where award determination was based entirely on a comparison of total technical points and prices); The Clay Group, LLC, B-406647, B-406647.2, July 30, 2012, 2012 CPD ¶ 214 at 12 (finding comparison of proposals based on point scores alone to be inadequate); Midland Supply, Inc., B-298720, B-298720.2, Nov. 29, 2006, 2007 CPD ¶ 2 at 5; FAR § 15.308). Point scores cannot be used as a substitute for adequate documentation showing the bases for the evaluation conclusions reached and source selection decision made. Panacea Consulting, Inc., B-299307.4, B-299308.4, July 27, 2007, 2007 CPD ¶ 141 at 5.

Here, while the source selection document contained summaries of the strengths and weaknesses of the proposals, and the source selection decision states that it compared the proposals by considering strengths and weaknesses, nothing in the record reflects such a comparison. See generally, AR, exh. 6, SSDD. Rather, the record shows that the selection decision relied entirely on a mechanical comparison of the total technical scores (which were calculated based on a mechanical application of the maximum available point score and weights assigned for each factor) and prices, the majority of which were unsubstantiated. Id. at 9-65, 67-72, 84-88. We do not find this selection decision to be reasonable. We sustain this basis for protest.

RECOMMENDATION

As set forth above, we agree with the protester's assertion that the agency failed to evaluate the "price proposals" here in accordance with the solicitation requirement for submission of certified financial statements or a DCAA report to substantiate proposed G&A rates. We also agree that the agency failed to make a meaningful best-value selection decision. As a result, we recommend that the agency either: (1) reevaluate the competitive range proposals in the manner set forth in the solicitation and make a new selection decision; or (2) reexamine its needs and evaluation approach, and if it finds that the solicitation does not reflect its actual needs, amend the solicitation, seek revised and updated proposals, re-evaluate the proposals, and make a new selection decision consistent with this decision. In either event, the new source selection decision should adequately document the comparative merits of the offerors' proposals and the agency's rationale for award. Should the agency conclude that offerors other than the 12 that were awarded contracts represent the best value, we recommend the agency terminate the contracts awarded improperly and make award to the offerors that represent the best value to the government.

We also recommend that the agency reimburse West Coast its reasonable costs of filing and pursuing its protest, including reasonable attorneys' fees. 4 C.F.R. § 21.8(d)(1). The protester's certified claim for costs, detailing the time spent and the cost incurred, must be submitted to the agency within 60 days after receipt of this decision. 4 C.F.R. § 21.8(f).

The protest is sustained.

Susan A. Poling
General Counsel