



DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

Decision

Matter of: Chugach Logistics and Facility Services JV, LLC

File: B-423690; B-423690.2

Date: November 20, 2025

Aron C. Beezley, Esq., and Gabrielle A. Sprio, Esq., Bradley Arant Boult Cummings LLP, for the protester.

Roger Abbott, Miles & Stockbridge P.C., for CCS King George 2 LLC, the intervenor.

Andrew Campos, Esq., Department of the Navy, for the agency.

Samantha S. Lee, Esq., and Peter H. Tran, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protests challenging the agency's evaluation of corporate experience and past performance are denied where the protester has not demonstrated that the agency's evaluation was unreasonable or inconsistent with the solicitation's terms.

2. Protests challenging the agency's price evaluation are denied where the protester cannot demonstrate unfair competitive prejudice resulting from analysis of price risk under Defense Federal Acquisition Regulation Supplement provision 252.204-7024, and the agency was not obligated to perform a price realism analysis as set forth in Federal Acquisition Regulation part 15 because the solicitation did not provide for such an analysis.

DECISION

Chugach Logistics and Facility Services JV, LLC (CLFS), a small business of Anchorage, Alaska, protests the award of a contract to CCS King George 2 LLC (CCS KG), a small business of Honolulu, Hawaii, under request for proposals (RFP) No. N62473-24-R-3210, issued by the Department of the Navy, Naval Facilities Engineering Systems Command, for base operations support. The protester contends that the agency unreasonably evaluated proposals and made a flawed source selection decision.

We deny the protest.

BACKGROUND

The RFP, set aside for small business concerns, was issued on August 30, 2024, pursuant to Federal Acquisition Regulation (FAR) part 15. Agency Report (AR), Exh. 1, RFP at 0001, 0046.¹ The solicitation sought proposals for integrated base operations support services for Naval Base Coronado, California. Contracting Officer's Statement (COS) at 2274. The RFP anticipated establishing a single fixed-price indefinite-delivery, indefinite-quantity contract with a 6-month base period, seven 1-year option periods, and one 6-month option period. RFP at 0047.

The solicitation established that award would be made on a best-value tradeoff basis, considering the following evaluation factors: corporate experience, key personnel, quality management system, safety, past performance, and price. *Id.* at 0130. The corporate experience, key personnel, quality management system, and safety factors were equal in importance to one another and, when combined, were equal in importance to the past performance factor. *Id.* All five non-price factors, considered together, were significantly more important than price. *Id.*

For past performance, the evaluators would consider recency, relevancy, and quality of past performance references to assign an overall confidence rating of substantial, satisfactory, neutral, limited, or no confidence. AR, Exh. 3, Source Selection Plan at 1415. For the other non-price evaluation factors, the agency would apply a combined technical/risk adjectival rating of outstanding, good, acceptable, marginal, or unacceptable. *Id.* at 1410. The solicitation provided that the price proposal would be evaluated for fairness and reasonableness, as well as for consistency with the proposed approach. RFP at 0114-15.

The agency received four proposals by the October 10, submission deadline. RFP at 0014; AR, Exh. 9, Source Selection Decision Document (SSDD) at 2253. Following discussions and submission of final proposal revisions, the agency summarized the evaluation of proposals as follows:

	CCS KG	CLFS
Corporate experience	Outstanding	Outstanding
Key personnel	Good	Outstanding
Quality management system	Outstanding	Outstanding
Safety	Outstanding	Outstanding
Past performance	Substantial Confidence	Satisfactory Confidence
Price	\$82,444,251	\$107,240,819

¹ Citations to the record refer to the agency's continuous pagination of the agency report exhibits. The RFP was amended nine times; reference to the RFP is to the conformed version at exhibit 1 of the agency report.

AR, Exh. 9, SSDD at 2255. The source selection authority (SSA) concluded that CCS KG's proposal represented the best value to the Navy based on its "strongest overall technical proposal" with the "highest possible" past performance confidence rating, and the lowest price. *Id.* at 2257-61. The SSA therefore selected CCS KG for award on May 20, 2025. *Id.* at 2261.

This protest followed.

DISCUSSION

The protester raises a number of challenges to the agency's evaluation. According to CLFS, the agency improperly evaluated proposals under the corporate experience and past performance factors. Protest at 22-25; Comments & Supp. Protest at 41-53. In addition, the protester argues the agency failed to consider relevant negative past performance information about the awardee and that the Navy failed to evaluate price in a manner consistent with regulations and the solicitation. Protest at 11-20; Comments & Supp. Protest at 3-41. Finally, CLFS challenges the reasonableness of the award decision. Comments & Supp. Protest at 62-67. Although we do not discuss every iteration of every argument raised, we have reviewed each issue and conclude that none presents a basis to sustain the protest.

Corporate Experience

The protester contends the agency unreasonably evaluated CCS KG's proposal under the corporate experience factor. Comments & Supp. Protest at 41-53. The agency responds that its evaluation of corporate experience was reasonable and in accordance with the RFP's evaluation criteria. Supp. Memorandum of Law (MOL) at 10-16.

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. *Systems Implementers, Inc.; Transcend Tech. Sys., LLC*, B-418963.5 *et al.*, June 1, 2022, 2022 CPD ¶ 138 at 10; *Sterling Med. Assocs., Inc.*, B-418674, B-418674.2, July 23, 2020, 2020 CPD ¶ 255 at 4. 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. *Arctic Slope Mission Servs. LLC*, B-417244, Apr. 8, 2019, 2019 CPD ¶ 140 at 8. A protester's disagreement with the agency's evaluation judgments, without more, does not render those judgments unreasonable. *Id.*; *Serco Inc.*, B-407797.3, B-407797.4, Nov. 8, 2013, 2013 CPD ¶ 264 at 8.

Under the corporate experience factor, offerors were to provide two to four examples of "recent, relevant projects that aggregately demonstrate its experience as a prime contractor" providing services in base operations support similar in size, scope, and complexity to the services solicited here. RFP at 0115. To be relevant, the project was required to have a total annual contract value of at least \$10 million and performance

that was ongoing or completed within 5 years of the August 2024 solicitation release date. *Id.* at 0115-16.

The awardee, CCS KG, is an 8(a) small business mentor-protégé joint venture (MPJV) of King George LLC (mentor) and Cascade Contracting and Services (protégé).² AR, Exh. 7, Source Selection Evaluation Board (SSEB) Report at 2184. For the corporate experience factor, CCS KG submitted four projects:

- Two projects performed by KJS MP Joint Venture, LLC, an MPJV of King George LLC (protégé) and J&J Worldwide Services (mentor);
- One project performed by KGJJ Engineering Solutions, LLC, another MPJV of King George LLC (protégé) and J&J Worldwide Services (mentor); and
- One project performed by AKG Services, LLC, a JV of King George LLC (managing member) and Ameritac, Inc.

Id. at 2186-89. The agency found that each project was recent and relevant. *Id.* at 2189. After noting that CCS KG was an MPJV, and that the projects “were performed by the JV Mentor: King George LLC,” the agency evaluated all four projects and assigned CCS KG a rating of “outstanding.” *Id.* at 2186, 2189-91.

Relevance

The protester first argues that the Navy “failed to recognize” that the projects were “performed not by CCS KG” or its members, but rather “were projects performed by corporate affiliates of” King George LLC. Comments & Supp. Protest at 41. In the protester’s view, “the record is devoid of recognition on the part of the Agency that [King George LLC] was not actually the performing entity for any of the submitted projects.” *Id.* at 43.

On the contrary, the record reflects that the evaluators understood--and documented--which legal entity performed each of the projects and identified the relationship between the performing entity and the offeror here, CCS KG. AR, Exh. 7, SSEB Report at 2184.

² 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 business concerns. FAR 19.800. This program is commonly referred to as the 8(a) program.

In addition, the SBA’s small business mentor-protégé program allows small or large business firms to serve as mentors to small business protégé firms in order to provide “business development assistance” to the protégé firms and to “improve the protégé firms’ ability to successfully compete for federal contracts.” 13 C.F.R. § 125.9(a), (b); see 15 U.S.C. § 644(q)(1)(C). One benefit of the mentor-protégé program is that a protégé and mentor may form a joint venture. 13 C.F.R. §125.9(d).

For example, with respect to the first reference project, the evaluators noted the following: “Project was performed by: KJS MP Joint Venture, LLC (a Mentor-Protégé JV between . . . King George LLC, Protégé and J&J Worldwide Services, Mentor),” and that the project work had been performed by King George LLC while “in a previous MPJV.” *Id.* at 2186. Indeed, in responding to the agency’s argument that the allegation was speculative and unsupported by the record, the protester later conceded that the record accurately reflects the JV entity awarded and responsible for each of the four projects “clear as day.” Supp. Comments at 30. In this connection, because the protester’s assertion--that [King George LLC] “was not actually the performing entity for any of the submitted projects”--is not supported by the record, we find no merit to the allegation, and it is denied. See Comments & Supp. Protest at 43; *INTELiTEAMS, Inc.*, B-418123.4, Dec. 9, 2020, 2020 CPD ¶ 397 at 13 (denying protest argument that was “contrary” to the record).

The gravamen of the protester’s arguments regarding relevance, however, rests in CLFS’s contention that the solicitation did not allow the agency to credit CCS KG with the offered corporate experience. Supp. Comments at 34-35. According to the protester, the other JVs--not King George LLC--should be considered the prime contractor for the four corporate experience reference projects. Supp. Comments at 37-41. In this regard, CLFS asserts that the agency was prohibited from crediting CCS KG with the corporate experience based on King George LLC’s work, because the RFP required experience as a prime contractor. *Id.*

Here, the RFP specified that corporate experience was to demonstrate the offeror’s “experience as a prime contractor.” RFP at 0115. The RFP, however, broadly defined this type of experience to include “the prime experience of any partnerships, joint ventures, teaming arrangements (e.g. first-tier small business subcontractor), or corporate affiliates (subsidiary, sister subsidiary, sister company, or parent company).” *Id.* Specific to where an offeror relies “on the prime contractor experience of corporate affiliates (e.g., subsidiaries, sister subsidiaries, sister companies, and parent companies) to demonstrate experience,” the RFP required the offeror to submit a narrative and organizational chart explaining the “corporate relationship of the affiliates.” *Id.* at 0116.

The agency, for its part, asserts that the Navy properly considered the prime contractor experience of a joint venture member, and denies that the RFP’s corporate affiliate provisions apply to the experience offered by CCS KG. According to the agency, although the projects were awarded to JVs, the agency considered them because King George LLC, the managing partner of the offeror MPJV here, “self-performed” the vast majority of the work of each project “as the prime contractor.” Supp. MOL at 10. The intervenor supports the agency’s argument, asserting that the RFP allowed for reliance on the corporate experience of the MPJV’s members separate from--and free from the narrative and organizational chart requirements associated with--corporate affiliates. Intervenor Supp. Comments at 12-14.

As noted, the awardee, CCS KG, is an MPJV. The record reflects that CCS KG offered the experience of its mentor partner, King George LLC for the reference projects. See AR, Exh. 7, SSEB Report at 2186-92 (specifically identifying the relevant firm performing the work as the “JV mentor partner” as part of another JV). As our Office has recognized, an agency properly may consider the relevant experience of the individual partners of an offeror proposing as a joint venture, so long as doing so is not expressly prohibited by the solicitation. See *Alliant Enter. JV, LLC*, B-410352.5, B-410352.6, July 1, 2015, 2015 CPD ¶ 209 at 13. The solicitation here provided that the offeror could rely on a variety of experience to meet the corporate experience factor; the RFP did not prohibit a joint venture offeror from relying on the experience of its members.

Further, we do not agree with the protester’s assertion that the RFP language (specifying that only prime contractor experience was relevant) prohibited CCS KG from relying on the experience of King George LLC gained while that firm was participating as a partner in other joint ventures. See *SVD Stars II, LLC*, B-416446, B-416446.3, Sept. 12, 2018, 2018 CPD ¶ 337 at 6 (finding agency reasonably considered experience of non-JV offeror, where that experience was gained as the managing partner of a joint venture). That is, the solicitation does not expressly prohibit the agency from considering the experience gained through membership in a joint venture. Although the RFP does specify that the relevant experience must be as a “prime contractor,” we have found that members of a JV may earn that experience through managing a JV. *Id.*

The agency and intervenor contend--and the protester does not dispute--that King George LLC was the party responsible for the vast majority of the work of the JV for the corporate experience projects.³ Under the circumstances here, because the awardee

³ The protester argues that the agency allowed CCS KG to rely on corporate experience of just one partner, and thereby “failed to consider the experience and past performance of all members of the mentor-protégé joint venture offeror, in violation of applicable SBA regulations and the RFP.” Comments & Supp. Protest at 41. In making this argument, the protester relies on prior decisions from our Office, to include *MiamiTSPi, LLC--Recon.*, B-421216.3, May 11, 2023, 2023 CPD ¶ 117. See *id.* at 49-51. Since we issued those decisions, the relevant regulations have been revised. For example, the revised regulations now expressly state that an agency has discretion to allow an offeror to “rely solely on the past performance and experience of the mentor or non-similarly situated joint venture,” *i.e.*, just one partner. 13 C.F.R. § 125.8(e)(1).

Putting aside the fact that the SBA regulations interpreted in the *MiamiTSPi* line of decisions have since been revised, our decisions there relied, in significant part, on the fact that the record did not reflect that the agency “even recognized that all of the experience references were for only one joint venture partner.” *MiamiTSPi, LLC--Recon.*, *supra* at 8. Here, the record does not reflect a similar lack of recognition; that is, the Navy was aware that CCS KG was relying solely on the experience of its mentor partner, King George LLC, which was not prohibited by the RFP. See AR, Exh. 7,

(continued...)

reasonably relied on the experience of one of its members, we find that the agency appropriately credited the awardee with that experience. See *Alliant Enterprise JV, LLC, supra* at 13 (“We find that an agency could also properly consider the performance history of an individual joint venture partner as a member of another joint venture when reasonably predictive of the offeror’s performance under the awarded contract or task order.”). The protester’s argument is therefore denied.

Disparate Treatment

The protester also argues, essentially, that the agency treated offerors unequally--that is, engaged in a disparate evaluation of proposals--in the context of the corporate experience evaluation. Comments & Supp. Protest at 44-45. In this regard, CLFS argues that it was unreasonable for the agency to credit CCS KG’s proposal with a strength for demonstrating corporate experience “without relying on corporate affiliates (e.g., subsidiaries, sister subsidiaries, sister companies, and parent companies),” when the protester demonstrated a similar attribute. AR, Exh. 7, SSEB Report at 2191.

In conducting procurements, agencies may not engage in conduct that amounts to unfair or disparate treatment of competing offerors. *UltiSat, Inc.*, B-416809 *et al.*, Dec. 18, 2018, 2019 CPD ¶ 6 at 9. To prevail on an allegation of disparate treatment, a protester must show that the agency unreasonably assessed weaknesses or failed to assess strengths for aspects of its proposal that were substantively indistinguishable from, or nearly identical to, those contained in another proposal. *Cognosante MVH, LLC*, B-418986 *et al.*, Nov. 13, 2020, 2021 CPD ¶ 3 at 5.

Here, as discussed above, the awardee relied on corporate experience of the mentor member of the MPJV--King George LLC. AR, Exh. 7, SSEB Report at 2186-89. The agency assessed five significant strengths and two strengths in that corporate experience, including a strength for demonstrating experience “without relying on corporate affiliates (e.g., subsidiaries, sister subsidiaries, sister companies, and parent companies).” *Id.* at 2191.

The protester, like the awardee, is an 8(a) MPJV. AR, Exh. 7, SSEB Report at 2185. CLFS was formed by Chugach Solutions Enterprise, LLC (protégé) and Wolf Creek Federal Services, Inc. (mentor). *Id.* For the corporate experience factor, CLFS submitted three projects:

- Two projects performed by Wolf Creek Federal Services, Inc.; and
- One project performed by Defense Base Services, Inc.

(...continued)

SSEB Report at 2184. As such, we do not find the protester’s reliance on the *MiamiTSPi* line of decisions persuasive to the to issue presented here.

Id. at 2192-96. As CLFS explains in its proposal, Defense Base Services, Inc. is a “sister subsidiary” to CLFS. AR, Exh. 6, CLFS Proposal at 1752. That is, CLFS and Defense Base Services, Inc. are both subsidiaries of another company, Chugach Government Solutions, LLC. *Id.* at 1753. The evaluators documented four significant strengths and four strengths across these projects, but did not award a strength similar to the one assessed to CCS KG above. AR, Exh. 7, SSEB Report at 2195.

To establish unfair disparate treatment in an evaluation, a protester must demonstrate that their proposal and the awardee’s proposal were substantively indistinguishable but nonetheless evaluated differently. Because the protester, unlike the awardee, relied on the corporate experience of a “sister subsidiary”--an entity specifically defined in the solicitation as a “corporate affiliate”--the protester cannot establish that its proposal was substantively indistinguishable from the awardee’s as relevant to this evaluated strength. Accordingly, we have no basis to conclude that substantively indistinguishable aspects of the competing proposals were evaluated in an unequal manner. *Tiber Creek Consulting, Inc.*, B-422925, B-422925.2, Dec. 18, 2024, 2025 CPD ¶ 8 at 8 (denying protest alleging disparate treatment where the protester’s argument revealed real differences between the proposals). Having failed to demonstrate the proposals to be substantially indistinguishable with regards to the offerors’ corporate experience, we find no merit to the protester’s arguments in this respect.

Past Performance

Next, CLFS alleges that the agency unreasonably evaluated proposals under the past performance factor. Protest at 15-20. The agency defends its evaluation of the proposals as reasonable and consistent with the terms of the solicitation and characterizes the protester’s arguments as going beyond what is required in the evaluation of past performance. MOL at 14-20, 23-27.

An agency’s evaluation of past performance, including its consideration of the relevance, scope, and significance of an offeror’s performance history, is a matter of discretion which we will not disturb unless the agency’s assessments are unreasonable or inconsistent with the solicitation criteria. *RELYANT Glob., LLC*, B-413741, Nov. 21, 2016, 2016 CPD ¶ 338 at 4. Where a protester challenges an agency’s past performance evaluation, we will review the evaluation to determine if it was reasonable and consistent with the solicitation’s evaluation criteria and procurement statutes and regulations, and to ensure that it is adequately documented. *Texas Waste Co., LLC*, B-421363.2, Nov. 8, 2023, 2023 CPD ¶ 256 at 5. A protester’s disagreement with the agency’s judgment, without more, does not establish that an evaluation was unreasonable. *Significance Inc.*, B-421307; B-421307.2, Mar. 3, 2023, 2023 CPD ¶ 61 at 4.

For the past performance evaluation, the RFP advised offerors to submit past performance questionnaires and Contractor Performance Assessment Reporting System (CPARS) evaluations for each of the reference projects identified under the corporate experience factor. RFP at 0118. The solicitation explained that, if an interim

or final CPARS was submitted, the agency would review only the CPARS evaluation (and not the questionnaire). *Id.* at 0119. The agency would then consider how well the offeror performed the recent, relevant projects from the corporate experience section of the proposal, reserving the right to obtain information for the evaluation from other sources, including CPARS evaluations. *Id.* at 0119-20.

Here, when evaluating past performance, the evaluators considered all four of the projects identified by the awardee, CCS KG, in its corporate experience. AR, Exh. 7, SSEB Report at 2203. Based on the CPARS for each project, the agency assigned a rating of “substantial confidence” for CCS KG’s past performance. *Id.* For CLFS, the agency only considered two of the three reference projects. *Id.* at 2204-05. The Navy did not consider the third project because CLFS’s proposal did not include the correct CPARS for that project. *Id.* at 2205. Based on the two CPARS considered, CLFS was assigned a past performance rating of “satisfactory confidence.” *Id.* at 2204.

CLFS Evaluation

First, regarding its own proposal, CLFS contends that the agency unreasonably declined to consider one past performance reference based on the protester’s mistaken submission of the wrong report from CPARS. Comments & Supp. Protest at 56-58. Relevant here, the third project identified in CLFS’s proposal was its [DELETED] contract performed by Defense Base Services, Inc. AR, Exh. 7, SSEB Report at 2193, 2205. The agency explained that, although the project was relevant under corporate experience, CLFS had “failed to submit a correct CPARS report for the project” therefore it could not be evaluated under the past performance factor. *Id.* at 2205. That is, although CLFS submitted a CPARS evaluation, it was for a different contract. *Id.*

The protester asserts that the agency was obligated to consider this project during the past performance evaluation “notwithstanding the provision of an incorrect CPARS document in CLFS’s proposal.” Protest at 23. First, the protester asserts that because Defense Base Services, Inc. performed the work “in support of” Naval Facilities Engineering Systems Command Southwest, which “is also the procuring agency” here, the agency “could--and should--have considered close-at-hand information” about the project for the evaluation. *Id.*

While agencies may generally limit the scope of past performance information considered, we have recognized that in certain limited circumstances, an agency has an obligation (as opposed to the discretion) to consider “outside information” bearing on the offeror’s past performance when it is “too close at hand” to require offerors to shoulder the inequities that spring from an agency’s failure to obtain and consider the information. See, e.g., *International Bus. Sys., Inc.*, B-275554, Mar. 3, 1997, 97-1 CPD ¶ 114 at 5. Our Office has limited application of this narrow principle, however, to consideration of prior contracts for the same services with the same contracting activity, or information personally known to the evaluators. See *Orbital Scis. Corp.*, B-414603, B-414603.2, July 26, 2017, 2017 CPD ¶ 249 at 10 (finding agency was not required to

consider an Inspector General report in its past performance evaluation). Further, this obligation “is not intended to remedy an offeror’s failure . . . to include information in its proposal.” *F-2 Sols., LLC*, B-418950.2, B-418950.3, Apr. 27, 2021, 2021 CPD ¶ 179 at 5. Where an offeror is in control of the past performance information contained in its proposal--and not reliance on third parties to submit that information--it exercises its own judgment as to the information that the agency should consider. *Affordable Eng’g Servs., Inc.*, B-407180.4 *et al.*, Aug. 21, 2015, 2015 CPD ¶ 334 at 13.

Here, the RFP directed offerors to submit CPARS evaluations for the projects within the proposal. RFP at 0118. The solicitation was specific:

If a Final CPARS evaluation is available, it shall be submitted with the proposal for each project included in Factor 1 for corporate experience. If a Final CPARS evaluation is not available, the most recent interim evaluation shall be submitted with the proposal for each project included in Factor 2 for corporate experience.

Id. at 0119. The agency reserved the right to “elect to consider data from other sources,” but reiterated that “the burden of providing detailed, current, accurate, and complete past performance information rests with the offeror.” *Id.*

We find the agency’s evaluation to be reasonable in this regard. The solicitation required offerors to submit the most recent CPARS report for any project to be considered under the past performance evaluation factor. *Id.* at 0118-19. Notwithstanding this provision, CLFS did not submit the most recent CPARS report for the Defense Base Services, Inc. reference project. AR, Exh. 7, SSEB Report at 2205-06. In support of its evaluation, the Navy asserts that it merely applied the solicitation’s requirements in the past performance evaluation. MOL at 24-27. We agree. Here, CLFS’s proposal did not include the required CPARS report for the agency to evaluate the third project as an element of past performance. Accordingly, we find reasonable the agency’s decision to not consider the reference project in the evaluation of CLFS’s past performance. *F-2 Sols., LLC*, *supra* at 4 (denying protest asserting that agency should have considered past performance reference where protester had failed to submit associated CPARS evaluation required by the solicitation).

Second, the protester asserts that the agency was required by the solicitation to review all CPARS evaluations for offerors. Protest at 23. We disagree. The RFP provides the option--that is, the agency “may review all CPARS evaluations for offerors”--but the solicitation does not obligate the agency to do so. RFP at 0120. There simply was no requirement for the Navy to independently review all CPARS evaluations or other sources of past performance information outside of the proposal. *F-2 Sols., LLC*, *supra* at 5 (denying protest argument that agency should have independently researched offeror’s past performance reference). This allegation is therefore denied.

CCS KG Evaluation

With respect to CCS KG, the protester argues that the agency should have considered a specific instance of poor performance in the evaluation of the awardee. Comments & Supp. Protest at 19-41. According to the protester, King George LLC (one member of CCS KG) was awarded a contract in September 2021 for performance of services at Naval Base Coronado; services “which comprise a large portion of the services to be performed” under the contract at issue here. Protest at 18. The protester asserts that the contract “came to a premature end due to performance failures,” and that the Navy should have considered this poor performance in the evaluation of CCS KG’s proposal. *Id.*

As discussed above, our Office has explained that in certain limited circumstances, an agency has an obligation (as opposed to the discretion) to consider information not contained in an offeror’s proposal bearing on its past performance. This includes, in some instances, negative past performance information concerning the awardee’s proposal. See *Northeast Mil. Sales, Inc.*, B-404153, Jan. 13, 2011, 2011 CPD ¶ 2 at 6-7. To succeed on this claim, however, the protester must show that the agency was aware (or should have been aware) of the information, and that the agency acted unreasonably in failing to consider it. *TriWest Healthcare Alliance Corp.*, B-401652.12, B-401652.13, July 2, 2012, 2012 CPD ¶ 191 at 33.

In response to the protest, the SSA confirms that the agency did not consider the identified contract that King George LLC performed in support of Naval Base Coronado. AR, Exh. 12, SSA Decl. at 2280. CCS KG did not select the contract as one of the projects for evaluation of corporate experience and past performance. *Id.* In addition, the SSA explains that it was reasonable for the agency not to consider the contract because the contract was not relevant according to the terms of the RFP. *Id.* at 2281.

The RFP provided that a project would be relevant for the evaluation of corporate experience (and therefore the associated past performance evaluation) if, among other things, it had a total annual contract value of \$10 million or greater and was a base operations support contract for maintenance and services that encompassed work in at least two of three areas: facility investment, custodial requirements, and other tasks related to the maintenance of training pools. RFP at 0115-16.

As the SSA explains, the King George LLC contract identified by the protester had a total period of performance of 3.5 years and a value less than \$23 million--meaning it had a total annual contract value of approximately \$6.6 million, and did not meet the RFP’s evaluation criteria for relevant past performance of annual value of \$10 million or greater. AR, Exh. 12, SSA Decl. at 2281. In addition, the contract was for custodial work only, such that it was not a relevant base operations support contract as defined by work across two of three types of requirements. *Id.*

Under these circumstances, we find nothing objectionable with the agency’s decision to limit its evaluation of CCS KG’s past performance to contracts that were relevant to the

work at issue here, based on contract value and scope of responsibilities. See *CyQuest Bus. Sols., Inc.*, B-410366 *et al.*, Dec. 18, 2014, 2015 CPD ¶ 13 at 10 (denying protest asserting that agency should have considered awardee's "allegedly poor performance" on other contracts because the contracts involved work outside the scope of the RFP's requirements in terms of type of work and recency in time). Because we find the Navy's past performance evaluation to be consistent with the terms of the solicitation, we have no basis to sustain the protest in this regard.

Price

CLFS asserts that the agency failed to conduct a price risk analysis required under the solicitation. Protest at 11-15. In this regard, the protester first argues the Navy was required to conduct this price risk analysis because the RFP incorporated by reference Defense Federal Acquisition Regulation Supplement (DFARS) provision 252.204-7024, Notice on the Use of the Supplier Performance Risk System. *Id.* at 11-13.

Provision 252.204-7024 of the DFARS defines "price risk" as "a measure of whether a proposed price for a product or service is consistent with historical prices paid for that item or service." DFARS provision 252.204-7024. In relevant part, the provision states:

(b) The Supplier Performance Risk System (SPRS), available at <https://piee.eb.mil/>, will be used in the evaluation of the Quoter or Offeror's performance. SPRS retrieves item, price, quality, delivery, and contractor information on contracts from Government reporting systems in order to develop risk assessments.

(c) The Contracting Officer will consider SPRS risk assessments during the evaluation of quotations or offers received in response to this solicitation as follows:

(1) Item risk will be considered to determine whether the procurement represents a high performance risk to the Government.

(2) Price risk will be considered in determining if a proposed price is consistent with historical prices paid for a product or a service or otherwise creates a risk to the Government.

(3) Supplier risk, including but not limited to quality and delivery, will be considered to assess the risk of unsuccessful performance and supply chain risk.

(d) SPRS risk assessments are generated daily. Quoters or Offerors are able to access their risk assessments by following the access instructions in the SPRS user's guide available at <https://www.sprs.csd.disa.mil/reference.htm>. Quoters and Offerors are granted access to SPRS for their

own risk assessment classifications only. SPRS reporting procedures and risk assessment methodology are detailed in the SPRS user's guide. The method to challenge a rating generated by SPRS is also provided in the user's guide. SPRS evaluation criteria are available at https://www.sprs.csd.disa.mil/pdf/SPRS_DataEvaluationCriteria.pdf.

(e) The Contracting Officer may consider any other available and relevant information when evaluating a quotation or an offer.

DFARS provision 252.204-7024. The agency admits that, although the solicitation incorporated the DFARS provision by reference, the Navy did not obtain or consider SPRS risk assessments in the evaluation of offerors' proposals. MOL at 6-8. The Navy contends, however, that the protest should nevertheless be denied because the protester cannot demonstrate that it suffered unfair competitive prejudice as a result. *Id.*

Competitive prejudice is an essential element of any viable protest; where a protester fails to demonstrate that, but for the agency's actions, it would have had a substantial chance of receiving the award, there is no basis for finding prejudice, and our Office will not sustain the protest, even if deficiencies in the procurement are found. *Blue Origin Federation, LLC; Dynetics, Inc.--A Leidos Co.*, B-419783 *et al.*, July 30, 2021, 2021 CPD ¶ 265 at 33.

The agency submitted a declaration from the SSEB chairperson explaining that, in response to the protest, he accessed SPRS to attempt to access the risk assessments. AR, Exh. 11, SSEB Chairperson Decl. at 2268. Based on the protester's allegation that the agency could have used the product and service code for the RFP (S216) "to obtain the necessary reports in SPRS," Protest at 12, the SSEB chairperson entered the product and service code and the commercial and government entity codes for the protester and the awardee. AR, Exh. 11, SSEB Chairperson Decl. at 2268. The results were an error and reports that showed no records were found.⁴ *Id.* The agency therefore argues that even though the contemporaneous record does not reflect any analysis pursuant to the DFARS provision, the protester was not prejudiced because there is no price risk information to consider in SPRS for this procurement. MOL at 7-8.

The protester asserts that because the agency "admittedly failed to evaluate proposals in accordance with" DFARS provision 252.204-7024, "the agency's evaluation and award decision cannot stand," relying on two prior decisions from our Office interpreting that provision. See Comments & Supp. Protest at 4, 14 (citing *MicroTechnologies, LLC et al.*, B-423197.2, Mar. 4, 2025, 2025 CPD ¶ 55 at 9 and *SMS Data Products Group, Inc.*, B-423197, B-423197.4, Mar. 4, 2025, 2025 CPD ¶ 64 at 10 (*SMS I*)). Those

⁴ This is consistent with representations made in other protests before our Office that SPRS functionality is currently limited such that a service contract like the one at issue here will not have an associated price risk report. See *SMS Data Prods. Grp., Inc.*, B-423341 *et al.*, May 29, 2025, 2025 CPD ¶ 131 at 9 (*SMS II*).

decisions, however, are distinct from the facts at issue here. In *MicroTechnologies, LLC*, the agency did not rely on SPRS risk reports but defended its evaluation under DFARS provision 252.204-7024 based on its separate price realism analysis associated with professional compensation. *MicroTechnologies, LLC, supra* at 11-12. Because we sustained the protester's challenges to that professional compensation analysis, we explained that the agency could not rely on that unreasonable price evaluation as a proxy for the price risk analysis. *Id.* Similarly, in *SMS I*, we rejected the agency's attempt to "rely on an unreasonable price evaluation under the FAR to satisfy the DFARS requirement."

Here, unlike in *MicroTechnologies* and *SMS I*, the agency does not offer one flawed evaluation as a substitute for the DFARS risk analysis. Instead, the agency concedes error but avers that the error was harmless in the absence of any effect on the competition. The protester, for its part, does not explain how it was competitively prejudiced by the Navy's admitted error in failing to attempt the analysis under DFARS provision 252.204-7024. Absent even an allegation about competitive prejudice, the argument provides no basis for sustaining the protest. *Miltape Corp.*, B-422799, B-422799.2, Nov. 7, 2024, 2024 CPD ¶ 266 at 8-9 (explaining that a general contention of competitive prejudice is insufficient to support a decision sustaining a protest allegation); *American Cybernetic Corp.*, B-310551.2, Feb. 1, 2008, 2008 CPD ¶ 40 at 2-3 (competitive prejudice is an essential element to every viable protest, and where an agency's allegedly improper actions did not affect the protester's chances of receiving award, there is no basis for sustaining the protest).

Rather than addressing competitive prejudice from the price risk analysis, the protester pivots, asserting that the price risk analysis under DFARS provision 252.204-7024 is "in effect, a price realism analysis" as set forth in FAR part 15. Comments & Supp. Protest at 3-5. The protester argues, in essence, that incorporation of the DFARS provision is equivalent to providing for a price realism analysis in the solicitation, requiring the agency to determine whether the awardee's overall proposed price was so low that there may be a risk of poor performance. *Id.* at 10-13; see also FAR 15.404-1(d) (setting forth price realism techniques); *C.L. Price & Assocs., Inc.*, B-403476.2, Jan. 7, 2011, 2011 CPD ¶ 16 at 3 (discussing the purpose of price realism analyses).

While an agency may conduct a price realism analysis in awarding a fixed-price contract for the limited purposes of assessing whether an offeror's low price reflects a lack of technical understanding or risk, see FAR 15.404-1(d)(3), offerors must be advised that the agency will conduct such an analysis. *CACI-WGI, Inc.*, B-408520.2, Dec. 16, 2013, 2013 CPD ¶ 293 at 7. Because below-cost prices are not inherently improper in a fixed-price context, an offeror competing for award of a fixed-price contract must be given reasonable notice that its business decision to submit a low-priced proposal will be viewed negatively by the government in assessing the risk associated with its proposal. *Triad Int'l Maint. Corp.*, B-408374, Sep. 5, 2013, 2013 CPD ¶ 208 at 11. In the absence of an express price realism provision, we will only conclude that a solicitation contemplates a price realism evaluation where the RFP expressly states that the agency will review prices to determine whether they are so low that they reflect a lack of

technical understanding, and where the RFP states that a proposal can be rejected for offering low prices. *DynCorp Int'l LLC*, B-407762.3, June 7, 2013, 2013 CPD ¶ 160 at 9. Absent a solicitation provision notifying offerors that a price realism analysis would be conducted, agencies are neither required nor permitted to conduct one in awarding a fixed-price contract. *CACI-WGI, Inc.*, *supra*.

The RFP here did not include an express price realism provision. Even where the RFP refers to evaluating prices to determine whether they reflect a clear understanding of the requirements, the language refers consistently and exclusively to considering whether prices are unreasonably high. RFP at 0114-15.

The DFARS provision 252.204-7024 defines price risk as “a measure of whether a proposed price for a product or service is consistent with historical prices paid for that item or service.” DFARS 252.204-7024(a). The DFARS mandates that the SPRS be used in the evaluation of an offeror’s performance and requires the contracting officer to “consider SPRS risk assessments during the evaluation of quotations or offers received in response to this solicitation as follows: . . . (2) Price risk will be considered in determining if a proposed price is consistent with historical prices paid for a product or a service or otherwise creates a risk to the Government.” DFARS 252.204-7024(c)(2).

We do not find that this provision results in the solicitation contemplating a price realism analysis under FAR part 15; the provision does not in itself contain the express statements required to obligate an agency to perform such an analysis (*i.e.*, that the agency would review prices to determine whether they are so low that they reflect a lack of technical understanding and that a proposal can be rejected for low prices). In this regard, we note that in *SMS II*, we rejected an argument that the agency should have conducted a price reasonableness analysis of specific labor rates as inconsistent with historical rates because the solicitation limited the evaluation to total evaluated price, notwithstanding that the solicitation also included DFARS provision 252.204-7024. *SMS II*, *supra* at 9-10.

Because the solicitation--even considering DFARS provision 252.204-7024--did not contain a price realism provision, the RFP did not require or permit the agency to evaluate the realism of proposed prices. See *CIMA JV et al.*, B-422813 *et al.*, Oct. 28, 2024, 2024 CPD ¶ 261 at 6. We thus find no merit to the argument that the agency should have conducted a price realism analysis and reject CCS KG’s proposal based on an unrealistically low total price.⁵ *Systems Plus, Inc.*, B-415559, B-415559.2, Jan. 12, 2018, 2018 CPD ¶ 27 at 7.

⁵ The protester argues in the alternative that the RFP had a latent ambiguity with respect to whether a price realism analysis was required. Supp. Comments at 2-28. An ambiguity, however, exists when two or more reasonable interpretations of the solicitation are possible. *Colt Defense, LLC*, B-406696, July 24, 2012, 2012 CPD ¶ 302 at 8. As discussed above, we do not find that the language of the RFP provides for a price realism evaluation. Thus, we do not agree with the protester’s assertion that the
(continued...)

Award Decision

Finally, the protester challenges the source selection decision by asserting it was based on flawed underlying evaluations. Protest at 25-27; Comments & Supp. Protest at 62-68. This challenge is derivative of the protester's above-denied challenges to the underlying evaluation. As we find no basis to object to the underlying evaluation that resulted in competitive prejudice to the protester, we dismiss this argument because derivative allegations do not establish an independent basis of protest. *DirectViz Sols., LLC*, B-417565.3, B-417565.4, Oct. 25, 2019, 2019 CPD ¶ 372 at 9.

The protest is denied.

Edda Emmanuelli Perez
General Counsel

(...continued)

RFP could reasonably be read to require such an evaluation based on the incorporation of DFARS provision 252.204-7024. Because the protester's interpretation is unreasonable, there is no ambiguity, and we deny this allegation. See, e.g., *TriWest Healthcare Alliance Corp.*, B-415222.3 *et al.*, May 2, 2019, 2019 CPD ¶ 152 at 13 (denying protest argument that RFP's price ceiling terms were latently ambiguous where protester's interpretation of the terms was not reasonable).