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Decision

Matter of: Science Applications International Corporation

File: B-416780

Date: December 17, 2018

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Amy A. Cook, Esq., General Services Administration, for the agency.
Heather Weiner, Esq., and Jennifer D. Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency's selection of a lower-rated, lower-priced quotation for award is unobjectionable where the agency's tradeoff decision was reasonable and adequately documented.

DECISION

Science Applications International Corporation (SAIC), of Reston, Virginia protests the issuance of a task order to CACI, Inc.-Federal, of Chantilly, Virginia, under task order request (TORFP) No. ID07180010, issued by the General Services Administration (GSA) on behalf of the Army Research Development and Engineering Command, Communications-Electronics, Research, Development and Engineering Center, Intelligence and Information Warfare Directorate, for system innovation and engineering support. SAIC challenges the agency's evaluation and selection decision.

We deny the protest.

BACKGROUND

On June 6, 2018, the agency issued the solicitation on an unrestricted basis under GSA's Alliant Governmentwide Acquisition Contract (GWAC) vehicle. The procurement was conducted pursuant to Federal Acquisition Regulation (FAR) subpart 16.5. The solicitation contemplated the award of a single time-and-materials task order for a base year and four 1-year options.

The solicitation provided that the task order would be issued to the vendor whose quotation was evaluated as offering the best value, based on a tradeoff between price and the following non-price factors, in descending order of importance: technical management approach and past experience. Non-price factors, when combined, were considered significantly more important than price, although the solicitation advised that price could become more important in the tradeoff analysis as the difference between the non-price factors became closer. TORFP at 67.

The agency received quotations from two vendors, SAIC and CACI. After the agency evaluated quotations, the ratings for SAIC and CACI were as follows:

	CACI	SAIC
Technical	Excellent	Excellent
Past Experience	Very Good	Excellent
Total Evaluated Price	\$350,253,209	\$351,557,369

Agency Report (AR), Tab 9, Award Decision, at 14.

After the evaluation, the agency determined that CACI’s quotation provided the best value to the government.¹ This protest followed.

DISCUSSION

SAIC argues that GSA’s award to CACI, a lower-rated, lower-priced vendor, was unreasonable because the agency failed to look behind the ratings to make a comparative assessment of the qualitative merits of the quotations. The protester also argues that the source selection decision was inadequately documented. Specifically, SAIC contends that the agency’s source selection authority (SSA) failed to perform any qualitative comparison of the advantages and disadvantages of the vendors’ quotations under the technical management approach factor. The protester also argues that GSA improperly discounted SAIC’s technical superiority under the past experience factor, thereby deviating from the solicitation’s evaluation scheme. As discussed below, we find no merit to these arguments.

Where, as here, a solicitation provides for issuance of a task order on a best-value tradeoff basis, it is the function of the SSA to perform a price/technical tradeoff, that is, to determine whether one proposal’s (or quotation’s) technical superiority is worth its

¹ The agency issued the task order to CACI in the amount of \$318,649,850. While the task order will be in support of a Department of Defense organization, the Alliant GWAC is a civilian agency indefinite-delivery indefinite-quantity contract awarded by GSA. As such, the protest is within our Office’s jurisdiction because the value of the order to be issued exceeds \$10 million. See 41 U.S.C. § 4106(f); Analytic Strategies LLC; Gemini Indus., Inc., B-413758.2, B-413758.3, Nov. 28, 2016, 2016 CPD ¶ 340 at 4-5.

higher price. Alliant Enter. JV, LLC, B-410352.5, B-410352.6, July 1, 2015, 2015 CPD ¶ 209 at 13. An agency has broad discretion in making a tradeoff between price and nonprice factors, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the solicitation's stated evaluation criteria. Id. at 14. Generally, in a negotiated procurement--including task order procurements subject to the provisions of FAR subpart 16.5 that use negotiated procurement techniques--an agency may properly select a lower-rated, lower-priced quotation where it reasonably concludes that the technical superiority of the higher priced quotation does not outweigh the price advantage of the lower-priced quotation. Smartronix, Inc.; ManTech Advanced Sys. Int'l, Inc., B-411970.9 et al., Dec. 9, 2016, 2016 CPD ¶ 362 at 10.

The agency's rationale for any price/technical tradeoffs made and the benefits associated with the additional price must be adequately documented. FAR §§ 16.505(b)(1)(iv)(D), (b)(7)(i); see Lockheed Martin Integrated Sys., Inc., B-408134.3, B-408134.5, July 3, 2013, 2013 CPD ¶ 169 at 9. However, there is no need for extensive documentation of every consideration factored into a tradeoff decision. FAR § 16.505(b)(7); Lockheed Martin Integrated Sys., Inc., supra, at 10. Rather, the documentation need only be sufficient to establish that the agency was aware of the relative merits and costs of the competing quotations and that the source selection was reasonably based. Id. A protester's disagreement with the agency's determination, without more, does not establish that the evaluation or source selection was unreasonable. Engility Corp., B-413120.3 et al., Feb. 14, 2017, 2017 CPD ¶ 70 at 16.

With regard to the technical management approach factor, the award decision identified strengths and significant strengths for both CACI's and SAIC's quotations, and explained that these were the basis for assigning an excellent rating to both vendors' quotations under this factor. AR, Tab 9, Award Decision at 5-6, 8-10. The agency noted that both quotations "offered solutions that exceed[ed] the project requirements." Id. at 15. The SSA concluded that "[b]ased on the 'Excellent' ratings in the [technical factor,] for both CACI and SAIC, no discussion of trade-off [was] warranted for" this factor. Id.

SAIC challenges the agency's evaluation in this regard, arguing that the SSA failed to conduct a comparative assessment of the qualitative differences of each vendor's quotation under the technical factor. Based on our review of the record, however, we find nothing unreasonable regarding the agency's evaluation.

The award decision reflects that both vendors' quotations were considered essentially equal under the technical factor. Id. Although the award decision did not elaborate on the equivalence of the various underlying strengths that were determined to be essentially equal, the award decision provided that the assessment was made after a comparison of the underlying evaluation results, including the different strengths and significant strengths assessed to each vendor for the technical factor, as detailed in the consensus evaluation. Id. at 5-6, 8-10. In this regard, the contracting officer, who was also the SSA, explains in response to the protest that, after reviewing the ratings and comments in the technical report, he determined that the responses of the two vendors

related to their technical management approaches were “equally strong.” Contracting Officer Statement at 6-7.

Further, review of the consensus evaluation demonstrates that the SSA’s conclusions were not unreasonable. For example, both vendors had a similar mix of underlying strengths and significant strengths. Specifically, SAIC’s technical evaluation factor results consisted of two significant strengths and four strengths, while CACI’s evaluation results consisted of two significant strengths and three strengths. AR, Tab 9, Award Decision at 5, 8-9.

In addition, close comparison of the strengths and significant strengths themselves reveals significant similarity between the quotations. For example, both vendors received a significant strength for having “personnel ready to perform requirements immediately upon contract award,” and a strength for their program managers. Id. at 5, 8-9. In addition, CACI received a significant strength for its transition-in plan, which the agency found would result in “faster task order start up time,” and similarly, SAIC received a strength for its phase-in plan, which the agency found would allow “performance to begin immediately.” Id. at 5, 9-10. Both vendors also were recognized for their proposed security measures: CACI received a strength for possessing a top secret facility clearance, and SAIC received a strength for its Joint Personnel Adjudication System (JPAS) pre-screening process. Id. at 5, 9. In addition, both vendors were acknowledged for their proposed management plans, with SAIC receiving a significant strength, and CACI receiving a strength. Id. at 5, 8. The remaining strength for SAIC was based on the vendor’s proposed [DELETED]. Id. at 9.

Although SAIC objects to the SSA’s determination of equivalence under the technical factor and argues that its quotation should have been found superior, we see nothing unreasonable regarding the SSA’s conclusion that the respective strengths and significant strengths indicated that, overall, the quotations were essentially equal for the technical factor. A finding that quotations are essentially equivalent means that overall there is no meaningful difference in what the quotations have to offer--it does not mean that the quotations are identical in every respect; one may be superior to the other in a variety of areas. See Northern Virginia Serv. Corp., B-258036.2, B-258036.3, Jan. 23, 1995, 95-1 CPD ¶ 36 at 9. Furthermore, for procurements conducted under FAR § 16.505, such as this one, FAR § 16.505(b)(7)(i) provides that while the contracting officer shall document the rationale for any tradeoffs among price and non-price considerations, the “documentation need not quantify the tradeoffs that led to the decision” to show they are reasonable. SAIC’s disagreement with the SSA’s judgment in this matter does not demonstrate that the tradeoff analysis was unreasonable or otherwise provides a basis to sustain the protest. Ben-Mar Enters., Inc., B-295781, Apr. 7, 2005, 2005 CPD ¶ 68 at 7.

Next, we also find no merit to the protester’s contention that the SSA improperly discounted SAIC’s technical superiority under the past experience factor, thereby deviating from the solicitation’s evaluation scheme. The solicitation required that vendors provide examples of past experience information for three past or current contracts or task orders executed within the past five years of the task order response

due date. TORFP at 70. The solicitation provided for evaluation of a vendor's past experience in carrying out similar work, and explained that the government must have "confidence in the vendor's ability to complete a project with similar scope, size and duration with minimal risk." Id. Specifically, as relevant here, the solicitation provided that the examples would be evaluated in the aggregate for similar size, scope and complexity, and defined "similar in size" to mean "over \$10 million per year" and between an "estimated 50-60 [full-time equivalent] FTE personnel (per the labor hours delineated within the Pricing Spreadsheet)," which was attached to the TORFP. Id. The requirement specified that aggregated past experience between \$10 million and \$19 million per year, with an estimated 50-149 FTE personnel, would be considered acceptable. Id. It further indicated that "providing [past experience] that is \$20 million or more per year with an estimated 150 or more FTE personnel will receive additional consideration." Id. The solicitation defined "similar in duration" as a requirement that has been ongoing for more than one year. Id.

The aggregate of CACI's three past experience examples was \$207 million with 305 FTE personnel. AR, Tab 9, Award Decision, at 15. In evaluating CACI's quotation under the past experience factor, the agency assigned one significant strength and two strengths, which resulted in an overall rating of very good. Specifically, the agency assigned the significant strength to CACI's quotation because "all three (3) [past experience] examples yielded a total [period of performance] of approximately eight (8) years," which the agency found, exceeded the performance work statement (PWS) duration requirement of one year. Id. Similarly, the agency assigned one of the strengths because it concluded that the aggregate size of CACI's past experience examples (\$207 million per year and 305 FTEs) exceeded the PWS size requirement (\$10 million to \$19 million per year with estimated 50-149 FTE personnel). AR, Tab 9a, Addendum to Award Decision, at 1. The agency assigned the second strength because it concluded that CACI's past experience examples demonstrated prime contractor experience performing essentially all of the "desired skills and knowledge outlined" in the PWS. AR, Tab 9, Award Decision, at 7.

As for SAIC, the agency assessed two significant strengths and one strength to SAIC's quotation under the past experience factor, which resulted in an excellent rating for SAIC under this factor. The agency assessed one significant strength because it found that the aggregate size of SAIC's three past experience examples (\$1.8 billion per year and 3,186 FTEs) significantly exceeded the PWS size requirement. Id. at 11. The agency assessed a second significant strength because it found that the period of performance of SAIC's three past experience examples yielded an aggregate period of performance of approximately 12 years, which the agency found, significantly exceeded the PWS duration requirement of one year. Id. The agency also assigned a strength to SAIC's quotation because it found that SAIC's examples demonstrated its experience with "the vast majority of software languages, software packages, and Information Assurance (IA) policies listed" in the PWS. Id. at 12.

In conducting the tradeoff, the SSA acknowledged that based on the non-price factor ratings, "SAIC appear[ed] to be the best-suited vendor for the performance of this work[.]" Id. at 15. The SSA noted, however, that "[t]he only difference . . . that

separates the rating of CACI and SAIC is based upon CACI's \$207 million cumulative [past experience] versus SAIC's \$1.8 billion cumulative [past experience]," and "CACI's 305 FTE personnel versus SAIC's 3,186 FTE personnel." Id. The SSA explained that "[t]he value of exceeding the [past experience standard] versus the value of significantly exceeding the [past experience standard] . . . [was] minimal" in this instance because "although SAIC has shown greater magnitude of dollar value and FTE personnel, the requirements of the current task are fixed and will not require a level of resources significantly beyond those specified in the PWS." Id. at 15-16.

Based on our review of the record we find nothing unreasonable regarding the agency's evaluation. As noted above, the solicitation specified that additional consideration would be given to past experience examples that exceeded the acceptable past experience range requirement, by providing past experience examples that were \$20 million or more per year with an estimated 150 or more FTE personnel. TORFP at 70. Both CACI and SAIC submitted past experience examples that exceeded the acceptable range and received additional consideration. AR, Tab 9, Award Decision, at 11; Tab 9a, Addendum to Award Decision at 1. In this regard, the SSA concluded that "[b]oth vendors are shown to exceed the requirement for [past experience], which benefits the Government and minimizes risk by providing assurance that both vendors can meet or exceed the requirement based on their demonstrated experience." AR, Tab 9, Award Decision, at 15.

The record shows, however, that the SSA considered the respective merits of the quotations with regard to the past experience factor in accordance with the TORFP's criteria, and concluded that SAIC's more favorable past experience rating was not worth the price premium. Id. at 16. Specifically, the SSA acknowledged that SAIC's quotation had an advantage over CACI's quotation under the past experience factor. Ultimately, however, the SSA concluded that the value of SAIC significantly exceeding the past experience standard in size and scope was not worth "paying a price premium of \$1.3 million for SAIC over the CACI task order request pricing response which also exceed[s] the PWS requirements."² Id. On this record, where the SSA clearly

² The protester also contends that the circumstances here are similar to those in Protection Strategies, Inc., B-414648.2, B-414648.3, Nov. 20, 2017, 2017 CPD ¶ 365, where our Office sustained the protest, in relevant part, because we found that the SSA did not have a reasonable basis for concluding that the evaluated differences between the vendors' quotations under the non-price factors were "negligible" or "minimal." We disagree. In Protection Strategies, we addressed a protester's argument that the agency unreasonably ignored or minimized the differences between the vendors' past performance records, despite the agency's evaluation showing an advantage for the protester under this factor. Id. at 16. Our decision explained that "the contracting officer's conclusion that there was a 'minimal' difference between the vendors' past performance ratings was only a reflection of the ratings themselves, as opposed to an analysis as to why the difference between the vendors' past performance records, on their merits, was 'negligible' and therefore did not merit a price premium." Id. at 16-17. As such, we concluded that the award decision did not reasonably explain why the

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acknowledged the benefits associated with the protester's higher-rated, higher-priced quotation, but concluded that the benefits did not merit paying the price premium, we find no basis to sustain the protest.

The protest is denied.

Thomas H. Armstrong
General Counsel

(...continued)

protester's higher-rated quotation was not worth a price premium as compared to the awardee's lower-rated quotation. Id. at 17. Here, in contrast, the SSA acknowledged the advantages in SAIC's past experience examples (i.e., greater magnitude of dollar value and FTE personnel), but concluded that these advantages were not worth the \$1.3 million price premium associated with SAIC's quotation. AR, Tab 9, Award Decision, at 15.