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Decision

Matter of: Mitchell Vantage Systems, LLC

File: B-421548.2; B-421548.3

Date: September 29, 2023

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Michelle Litteken, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging the agency's evaluation of proposals under the solicitation's mission suitability factor is denied where the evaluation was done in a manner that was reasonable and consistent with the terms of the solicitation.
 2. Protest challenging the agency's past performance evaluation is denied where the record shows that the evaluation was reasonable and consistent with the terms of the solicitation.
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DECISION

Mitchell Vantage Systems, LLC (MVS), an 8(a)¹ small business of Oklahoma City, Oklahoma, protests the award of a contract to McCallie Associates, Inc., an 8(a) small business of Bellevue, Nebraska, under request for proposals (RFP) No. 80GSFC20R0037, issued by the National Aeronautics and Space Administration (NASA), for mission and instrument systems engineering services for the Mission

¹ Section 8(a) of the Small Business Act, 15 U.S.C. § 637(a), authorizes the Small Business Administration (SBA) to enter into contracts with government agencies and to arrange for performance through subcontracts with socially and economically disadvantaged small businesses. Federal Acquisition Regulation subpart 19.8. This program is commonly referred to as the "8(a) program."

Engineering and System Analysis Division and related Engineering and Technology Directorate organizations. MVS challenges NASA's evaluation of proposals under the past performance factor and the mission suitability factor, as well as the agency's source selection decision.

We deny the protest.

BACKGROUND

The Engineering and Technology Directorate within NASA's Goddard Space Flight Center plans, organizes, and conducts a broad range of technical research and development activities in support of science applications. Agency Report (AR), Exh. 1D, Statement of Work at 1. Through this procurement, known as systems engineering advanced services II (SEAS II), NASA will acquire a wide range of engineering services to support the Engineering and Technology Directorate in implementing the Goddard Space Flight Center's mission. Contracting Officer's Statement (COS) at 1.

The agency issued the SEAS II solicitation on February 8, 2021, as an 8(a) set-aside, for mission and instrument systems engineering services.² COS at 1-2. The solicitation contemplated the award of a cost-plus-fixed-fee indefinite-delivery, indefinite-quantity contract with a 5-year ordering period and a 6-month option period. *Id.* at 1. The solicitation provided for award using a best-value tradeoff considering the following factors, listed in descending order of importance: mission suitability, cost, and past performance. AR, Exh. 1C, RFP at 125-26.

The solicitation established that the mission suitability factor would be evaluated using a 1,000-point scale, and it consisted of two subfactors: technical understanding/representative task orders³ (600 points) and management plan (400 points). *Id.* at 128. Additionally, the solicitation stated that the agency would classify evaluation findings as

² Mission and instrument systems engineering services include all aspects of mission and instrument formulation and implementation for systems, science instruments, observatories, launch, ground system, spacecraft, suborbital craft, and balloons; spacecraft propulsion and fluid systems engineering; and services for free-flying spacecraft, suborbital craft payloads and space station payloads. AR, Exh. 1A, RFP Cover Letter at 1.

³ The solicitation instructed offerors to provide an overall approach to two representative task orders, referred to as RTO 1 and RTO 2. RFP at 104. NASA would evaluate the proposed approach for completeness, understanding, realism, relevance, adequacy, and effectiveness. *Id.* at 126.

strengths, weaknesses, significant strengths, significant weaknesses, and deficiencies.⁴ *Id.*

For the cost/price proposal volume, the solicitation required offerors to use a government pricing model that specified the direct labor categories and labor hours for nonmanagement labor. RFP at 112-13. The solicitation provided that cost would be assessed for cost realism and reasonableness.⁵ RFP at 129. The solicitation also stated that the total proposed cost, total probable cost, and any cost risk associated with the proposal would be presented to the source selection authority (SSA). *Id.*

As for past performance, the solicitation stated that the agency would evaluate the past performance of the prime offeror and any significant subcontractors.⁶ RFP at 129. The solicitation established that the prime contractor's past performance would be weighted more heavily than that of any significant subcontractor or combination of significant subcontractors. *Id.* at 130. The agency would evaluate past performance for recency and relevance, with relevance determined based on the size and content of the referenced contract.⁷ *Id.* The solicitation stated that the following confidence ratings

⁴ As relevant here, the solicitation defined a strength as "a proposal area that enhances the potential for successful performance or contributes toward exceeding the contract requirements in a manner that provides additional value to the government." RFP at 128.

⁵ The solicitation provided historical data for some of the labor categories, and it instructed offerors to explain how they intended to attract and retain incumbent personnel if they proposed rates that were lower than the historical rates. RFP at 110. The solicitation noted that failing to provide supporting rationale for lower rates might result in cost realism adjustments. *Id.* at 110-11.

⁶ For the past performance evaluation, the solicitation defined a significant subcontractor as "any proposed subcontractor that is estimated to meet/exceed an average annual cost/fee of \$7M." RFP at 130. The solicitation stated that NASA would compare the significant subcontractor's past performance to the work proposed to be performed by that subcontractor and weigh the subcontractor's past performance accordingly in assigning the overall past performance adjectival rating. *Id.* Additionally, the solicitation permitted an offeror to rely on the past performance of a parent, affiliate, or predecessor firm if the proposal demonstrated that the resources of the parent, affiliate, or predecessor company would affect the performance of the proposed prime contractor or significant subcontractor(s). *Id.* at 131.

⁷ The solicitation stated that "content" meant "the type and complexity of services, work, or supplies, in comparison to the requirements of [the] solicitation." RFP at 130. Additionally, the solicitation provided that content was more important than size in assessing relevance. *Id.*

would be used in the past performance evaluation: very high, high, moderate, low, very low, and neutral.⁸ *Id.* at 131-32.

NASA received five timely proposals. COS at 6. After the source evaluation board (SEB) evaluated the offerors' initial proposals, the agency established a competitive range (which included McCallie and MVS) and conducted discussions. COS at 9. NASA evaluated the offerors' final proposal revisions (FPRs) and selected McCallie for award. *Id.* MVS filed an initial protest of that award with our Office, challenging the agency's evaluation of proposals under all of the evaluation factors and the best-value tradeoff decision. In response to the protest, the agency elected to take corrective action--which would include reexamining its evaluation of proposals, reevaluating the proposals as necessary, and making a new best-value determination--and our Office dismissed the protest as academic on April 7, 2023. *Mitchell Vantage Sys., LLC*, B-421548, Apr. 7, 2023 (unpublished decision).

NASA reevaluated the offerors' FPRs, as shown below.

	MVS	McCallie
Mission Suitability	650 points	688 points
Technical Understanding	Good / 402 points	Good / 420 points
Management Plan	Good / 248 points	Good / 268 points
Past Performance	Very High	Very High
Proposed Cost	\$297,358,492	\$282,702,502
Evaluated Probable Cost	\$297,401,545	\$296,579,012

AR, Exh. 9, SEB Presentation at 13.

In the SEB's evaluation of proposals under the mission suitability factor, the SEB assigned McCallie's proposal five strengths under the technical understanding subfactor and two strengths under the management plan subfactor.⁹ AR, Exh. 9, SEB Presentation at 35, 52. In the cost evaluation, NASA increased each offerors' proposed direct labor rates to align with the offeror's respective incumbent personnel capture strategy. AR, Exh. 9, SEB Presentation at 72, 84; COS at 13. The SEB also increased

⁸ As relevant here, the solicitation defined a confidence rating of very high as follows: "The Offeror's relevant past performance is of exceptional merit and is very highly pertinent to this acquisition; indicating exemplary performance in a timely, efficient, and economical manner; very minor (if any) problems with no adverse effect on overall performance. Based on the Offeror's performance record, there is a very high level of confidence that the Offeror will successfully perform the required effort." RFP at 131-32.

⁹ In contrast, the SEB assigned MVS's proposal four strengths under the technical understanding subfactor and one strength under the management plan subfactor. AR, Exh. 9, SEB Presentation at 16, 32.

McCallie's proposed labor escalation rates after finding that the proposed rates did not adequately account for the post-2021 business environment. AR, Exh. 9, SEB Presentation at 72, 84. For management and administration, the SEB found that both offerors proposed staffing levels, skill mix, labor hours, labor rates, and costs that were reasonable and realistic. AR, Exh. 9, SEB Presentation at 75, 86. Finally, for the past performance factor, the SEB assigned both offerors' proposals confidence ratings of very high. *Id.* at 97, 105.

Subsequently, in the best-value tradeoff source selection decision, the SSA found that McCallie's proposal "excelled" under the technical approach subfactor, with a higher total score and more strengths than MVS's proposal, and that the strengths covered a broad variety of areas. AR, Exh. 10, Source Selection Decision (SSD) at 7. As for the management subfactor, the SSA found that McCallie's proposal was assessed two strengths and had a slight technical advantage over MVS's proposal. *Id.* For the cost factor, the SSA considered each offeror's proposed and probable cost, as well as the costs risks identified in each offeror's proposal, and concluded that the range of difference between the offerors' costs was relatively close, while McCallie had the lowest costs; neither offeror had a meaningful overall cost advantage.¹⁰ *Id.* at 7-8. For the final factor, past performance, the SSA found the offerors were relatively equal. *Id.* at 8. The SSA selected McCallie's proposal for award because it was the most advantageous under the most important factor (mission suitability), and it offered the lower cost. *Id.*

DISCUSSION

MVS raises several challenges to NASA's evaluation of proposals under the mission suitability factor and the past performance factor. The protester also argues that the resulting source-selection decision was unreasonable. We have reviewed all of MVS's allegations and find none of them has merit. We discuss MVS's principal allegations below.¹¹

¹⁰ The SSA noted that one of MVS's significant subcontractors had a cost risk associated with its proposed indirect rates, and two of McCallie's significant subcontractors had cost risks associated with their proposed indirect rates. AR, Exh. 10, SSD at 8. The SEB identified these risks because although the rates were within typical ranges, the subcontractors lacked data to show they had achieved these rates, and the SSA concluded that the risks were relatively minor. *Id.*

¹¹ In its submissions, the protester raises arguments that are variations of, or additions to, those specifically discussed below. For example, MVS contends that NASA should have deemed McCallie's proposal noncompliant with the solicitation because McCallie did not identify Alutiiq, LLC (McCallie's parent company) as a subcontractor or submit certain required information for Alutiiq as one of McCallie's subcontractors. Comments & Supp. Protest at 30. The protester asserts that Alutiiq should have been identified as a subcontractor because McCallie proposed [REDACTED]. *Id.* We deny this protest ground because MVS has not demonstrated competitive prejudice. An agency may

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Mission Suitability

MVS challenges two aspects of the agency's evaluation of proposals under the mission suitability factor. First, MVS complains that NASA should have assigned a weakness to McCallie's proposal to account for performance risks associated with probable cost adjustments that the agency made to McCallie's proposal. Second, MVS asserts that NASA evaluated the offerors disparately because the agency assigned strengths to McCallie's proposal and did not assign strengths to MVS's proposal even though the protester's proposal included similar features. We address each argument below.

At the outset, we note that 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. Rather, 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. *AECOM Mgmt. Servs., Inc.*, B-417639.2, B-417639.3, Sept. 16, 2019, 2019 CPD ¶ 322 at 9. A protester's disagreement with the agency's judgment, without more, is insufficient to establish that the agency acted unreasonably. *Vertex Aerospace, LLC*, B-417065, B-417065.2, Feb. 5, 2019, 2019 CPD ¶ 75 at 8.

Evaluation of McCallie's Proposal

As discussed above, when the SEB evaluated McCallie's proposal, the SEB made an upward adjustment in the amount of \$13.8 million to McCallie's proposed costs. AR, Exh. 9, SEB Presentation at 83. The protester argues that NASA should have assigned a weakness to McCallie's proposal because "McCallie's unreasonably low cost necessarily indicates a corresponding deficiency in McCallie's understanding of, and ability to perform, the mission."¹² Protest at 17.

NASA responds that the mission suitability evaluation was reasonable and consistent with the solicitation because the cost risks and cost adjustments had no bearing on the adequacy of McCallie's technical approach. Memorandum of Law (MOL) at 12. Rather,

waive compliance with a solicitation requirement if the award will meet the agency's actual needs without prejudice to other offerors. *Technology and Telecomms. Consultants, Inc.*, B-413301, B-413301.2, Sept. 28, 2016, 2016 CPD ¶ 276 at 12. Thus, even where an agency waives a material solicitation requirement, our Office will not sustain the protest unless the protester can demonstrate that it was prejudiced by the waiver--that is, the protester would have submitted a different proposal or could have done something else to improve its chances for award had it known the agency would waive the requirement. *Desbuild, Inc.*, B-413613.2, Jan. 13, 2017, 2017 CPD ¶ 23 at 7. MVS has not made such a showing here.

¹² The protester does not challenge any aspect of the agency's cost evaluation. Supp. Comments at 15 ("As the Agency has noted multiple times, MVS did not challenge NASA's evaluation of McCallie's Cost realism evaluation itself.").

the cost adjustments made to McCallie's proposed costs were driven by the fact that McCallie proposed labor rates that were lower than the incumbent rates for some positions while also proposing to hire or "capture" 86 percent of the incumbent personnel.¹³ The adjustments were not related to McCallie's proposal's labor mix or labor hours, which were provided to the offerors in the solicitation. The agency also disputes the existence of any performance risks, stating:

These relatively small cost realism adjustments do not create a contract performance risk, as McCallie stated their intent to match incumbent labor rates to achieve staffing success and a cost type contract will reimburse McCallie for the actual costs expended to successfully perform the contract. Even if the higher labor rates and escalation rates materialize for McCallie, and the contractor cannot offset these costs during the performance of tasks via other cost savings measures, this would simply result in a small cost overrun during contract performance and the Government has fully accounted for that potential cost in its probable cost evaluation.

COS at 13.¹⁴

We agree with agency. The \$13.8 million probable cost adjustment (which was less than five percent of McCallie's total proposed cost) was driven by the proposed direct labor costs. The agency applied an upward adjustment to McCallie's proposed direct labor rates to align the rates with the firm's incumbent capture strategy, and it increased the proposed escalation rates to better reflect market conditions. AR, Exh. 9, SEB Presentation at 84. The record does not reflect any performance risk related to McCallie's proposed approach. As noted above, the labor categories and hours for nonmanagement labor were specified in the solicitation. RFP at 112-13. The agency found that the only risk presented was that of a cost overrun, which was accounted for by the agency's probable cost adjustments. Given the agency's reasonable finding that McCallie's proposed costs did not demonstrate a lack of understanding or pose a performance risk, it was reasonable for the agency not to assess a weakness under the mission suitability factor. To the extent the protester disagrees with the agency's conclusions, such disagreement does not provide a basis to sustain this protest.¹⁵ *Vertex Aerospace, supra.*

¹³ The agency points out that the SEB also made an upward adjustment to MVS's own proposed direct labor rates to align those rates with MVS's proposed approach to capture 95 percent of incumbent personnel. MOL at 14; COS at 12; AR, Exh. 9, SEB Presentation at 72.

¹⁴ The SEB also found that the cost adjustments made to McCallie's subcontractors' proposed indirect rates did not create a performance risk. COS at 13. NASA found that the only risk presented was of a cost overrun. *Id.*

¹⁵ MVS also contends that NASA did not consider whether "McCallie's significantly low-cost approach" was consistent with its technical approach. Supp. Comments at 15.

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Unequal Evaluation

The protester contends that NASA evaluated the offerors' proposals disparately under the mission suitability factor because the agency identified two strengths in McCallie's proposal and did not assign strengths to MVS's proposal when MVS proposed similar features. Comments & Supp. Protest at 5-9, 30-33. Specifically, MVS asserts that NASA should have assigned strengths to its proposal for demonstrating its understanding of the RTO 1 mission areas and for its phase-in plan. As discussed below, the protester's arguments about the RTO mission areas¹⁶ are untimely and the arguments about the phase-in plan are without merit.

Regarding the alleged disparate evaluation of the offerors' understanding of the RTO 1 mission arguments, the protester's arguments are untimely where they were first raised with the protester's comments in response to the agency report. Our Bid Protest Regulations, 4 C.F.R. § 21.2(a)(2), require protests of matters other than the terms of solicitations to be filed no later than 10 days after the basis for protest is known, or should have been known. Here, on June 14, 2023, when NASA notified MVS of the agency's award decision, the agency provided MVS with a copy of the SSD. AR, Exh. 11A, MVS Notification at 1; see also Protest at 2 ("The Agency also provided MVS with a revised [SSD], which described the corrective action evaluation."). The SSD included the following explanation of the strength assigned to McCallie's proposal for demonstrating an understanding of the mission trade space areas:

McCallie received a strength for demonstrating a good understanding of the mission trade space, [REDACTED]. In demonstrating a good understanding of the trade space and associated requirements, the offeror is more likely to provide an optimum solution for the operations concept and mission architecture, enhancing the potential for a mission design that results in successful performance.

AR, Exh. 10, SSD at 5. MVS did not argue that its proposal should have received a strength for offering a similar benefit in its protest. Rather, it first raised the issue on August 4, 2023, when it filed its comments on the agency report and supplemental protest.

This argument is unavailing because the record establishes that NASA adjusted McCallie's proposed direct labor rates to reflect McCallie's proposed 86 percent incumbent capture strategy. COS at 13; AR, Exh. 9, SEB Presentation at 84. As such, MVS's assertion is contradicted by the record.

¹⁶ Specifically, the protester complains that MVS's proposal "provided a more detailed summary of the key mission level trades that encapsulated and exceeded the mission level trades proposed by McCallie," and should have received a strength. Comments & Supp. Protest at 32.

The SSD described the strength related to demonstrating a good understanding of the mission trade space in detail, and MVS knew at that time that its own proposal had not been assessed a strength in this area. Thus, to the extent the protester believed that its proposal should have received a similar strength, it had all the information necessary to raise the argument.¹⁷ *Sigmattech, Inc.*, B-415028.3; B-415028.4, Sept. 11, 2018, 2018 CPD ¶ 336 at 5-6. On this record, we conclude that the protester's supplemental argument is untimely because it was not filed within 10 days of the protester's receipt of the SSD.¹⁸ Accordingly, we dismiss this argument. 4 C.F.R. § 21.2(a)(2).

MVS also complains that the evaluation was unequal because NASA assigned a strength to McCallie's proposal for its phase-in plan but did not assign a strength to the protester's proposal when MVS's plan offered the same benefits. Protest at 20. The agency responds that the differences in the evaluation results reflect differences in the offerors' proposals. MOL at 6.

It is a fundamental principle of federal procurement law that a contracting agency must treat all offerors equally and evaluate their proposals evenhandedly against the solicitation's requirements and evaluation criteria. *Cubic Applications, Inc.*, B-411305, B-411305.2, July 9, 2015, 2015 CPD ¶ 218 at 7. Where a protester alleges unequal treatment in a technical evaluation, it must show that the differences in ratings did not stem from differences between the offerors' proposals. *360 IT Integrated Sols.*, B-414650.33, B-414650.34, May 24, 2019, 2019 CPD ¶ 199 at 8.

Contrary to the protester's assertions, the record reveals that there were material differences between MVS's and McCallie's proposed phase-in plans. NASA assigned a strength to McCallie's proposal for its phase-in plan after finding that five elements of the plan, when combined, increased the likelihood of a successful transition. AR, Exh. 9, SEB Presentation at 55-56; MOL at 10. These elements included identifying

¹⁷ Indeed, as NASA points out, in its initial protest, MVS alleged that the agency evaluated the offerors' phase-in plan unequally based on the information from the SSD. See Protest at 20.

¹⁸ The protester, citing *Dell Services Federal Government, Inc.*, B-414461.3 *et al.*, June 19, 2018, 2018 CPD ¶ 213, argues that its supplemental protest ground is timely because it was based on a table included in McCallie's proposal, which the protester was not aware of until it received the agency report. Supp. Comments at 11. The protester's reliance on our decision in *Dell Services Federal Government* is misplaced. There, we found the protester's argument alleging the awardee obtained an unfair competitive advantage was timely because the protester did not have access to all of the information required for its basis of protest until it received the agency report. *Dell Services Federal Government, Inc.*, B-414461.3 *et al.*, June 19, 2018, 2018 CPD ¶ 213 at 5 n.7. Here, MVS had all the information needed to challenge the agency's evaluation when it received the SSD and learned that NASA had assigned McCallie's proposal a strength for demonstrating an understanding of the mission trade space.

[REDACTED]. MOL at 10-11; AR, Exh. 9, SEB Presentation at 55-56. The record shows that MVS’s plan did not include the same features. For example, the protester proposed [REDACTED]. MOL at 10-11. Accordingly, the protester’s allegation of unequal treatment is denied.

Past Performance

MVS advances several arguments against NASA’s past performance evaluation. We discuss below two representative examples of the protester’s assertions, the agency’s responses, and our conclusions. Based on our review of the record, we find no basis to sustain the protest.

At the outset, we note that the evaluation of an offeror’s past performance is within the discretion of the contracting agency. *LinTech Global, Inc.*, B-419107, Dec. 10, 2020, 2021 CPD ¶ 5 at 7. The evaluation of past performance, by its very nature, is subjective, and we will not substitute our judgment for reasonably based evaluation ratings. *ProSecure LLC*, B-418397, B-418397.2, Apr. 15, 2020, 2020 CPD ¶ 156 at 6. A protester’s disagreement with the agency’s judgment does not establish that an evaluation was improper. *Jacobs Tech., Inc.*, B-420016, B-420016.2, Oct. 28, 2021, 2021 CPD ¶ 373 at 5.

Evaluation of McCallie’s Past Performance

MVS argues that NASA should not have assigned McCallie’s proposal a confidence rating of very high under the past performance factor. McCallie’s proposal included five past performance references--one submitted on behalf of McCallie and four submitted on behalf of its proposed subcontractors. AR, Exh. 9, SEB Presentation at 107. The agency evaluated McCallie’s past performance references as shown below.

	Performing Contractor	Relevance Rating		Overall Relevancy Rating	Performance Rating
		Size	Content		
[REDACTED]	Prime	High	Very High	Very High	Very High
[REDACTED]	[Subcontractor]	Very High	High	High	Very High
[REDACTED]	[Subcontractor]	Low	Low	Low	Very High
[REDACTED]	KBR	Very High	Very High	Very High	Very High
[REDACTED]	KBR	Very High	Moderate	Moderate	High

AR, Exh. 9, SEB Presentation at 107.

MVS argues that NASA should not have assigned a confidence rating of very high to McCallie's proposal under the past performance factor because the relevancy ratings for McCallie's past performance references "average out to a Moderate to High rating," and four out of the five past performance references that McCallie submitted were performed by subcontractors. Comments & Supp. Protest at 18-19. The agency responds that MVS's arguments are contrary to the terms of the solicitation because the solicitation did not require the agency to average ratings or penalize an offeror for submitting multiple past performance references from subcontractors. Supp. MOL at 20-21.

We have reviewed the record and find no basis to object to NASA's evaluation of McCallie's past performance. First, with respect to the protester's allegation that McCallie's proposal did not warrant a confidence rating of very high because three of its past performance references were rated lower than very high for relevance, the solicitation did not require NASA to calculate an "average" of an offeror's various ratings in assigning an overall confidence rating, as MVS acknowledges in its supplemental comments. Supp. Comments at 12. Indeed, instead of requiring past performance ratings to simply be averaged, or requiring one of five references to necessarily count as only 20 percent of an offeror's past performance rating, the RFP provided--as the protester also acknowledges--that the prime contractor's past performance would be weighted more heavily than that of a significant subcontractor, or combination of significant subcontractors, in the overall past performance evaluation.¹⁹ RFP at 130. Here, as shown above, McCallie's own past performance received confidence ratings of very high.²⁰ NASA rated two of the past performance references McCallie submitted as very relevant. Fundamentally, the protester disagrees with the weight that NASA gave to McCallie's most relevant past performance references in reaching a confidence rating. Such disagreement does not provide a basis to sustain this protest. See *Jacobs Tech., supra*.

¹⁹ In this regard, MVS argues that the agency must have given the performance example performed by McCallie more weight than the "mere" 20 percent to which, in MVS's view, it was entitled, arguing that this "contravenes [the] [s]olicitation's language giving greater weight to prime contractor experience." Comments & Supp. Protest at 19. We view this argument as inconsistent with the plain meaning of the RFP's terms, which provide for greater weight to be given to a prime's own experience, and consequently, there is no merit to the allegation.

²⁰ The past performance reference submitted on McCallie's behalf was the predecessor contract to [REDACTED], and it was performed by a joint venture that was managed by an affiliate of McCallie. AR, Exh. 9, SEB Presentation at 105. The solicitation permitted the agency to attribute the past performance of an affiliated company to the proposed prime contractor or significant subcontractor if the proposal demonstrates that the resources of the affiliate would affect performance. RFP at 131. The protester does not challenge the agency's attribution of the predecessor contract to McCallie. Comments & Supp. Protest at 26 ("McCallie met [the requirement for attribution] with respect to utilizing the past performance of [its affiliate] on SEAS.").

Similarly, MVS asserts that McCallie's proposal should not have received the highest rating under the past performance factor because four of the five past performance references that McCallie submitted were performed by subcontractors. Comments & Supp. Protest at 18-19; RFP at 130. Here, the solicitation specifically stated that NASA would evaluate the past performance of significant subcontractors. RFP at 129 ("[T]he past performance of significant(s) subcontractors shall also be evaluated and attributed to the Offeror."). The agency reasonably found that McCallie's past performance reference, combined with the significant subcontractors' references, warranted a confidence rating of very high. Here, again, the protester ultimately disagrees with the relative weight that NASA gave to the subcontractors' past performance references. In this regard, this argument fails to state a basis to object to the agency's evaluation because the significance of, and the weight to be assigned to, a prime contractor's versus subcontractors' past performance, is principally a matter within the contracting agency's discretion. *Horizon Strategies, LLC*, B-419419.5, B-419419.6, Mar. 15, 2023, 2023 CPD ¶ 71 at 19. The protester has not shown that NASA's evaluation of McCallie's past performance was unreasonable.

Identity of McCallie's Significant Subcontractor

McCallie's proposal included two past performance references submitted on behalf of KBR Wyle Services, LLC (KBR Wyle), and the protester complains that NASA should not have credited McCallie with these contracts because McCallie's proposal failed to accurately identify KBR Wyle as a significant subcontractor. Supp. Comments at 5. The agency responds that McCallie identified KBR Wyle as a significant subcontractor in its proposal, and the agency properly credited McCallie with KBR Wyle's past performance. Supp. MOL at 5.

The protester's argument is premised on the fact that McCallie referred to "KBR" in its mission suitability and past performance proposal volumes without specifying whether it was referring to KBR, Inc. or KBR Wyle, a subsidiary of KBR, Inc.²¹ Comments & Supp. Protest at 23-24. The protester argues that when considered as a whole, McCallie's proposal was ambiguous with respect to the identity of the subcontractor, and it was therefore unreasonable for NASA to credit McCallie with KBR Wyle's past performance. Supp. Comments at 2.

However, the two past performance references in McCallie's proposal that identified "KBR" as the performing contractor listed the commercial and government entity (CAGE) code for KBR Wyle.²² Supp. MOL at 6; AR, Exh. 8B, McCallie Past

²¹ MVS also asserts that McCallie's proposal stated that two employees of KBR, Inc. would be involved in performance. Comments & Supp. Protest at 25.

²² CAGE codes are assigned to discrete business entities for a variety of purposes, to dispositively establish the identity of a legal entity for contractual purposes. *United*

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Performance Vol. at 14, 21. On the first page of its final proposal revisions, where McCallie identified KBR Wyle Services, LLC as one of its subcontractors, it established the acronym “(KBR).” AR, Tab 13, McCallie Offer Excerpt, at 1. Additionally, as the agency points out, McCallie’s proposal included a list of its proposed subcontractors, the only KBR entity listed was “KBR Wyle Services, LLC (KBR).” Supp. MOL at 6; AR, Exh. 13, McCallie Offer Excerpt at 28. The contracting officer reasonably understood this to mean that all references to “KBR” in McCallie’s proposal referred to KBR Wyle. Supp. COS at 1. McCallie’s proposal also included a subcontractor consent letter signed by KBR Wyle. AR, Exh. 8B, McCallie Past Performance Proposal Vol. at 47. The contracting officer states that the SEB did not see anything in McCallie’s proposal that caused it to believe that KBR meant any entity other than KBR Wyle. Supp. COS at 1.

Based on our review of the record, the agency’s decision to credit McCallie with the past performance of KBR Wyle was reasonable. The pertinent past performance references in McCallie’s proposal listed KBR Wyle’s CAGE code, and McCallie’s proposal identified KBR Wyle as a significant subcontractor. Although MVS contends that McCallie’s proposal was unclear about the identity of the subcontractor, NASA reasonably understood from McCallie’s proposal that KBR Wyle--and not KBR, Inc.--was the proposed significant subcontractor. As such, this allegation is denied.²³
Award Decision

Primarily, MVS argues that NASA’s source selection decision was unreasonable because the agency failed to specifically address the cost risks presented by McCallie’s proposal in comparing the proposals in its award decision.²⁴ Protest at 25-26;

Valve Co., B-416277, B-416277.2, Jul. 27, 2018, 2018 CPD ¶ 268 at 4. KBR, Inc., and KBR Wyle have different CAGE codes.

²³ MVS also complains that NASA should not have considered one of McCallie’s past performance references, the [REDACTED] contract, when it evaluated McCallie’s past performance because, according to MVS, the [REDACTED] contract was performed by SGT, Inc., and McCallie did not propose SGT, Inc. as a subcontractor. Supp. Comments at 6-7. However, the record shows that while the initial [REDACTED] contract was held by SGT, LLC; it was later novated from SGT, LLC to KBR Wyle; and KBR Wyle was the successor in interest to all of SGT LLC’s assets. AR, Exh. 16, [REDACTED] Contract Modification at 18; *see also* Supp. MOL at 8. The solicitation permitted NASA to attribute the past performance of a predecessor company to a proposed significant subcontractor. RFP at 131. Accordingly, on this record, the agency’s consideration of the [REDACTED] contract was unobjectionable.

²⁴ MVS also contends that the award decision was unreasonable because the SSA relied on unreasonable evaluation findings under both of the non-price factors. Protest at 25-26. This allegation is derivative of the protester’s challenges to NASA’s evaluation of proposals. As discussed above, we find no basis to object to the agency’s evaluation of proposals. Accordingly, we dismiss this allegation because derivative allegations do
(continued...)

Comments & Supp. Protest at 21. The protester again contends that the \$13.8 million probable *cost* adjustment that NASA made to McCallie's proposed cost represented a significant *performance* risk. Comments & Supp. Protest at 21. Further, the protester argues on this basis that the magnitude of the cost adjustment that the agency made to McCallie's proposed cost represents "a far greater risk to the [a]gency than anything found in MVS'[s] cost proposal," and that the award decision was unreasonable because NASA failed to consider what MVS characterizes as the "significant risk differences" between MVS's and McCallie's proposals. Comments & Supp. Protest at 21. Essentially, MVS argues that cost risk necessarily indicates performance risk because "the Agency did not consider how McCallie's cost risk could affect its overall performance risk," and asserting that the SSA failed to consider any alleged "difference in the relative performance risk between the offerors." Comments & Supp. Protest at 22. NASA responds that the agency reasonably considered the cost risks in its award decision. MOL at 15-16.

The record does not support the protester's argument. As discussed above, NASA reasonably concluded that there were no performance risks associated with McCallie's proposal. The only risk presented was the risk of a future cost overrun, which was addressed by the agency's probable cost adjustments. Additionally, the record establishes that in the award decision, the SSA considered the "comparative magnitude" of the adjustments. The SSA wrote that MVS's proposal presented "[a] slightly lower cost risk" but concluded that neither offeror had a meaningful overall cost advantage. AR, Exh. 10, SSD at 8. While the protester may disagree with the SSA's assessment of the risks associated with McCallie's proposal, the protester has not shown that the SSA's decision was unreasonable.

The protest is denied.

Edda Emmanuelli Perez
General Counsel

not establish independent bases of protest. *DirectViz Sols., LLC*, B-417565.3, B-417565.4, Oct. 25, 2019, 2019 CPD ¶ 372 at 9.