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Decision

Matter of: McLane Advanced Technologies, LLC

File: B-420713; B-420713.2

Date: August 1, 2022

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Mary G. Curcio, Esq., and John Sorrenti, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that misrepresentations in awardee's quotation should result in rejection of the quotation is denied where alleged misrepresentations were not relied upon by the agency in the evaluation, and therefore were not material to the selection decision.

2. Protest that source selection decision was improperly based on adjectival ratings, rather than the merits of competing quotations, is denied where the record demonstrates that in conducting the price/technical tradeoff the source selection official reviewed the evaluation record and considered the merits of all quotations.

DECISION

McLane Advanced Technologies, LLC (MAT), of Vienna, Virginia, protests the issuance of a task order to SS Solutions and Training, of San Antonio, Texas, pursuant to request for quotations (RFQ) No. 1532024, issued by the Department of the Army, Army Materiel Command, for post-production software support for the agency's property book unit supply enhanced (PBUSE) requirement. McLane asserts that SST made material misrepresentations in its quotation that render SST ineligible for award of the task order. McLane also protests that the agency performed an unreasonable best-value tradeoff analysis.

We deny the protest.

BACKGROUND

PBUSE provides agency users with a responsive and efficient means of maintaining accountable records for government assets and total asset visibility. Agency Report (AR), Tab 7, Performance Work Statement at 1. The solicitation seeks support for cyber security information assurance vulnerability alerts (IAVA), vendor technical releases, and necessary emergency or software fixes. *Id.* The Army issued the solicitation on December 14, 2021, using the Federal Supply Schedule procedures of Federal Acquisition Regulation (FAR) subpart 8.4. AR, Tab 5, RFQ Instructions and Evaluation Criteria at 1. The solicitation was issued as a small business set-aside to vendors holding contracts under the General Services Administration multiple award schedule contract for information technology, special item No. 54151S. *Id.* Quotations were due on January 13, 2022.

The solicitation provided that the task order would be issued on a best-value tradeoff basis considering two factors--technical approach and price; for the award decision, technical approach was considered more important than price. *Id.* at 4. The agency considered three areas in evaluating the technical approach factor: (1) methodology for performing, analyzing and implementing information assurance vulnerability alerts, operating systems, and third party vendors' critical security notifications and Oracle quarterly patch deployments; (2) methodology for conducting configuration management activities and audits; and (3) methodology of the software development processes and approach that will be used to support the PBUSE application software. *Id.* at 6, 8. The overall technical approach factor was assigned an adjectival rating; the areas of consideration were not assigned individual ratings.¹ Price was evaluated for reasonableness.

The Army received eight quotations. Following the evaluation, the quotations of MAT and SST were rated as follows:

Offeror	Technical Approach	Price
MAT	Good	\$10,888,056.50
SST	Good	\$9,487,486.27

AR, Tab 28, Source Selection Decision (SSD) at 4.

The source selection official (SSO) conducted a best-value tradeoff, and after considering the evaluations of all eight quotations selected SST's lower priced quotation as offering the best-value to the government. *Id.* at 8. The agency issued the task order to SST and this protest followed.

¹ The potential adjectival ratings were outstanding, good, acceptable, marginal, and unacceptable. AR, Tab 5, RFQ Instructions and Evaluation Criteria at 4.

DISCUSSION

MAT asserts that SST made material misrepresentations in its quotation regarding its experience and approach to performing the task order, which should disqualify SST from award of the task order. MAT also protests that the agency performed an unreasonable best-value tradeoff analysis. As discussed below, we find no basis to sustain MAT's protest.²

Material Misrepresentation

MAT alleges that SST's quotation misrepresented the firm's experience and approach to performing the task order and that the agency relied on these misrepresentations when it evaluated SST's quotation and selected SST for award of the task order. But for these material misrepresentations, MAT reasons that the agency would not have issued the task order to SST. For the reasons discussed below, we find that, even if certain statements in SST's quotation were misrepresentations, the agency reasonably explains that any possible misrepresentations would not have been material because the record shows that the evaluations and award decision did not in fact rely on them.³

A vendor's material misrepresentation in its quotation can invalidate an agency's evaluation, and serve as a basis to cancel an award. See *NetCentrics Corp.*, B-417285.3, June 5, 2019, 2019 CPD ¶ 211 at 3 (alleged material misrepresentation concerning personnel in a FAR subpart 8.4 procurement); *Crown Point Sys.*, B-413940, B-413940.2, Jan. 11, 2017, 2017 CPD ¶ 19 at 9 (alleged material misrepresentation concerning approach to supply chain risk management in a FAR part 15 procurement). This is because where a vendor's quotation represents that it will perform the contract in a manner materially different from the vendor's actual intent, an award based on such a quotation cannot stand, since both the vendor's representations, and the agency's reliance on such, have an adverse impact on the integrity of the procurement process. See *Wyle Labs., Inc.*, B-408112.2, Dec. 27, 2013, 2014 CPD ¶ 16 at 8. A misrepresentation is material where an agency has relied upon the misrepresentation and that misrepresentation likely had a significant impact on the evaluation. *NetCentrics Corp.*, B-417285.3, *supra*.

MAT contends that three strengths assigned to SST's quotation were based on misrepresentations regarding the awardee's experience and access to facilities. All

² While we have considered all the arguments that MAT raised in its protest, and have found that none of them would lead us to sustain this protest, our decision does not discuss every argument.

³ In the alternative, MAT asserts that the agency unreasonably evaluated SST's quotation regarding its experience and technical approach. Protest at 11-12. Because we conclude that any potential misrepresentations in SST's would not have been material (meaning they had no impact on the evaluation or selection decision) we also deny MAT's challenge to the evaluation of SST's quotation as unreasonable, which stem from these same alleged misrepresentations.

three strengths challenged by the protester were awarded in the first area of consideration under technical approach which provides that the agency will evaluate:

[T]he adequacy and feasibility of the Contractor's detailed methodology for performing, analyzing, and implementing Information Assurance Vulnerability Alerts, operating systems, and third party vendors' critical security notifications and Oracle Quarterly Patch Deployments for supported system and laboratory environments.

AR, Tab 5, RFQ Instructions and Evaluation Criteria at 8.

As relevant to this protest, MAT was owned by the McLane group until 2017, when it was sold to EDC Consulting. Protest at 7. The incumbent vendor for the PBUSE requirement is Octo Consulting Group. *Id.* at 9. MAT is a subcontractor to Octo Consulting Group on the incumbent PBUSE task order, and has served in this subcontracting capacity both before and after its acquisition by EDC Consulting. *Id.* at 8. MAT has teamed with Octo Consulting Group to compete for the task order at issue here. *Id.* at 9.

SST proposed McLane Technology Partners as a subcontractor on the current acquisition. *Id.* at 9. McLane Technology is a subsidiary of the McLane Group, MAT's former owner. *Id.* at 9. According to MAT, SST's quotation misrepresented that McLane Technology is currently performing on the PBUSE task order. As discussed below, the protester contends that the awardee's quotation therefore misrepresents that SST's team has experience from performance of the incumbent task order, and that the awardee's team has access to the protester's leased facility in Temple, Texas, where MAT's development center for the incumbent task order is located. Protest at 9. MAT points to three strengths the agency assigned SST's quotation under the technical approach factor that, according to MAT, demonstrate that the agency relied on misrepresentations in evaluating SST's quotation concerning McLane Technology's experience and facilities in connection to the incumbent contract.⁴

The Army states that none of the challenged strengths were based on elements of the awardee's quotation concerning its experience or facilities. In this regard, the agency notes that the solicitation did not provide for the evaluation of experience or facilities. Contracting Officer's Statement/Memorandum of Law (COS/MOL) at 9-11; Supp. COS/MOL at 7; see AR, Tab 5, RFQ Instructions and Evaluation Criteria at 6, 8. As discussed below, the agency explains that the evaluation of SST's quotation and the assignment of strengths was based on its proposed methodology, as required by the RFQ. COS/MOL at 9-10; Supp. COS/MOL at 7-13.

⁴ SST disputes that its quotation contains misrepresentations concerning its experience or facility. Comments at 1-2; Supp. Comments at 2-3. Since our decision concludes that the agency did not rely on the alleged misrepresentations in SST's quotation identified by the protester, our decision does not resolve whether SST in fact made any misrepresentations in its quotation.

The first strength assigned to SST's quotation under this area of evaluation concerned Information Assurance Vulnerability Alerts (IAVA):

Information Assurance Vulnerability Alerts for PBUSE Supported System and Laboratory Environments. . . . The Contractor further provides a comprehensive methodology for efficiently implementing IAVA server updates by describing each of the steps the Contractor will perform when deploying to the development and test environments and finally packaging the product for release to the Customer.

AR, Tab 27, SST Technical Evaluation at 2-3.

According to MAT, this strength was assigned to SST's quotation based on what the protester characterizes as SST's representation that it has performed its proposed approach in support of PBUSE in Temple, Texas. To support its position MAT quotes from SST's Quotation as follows:

Team SST's virtualized test/laboratory environment is co-located at our development center in Temple, Texas. We replicate the current production baseline deployed at **[DELETED]** to ensure accurate validation of security patches and IAVAs. Prior to IAVA testing, **[DELETED]** conducts internal Independent Verification and Validation (IV&V) of the test environment, for servers and clients, to confirm the system configuration matches the current PBUSE Software Version Description (SVD). . . .

Comments/Supplemental Protest at 4 (quoting AR, Tab 24, SST Technical Quotation at 5).

MAT asserts that SST does not have a development center in Temple, Texas where it has confirmed matches with PBUSE. *Id.* at 5. MAT concludes that in assigning SST's quotation the strength the agency relied on SST's misrepresentation regarding the development center, and its practice of confirming that the system configuration matches the current PBUSE software version description.

The Army states that, regardless of any possible misrepresentation in SST's quotation regarding its experience performing work at the development center at the Temple, Texas development facility, the strength assigned to the awardee's quotation was not based on SST or McLane Technology's experience at the development center or the use of that facility. AR, Tab 32, Supp. COS/MOL at 10; AR, Tab 35, Lead Technical Evaluator Declaration at 1; AR, Tab 36, Technical Evaluation Board Chairman Declaration at 1. Instead, the agency explains that the strength was assigned because SST proposed a comprehensive methodology for efficiently implementing IAVA server updates by describing each of the steps it would perform when deploying to the

development and test environments and finally packaging the product for release to the customer. SAR, Tab 32, COS/MOL at 10-12; AR, Tab 27, SST Technical Evaluation at 2; AR, Tab 32, COS/MOL at 2, 9, 10; AR, Tab 36, Technical Evaluation Board Chairman Declaration at 1.

The agency found that SST's quotation specifically lists the steps it will take in implementing server updates, including, among other things, installing the updates, verifying remediation, and evaluating performance with a functional assessment. AR, Tab 24, SST Technical Approach Quotation at 6; AR, Tab 36, Technical Evaluation Board Chairman Declaration at 1. The agency assigned this strength to SST's quotation because it demonstrated "a thorough and repeatable process, which has merit because it will ensure PBUSE remains cyber compliant and available to the users in the field by eliminating potential threats that could compromise the PBUSE system." AR, Tab 27, SST Technical Evaluation at 3. On this record, the agency reasonably explains that the strength was not assigned based on the information in SST's quotation challenged by the protester as a misrepresentation.

The second strength assigned to SST's quotation in this evaluation area concerned the agency's finding that the quotation included a "detailed approach for third party vendor notifications and operating system updates by actively monitoring DOD information assurance alerts and subscribing directly to third party vendor portals for security updates and critical patches, including analyzing and testing the operating system and third party software updates." AR, Tab 27, SST Technical Evaluation at 3.

MAT asserts that the agency assigned this strength to SST's quotation based on the awardee's misrepresentation that it had current PBUSE experience. MAT points to SST's quotation where it states: "We bring direct experience with PBUSE having implemented several critical third party applications to modernize the system with Oracle SPARC SuperCluster . . ." Comments/Supplemental Protest at 6 (quoting AR, Tab 24, SST Technical Approach Proposal at 8).

The Army states that this strength was not based on SST's claimed experience. AR, Tab 32, SAR, Supp. COS/MOL at 3. Rather, the strength was assigned because SST's quotation included a "detailed approach for third party vendor notifications and operating system updates by actively monitoring DOD [information assurance] alerts and subscribing directly to third party vendor portals for security updates and critical patches," which included analyzing and testing the operating system and third party software updates. AR, Tab 32, Supp. COS/MOL at 2, 7, 8; Tab 27, Technical Evaluation at 3. The agency assigned the strength because the approach demonstrated effective and rigorous monitoring of the operating system and third party vendor updates, ensuring the government is able to maintain cyber security compliance. *Id.* On this record, we think the agency reasonably explains that the strength was not assigned based on the information in SST's quotation challenged by the protester as a misrepresentation.

The third strength assigned SST's quotation in this evaluation area was based on the agency's finding that the awardee described a comprehensive approach to the quarterly patch deployment process for Oracle. *Id.* The agency cited a seven-step process identified in SST's quotation and concluded that "the seven steps were more than adequate and feasible because they describe in detail every step that SST will perform when implementing the Oracle quarterly patch updates." *Id.* at 4.

MAT asserts that this strength was assigned to SST's quotation based on SST's misrepresentation of its current PBUSE experience. MAT again points to SST's quotation where it states: "We bring direct experience with PBUSE having implemented several critical third party applications to modernize the system with Oracle . . ." Comments/Supplemental Protest at 6 (quoting AR, Tab 24, SST Technical Approach Proposal at 8). MAT further notes that the seven steps that SST proposed to perform when implementing the Oracle quarterly updates are written in terms of team members' current PBUSE experience. For example step 1 is: "Our IA Team performs a high-level check of the PBUSE configuration profile to identify known configuration issues." *Id.*

While SST's quotation described the seven steps in terms of current performance, the agency states that the strength was not assigned based on SST's experience or current performance. AR, Tab 32, Supp. COS/MOL at 8. Rather, as noted above, the agency assigned the strength because the seven steps that SST proposed to use in performing the contract described how SST would implement the Oracle quarterly updates. The agency found that this was a strength because it ensures critical patches and security updates are applied in a proactive and concise manner minimizing the downtime of the PBUSE system. AR, Tab 27, SST Technical Evaluation at 4. On this record, we think the agency reasonably explains that the strength was not assigned based on the information in SST's quotation challenged by the protester as a misrepresentation.

In conclusion, we find that even if, as MAT contends, SST made misrepresentations in its quotation, the record shows that the agency did not rely on those misrepresentations in evaluating SST's quotation or reaching its award decision. Accordingly, any potential representations could not have been material. We therefore find no basis to sustain the protest.

Best-Value Tradeoff

MAT protests that the agency performed an unreasonable best-value tradeoff. MAT specifically complains that in considering the quotation of MAT and SST the agency improperly relied on the adjectival ratings without considering the underlying strengths and weaknesses in the quotations. MAT concludes that the agency should have selected MAT for award, despite its higher proposed price. We find that the agency performed a reasonable and appropriate best-value tradeoff.

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. *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 non-price factors, and the extent to which one may be sacrificed for the other is governed only by the test of rationality and consistency with the solicitation's stated evaluation criteria. *Id.* at 14. 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.*, B-408134.3, B-408134.5, July 3, 2013, 2013 CPD ¶ 169 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; *Ironclad Tech. Sers., LLC*, B-419976.2, May 2, 2022, 2022 CPD ¶ 104 at 4.

We find that the source selection official (SSO) conducted a reasonable and adequate price/technical tradeoff decision, which was not based on adjectival ratings alone. In conducting the tradeoff the SSO noted that she reviewed and agreed with the evaluation reports and the ratings assigned to each of the quotations. AR, Tab 28, SSD at 6. The SSA then addressed the specific merits of the five quotations that were rated acceptable. *Id.* at 7. The SSA compared the quotations of SST and MAT, which were both rated good under the technical approach factor. *Id.* She noted that both quotations had key strengths in the areas of demonstrating the ability to remain compliant in performing, analyzing, and implementing IAVA; operating systems; third party vendors' critical security notifications; and Oracle quarterly patch deployments for supported system and laboratory environments. *Id.* She further noted that these strengths benefitted the government by eliminating potential threats, ensuring cyber security compliance, and ensuring critical patches/updates are applied proactively and concisely, minimizing downtime of PBUSE. *Id.* The SSO also noted that the quotations of both vendors met each aspect of conducting configuration management activities and audits, and that their proposed software development processes and approach to support the PBUSE application software were adequate and feasible. *Id.* at 7-8.

The SSA concluded that the technical quotations of SST and MAT were superior to the other technical quotations. *Id.* at 8. She further concluded that the technical quotations of SST and MAT had "similar" evaluations, and that, given SST's lower proposed price, its quotation provided the best value to the government. *Id.* We find that the source selection decision was based on a full assessment of the merits of all quotations

received and the specific benefits of the quotations submitted by SST and MAT. We therefore deny MAT's challenge to the best-value tradeoff decision.

The protest is denied.

Edda Emmanuelli Perez
General Counsel