Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Consolidated Engineering Services, Inc

File: B-279565.5

Date: March 19, 1999

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David A. Ashen, Esq., and John M. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that agency failed to give evaluation credit for specific proposed beneficial features of protester's proposal--such as availability of off-site corporate resources and corporate buying power--when evaluating proposals for commercial facilities management services, is denied where agency reasonably determined that features were unlikely to contribute significantly to satisfying agency's stated needs.

2. Protest that discussions were not meaningful because agency failed to point out excesses in protester's technical proposal is denied where claimed beneficial features in fact were not excesses, but rather (1) were considered by the agency to be desirable, (2) were simply protester's approach to complying with the solicitation requirements, or (3) did not render the proposal unacceptable, result in a significant reduction in score, or result in an unreasonable, grossly excessive price.

DECISION

Consolidated Engineering Services, Inc. (CESI) protests the Department of Housing & Urban Development's (HUD) reevaluation of proposals undertaken in response to our decision in Consolidated Eng'g Servs., Inc., B-279565.2, B-279565.3, June 26, 1998, 99-1 CPD ¶ ___. In that decision, we sustained CESI's protest against the award of a contract to Halifax Technical Services, Inc., under request for proposals (RFP) No. DU100C000018529, for commercial facilities management services with respect to the HUD headquarters building in Washington, D.C. CESI argues that HUD's new determination that Halifax's proposal offered the best value to the government was based on an unreasonable evaluation.

We deny the protest.

The solicitation, issued on April 23, 1997, provided for award of a contract for a base year, with four 1-year options, for custodial, security, operation and maintenance, elevator maintenance, landscape, mail, messenger, audio-visual, moving/receiving, parking, painting, electrical, space alteration, and locksmith services. Award was to be made on a best value basis, with technical factors more significant than price. A maximum of 300 evaluation points were available under two technical evaluation factors: (1) management and plan of operations (140 points), which included subfactors for phase-in, staffing, quality control, day-to-day work, materials and supplies, training, emergency response, interface with HUD management, and method for reporting building deficiencies and problems; and (2) experience and qualifications (160 points), which included subfactors for company profile, experience in performing custodial, elevator, operations and maintenance, security, electrical, space alterations, mail, audio visual, moving, painting, parking, landscape, locksmith and messenger services, and key personnel. A maximum 14 extra points were available under a small business subcontracting program evaluation factor.

In the original evaluation, HUD's technical evaluation panel (TEP) recommended award to Halifax on the basis that Halifax's best and final offer (BAFO) received the highest technical score--289 points, compared to CESI's next highest 282 points--and had the lowest evaluated price ($44,864,494, compared to CESI's $45,410,864). Source Selection Recommendation, Feb. 5, 1998, at 4-5.

In sustaining CESI's protest against the ensuing award to Halifax, we concluded that the evaluation record did not establish that HUD had properly evaluated the relative merits of CESI's and Halifax's proposals. Specifically, neither the contemporaneous evaluation record nor the agency's response to CESI's protest adequately explained why the two proposals were rated similarly--with CESI receiving the maximum 140 points available under the management and plan of operations factor and Halifax also receiving a near perfect rating of 139 points--despite certain of CESI's proposed features that, on their face, appeared to be potentially beneficial to the agency such that they reasonably could be expected to be reflected in the evaluation results. In addition, we found that HUD unreasonably had assigned Halifax's proposal a 3-point higher score for proposed elevator maintenance organization, under the experience and qualifications factor, even though both offerors proposed the incumbent HUD elevator maintenance contractor. We recommended that the agency reevaluate proposals consistent with our decision.

In its reevaluation of Halifax's and CESI's proposals, the TEP determined that, although the proposals indicated that both offerors were "very capable of performing" the contract, Halifax had a "superior technical proposal" because of the overall strength and experience of its subcontractors, its stronger staffing plan, and the more complete and comprehensive information in its proposal.[1] Source Selection Recommendation, Oct. 5, 1998, at 2-4. The TEP again recommended award to Halifax on the basis that Halifax had submitted a superior technical proposal--it received a technical score of 286 points, compared to CESI's 280 points--and had proposed an evaluated cost slightly lower than CESI's. Upon learning of the source selection official's concurrence in the recommendation, and after receiving a copy of the recommendation and attached technical evaluation panel report (TEPR) dated October 5, 1998 (pursuant to an agency-level nondisclosure agreement), CESI filed this protest with our Office.

EVALUATION OF TECHNICAL PROPOSALS

Beneficial Features

CESI argues that the reevaluation of Halifax's and CESI's proposals again failed to reflect certain beneficial features which warranted CESI's proposal being rated technically superior to Halifax's. In this regard, CESI's proposal received 133 (of the 140 available) points in the reevaluation under the management and plan of operations factor and Halifax's received 131 points.

In reviewing protests against allegedly improper evaluations, our Office will examine the record to determine whether the agency's judgment was reasonable and in accord with the RFP's stated evaluation criteria. Engineering and Computation, Inc., B-261658, Oct. 16, 1995, 95-2 CPD ¶ 176 at 2-3.[2] As noted in our original decision, an agency is not required to give evaluation credit for specific features where it reasonably determines that such features will not contribute in a

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[1]Halifax proposed subcontractors to perform 13 of 14 services, while CESI proposed subcontractors for 12 of 14 services.

[2]CESI argues that the reevaluation was unreasonable because "the merits of the proposals were never evaluated against Section M and the requirements of the solicitation. Instead the merits were determined by a side-by-side comparison." Protest, Oct. 26, 1998, at 29. As we recognized in our original decision, where a best value evaluation approach is to be employed, offerors have a reasonable basis to expect technical proposals to be evaluated and ranked in a way that reflects an offeror's relative technical superiority over a competitor. National Test Pilot School, B-237503, Feb. 27, 1990, 90-1 CPD ¶ 238 at 3-4. Here, HUD evaluated the proposals under the stated evaluation criteria in a manner designed to measure the relative merits of the proposals. This approach was proper.

meaningful manner to better satisfying the agency's stated needs. See Tecom, Inc., B-275518.2, May 21, 1997, 97-1 CPD ¶ 221 at 7 (agency reasonably concluded that offeror not entitled to higher rating where requirements were not exceeded in a manner that would provide increased benefit to agency); Computer Sys. Dev. Corp., B-275356, Feb. 11, 1997, 97-1 CPD ¶ 91 at 7-8. Alternatively, an agency may reasonably determine that the benefit of proposed specific features is not worth any additional cost associated with the proposal. Consolidated Eng'g Servs., Inc., supra, at 5.

The record here, which includes testimony taken at a hearing held by our Office, shows that HUD reasonably evaluated the relative merits of CESI's and Halifax's proposals. We discuss several of the key issues below.

HUD reasonably gave evaluation credit for, and considered to be a relative advantage, specific features of CESI's proposal which it reasonably determined would contribute in a meaningful manner to satisfying the agency's stated needs. For example, CESI notes that it stated in its proposal that it proposed [DELETED]. CESI Proposal at A-67, B-9. In addition, CESI proposed to [DELETED]. Id. at E-1, E-8 to E-9, A-4, A-80/A-81, A-81 to A-82, A-260 to A-261, B-5 to B-6, B-9 to B-10.

The record indicates that, in reevaluating the proposals, HUD gave CESI's proposal evaluation credit for its [DELETED] and awarded CESI's proposal all 25 available evaluation points under the quality control subfactor (while giving Halifax only 23 points). TEPR at 8-9. HUD also gave CESI evaluation credit for its proposed [DELETED], and awarded CESI all 10 available evaluation points under that subfactor (while giving Halifax only 9 points). TEPR at 20. In addition, HUD gave CESI evaluation credit for its proposed [DELETED], and awarded CESI all 25 available evaluation points under that subfactor (while giving Halifax only 23 points). TEPR at 18-19; Hearing Transcript (Tr.) at 66, 167-68. However, HUD concluded that CESI's proposal to [DELETED], was an unnecessary step that would [DELETED]. TEPR at 11; Tr. at 240-41. We have no basis to question this conclusion.

CESI notes that it also stated in its proposal that, as the facilities management and maintenance subsidiary of its corporate parent, The Charles E. Smith Companies, it would have access to significant additional corporate resources beyond those committed on a full-time basis to the HUD building. CESI Proposal at E-1, A-253/A-254. CESI specifically noted in its proposal the availability of 80 radio-dispatched mobile maintenance vehicles, more than 400 skilled building operating and crafts personnel, equipment overhaul and repair shops, and in-house professional engineers and experts. Id. at E-1 to E-2, A-29 to A-30, A-61 to A-62, B-5, B-11. CESI maintains that it should have received evaluation credit reflecting access to these resources.

HUD determined that the "available talent from surrounding contracts was not an added value to the proposal." Source Selection Recommendation at 4; TEPR at 5. While (as acknowledged by one evaluator) additional CESI corporate resources could be of potential benefit to HUD in the event of an emergency, Tr. at 276, 279-80, 288, the agency concluded that the additional CESI corporate resources in fact were unlikely to make a greater contribution to satisfying the agency's stated needs than would Halifax's greater reliance on subcontracting for any additional resources that might be required.

HUD's conclusion was reasonable. First, it is not clear from the record that significant off-site resources are likely to be required. The solicitation required the contractor to employ sufficient staffing to ensure proper operation and maintenance of the HUD building and set forth the agency's estimate of the minimum operations and maintenance staffing in various labor categories. RFP § C, Description/Specification/Work Statement, ¶ X.H. The specified minimum staffing was based on HUD's experience operating the building since it assumed the responsibility from the General Services Administration (GSA) in 1983; in this regard, according to hearing testimony, on-site, dedicated staffing are "able to fix probably 99.9 percent of the . . . problems that . . . come up on a day-to-day basis." Tr. at 283; see Tr. at 290, 326-29, 332-34. In addition, the systems in HUD's headquarters building are relatively new, state-of-the-art systems, and are subject to a strict preventative maintenance program, Tr. at 264-65, 271, 307; RFP § C, Description/Specification/Work Statement, ¶ X.F.4; HUD has had few serious emergencies since it assumed responsibility for the building, Tr. at 182-83, 234-36; Declaration of HUD Director of the Building Operations Division (DBOD), January 28, 1999, ¶¶ 9-22; and these emergencies apparently were met by recalling off-duty staff dedicated to the HUD building. Id. Indeed, the record indicates that reliance on dedicated building staff is deemed preferable; according to the HUD DBOD, it is "extremely important" to rely on staff dedicated to the HUD building since, "especially in an emergency situation . . . if the contractors brought in staff unfamiliar with the unique qualities of the HUD building, these staff could prove to be more of a risk to successful completion of the task than a benefit, being unfamiliar with the particularities of the HUD building." Id., ¶ 13.

Further, to the extent that additional off-site resources could be required, agency evaluators questioned whether CESI would be significantly better able than Halifax to obtain such resources. The record indicates that the evaluators were concerned that CESI's general listing of the available corporate resources did not amount to a commitment that, and a detailed description and explanation as to how, specific skilled personnel would be diverted from their other work to respond to HUD emergencies on a timely basis whenever required. Tr. at 50-51, 279, 304-05, 321-23. Further, the evaluators concluded that Halifax would be able to effectively furnish any additional resources that might be required through subcontracting, TEPR at 5; Tr. at 280-83, 291, 328, and we find nothing unreasonable in this conclusion. Given that the record shows that there is a low likelihood that nondedicated staff assistance will be required, and that Halifax's approach appears to provide for such assistance through subcontracting, we think HUD reasonably concluded that CESI's proposal was not entitled to any significant evaluation advantage in this area.

CESI also challenges HUD's determination that both its and Halifax's proposal were equal under the materials and supplies subfactor. (Both proposals received all 10 available points.) CESI argues that HUD's evaluation failed to take into account the assertions in its proposal that its annual purchases of $[DELETED] million in building maintenance parts and supplies would afford it leverage in negotiating discounts, favorable delivery and warranty terms, as well as priority access in an emergency or for hard-to-find parts, and that it could draw upon its 130-building network for parts. CESI Proposal at A-234 (Chart), A-234 to A-237.

The evaluation in this area was reasonable. First, again, it appears that the likelihood that HUD will need parts on an urgent basis is reduced by the characteristics of the HUD building. As noted, the systems in the building are relatively new, state-of-the-art systems, and are subject to a strict preventative maintenance program, Tr. at 264-65, 271, 307; RFP § C, Description/Specification/Work Statement, ¶ X.F.4; as a result, the building has a very low failure rate. Tr. at 271. Further, to the extent parts and supplies would be required, the solicitation required the contractor to maintain on-site inventories of both critical parts and expendable supply items. RFP § C, Description/Specification/Work Statement, ¶¶ X.C.3-X.C.5. The solicitation included an extensive list of critical parts--including parts that are hard to obtain, have long lead times or have a history of failure--which the contractor will be required to maintain in an on-site inventory, and the record indicates that the agency is continually adding to this list based on its experience with the building. RFP § J, Attachment 4; Tr. at 301-03, 308-09, 317-18. Against this backdrop, the agency found no significant difference in the proposals. While (as acknowledged by one evaluator) CESI's sizable corporate purchases could be of potential benefit to HUD in obtaining favorable prices or parts in short supply, Tr. at 234, 257-59, 266, 312, the agency noted that Halifax, specifically proposed that, upon contract award, it would identify and order long-lead-time supplies and equipment. Halifax Proposal at 1-2; TEPR at 12; Tr. at 295-96. HUD also considered significant the fact that Halifax's proposal indicated that the company's 30 years of activity in the Washington, D.C. metropolitan area gave it access to hundreds of reliable, proven local suppliers. TEPR at 12-13; Halifax Proposal at 1-94. We see nothing unreasonable in this conclusion.

Nor is there a basis for questioning HUD's determination that CESI is not significantly more likely to obtain lower prices for necessary materials and supplies. As an initial matter, HUD is only responsible for the cost of materials and supplies required for a major repair where that cost is expected to exceed $10,000; otherwise, the contractor will bear the cost. RFP § C, Description/Specification/Work Statement, ¶ X.F.10. According to HUD, there were no such major repairs at the HUD building in 1998, and there have been none to date during Halifax's performance of the protested contract. HUD Comments, Jan. 29, 1999, at 10. Moreover, to the extent that HUD might be called on to bear the cost of materials and supplies required for a repair, there actually is reason to believe that Halifax's proposed approach might result in lower costs than CESI's. Specifically, as noted by the agency, Halifax proposed to obtain a minimum of two competitive quotations before making purchases of from $1,000 to $2,500, and a minimum of three competitive quotations before making purchases of $2,500 or more. Halifax Proposal at 1-95. Agency evaluators concluded that this competitive procurement approach provided assurance that the agency would get the "best," or at least a "good," price. Tr. at 227-28, 298-99. CESI's own expert witness testified that it was important when managing public facilities to obtain competitive bids, Tr. at 356-59; however, CESI did not specifically offer such an approach. We conclude that the agency reasonably found that CESI's proposal did not warrant greater relative credit in this area.

Current Performance

CESI argues that HUD's reevaluation failed to take into account the fact that Halifax's subcontractor for custodial services was not fully complying with the solicitation's Nondisplacement of Qualified Workers clause. That clause provides:

> Consistent with the efficient performance of this contract, the contractor shall, except as otherwise provided herein, in good faith offer those employees (other than managerial and supervisory employees) under the predecessor contract whose employment will be terminated as a result of the award of this contract or the expiration of the contract under which the employees were hired, a right of first refusal to employment under the contract in positions for which employees are qualified.

RFP § I, Nondisplacement of Qualified Workers, ¶ (a), at I-1. In this regard, CESI asserts that Halifax's custodial subcontractor, AAA Painting and Janitorial Contractors, Inc., was not meeting its obligations under the clause with respect to offering employment to workers of the incumbent custodial contractor, Tri-Ark Industries, when it commenced performance on August 1, 1998. HUD awarded Halifax all 15 available points for AAA's custodial experience and qualifications, and rated AAA's performance of the HUD contract to have been "outstanding." TEPR at 24-25. HUD maintains that there was no basis for it to conclude that Halifax's custodial subcontractor was not complying with the Nondisplacement of Qualified Workers clause.

The evaluation in this area was reasonable. CESI's claim that Halifax was violating the clause is based primarily on the minutes of a July 14 meeting between HUD, Halifax, AAA and Tri-Ark personnel concerning compliance with the clause during the transition from Tri-Ark to AAA. Neither these minutes, nor any other information in the record, establishes that Halifax ultimately failed to comply with the nondisplacement clause. Although a HUD official stated that he had been advised by several Tri-Ark employees that AAA was requiring them to waive their seniority, wages and vacation time, AAA's Director of Marketing assured the government that "[t]hat requirement has been rescinded," and a Halifax vice president stated that "[w]e will ensure compliance with the Wage Determination." Meeting--July 14, 1998, 11:40 a.m., Notes (Meeting), at 3-4. Further, HUD officials indicated their intention to ensure compliance, warning Halifax and AAA that the current wage rate determination must be complied with and cautioning that AAA would be reported to the Department of Labor (DOL) if AAA required anyone to sign a waiver. Given Halifax's response once this issue arose, we think the agency could reasonably conclude that it should have no negative impact on Halifax's evaluation. Id. [3]

As noted by CESI, the minutes also state that a HUD official indicated at the meeting that, based on information from AAA, that firm intended to perform the work with 20 retained Tri-Ark employees and 25 AAA employees, 10 fewer than Tri-Ark had employed at HUD and Halifax had proposed. Meeting at 2; Halifax Proposal, Part 1, Volume 2, Tab 3, AAA Painting and Janitorial Contractors, Inc., at 6th unnumbered page. Although CESI appears to believe that these numbers establish a violation of the nondisplacement clause, that clause specifically provided that the contractor "shall determine the number of employees necessary for efficient performance of this contract and may elect to employ fewer employees than the predecessor contractor employed in connection with the performance of the work"; the contractor "is not required to offer a right of first refusal to any employee(s) of the predecessor contractor whom the contractor reasonably believes, based on the particular employee's past performance, has failed to perform suitably on the job"; and that the contractor "may employ on the contract any employee who has worked for the contractor for at least 3 months immediately preceding the commencement of this contract and who would otherwise face lay-off or discharge." RFP § I, Nondisplacement of Qualified Workers, ¶¶ (a), (b), at I-1. In this latter regard, we note that a Halifax representative explained at the meeting that AAA was attempting to avoid laying off its own employees by transferring them to the HUD contract, and the record includes a declaration from AAA's director of marketing explaining that AAA gave preference to its own employees who were facing lay-off because of the loss of work on another government contract. Meeting at 2; HUD Comments, Dec. 30, 1998, Exhibit 2, Declaration of AAA Director of Marketing, at 3-4. Since this approach appears to be consistent with the quoted provisions, the record does not

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[3] HUD was unable to resolve the matter within 30 days after it was formally raised by the concerned labor union (by letter of September 7). At that point, on October 20, pursuant to FAR § 22.1206, HUD referred the matter to DOL, 15 days after the reevaluation decision on October 5. HUD Comments, Dec. 3, 1998, at 2-3.

establish any violation of the nondisplacement clause, such that HUD was required to downgrade Halifax's proposal on this basis.[4]

DISCUSSIONS

CESI maintains that HUD was required to advise it during discussions that the features of its proposal which the agency considered to offer little or no value to the government were excesses.

In negotiated procurements, contracting agencies generally must conduct discussions with all offerors whose proposals are within the competitive range. 41 U.S.C. § 253b(d)(1)(A) (1994); Federal Acquisition Regulation (FAR) § 15.610(b) (June 1997). Such discussions encompass weaknesses, deficiencies, or excesses that must be addressed in order for the offeror to be in line for the award. Mechanical Contractors, S.A., B-277916.2, Mar. 4, 1998, 98-1 CPD ¶ 68 at 4.[5]

Here, we find that the discussions were adequate. A number of the features cited by CESI--including, for example, the proposed LAN, Environmental Control Center, and corporate-based quality control inspections--were considered by the agency to be desirable, and thus were not deficiencies, weaknesses, or excesses that had to be raised during discussions. Holmes & Narver, Inc., B-266246, Jan. 18, 1996, 96-1 CPD ¶ 55 at 7. Likewise, CESI's proposal to make available corporate resources did not render the proposal unacceptable or result in a significant reduction in CESI's score and, inasmuch as it was an offer to make existing resources available when needed, there is no basis for concluding that it had a significant impact on CESI's price.[6]

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[4]In its December 7 comments on the November 24 agency report, and in subsequent comments, CESI challenged numerous additional aspects of the evaluation and conduct of the procurement. However, CESI was furnished a copy of the source selection recommendation and evaluation report pursuant to an agency-level nondisclosure agreement prior to filing its protest on October 26. These documents furnished a basis for filing this aspect of the protest. Thus, these additional arguments, raised more than 10 days after CESI received the documents, are untimely. 4 C.F.R. § 21.2(a)(2) (1998); Vinnell Corp., B-270793, B-270793.2, Apr. 24, 1996, 96-1 CPD ¶ 271 at 7.

[5]The rewrite of FAR Part 15 (FAC 97-02) did not apply to this acquisition, since the solicitation was issued prior to its effective date.

[6]Similarly, CESI's proposal to install and operate as an "optional initiative" a computerized maintenance management system (CMMS), as an alternative to HUD"s existing internal CMMS which the solicitation indicated offerors were to use, was not a deficiency, weakness, or excess. CESI Proposal at A-82 to A-83. This feature,
(continued...)

Other cited features--such as CESI's offer to have a licensed/certified operating engineer at the HUD building 24 hours a day and to perform scheduled and unscheduled maintenance and incidental repairs 24 hours a day as well--were simply CESI's approach to meeting the mandatory solicitation requirements and thus also were not deficiencies, weaknesses, or excesses that needed to be raised during discussions. RFP § C, Description/Specification/Work Statement, ¶¶ X.F.1 and X.G.2.

PRICE EVALUATION

CESI argues that HUD's evaluation of Halifax's proposal prices was inconsistent with the requirement in the solicitation that "the proposed cost or price must be considered reasonable and must reflect the proposed technical approach." RFP § M, Evaluation Factors For Award at M-1. CESI does not question the evaluation of Halifax's overall price ($44,864,494), which was only approximately 1.2 percent below CESI's ($45,410,864) and only approximately 4.6 percent below the internal government estimate ($47,007,156). Rather, CESI notes that the solicitation required detailed prices with respect to each of the required services except parking--which was to be self-supporting--and generally provided that: "All prospective offerors must have acceptable responses to all 14 services in order to be considered for award," RFP § M, at 4; the protester concludes from these requirements that the agency was to evaluate the pricing for each of the required services. CESI alleges that Halifax's pricing for custodial ($[DELETED]) and messenger ($[DELETED]) services was unreasonably low, well below the independent government estimate ($9,213,661 for custodial services, and $962,676 for messenger services), and did not reflect the statement of work requirements in these areas.

Cost realism is not ordinarily considered in the evaluation of proposals for the award of a fixed-price contract, because these contracts place the risk of loss upon the contractor. However, an agency may provide, as here, for the use of a price realism analysis in a solicitation for the award of a fixed-price contract for the purpose of measuring an offeror's understanding of the solicitation's requirements or to assess the risk inherent in an offeror's proposal. PHP Healthcare Corp., B-251933, May 13, 1993, 93-1 CPD ¶ 381 at 5. The nature and extent of an agency's price realism analysis are matters within the sound exercise of the agency's discretion. Cardinal Scientific, Inc., B-270309, Feb. 12, 1996, 96-1 CPD ¶ 70 at 4.

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[6](...continued)
which was evaluated as affording no additional value to HUD, did not render the proposal unacceptable or result in a significant reduction in CESI's score. Further, inasmuch as CESI described it as an optional approach, the transition to which would be "at minimal if any expense," there is no basis for concluding that it had any significant impact on the proposal's price. Id. at A-82 to A-83; TEPR at 11.

The price evaluation was unobjectionable. The solicitation provided for award of a fixed-price contract to a contractor that would be responsible for furnishing all required services, and did not specifically require a service-by-service price evaluation.[7] Further, the record indicates that HUD evaluated Halifax's proposal as indicating an understanding of the solicitation's requirements; HUD specifically concluded that Halifax had submitted a comprehensive staffing plan that included adequate staffing levels for each of the required services and a management approach that was better organized than CESI's; a comprehensive quality control plan; and a comprehensive plan for the accomplishment of day-to-day work. TEPR at 4-5, 7-11.

The protest is denied.

Comptroller General
of the United States

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[7]It appears that CESI itself may have assumed that prices for the services would not be independently evaluated. In this regard, CESI has not refuted HUD's assertion that when questioned during discussions concerning its extremely low pricing for painting services--its BAFO price ($[DELETED]) was approximately [DELETED] percent lower than the lowest (Halifax at $[DELETED]) of the five other evaluated offers in this area, [DELETED] percent lower than the next lowest ($[DELETED]), and [DELETED] percent lower than the independent government estimate ($1,576,899)--CESI explained that "it realized that its proposed price for painting was extremely low, but that it would make up any lost costs in that area under one of the other 13 areas", such as the operations and maintenance area. Agency Report, Nov. 24, 1998, at 42; see Halse Enters., B-271757, July 22, 1996, 96-2 CPD ¶ 32 at 2-3 (there is no basis for sustaining protest concerning waiver of solicitation requirement where agency treated offerors equally).