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Decision

Matter of: ENSCO, Inc.; PAE National Security Solutions LLC

File: B-414844; B-414844.2; B-414844.3

Date: October 2, 2017

John E. Jensen, Esq., Meghan D. Doherty, Esq., Alexander B. Ginsberg, Esq., Travis L. Mullaney, Esq., Pillsbury Winthrop Shaw Pittman LLP, for ENSCO, Inc., a protester; Daniel R. Forman, Esq., Jonathan M. Baker, Esq., Hart W. Wood, Esq., Crowell & Moring LLP, for PAE National Security Solutions LLC, a protester. Richard L. Moorhouse, Esq., Mark Wishner, Esq., Ryan Bradel, Esq., Greenberg Traurig, LLP, for CENTRA Technology, Inc., the intervenor. Debra B. Haworth, Esq., Defense Threat Reduction Agency, for the agency. Robert T. Wu, Esq., and Peter H. Tran, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protests challenging the evaluation of the awardee's proposal are sustained where the record shows that the agency's evaluation was unreasonable and not in accordance with the stated evaluation criteria, and where the agency failed to adequately document its cost realism evaluation.
 2. Protest that the agency unreasonably assigned significant weaknesses to a protester's proposal is sustained where the record shows that the agency's evaluation was unreasonable and not in accordance with the stated evaluation criteria.
 3. Protest that the agency improperly permitted the awardee to exceed the page limits for resumes in the firm's proposal is sustained where the resumes, on their face, exceeded the page limits stated in the solicitation, and the agency's argument that it properly could conclude that the resumes met the requirement by extracting and manipulating the size of the text (and the margins) of the awardee's proposal in order to satisfy the page limitation is unreasonable.
 4. Protest arguing that the agency unreasonably failed to recognize various strengths in the protester's technical proposal is denied where the agency's decision not to assign strengths was within its discretion.
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DECISION

ENSCO, Inc., of Springfield, Virginia, and PAE National Security Solutions LLC, of Falls Church, Virginia, protest the award of a contract to CENTRA Technology, Inc., of Burlington, Massachusetts, by the Defense Threat Reduction Agency (DTRA), under request for proposals (RFP) No. HDTRA1-17-R-0014 for the provision of support services. ENSCO and PAE challenge various aspects of the evaluation of each firm's respective proposal, the awardee's proposal, as well as the agency's award decision.

We sustain the protest in part and deny the protest in part.

BACKGROUND

The RFP, issued on January 5, 2017, sought proposals to provide services to the agency's Nuclear Enterprise Support Directorate in support of the agency's balanced survivability assessments (BSA) teams, which assess mission survivability of critical U.S. and allied "national/theater mission systems, networks, architecture, infrastructure and assets." Agency Report (AR), Tab 2, RFP, Statement of Work (SOW), at 1. The RFP contemplated the award of a single, cost-plus-fixed-fee contract with one base year and four option years. RFP at 1-9. The scope of work included three core assessment components: (1) technical capabilities and expertise of required specialists; (2) home team support; and (3) surge capability. Id. Specific requirements under the contract were to include performance of BSAs in three-team rotations, perform technical support projects, conduct design review, and participate in annual updates to the standard operating procedures. Id. at 3-6.

Award was to be made on a best-value basis, considering the following factors, in descending order of importance: mission capability, past performance, and cost. RFP at 75-76. The mission capability factor included two subfactors, listed in descending order of importance: management approach and technical approach. Id. at 76. When combined, mission capability and past performance were to be significantly more important than cost, however, cost was to be "carefully considered in the selection decision." Id.

The management approach subfactor was to evaluate an offeror's ability to effectively and successfully manage and lead the BSA Team's support effort. Id. at 72. According to the RFP:

This sub-factor is met when the Offeror provides a comprehensive management approach that includes an effective organizational structure and management processes with experienced management personnel and describes a thorough, complete, and effective approach to accomplish the overall program and contract objectives as stated in the SOW with an acceptable level of risk.

Id. The subfactor was to consider the following elements: (1) staffing plan that sufficiently describes the qualifications of all proposed personnel to meet the SOW requirements in sections 6.0 and 7.0 of the SOW;¹ (2) resumes which clearly demonstrate experience and training that meet the specific qualifications detailed in sections 6.0 and 7.0 of the SOW; (3) recruitment, retention, replacement, and surge personnel plan for managing the contract requirements of the SOW; and (4) socio-economic commitment. Id. at 47, 72. The technical approach subfactor was to evaluate an offeror’s technical approach for satisfying the overall program objectives, tasks, and deliverables as identified in the SOW with an acceptable level of risk. Id. at 72.

Six proposals were received by the agency including those from ENSCO, PAE, and CENTRA. AR, Tab 27, Source Selection Decision Document (SSDD), at 2. After establishing a competitive range consisting of all offerors, the agency engaged in discussions and received final proposal revisions (FPR). Id. The relevant evaluation results were as follows:

	PAE	ENSCO	CENTRA
Mission Capability²			
Management Approach	Yellow/Marginal	Blue/Outstanding	Purple/Good
Technical Approach	Green/Acceptable	Green/Acceptable	Green/Acceptable
Past Performance³	Substantial	Substantial	Satisfactory
Proposed Cost	\$53,746,574	\$79,057,750	\$61,771,261
Most Probable Cost	\$53,746,574	\$79,057,750	\$61,771,261

Id. The Source Selection Authority (SSA) conducted a best-value tradeoff analysis and determined that CENTRA’s proposal represented the best value to the government. Id. at 7. The SSA specifically found that ENSCO’s proposal, despite being technically superior to the awardee’s proposal was not worth the price premium. Id. After award, these protests followed.

¹ Section 6.0 of the SOW set forth the technical core competencies for various labor categories required by the SOW, and included baseline requirements, desired qualifications and experience, as well as labor categories and estimated quantities for personnel. SOW at 6-16. Section 7.0 of the SOW set forth the requirements for home team support. Id. at 16-19.

² The management approach and technical approach subfactors were to be evaluated and each assigned one of the following colors with corresponding adjectival ratings: Blue/Outstanding, Purple/Good, Green/Acceptable, Yellow/Marginal, or Red/Unacceptable. RFP at 71.

³ Past performance was to be evaluated and assigned one of the following adjectival ratings: Substantial Confidence, Satisfactory Confidence, Limited Confidence, or No Confidence.

DISCUSSION

PAE and ENSCO challenge various aspects of the agency's evaluation of their own proposals, while PAE separately challenges the agency's evaluation of CENTRA's technical proposal.⁴ Both protesters challenge the agency's best-value determination as unreasonable. In addition, ENSCO challenges the agency's cost realism evaluation of CENTRA's proposal, arguing that the awardee's cost proposal was unrealistic, and that the agency's unreasonable evaluation is not supported by the record. Because we agree with PAE that the agency erred in evaluating its proposal and CENTRA's proposal under the management approach subfactor, and the evaluation errors were prejudicial, we sustain the protest. We also sustain the protest because the agency failed to adequately document its cost realism analysis.⁵

ISSUES RAISED BY PAE

PAE's Evaluation

PAE challenges various aspects of the evaluation of its own proposal under the management approach subfactor. PAE argues that the agency erroneously assigned a weakness to the firm's proposal for its small business subcontracting plan, based on the agency's miscalculation of PAE's small business utilization. PAE Protest at 11-14. PAE also challenges the assignment of two significant weaknesses to its proposal, both assigned to one of the firm's proposed utilities subject matter expert (SME). Id. at 14-15. As discussed below, we agree with PAE that the assignment of a weakness to the firm's small business subcontracting plan and two significant weaknesses to one of its proposed SMEs was unreasonable.⁶

⁴ ENSCO also protested the evaluation of CENTRA's proposal under the past performance factor and the management approach subfactor. ENSCO Protest at 28-32. ENSCO subsequently withdrew these grounds of protest. Accordingly, we do not consider them further. ENSCO Comments at 2.

⁵ To the extent we do not address certain arguments or variations of arguments presented during the course of the protest, we have considered all of the allegations and find that, aside from the issues discussed herein, none provides a basis to sustain the protest.

⁶ PAE also challenges the assignment of a significant weakness to its proposed staffing plan as unreasonable. PAE's Protest at 20-23. Specifically, the protester argues that, based on the evaluation record, the agency appeared to have overlooked the proposal revisions and additional detail found in the firm's FPR. Id. at 21. While the agency maintains that its evaluation was reasonable, our review of the record indicates that the significant weakness assigned by the agency is not adequately supported by the contemporaneous record. Thus, in implementing our recommendations, the agency should consider adequately documenting its evaluation in this respect.

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. Analytical Innovative Solutions, LLC, B-408727, Nov. 6, 2013, 2013 CPD ¶ 263 at 2. Rather, we will review the record only to determine whether the agency's evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. Id.

PAE first challenges the assignment of a weakness to the firm's proposal under the management approach subfactor for not meeting the 25 percent small business subcontracting goal set forth in the RFP. PAE Protest at 11-14; AR, Tab 26, BSA SSA Briefing, at 42. PAE argues that the agency miscalculated the firm's small business commitment, which actually met the RFP's stated goal. The agency admits that it made a mathematical computation error and incorrectly concluded that PAE did not meet the socio-economic commitment. Memorandum of Law (MOL) at 28. However, the agency argues that "the [w]eakness assigned as a result of this miscalculation was minor and was not consequential to the SSA's award decision." Id. Our review of the record confirms that the agency erred in assigning this weakness to PAE's proposal.

PAE next challenges the assignment of two significant weaknesses to the firm's proposal under the management approach subfactor for one of the firm's proposed utilities SMEs. The first significant weakness assigned to PAE's proposal was for failing to meet the following requirement, "6.5.1.2. Minimum 10 years operational experience in the military or other comparable civilian position with focus on utilities infrastructure." SOW at 10. The assigned weakness states, "Utilities Specialist (UT) 2 describes facility maintenance manager experience in operations[, but] not on identifying issues and vulnerabilities with overall utilities infrastructure and lacks the specificity required to confirm minimum requirements are met." AR, Tab 26, BSA SSA Briefing, at 43.

PAE argues that its proposal met the stated SOW requirements, but the agency applied an unstated evaluation criterion by assessing a significant weakness for failing to include experience identifying issues and vulnerabilities under this particular SOW requirement. PAE Protest at 17. The agency responds that the utilities SME did not have the required experience, because in this context, the term "operational" meant experience with "mission critical utilities systems," a fact that the agency asserts was conveyed to PAE during discussions. MOL at 34-35. Setting aside the issue of whether PAE's utilities SME met the requirements of the stated SOW requirement, an issue which is not established in this record, we agree with PAE that the application of a "mission critical utilities systems" requirement to the term "operational experience" exceeds the scope of the stated evaluation criterion.

Where a dispute exists as to a solicitation's actual requirements, we begin by examining the plain language of the solicitation. Point Blank Enters., Inc., B-411839, B-411839.2, Nov. 4, 2015, 2015 CPD ¶ 345 at 3. If the solicitation language is unambiguous, our inquiry ceases. Desbuild Inc., B-413613.2, Jan. 13, 2017, 2017 CPD ¶ 23 at 5. We

resolve questions of solicitation interpretation by reading the solicitation as a whole and in a manner that gives effect to all provisions; to be reasonable, and therefore valid, an interpretation must be consistent with such a reading. Id.

As stated, section 6.5.1.2. of the SOW required the utilities SME to have 10 years of operational experience with a focus on utilities infrastructure. SOW at 10. The utilities SME was also required by a separate section of the RFP to have experience with identifying vulnerabilities as it pertains to all mission critical utilities systems. Id. at 11. Thus, under the terms of the RFP, the utilities SME was to have both operational experience and experience identifying vulnerabilities as it pertains to all mission critical utility systems. Reading the solicitation as a whole and giving effect to all provisions, the terms “operational experience” and “mission critical utilities systems” experience cannot reasonably be synonymous, as the agency alleges, because they both exist as separate requirements under the terms of the RFP. Moreover, while the agency asserts that PAE was made aware of the agency’s interpretation of this requirement during discussions, it is apparent from PAE’s response to the agency’s discussion question that PAE reasonably believed the agency was referring to the mission critical utility systems requirements as delineated under section 6.5.1.6. of the SOW.⁷ Finally, a review of the record shows that PAE addressed the requirement under section 6.5.1.6. for experience with mission critical utilities, and that the agency did not assign a weakness to this section of PAE’s proposal. See generally AR, Tab 26, BSA SSA Briefing. Accordingly, we agree with PAE that the agency applied an unstated evaluation criterion and thus find that the agency’s evaluation was unreasonable in this regard. See Raytheon Co., B-404998, July 25, 2011, 2011 CPD ¶ 232 at 15-16.

The second significant weakness assigned by the agency was for failing to meet the following SOW requirement, “6.5.1.4. Experience with identifying vulnerabilities as it pertains to power and water.” SOW at 11. The assigned significant weakness states, “[t]he offeror failed to adequately document with enough specificity the capabilities and requirements of the Utilities Specialists (UT2) to address or identify vulnerabilities in power and water.” AR, Tab 26, BSA SSA Briefing, at 43. PAE argues that its proposal met the requirements of the RFP, and points to various sections of its proposal that support its argument. PAE Protest at 17-18.

The agency defends the evaluation arguing that PAE’s proposal did not show that its proposed SME had the requisite type of experience, asserting, “[a]s can be seen from the excerpt, the experience referenced derives from ‘managing’ a single facility and

⁷ The record shows that the agency provided the following notice to PAE during discussions, “[u]tilities [SME] addresses vulnerabilities based on function as a facilities manager which does not address mission critical utilities systems.” AR, Tab 15, Formal Evaluation Notice Responses - PAE, at 2. PAE’s response to this discussion question acknowledged the agency’s concern that the firm did not adequately explain the experience of its candidates “to identify vulnerabilities related to all mission critical utilities systems as required in SOW 6.5.1.6.” Id.

‘managing’ a construction company. In the opinion of the [Mission Capability Team], this did not equate to the required hands-on practical experience *identifying vulnerabilities* in water and power.” MOL at 37 (emphasis in original).

The excerpt referred to by the agency is from PAE’s proposal, which reads as follows:

[DELETED]

MOL at 36-37; citing AR, Tab 19, PAE FPR, at 1-60 (emphasis added).

The record here does not demonstrate why the proposed SME’s management experience does not satisfy the requirements of section 6.5.1.4., and instead only addresses the SME’s management experience as apparently disqualifying under the evaluation criteria. Moreover, to the extent the agency could justify a distinction between management experience and “hands-on” practical experience, a review of the excerpted language, above, shows that the experience detailed for this SME goes beyond management, and extends to owning, managing, and operating, as well as hands-on practical experience, which the agency apparently emphasized in its own evaluation as an element missing from this individual’s stated experience. As the agency’s explanation for the assignment of this significant weakness is not supported in the record, we conclude that the evaluation in this regard is unreasonable. See Arcadis U.S., Inc., B-412828, June 16, 2016, 2016 CPD ¶ 198 at 8-9 (sustaining protest where record does not provide reasonable basis for assigned weaknesses).

CENTRA’s Evaluation

PAE also challenges various aspects of the evaluation of CENTRA’s proposal under the management approach subfactor. In this regard, the protester argues that the agency unreasonably ignored the insufficient qualifications of two of CENTRA’s personnel. PAE Protest at 5-8. PAE also argues that the agency improperly relaxed the RFP’s requirements by accepting two resumes submitted by CENTRA that exceeded the page limits stated in the RFP. Id. at 9-11. As discussed below, we agree with PAE that the agency unreasonably evaluated the qualifications of two of CENTRA’s personnel, and improperly relaxed the requirements of the RFP by considering portions of two resumes submitted by CENTRA that exceeded the page limits set forth in the RFP.⁸

As noted above, in reviewing a protest challenging an agency’s evaluation, our Office will review the record only to determine whether the agency’s evaluation was reasonable and consistent with the stated evaluation criteria and with applicable

⁸ PAE also argues that CENTRA’s proposal should have been considered ineligible for award because one of the firm’s subcontractors did not have a required facility clearance. Our review of the record indicates that, by its plain language, the facility clearance provision of the solicitation applied to the contractor and not the subcontractor. As such, we find no merit to this allegation.

procurement statutes and regulations. Analytical Innovative Solutions, LLC, B-408727, supra, at 2.

PAE first argues that one of CENTRA's proposed Information Operations (IO) Specialists did not meet the RFP's requirement to, "[p]ossess a minimum of 10 years operational training and experience in the military, other Federal Government or comparable civilian position in information operations." PAE Supp. Protest at 7; SOW at 9. In this regard, PAE points to the individual's resume, which the protester asserts only indicates 9 years of IO experience. PAE Supp. Protest at 7 citing AR, Tab 20, CENTRA FPR, at 35. The agency responds that while CENTRA's proposal states that this individual has 9 years focused on IO conducting assessments and operations, according to the agency, "PAE ignores the first part of the bullet where CENTRA also state[s] that [the individual] has **15-plus years of military service.**" Supp. MOL at 3 (emphasis in original). The agency goes on to state, "[a]s it is clear from the resume that [the individual] was an Information Operations Officer, this is sufficient to establish the ten years of IO experience demanded by the solicitation." Id. at 3-4.

As discussed above, the RFP required offerors to submit resumes that clearly demonstrate experience and training that meet the specific qualifications detailed in sections 6.0 and 7.0 of the SOW. RFP at 72. Here, on its face, the resume for this individual states that he has 9 years of IO experience, which does not meet the requisite 10 years of experience stated in the RFP. While the agency refers to the individual's 15-plus years of military experience, this does not, by itself, meet the requirement of the RFP for operational training and experience in IO. In this regard, there is no indication from the proposal that the individual's "15-plus years of military experience" included any IO experience beyond the specifically identified 9 years of IO experience. Nor do the other areas of CENTRA's proposal on which the agency relies clearly demonstrate 10 years of experience in IO. As such, the agency's failure to recognize this apparent inability to meet the RFP's requirements in the evaluation of CENTRA's proposal was unreasonable. See Arcadis U.S., Inc., supra, at 8-9.

PAE also argues that one of CENTRA's Electromagnetic Protection Specialists does not clearly meet the requirement to have a minimum of "10 years operational experience in the military or other comparable civilian position with focus on Electromagnetic Effects." Supp. Protest at 7-8; RFP, SOW, at 11. In this regard, PAE argues that the individual's resume does not cite to any length of experience focused on electromagnetic effects. Supp. Protest at 8. The agency responds that the evaluators reasonably concluded that the individual met the minimum ten years required experience in electromagnetic effects because the individual's resume listed over twenty years of military service and subsequent performance as a support contractor, which showed the requisite expertise. Supp. MOL at 3-5.

Our review of CENTRA's proposal shows that the individual's resume does not cite to any length of experience, but instead only to projects or assignments worked. AR, Tab 20, CENTRA FPR, at 16, 49-50. Given that the burden was on the offeror to clearly demonstrate experience that meets the specific qualifications set forth in the RFP, we

cannot conclude that CENTRA met its burden in this regard. As such, the agency's evaluation in this regard is unreasonable. See Arcadis U.S., Inc., supra, at 8-9.

Finally, PAE argues that the agency improperly permitted CENTRA to exceed the stated page limits for two resumes in the firm's proposal. PAE Supp. Protest at 9-11. In doing so, PAE asserts that the agency failed to conduct its evaluation on an equal basis, and had it not considered the excess information, CENTRA would have been assessed significant weaknesses similar to those assigned to its own proposal. Id. at 11.

The RFP required offerors to provide a maximum two-page resume for each of the 39 proposed personnel, or in lieu of resumes, to submit the information in the form of a table, with the same page limits being applied. RFP at 50. The RFP also instructed offerors that "[p]age limitations shall be treated as maximums. If exceeded, the excess pages will not be read or considered in the evaluation of the proposal." Id. at 44. Moreover, as relevant to the agency's argument, the RFP states, "[p]ages shall be 8.5 x 11 inches, not including foldouts Graphics resumes (or the optional table format for resumes) may stretch across the page and are not required to remain in two column format. Except for the lettering that is within a graphic, the font size shall be no less than 10 point. . . . Margins on all four edges of each sheet will be at least one-inch." Id. at 43.

A review of the record confirms PAE's allegation that two of the resumes submitted by PAE exceed the RFP's stated two-page limit, with one resume consisting of approximately a quarter-page of text on the first page, followed by two full pages of text, and a half-page of text on the fourth page. The second resume consisted of a half-page of text on the first page, a full page of text on the second page, and three-quarters of a page of text on the third page. AR, Tab 20, CENTRA FPR, at 56-61. Thus, on their face, these two resumes appear to exceed the page limits stated in the RFP, and the excess information should not have been considered.

The agency responds that the two resumes were within the page limits stated in the RFP because if the information on the pages is extracted, and the minimum allowable formatting set forth in the RFP is applied to the resumes, according to the agency, the text would fit within the page requirements. Supp. MOL at 6. However, the agency does not cite to any authority to support its argument, nor can we find any, that would permit evaluators to extract and manipulate the text of an offeror's proposal in order to satisfy the pagination requirements set forth in an RFP. As such, we conclude that the agency erred in considering those portions of CENTRA's proposal that exceeded the RFP's state page limits. Techsys Corp., B-278904.3, Apr. 13, 1998, 98-2 CPD ¶ 64 at 10 (finding agency erred in consider pages that exceeded page limits).

ISSUES RAISED BY ENSCO

ENSCO's Evaluation

ENSCO challenges the evaluation of its own technical proposal, arguing that the agency unreasonably failed to recognize any of its proposal's multiple strengths under the technical approach subfactor. ENSCO Protest at 24. In this regard, the protester points to a table included in its FPR that outlined 18 strengths and explained the benefits these strengths would provide to the government. Id.; see also Tab 21, ENSCO FPR, Vol. II, at 101-109. The agency responds that the evaluators reviewed each of the 18 alleged strengths identified by ENSCO and found they either did not rise to the level of a strength as defined in the RFP, or simply did not represent a requirement of the solicitation. MOL at 8. Our review of the record provides no basis to question this aspect of the agency's evaluation.

We will not sustain a protest where the agency's evaluation is reasonable, and the protester's challenge amounts to nothing more than disagreement with the agency's considered technical judgments regarding the specific elements of an offeror's proposal. ITT Industries Space Systems, LLC, B-309964, B-309964.2, Nov. 9, 2007, 2007 CPD ¶ 217 at 12-13.

The record reflects that the agency evaluated ENSCO's proposal as having no strengths, weaknesses or deficiencies under the technical approach subfactor, and that the agency informed ENSCO of this result during discussions. AR, Tab 9, BSA SSA Brief, at 85-86; AR, Tab 10, ENSCO Competitive Range Notification, attachment No. 2, at 29-30. ENSCO responded by submitting in its FPR a table detailing the strengths and benefits of the firm's technical approach, but did not otherwise change the substance of its proposal under the technical approach subfactor. See Tab 21, ENSCO FPR, Vol. II, at 101-109. The subsequent evaluation of the FPR shows that the agency found ENSCO's proposal to, again, have no strengths under the technical approach subfactor, and that the agency assigned the proposal a green/acceptable rating under the subfactor. The agency's evaluation noted only that, "[t]he proposal meets requirements and indicates an adequate approach and understanding of the requirements. There were no strengths or weaknesses. Risk of unsuccessful performance is no more than moderate." AR, Tab 26, BSA SSA Briefing, at 68-69.

By way of example, ENSCO argues that it should have received a strength for [DELETED]. ENSCO Protest at 25. The protester asserts that this feature, "[DELETED]." Tab 21, ENSCO FPR, Vol. II, at 2. The agency responds that, to the extent that ENSCO is proposing a recruitment and retention program, this feature is consistent with the requirements of the RFP. However, the agency noted if ENSCO is proposing to provide staff not required by the statement of work, this is "not an advantageous aspect" of the firm's proposal. MOL at 13.

ENSCO also argues that "its experienced staff and vast technical expertise should be considered a strength." ENSCO Protest at 25. The protester asserts that this aspect of

its proposal benefits the government because “[DELETED].” Id. at 26; AR, Tab 21, ENSCO FPR, Vol. II, at 2. The agency responds that ENSCO was recognized under the management approach subfactor “for attributes of certain proposed personnel that the [evaluators] regarded as exceeding capabilities,” which it asserts was the appropriate place to recognize those qualities. MOL at 12.

In its comments, ENSCO does not respond to any of the agency’s substantive arguments as to why the firm did not receive any strengths under the technical approach subfactor. Instead, the protester urges our office to “dismiss these responses as clear post-hoc rationalizations that are entitled to no weight,” citing to our decision in the protest of Boeing Sikorsky Aircraft Support, B-277263.2, B-277263.3, Sept. 29, 1997, 97-2 CPD ¶ 91. ENSCO Protest at 11. We decline to do so.

The Boeing decision is inapplicable here, where the agency offers post-protest explanations that provide a detailed rationale for contemporaneous conclusions and simply fill in previously unrecorded details. Such explanations will generally be considered in our review of the reasonableness of selection decisions, so long as those explanations are credible and consistent with the contemporaneous record. IBM Global Business Service - U.S. Federal, B-409029, B-409029.2, Jan. 27, 2014, 2014 CPD ¶ 43 at 9. Moreover, the Federal Acquisition Regulation (FAR) requires agencies to document as part of the contract file, “relative strengths, deficiencies, significant weaknesses, and risks supporting proposal evaluations.” FAR § 15.305(a). There is no requirement for agencies to document their rationale for not assigning a strength to a particular aspect of a proposal, and in such circumstances we will accept explanations proffered in the protest record, as here. See e.g. DKW Communications, Inc., B-414476, B-414476.2, June 23, 2017, 2017 CPD ¶ 206 at 5-6.

Our review of the record, including giving due weight to the agency’s post-protest responses to the protester’s allegations, provides us no basis to question the agency’s decision not to assign any strengths to ENSCO’s proposal under the technical approach subfactor. In this regard, the agency has provided an adequate basis to support its decision, and the protester has provided no substantive reason to question the agency’s decision in its comments. On this record, we conclude that the protester’s argument, in this regard, is without merit.

Cost Realism

ENSCO also challenges the agency’s cost realism evaluation of CENTRA’s cost proposal arguing that at CENTRA’s proposed cost, the awardee is “not even capable of supporting the tasks at hand and/or reflects a lack of understanding of the requirements.” ENSCO Protest at 27-28. The protester also argues that since the agency failed to document the substance of its cost realism analysis, the analysis must be determined to be improper because our office cannot meaningfully evaluate it. ENSCO Comments at 7-8. We sustain the protest because the cost realism evaluation is inadequately documented.

Agencies are required to perform cost realism analyses when awarding cost-reimbursement contracts to determine the probable cost of performance for each offeror. FAR § 15.404-1(d)(2). Agencies are given broad discretion to make cost realism evaluations. Burns & Roe Indus. Servs. Co., B-233561, Mar. 7, 1989, 89-1 CPD ¶ 250 at 2. Consequently, our review of an agency's cost realism evaluation is limited to determining whether the cost analysis is reasonably based and not arbitrary. Jacobs COGEMA, LLC, B-290125.2, B-290125.3, Dec. 18, 2002, 2003 CPD ¶ 16 at 26. Although an agency is not required to retain every document generated during its evaluation of proposals, the agency's evaluation must be sufficiently documented to allow our Office to review the merits of a protest. Apptis, Inc., B-299457 et al., May 23, 2007, 2008 CPD ¶ 49 at 10. Where an agency fails to document or retain evaluation materials, it bears the risk that there may not be adequate supporting rationale in the record for us to conclude that the agency had a reasonable basis for its source selection decision. Navistar Def., LLC; BAE Sys., Tactical Vehicle Sys. LP, B-401865 et al., Dec. 14, 2009, 2009 CPD ¶ 258 at 13.

The agency asserts that it performed a cost realism analysis of proposals, found each to be realistic, and made no most probable cost adjustment. AR, Tab 26, BSA SSA Briefing, at 150-157; Tab 27, SSD, at 2. According to the agency, to establish cost realism the Cost/Price Evaluation Team (CPET) conducted an evaluation in accordance with FAR § 15.305(a)(1), including an evaluation of proposed direct labor hours for each offeror to determine whether the level of effort proposed was consistent with the offeror's technical proposal and reflected a clear understanding of the BSA requirement. Contracting Officer's Statement (COS) at 29.

As part of the cost realism analysis, the agency states that labor rate verifications were requested from the Defense Contract Audit Agency. Id.; AR, Tab 26, BSA SSA Brief, at 157. The agency determined that CENTRA's proposed costs were "realistic for the work to be performed, consistent with the offeror's technical proposal, and reflect[ed] a clear understanding of the requirements." AR, Tab 26, BSA SSA Briefing, at 153. Based on that determination, the agency made no cost adjustments, and the offerors' proposed costs became the most probable cost used in the agency's tradeoff analysis. Those few statements found in three briefing slides to the SSA, however, were the only documents contained in the contemporaneous record discussing the agency's cost realism analysis. There is no report from the CPET, nor is there a discussion of cost in any other evaluation document provided in the agency report. While the contracting officer responded to the cost realism challenge in her 42-page statement, the cost analysis is only addressed in one small paragraph of her statement. Moreover, the contracting officer's explanation did little more than restate the sparse information already contained in the SSA's briefing slides. COS at 29.

For the reasons discussed above, we find that neither the contemporaneous record nor the contracting officer's explanation provide a basis for our Office to conclude that DTRA's cost realism evaluation was reasonable. To the extent the SSA relied on the judgment of the CPET or other evaluators in concluding that CENTRA's (or any offeror's) proposed costs were realistic, the record does not show how they reached

their judgements or whether they were reasonable. In this regard, the record only contains conclusory statements about the results of the cost evaluation, but does not provide any details about the substance of the evaluation. Based on the inadequate contemporaneous record, we cannot conclude that DTRA's evaluation of the offerors' proposed costs was reasonable. As such, we sustain the protest due to an inadequate record. See TriCenturion, Inc.; SafeGuard Services, LLC, B-406032 et al., Jan. 25, 2012, 2012 CPD ¶ 52 at 6-7.

Prejudice

Finally, we address the issue of prejudice, which is an element of every viable protest. See Bannum, Inc., B-408838, Dec. 11, 2013, 2013 CPD ¶ 288 at 4. The record shows that PAE's proposal was rated higher than CENTRA's under the past performance factor and was lower in cost. PAE received a lower rating under the management approach subfactor of the mission capability factor, apparently because of two significant weaknesses that were found to be unreasonably assigned, as discussed above, and one significant weakness that was not adequately supported in the contemporaneous record. Additionally, the agency admits that it erroneously assigned a weakness to PAE's proposal related to the firm's small business commitment, as discussed above. Moreover, the record shows that the agency made four errors in the evaluation of CENTRA's proposal. As these errors could result in a diminished technical advantage of CENTRA's proposal over PAE's, we resolve any doubts regarding prejudice in favor of a protester since a reasonable possibility of prejudice is a sufficient basis for sustaining a protest. See Kellogg, Brown & Root Servs., Inc.-- Recon., B-309752.8, Dec. 20, 2007, 2008 CPD ¶ 84 at 5. Accordingly, we conclude that PAE has shown prejudice on this record. Likewise, ENSCO has shown that it was prejudiced by the agency's failure to adequately document its cost realism analysis of CENTRA's proposal, because, on this record, we cannot determine the reasonableness of the agency's cost evaluation.

RECOMMENDATION

We recommend that DTRA reevaluate both CENTRA's and PAE's proposals under the management approach subfactor, adequately document the cost realism evaluation of proposals, and conduct a new best-value tradeoff analysis, in accordance with this decision. In the event a proposal other than CENTRA's is found to represent the best value to the government, CENTRA's contract should be terminated for the convenience of the government and award should be made to the successful offeror in accordance with the terms of the RFP. We also recommend that the agency reimburse PAE and ENSCO for their costs of filing and pursuing their protests challenging the award to CENTRA, including reasonable attorneys' fees. Bid Protest Regulations, 4 C.F.R. § 21.8(d)(1). PAE's and ENSCO's certified claims for costs, detailing the time

expended and costs incurred, must be submitted directly to the DTRA within 60 days of receiving this decision. 4 C.F.R § 21.8(f)(1).

The protest is sustained in part and denied in part.

Susan A. Poling
General Counsel