



Decision

Matter of: International Service Contractors, LLC

File: B-421333

Date: February 16, 2023

Brian Mitchell for the protester.

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Kenneth Kilgour, Esq., and Jennifer D. Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the reasonableness of the agency's technical evaluation and best-value tradeoff decision is denied where the record reflects that both were reasonable, consistent with the terms of the solicitation, and adequately documented.

DECISION

International Service Contractors, LLC (ISC), a service-disabled veteran-owned small business, of Clermont, Florida, protests the award of a contract to Logistical Customer Service, Inc. (LCS), of Dunn, North Carolina, under request for proposals (RFP) No. HQC00822R0031, issued by the Department of Defense, Defense Commissary Agency (DeCA) for shelf stocking and custodial tasks to be performed at the Fort Knox Commissary in Kentucky. The protester questions the reasonableness of the agency's evaluation and best-value tradeoff analysis.¹

We deny the protest.

¹ The protester elected to file and pursue its protest *pro se* (on its own behalf), and therefore no protective order was issued in this matter. Accordingly, in certain areas, our discussion is general in nature to avoid reference to non-public information.

BACKGROUND

The solicitation contemplated the award of a single fixed-price contract to the offeror whose proposal represented the best value to the agency, considering two non-price factors--performance capability and past performance--and price. Agency Report (AR), attach. 2, RFP at 70, 72-73. The performance capability factor had two subfactors--technical capability and personnel--each of which had four elements. *Id.* at 73. As relevant to this protest, the personnel subfactor's four elements were night shelf stocking, night custodial, day requirements, and indirect labor.² *Id.* The technical capability subfactor was significantly more important than the personnel subfactor. *Id.* at 73. The factors, subfactors, and elements were assigned adjectival ratings of outstanding, very good, satisfactory, marginal, or unsatisfactory.³ *Id.* at 74. The performance capability and past performance factors, when combined, were approximately equal to price. *Id.* at 73. The RFP anticipated a 1-year base period and four 1-year option periods. *Id.* at 69.

DeCA received 10 proposals--including the protester's and awardee's--nine of which met the RFP's minimum criteria. Req. for Dismissal, exh. 1, Source Selection Decision (SSD) at 1. The agency evaluated ISC's and LCS's proposals as very good under both the performance capability and past performance factors. *Id.* at 10. Notwithstanding its overall rating of very good under the performance capability factor, ISC's proposal received a rating of unsatisfactory under the day requirements element of the personnel subfactor. Protest, attach. 5, Debriefing at 6-7. LCS's total proposed price of \$3,708,155 was higher than ISC's total proposed price of \$3,345,717. Req. for Dismissal, exh. 1, SSD at 10.

The contracting officer, who was the source selection authority (SSA) for this procurement, conducted a tradeoff of LCS's proposal with each of the eight other eligible proposals. *See id.* at 10-13. In the tradeoff between ISC's and LCS's proposals, the SSA noted the identical factor ratings and LCS's price premium. *Id.* at 11. The SSA also noted that ISC's proposal was evaluated as unsatisfactory under the day requirements element of the personnel subfactor. *Id.* The SSA found that there was a "substantial risk to the government in awarding a contract to International Service Contractors, LLC," because the protester proposed "significantly lower" labor hours for

² The past performance factor--the evaluation of which is not at issue--had four subfactors. *Id.*

³ An outstanding proposal was defined as one where the probability of successful performance is extremely high and the risk of failure is virtually non-existent; a very good proposal was defined as one where the probability of successful performance is high and the risk of failure is minimal; a satisfactory was defined as one where the probability of successful performance is significantly greater than the risk of failure; a marginal proposal was defined as one where the risk is high that the offeror is not capable of performing successfully; and an unsatisfactory proposal was defined as one where the risk is extremely high that the offeror is not capable of performing successfully. *Id.* at 74.

the day requirement than contained in the government estimate. *Id.* at 12. Because of that “substantial risk to the government,” and notwithstanding the price premium of the awardee’s proposal, the agency found that ISC’s proposal did not offer a better value to the government than LSC’s. See *id.* at 14-15. After completing the tradeoff analysis, the SSA concluded that LCS’s proposal represented the best value to the government, because the awardee’s proposal offered the “requisite capabilities” and “adequate [labor hours] to perform and supervise the required services.” *Id.* at 16.

Award was made to LCS, and this protest followed.

DISCUSSION

ISC raises various challenges to DeCA’s proposal evaluation and best-value tradeoff analysis. In particular, ISC argues that the “very good” performance capability factor rating that its proposal received “is clearly not consistent” with the agency’s finding--under the day requirements element of the personnel subfactor--that the protester’s proposal posed a “substantial risk” to the government. Protest at 4. The agency argues that its technical evaluation ratings were reasonable and consistent with the terms of the solicitation. See Req. for Dismissal at 6-7. We have considered all of the protester’s allegations, discuss the principle ones below, and find that none have merit.

In reviewing a protest challenging an agency’s technical evaluation, our Office does not independently evaluate proposals; rather, we review the agency’s evaluation to ensure that it is consistent with the terms of the solicitation and applicable statutes and regulations. *VSolvit, LLC*, B-418265.2, B-418265.3, July 30, 2020, 2020 CPD ¶ 259 at 5. We have consistently stated that the evaluation of proposals is a matter within the discretion of the procuring agency; we will question the agency’s evaluation only where the record shows that the evaluation does not have a reasonable basis or is inconsistent with the RFP. *Id.* An offeror has the burden of submitting an adequately written proposal, and it runs the risk that its proposal will be evaluated unfavorably when it fails to do so. *Id.*

DeCA asserts that the “[p]rotester would like the GAO to believe that an ‘Unsatisfactory’ rating at an element level cannot exist when the subfactor and factor to which the element applies is rated higher than ‘Unsatisfactory.[.]’” Req. for Dismissal at 6. The agency contends that the “[p]rotester’s interpretation is inconsistent with the Solicitation’s evaluation ratings because a ‘Very Good’ rating, by definition, does not have to be risk free.” *Id.*, citing RFP at 74. DeCA argues that a subfactor or factor composed of several elements may reasonably contain some unfavorable aspects, while the balancing of the unfavorable and favorable aspects results in an overall positive rating. *Id.* at 6-7.

Based on our review of the record, we find the agency’s evaluation reasonable. Here, day requirements was one of four elements of the personnel subfactor--which was the substantially less important subfactor under the performance capability factor. RFP at 72-73. The definition of a very good proposal was one where the probability of

successful performance was high and the risk of failure was minimal. *Id.* at 74. We agree with the agency that, under the terms of this solicitation, a performance capability factor rating of very good was consistent with a rating of unsatisfactory under the day requirements element of the personnel subfactor. Accordingly, we find this allegation to be without merit.

The protester also challenges the reasonableness of the agency's underlying staffing concern, which led to the rating of unsatisfactory. ISC asserts that it "introduced efficiencies to the work load data based off of our experience which provide a staffing solution for better price." Protest at 4. If, in fact, ISC's efficiencies enabled contract performance at a staffing level well below what the agency estimated was required, the protester was required to articulate those efficiencies in its proposal. See *VSolvit, LLC, supra*. The record contains only the protester's bare assertion regarding ISC's proposal efficiencies, which does not provide a basis on which to find the agency's evaluation of the protester's proposed staffing levels unreasonable.

ISC claims that the agency's best-value determination was inconsistent with the solicitation when, notwithstanding that ISC's proposal was lower priced than LCS's and that both proposals received a technical rating of very good, the agency selected LCS's proposal for award. Protest at 2-3. The protester argues that the source selection decision "should have been a simple math equation." Comments at 1. DeCA contends that the "Protester vaguely asserts that its proposal should have been determined the best value to the Government under the terms of the Solicitation," while the "Protester has not specifically or credibly alleged that the Agency erred in rating Protester 'Unsatisfactory' in the 'Day Requirements' element within the 'Personnel' subfactor." Req. for Dismissal at 5. DeCA argues that the protester does not challenge the agency's detailed reasoning for the rating of unsatisfactory under the day requirement element, because ISC has no basis on which to do so. *Id.* at 5-6.

Our Office has long stated that adjectival ratings are only guides to intelligent decision-making. *Snodgrass JV*, B-420376.2, Jan. 20, 2023, 2023 CPD ¶ 34 at 8. Proposals with the same adjectival ratings are not necessarily of equal quality, and agencies may properly consider specific advantages that make one proposal of higher quality than another. *Avalon Contracting, Inc.*, B-417845, B-417845.2, Nov. 19, 2019, 2019 CPD ¶ 390 at 7. Consequently, an agency's decision to look behind proposals' overall adjectival ratings to consider the relative quality of the technical proposals under a subfactor, in order to determine which proposal would be most advantageous to the government, is reasonable. *Id.*

The SSA reasonably considered a discriminator between the competing proposals of ISC and LCS--that ISC's proposal was evaluated as unsatisfactory under the day requirements element. While the agency evaluated both proposals as very good under the performance capability factor, DeCA identified ISC's proposed labor hours under the day requirements element as a source of extremely high risk. See Protest, attach. 5, Debriefing at 7 (evaluating protester's proposal as unsatisfactory under the day requirements element) and RFP at 74 (defining an unsatisfactory proposal as one that

poses extremely high risk). In the agency's view, that risk was a discriminator between the two proposals. See Req. for Dismissal, exh. 1, SSD at 11-12. The agency recognized the price advantage offered by ISC's proposal, but DeCA did not consider that monetary advantage to outweigh the lower risk entailed in LSC's proposal. The challenge to the reasonableness of the agency's best-value tradeoff analysis is without merit.

In summary, the record here provides no basis to find the agency's evaluation or best-value tradeoff analysis unreasonable.

The protest is denied.

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General Counsel