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United States General Accounting Office
Washington, DC 20548

Comptroller General
of the United States

Decision

Matter of: CMC & Maintenance, Inc.

File: B-290152

Date: June 24, 2002

Richard McCue for the protester.

Kenneth M. Homick, Esq., and Robert E. Little, Jr., Esq., Department of the Navy, for the agency.

Glenn G. Wolcott, Esq., and Michael R. Golden, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency reasonably excluded protester's proposal from the competitive range where proposal was deficient in all three technical evaluation factors and, to become acceptable, would have required major revisions tantamount to submission of a new proposal.

DECISION

CMC & Maintenance, Inc. protests the Department of the Navy's exclusion of CMC's proposal from the competitive range under request for proposals (RFP) No. N6472-01-R-5235 to provide custodial services at the Portsmouth Naval Shipyard in Kittery, Maine.

We deny the protest.

The Navy issued the RFP on January 7, 2002, seeking proposals to provide the labor, materials, equipment, transportation, supervision, and security clearances necessary to perform specified custodial services at Portsmouth Naval Shipyard. The RFP provided that proposals would be evaluated on the basis of the following three, equally important, technical factors: relevant past performance; management, organization and staffing; and quality control/customer service plan.

Twelve offerors, including CMC, submitted proposals on or before the February 7 closing date. CMC's proposal was evaluated as containing deficiencies under each of

the three evaluation factors and was rated as "unacceptable" overall.¹ The agency concluded that due to the multiple deficiencies in CMC's proposal, CMC's proposal would require "extensive changes tantamount to submission of what would amount to an entirely new proposal," and that CMC did not have a reasonable chance of receiving award.²

CMC protests that all of the deficiencies in its proposal could have been corrected through discussions, and maintains that the agency was therefore legally obligated to include CMC's proposal in the competitive range and to conduct discussions with CMC. We disagree.

Contracting agencies are not required to retain a proposal in a competitive range where a proposal is not among the most highly rated or where the agency otherwise reasonably concludes that the proposal has no realistic prospect of award. Federal Acquisition Regulation § 15.306(c)(1); SDS Petroleum Prods., Inc., B-280430, Sept. 1, 1998, 98-2 CPD ¶ 59 at 5. Where a proposal is technically unacceptable as submitted and would require major revisions to become acceptable, exclusion from the competitive range is generally permissible. Laboratory Sys. Servs., Inc., B-256323, June 10, 1994, 94-1 CPD ¶ 359 at 2. Further, the evaluation of proposals and the determination of whether a proposal is in the competitive range are principally matters within the contracting agency's discretion, since agencies are responsible for defining their needs and for deciding the best method for meeting them. In reviewing an agency's decision to eliminate a proposal from the competitive range, we will not evaluate the proposal anew, but rather, will examine the agency's evaluation to ensure it was reasonable and in accord with the provisions of the solicitation. Abt Assocs. Inc., B-237060.2, Feb. 26, 1990, 90-1 CPD ¶ 223 at 3-4. Finally, a protester's mere disagreement with an agency's evaluation does not establish that the evaluation was unreasonable. Keco Indus., Inc., B-261159, Aug. 25, 1995, 95-2 CPD ¶ 85 at 4-5.

Here, as discussed below, we have reviewed the record and find no basis to question the reasonableness of the agency's determination to exclude CMC's proposal from the competitive range.

¹ The agency employed an evaluation system that used the adjectival ratings of "exceptional," "very good," "acceptable," "deficient but correctable," and "unacceptable." An "unacceptable" rating was defined as applying to a proposal with "a significantly above average level of risk," "major or extensive deficiencies," and "no reasonable chance of the proposal being selected for award." Agency Report, encl. 3, Technical Evaluation Team Report, at 2.

² In contrast, five of the twelve proposals that were submitted were retained in the competitive range on the basis that each had the capability to be rated either "acceptable" or "very good" under each of the evaluation factors.

The agency rated CMC's proposal as "unacceptable" under two of the evaluation factors ("management, organization and staffing," and "quality control/customer service plan") and "deficient but correctable" under the third factor ("relevant past performance").³ With regard to "management, organization and staffing," the solicitation required offerors to provide letters of intent from individuals proposed as key personnel, established various qualification requirements for various key positions, including the quality control manager, and directed that:

[t]he offeror shall provide information in a narrative format concerning plans for the overall management of this contract. Specifically, indicate how you intend to organize, coordinate, monitor and control on-site operations to ensure successful and timely execution of the work under this contract. . . . Clearly describe functions to be performed between full-time field personnel and part-time personnel, specifying differing shifts.

RFP at 59-60.

The only portion of CMC's proposal that addresses its intended approach to staffing and management of the contract is a single table in the proposal that appears under the heading "Management Organization and Staffing," as follows:

- 1 Part time Quality Control Manager
- 2 Project Coordinators
- 2 Part time Evening Staff
- 16 Janitors assigned to building (see example of building assignment)
- 2 Janitors assigned to Restroom cleaning
- 3 Janitors assigned to Floor Maintenance (stripping & waxing)

Agency Report, encl. 2, CMC Proposal, at 3.

None of the specific management information requested in the portion of the solicitation quoted above is provided anywhere in the proposal. More specifically, CMC's proposal fails to indicate how CMC intends to organize, coordinate, monitor and control on-site operations to ensure successful and timely contract performance, nor does it address in any way its intended allocation of functions between full-time and part-time personnel. Additionally, CMC's proposal contained no letters of intent for any personnel, and failed to demonstrate that CMC's quality control manager met the specified qualification requirements.

³ With regard to past performance, CMC failed to follow specific solicitation directions requiring that questionnaires be sent to the various organizations CMC identified as able to provide relevant past performance information.

With regard to the evaluation factor "Quality Control/Customer Service Plan," the solicitation required that offerors submit a separate quality control plan and a separate customer services plan, laying out particular requirements for each. With regard to the customer service plan, the RFP stated that proposals:

shall describe ideas, specific plans and procedures which will ensure that each member of the company will be courteous, timely, proficient and customer oriented. The offeror shall include its specific plan(s) to respond to customer complaints and to ensure customer satisfaction. The offeror shall include examples of successful customer service implementation and how customer service was measured on previous projects of a similar nature to this contract (i.e. how was feedback from customers received and how was it acted upon to ensure continuous or future quality of services?)

RFP at 61.

Other than general representations regarding its intent to meet customer needs, CMC's proposal contained virtually none of the information identified above.

Overall, the RFP directed offerors to submit proposals which addressed the various elements identified under each evaluation factor, requiring that "[t]he proposal should clearly demonstrate that the offeror has a thorough understanding of the project. . . . Clarity and completeness of the description of the offeror's approach to the project is essential." RFP at 50. In summarizing CMC's proposal, the agency concluded that CMC failed to follow these general directions, noting, "there were no delineations [in CMC's proposal] between the three factors as required by Section L of the RFP," and further noting, "The proposal's content jumped from one factor's information to another." The agency concluded, "The entire proposal would need to be rewritten to conform to the required format and content." Agency Report, encl. 3, Technical Evaluation Team Report, at 9.

In responding to the agency's report, CMC does not dispute that its proposal contained the deficiencies discussed above. Rather, it repeats its assertion that CMC could have corrected these deficiencies had the agency included its proposal in the competitive range and conducted discussions with CMC.

As noted above, a procuring agency is not required to retain a proposal in the competitive range where the proposal is so deficient as to require major revisions to

become acceptable. The agency concluded that such a situation existed here. Based on our review of CMC's proposal, we find no basis to question the agency's judgment in that regard.

The protest is denied.

Anthony H. Gamboa
General Counsel