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# **Decision**

**Matter of:** Alpha Genesis, Inc.

**File:** B-299859

**Date:** September 12, 2007

Richard Moorhouse, Esq., Dorn C. McGrath, III, Esq., and Sean M. Connolly, Esq., Greenberg Traurig, LLP, for the protester.

Daniel J. Kelly, Esq., and Gary J. Campbell, Esq., McCarter & English, LLP, for Charles River Laboratories, Inc., an intervenor.

Krystal A. Jordan, Esq., Department of Health and Human Services, for the agency. Kenneth Kilgour, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

#### **DIGEST**

- 1. Protest challenging agency's technical evaluations is denied where the record supports the reasonableness of the evaluations and does not support the protester's allegation regarding inadequate discussions.
- 2. Protest that awardee's proposal contains material contingencies that make it improper for the agency to accept it is denied, where the record shows that the alleged contingencies concern a lease that the contractor was to obtain post-contract award and the acquisition of leased property for which the awardee had obtained a letter of commitment.

## **DECISION**

Alpha Genesis, Inc. (AGI) protests the award of a contract to Charles River Laboratories, Inc. (CRL) under request for proposals (RFP) No. NIAID-DIR-07-52, issued by the Department of Health and Human Services, National Institutes of Health (NIH), National Institute of Allergy and Infectious Diseases (NIAID) for the maintenance of a free-range, island-based breeding colony of Rhesus monkeys and the transportation of the animals to NIAID and other facilities. AGI challenges various aspects of the agency's evaluation of its and the awardee's technical proposals and alleges that the awardee's proposal contains material contingencies that made its acceptance by the agency improper.

We deny the protest.

For 27 years, the protester and its predecessor company, as the incumbent contractor, have maintained a government-owned colony of Rhesus monkeys, used by NIAID, NIH, and other organizations for research purposes. The subject colony, which numbers approximately 3,000 monkeys, resides on Morgan Island, an ecologically sensitive barrier island off the coast of South Carolina that has been leased to the protester by the South Carolina Department of Natural Resources (SCDNR). Although each is individually marked by tattooing or other means, the monkeys freely breed and roam in the wild. The contractor ensures the proper feeding and health of the animals and captures and transports to research facilities roughly 500 monkeys annually. The contractor also keeps extensive records of the colony, tracking births, deaths, gender, age, and other statistical and demographic data. Because the colony is island-based, maintenance requires the year-round transportation, by boat and barge, of personnel, food, and equipment.

The agency issued the RFP for a cost-reimbursement contract on December 22, 2006 with a proposal due date, after amendment, of February 1, 2007. The RFP called for the submission of separate business and technical proposals. The business proposal was to "contain sufficient information to allow the Government to perform a basic analysis of the proposed cost or price of the work." RFP at 45. The technical proposal was to contain as much detail as an offeror considered "necessary to fully explain [its] proposed technical approach or method." <u>Id.</u> at 40.

The RFP specified that the technical evaluation committee (TEC) would use the following evaluation criteria when reviewing the offerors' technical proposals:

- 1. Technical Capability
  - Understanding of the scope of work and technical ability as evidenced by contractor's Facility Development Plan, Program Development Plan, and Colony Maintenance Plan.
  - b. Availability and adequacy of facilities and equipment.
- 2. Personnel Qualifications
  Qualifications and experience of proposed personnel. . . .
- 3. Corporate Experience

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<sup>&</sup>lt;sup>1</sup> The protester's recently renewed lease for the island ends on December 31, 2011. The lease contains a clause titled, "Termination Clause – Cancellation by Either Party," that states "that either party may terminate . . . this lease before expiration of the five (5) year term . . . in the event the [United States] . . . terminates its financial support of lessee's program . . . to husband and maintain primates in South Carolina." Lease at 11.

Offeror must demonstrate expertise and relevant experience in work on past or current contracts of similar nature and scope.<sup>2</sup>

## 4. Past Performance

- a. Quality of Product/Service
- b. Cost Control
- c. Timeliness of Performance
- d. Business Relations
- e. Overall Satisfaction

RFP at 56-57. The RFP stated that all four technical factors were of equal importance; no weight was assigned to the subfactors for technical capability and past performance. <u>Id.</u> These four non-price factors, when combined, were significantly more important than cost, and award was to be made to the offeror whose proposal provides the best overall value to the government.

The RFP required the TEC to rate proposals under each evaluation factor using an adjectival rating system that, as relevant to this protest, included "outstanding" ("[v]ery significantly exceeds most or all of solicitation requirements"), "good" ("[f]ully meets all solicitation requirements and exceeds many of the solicitation requirements"), "acceptable" ("[m]eets all solicitation requirements"), and "marginal" ("[l]ess than acceptable"). Contracting Officer's Statement of Facts, attach. 1. For the evaluation of past performance, the RFP required that offerors provide a list of the last three contracts completed during the past 3 years and the last three contracts currently being performed that are similar in scope of work to the solicitation. RFP at 39. The RFP stated that the government would evaluate an offeror's past performance "on information obtained from references provided by the offeror, other relevant past performance information obtained from sources known to the Government, and any information supplied by the offeror concerning problems encountered on the identified contracts and corrective action taken." RFP at 57.

With respect to the technical capability factor, the statement of work (SOW) required offers to include a Facility Development Plan that "should demonstrate adequate and appropriate use of available resources for containing and housing animals in a free-range environment." RFP at 62. The SOW also required a Program Development Plan that "should <u>elucidate</u> the contractor's plan to run the operation from a staffing, administration, supply and logistics standpoint." <u>Id.</u> The SOW stated

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<sup>&</sup>lt;sup>2</sup> Elsewhere, the RFP stated that "[o] rganizational experience is defined as the accomplishment of work, either past or on-going, which is comparable or related to the effort required by this RFP. This includes overall offeror or corporate experience." RFP at 52.

that the contractor "shall be responsible for accepting the colony at the designated site and arranging for the lease of the facility." <u>Id.</u> at 61.

The RFP was amended on January 23 by the addition of questions and answers, including the following:

- Q1. Assuming that the incumbent currently maintains the colony at Morgan Island, does this statement mean that incumbent is no longer interested in maintaining the colony, and the Contractor for NIAID-DIR-07-52 could take over the existing facilities under some sort of lease arrangement and maintain the colony in its current location instead of constructing new facilities in a different location?
- A1. This is a full and open competitive solicitation. The successful offeror will be responsible for accepting the animal colony at its current location and arranging for a lease of the facility with [SCDNR].
- Q4. What is the Government's role/involvement in assisting the contractor in procuring a lease of the Morgan Island property?
- A4. The Government is required to provide information and/or details to [SCDNR] regarding the award of any contract. The Government bears no responsibility in assisting the awardee with negotiating and/or executing a lease of the current facilities.
- Q5. What is the Government's role/involvement in assisting the contactor in procuring the use of dock facilities?
- A6. [sic] None. The offerors are solely responsible for negotiating a lease for adequate docking facilities.

Agency Report (AR), Tab II.B, Questions and Answers at 1.

AGI and CRL were the only offerors. In the initial evaluation of technical and business proposals, the agency rated AGI's technical capability as marginal, with an overall rating of marginal, and rated CRL's technical capability and its proposal overall as good. The TEC established a competitive range that included both offers and requested revised proposals from both offerors. With respect to concerns the agency had identified with AGI's Facility Development and Program Development Plans, and AGI's recent relocation of the docking facilities used to service the colony from its former location to Warsaw Island, the agency asked AGI the following questions, among others:

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- 1. Please elucidate on your proposed future Facility and Program Development plans.
- 2. The decreased costs of relocating the dock facilities to Warsaw Island would appear to be countered by the increased distance to the Morgan Island base site. The additional distance increases fuel expense, wear on boats and motors, and travel time for employees noted in your proposal as being on Morgan Island for 8 hours per day. It is possible to minimize the additional travel time by employees and increase in expenses by relocating to a closer facility?

AR, Tab V.A., Request for AGI's Revised Proposal at 5.

The agency posed the following technical question, among others, to CRL:

2. As previously stated in 'Answers to Questions' pertaining to this requirement, the contractor is solely responsible for securing a lease of Morgan Island facilities within 60 days of contract award. Please explain how the Contractor proposes to negotiate with the [SCDNR] in order to secure the lease within the established timeframe without the government's assistance.

AR, Tab V.B., Request for CRL's Revised Proposal at 5.

After the final evaluations, AGI's proposal was rated marginal for technical capability and good for each of the other three factors, with an overall rating of acceptable. Aided by the strength of its Facility Development and Program Development Plans, CRL's proposal was rated outstanding for technical capability, and its overall rating was also outstanding. The following table summarizes the evaluation ratings.

Final Proposal Evaluation					
	Technical	Personnel	Corporate	Past	Overall
	Capability	Qualifications	Experience	Performance	
AGI	Marginal	Good	Good	Good	Acceptable
CRL	Outstanding	Good	Outstanding	Good	Outstanding

AGI's final proposed cost was \$11,243,700, and CRL's was \$12,607,669, a difference of \$1,363,969 or just over 12 percent. After conducting a cost/technical trade-off analysis that documented the rationale for choosing the higher-cost proposal and the benefits that the agency would gain by doing so, NIAID made award to CRL.

During AGI's debriefing, NIAID advised the protester that its proposal had been rated marginal for technical capability because of three weaknesses. The agency

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evaluated AGI's proposed Facility Development Plan as lacking specifics on the life span and wear and tear on facilities and equipment, with a focus primarily on past improvements and a lack of details regarding what actions will be taken in the future. Similarly, the proposed Program Development Plan, in the agency's judgment, relied on historical operation and provided minimal detail on future activities. Finally, the agency evaluated the proposal as failing to adequately address the issue of the likely increase in costs associated with the Warsaw Island dock's greater distance from the Morgan Island dock.

#### DISCUSSION

## Evaluation of Protester's Technical Capability

The protester challenges NIAID's marginal rating of its technical proposal under the technical capability factor. With respect to the criticism that its Facility Development and Program Development Plans focused more on past performance than future plans, the protester argues that it naturally included in its proposal recent developments and improvements it instituted at Morgan Island, considering them "logically relate[d] to planned future efforts." In reviewing protests alleging improper evaluation of proposals, our Office will examine the record to determine whether the agency's judgments were reasonable and in accordance with the solicitation criteria, as well as with applicable statutes and regulations. Verizon Fed., Inc., B-293527, Mar. 26, 2004, 2004 CPD ¶ 186 at 4. The RFP required offerors to demonstrate, through Facility Development and Program Development Plans, their understanding of the scope of work of the current--and not the prior--solicitations, and their current technical abilities with which they would execute their plans. We see nothing unreasonable with the agency's decision to downgrade the protester's proposal that, in the agency's judgment, was overly retrospective and failed to elucidate the protester's future plans.

Further, while the protester asserts that there are "no appreciable or material difference[s]" between the Facility Development Plans of the protester and the awardee, Protester's Comments on AR at 7, the record does not support that assertion. The determination of the relative merits of proposals is primarily a matter of agency discretion, which we will not disturb unless it is shown to be without a reasonable basis or inconsistent with the stated evaluation criteria and applicable statutes and regulations. Madico, Inc., B-280003, Aug. 12, 1998, 98-2 CPD ¶ 42 at 3. Specifically, the relative desirability and technical adequacy of proposals is also a matter of agency discretion. Axion Corp., B-252812, July 16, 1993, 93-2 CPD ¶ 28 at 3.

The RFP required offerors to present their technical proposals "in as much detail as [they] consider[ed] necessary to fully explain [their] proposed technical approach or method." RFP at 40. The protester's proposal recounts, in some detail, the projects that have been completed in the past in the fulfillment of the contract. By contrast, the awardee's proposal includes a Facility Development Plan that, in the agency's

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estimation, would maintain the [DELETED] in usable condition, and includes a [DELETED] of facility and equipment [DELETED]. The awardee's plan includes a number of features that the agency favorably evaluated and that the protester's plan lacks, including the [DELETED] to be maintained; the proposed addition of a [DELETED] to the existing facilities; and the [DELETED] of the awardee's own [DELETED] facility. The awardee's proposal contains a similarly detailed Program Development Plan that includes [DELETED], [DELETED], [DELETED], and [DELETED], among other innovations. In contrast, the protester, in its revised proposal, offered little of substance to augment the Program Development Plan included in its initial proposal. See AR, Tab VI.A, Protester's Revised Proposal at 2. We find nothing unreasonable in the agency's evaluation of the protester's Facility Development and Program Development Plans.

In evaluating AGI's technical proposal, the agency took specific issue with the proposal's rationale for the relocation of the docking facilities to Warsaw Island. In response to the agency's concern that relocating the dock would increase transportation and personnel costs and wear and tear on equipment, the protester stated that

[r]eplacement of the previous dock location was imperative. . . . Failure to act in a responsible manner could have jeopardized the future of the project. Residential and commercial zoning restrictions, residential development of deep water properties throughout the ACE Basin, and public access concerns make . . . [the previous site] unsuitable for this unique and sensitive project.

AR, Tab VI.A., Protester's Revised Proposal at 2-3. The protester also asserted that existing vandalism and other concerns would be exacerbated by the site owner's plans to build a restaurant. Furthermore, the protester argued that it had not "experienced any increase in costs or loss of efficiency in the past year that the Warsaw facility has been utilized and does not anticipate any increase in costs over the course of the contract period." <u>Id.</u> at 3. The protester stated that the increased travel time is "negligible" and "largely offset" by increases in efficiency. <u>Id.</u>

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<sup>&</sup>lt;sup>3</sup> The protester asserts that because the [DELETED] "was not reasonably embraced by the stated contract requirements and evaluation criteria," Protester's Comments on AR at 8, it was inappropriate for the agency to credit the awardee's proposal for proposing this [DELETED]. We disagree. By definition, as noted above, to be rated better than acceptable in any of the four technical evaluation criteria an offeror's proposal was required to exceed the solicitation requirements. Here, the awardee proposed to supply a [DELETED]—a proposal feature that exceeds the RFP requirements—and we see nothing improper in the agency's favorable evaluation of that aspect of the proposal.

The agency rejected this argument, stating that it did not understand why "increasing the distance from the dock to the island would not increase costs based on additional fuel and wear and tear on the boats alone," or how, based on the information supplied by the protester, the replacement of the previous dock location was "imperative." AR, Tab VII.A., Technical Evaluation of Protester's Proposal at 2. The agency concluded that the protester's response was long on rationale for the move but devoid of any specifics on relative costs. The protester's challenge to the agency's evaluation amounts to mere disagreement, and a protester's mere disagreement with the agency's judgment does not establish that the evaluation was unreasonable. JAVIS Automation & Eng'g, Inc., B-293235.6, Apr. 29, 2004, 2004 CPD ¶ 95 at 5. We find reasonable the agency's concern that the relocation of the docking facility would increase transportation and personnel costs as well as wear and tear on transport equipment, and we find nothing improper in the agency assessing the protester's proposal a weakness for this issue.

The protester also alleges that, to the extent the agency's failure to ask the protester for "exact amount[s]" concerning the costs of the dock relocation resulted in the protester's "materially downgraded Technical Capability rating, the Agency violated FAR [§] 15.306(d) by not conducting meaningful discussions." Protest at 9. We disagree.

In order for discussions in a negotiated procurement to be meaningful, an agency must advise the offeror of the deficiencies in its proposal, so that the offeror may have an opportunity to revise its proposal to satisfy the government's requirements. Pan Am World Servs., Inc. et al., B-231840 et al., Nov. 7, 1988, 88-2 CPD ¶ 446 at 11. However, the content and extent of discussions is a matter of the contracting officer's judgment based on the particular facts of the procurement. Syscon Servs., Inc., B-235647, Sept. 21, 1989, 89-2 CPD ¶ 258 at 7. In reviewing whether there has been sufficient disclosure of deficiencies, the focus is not on whether the agency described the deficiencies in such detail that there could be no doubt as to their identity and nature, but whether the information was sufficient in the context of the procurement to afford the offeror a fair and reasonable opportunity to identify and correct deficiencies in its proposal. Eagan, McAllister Assocs., Inc., B-231983,

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<sup>&</sup>lt;sup>4</sup> In its initial protest, the protester also challenged the good rating its proposal received under the three other technical evaluation factors, stating that it would "supplement this ground of protest once additional facts are learned from the agency report as appropriate." Protest at 10. The protester's sole supplemental assertion is that it should not have been rated merely good for past performance because the agency introduced no evidence of unsatisfactory performance by the protester on the incumbent contract. We find that argument without merit. There was no showing that the good rating was not reasonable, and the mere absence of unsatisfactory performance could have resulted in a rating as low as acceptable, and the protester's proposal was rated good.

Oct. 28, 1988, 88-2 CPD  $\P$  405 at 5. Given the agency's direction to offerors that they include as much detail as necessary in their technical proposals, and the agency's pointed request to the protester to explain how the new dock location would be cost effective, we find no merit to the protester's allegation that the agency conducted inadequate discussions.

Evaluation of the Awardee's Corporate Experience

The protester challenges the agency's evaluation of CRL's proposal under the corporate experience factor. As part of CRL's discussion of its general experience, its proposal included this statement:

## [DELETED]

AR, Tab B2.B(2), CRL's Proposal at 16. In rating CRL outstanding for corporate experience, the agency relied, in part, on CRL's experience running the Key Lois colonies, the [DELETED] experience that CRL has had operating island-based, freerange, non-human primate colonies. The record contains evidence that the monkeys in the CRL colonies on Key Lois, newly arrived in Florida from India, denuded that island, resulting in the relocation of the colonies and the replanting of the island vegetation.

The protester argues the agency was required to conduct the research necessary to uncover the difficulties that CRL encountered at Key Lois, and that it was unreasonable for the agency to award CRL a corporate experience rating of "outstanding" in light of the information that the agency should have considered. We disagree. An agency has discretion as to how to define RFP requirements, see Vertrol, Sys. Co., Inc., B-293644.4 et al., July 29, 2004, 2004 CPD ¶ 146 at 3, including

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<sup>&</sup>lt;sup>5</sup> In its protest, AGI also asserts that the agency improperly evaluated the awardee's past performance, in that the agency ignored CRL's alleged shortcomings in administering the Key Lois colonies. The awardee's maintenance of the Key Lois colonies was properly not considered as part of the awardee's past performance; as noted above, past performance included an evaluation of contracts submitted by the offeror that had been performed in the past 3 years. CRL concluded its maintenance of the Key Lois colonies more than 3 years ago and did not offer its performance at Key Lois—which was not a contract but a private venture—as a past performance reference.

<sup>&</sup>lt;sup>6</sup> The protester also alleges that the agency could not properly rate the awardee's technical proposal higher than the protester's, when the awardee has never managed the subject colony. The evaluation criteria did not require experience managing the Morgan Island colony, and for reasons addressed throughout, we find reasonable the agency's evaluation of both technical proposals.

corporate experience.<sup>7</sup> As noted above, under corporate experience the RFP here requires the offeror to demonstrate "expertise and relevant experience in work on past or current contracts of similar nature and scope" and defines corporate experience to include the "accomplishment of work, either past or on-going, which is comparable or related to the effort required by this RFP." While an agency has the discretion to include in the RFP's evaluation scheme a qualitative review of an offeror's corporate experience, the agency simply chose not to do so here. Moreover, even if the agency was required to research the awardee's corporate experience, and even if the agency had uncovered reports of the destruction of vegetation at Key Lois, the agency could nevertheless reasonably evaluate the awardee's management of the colony at Key Lois, which was successful in producing non-human primates suitable for research purposes, as a significant contributor to the awardee's corporate experience.<sup>8</sup>

## The Morgan Island Lease

The protester raises two issues with respect to the lease of Morgan Island--a lease that AGI recently renewed and that will be required for contract performance. First, AGI argues that because it holds the lease and has no intention of assigning the lease or subletting to CRL, performance by CRL is impossible, and that NIAID failed to

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For example, a solicitation may require the agency to evaluate "the extent, depth, and quality" of corporate experience. <u>JWK Int'l</u>, B-256609.4, Sept. 1, 1994, 95-1 CPD ¶ 166 at 9. Corporate experience may be combined with other factors such as "quality of work," <u>NWT, Inc.</u>; <u>PharmChem Labs., Inc.</u>, B-280988, B-280988.2, Dec. 17, 1998, 98-2 CPD ¶ 158 at 2, or past performance. <u>D.O.N. Protective Servs., Inc.</u>, B-249066, Oct. 23, 1992, 92-2 CPD ¶ 277 at 6-7. Agencies may make corporate experience an evaluation factor, with past performance as a subfactor. <u>Defense Tech., Inc.</u>, B-271682, July 17, 1996, 96-2 CPD ¶ 54 at 2. However corporate experience is incorporated into the evaluation scheme, as with any other criterion, the agency's evaluation must treat all offerors similarly. <u>Ashe Facility Servs., Inc.</u>, B-292218.3, B-292218.4, Mar. 31, 2004, 2004 CPD ¶ 80 at 12-13.

<sup>&</sup>lt;sup>8</sup> Because we find that the agency reasonably evaluated both offerors' technical proposals, we need not consider the protester's allegation that a proper technical evaluation would have produced a score for AGI that was at least as good as that for CRL, and that AGI, with the lower-cost proposal, would have been the clear choice for contract award. Where, as here, a solicitation emphasizes the significantly greater importance of technical factors over price, an agency has considerable discretion to award to an offeror with a higher technical rating and a higher cost. WPI, B-288998.4, B-288998.5, Mar. 22, 2002, 2002 CPD ¶ 70 at 10. The agency's cost/technical trade-off documents the rationale for selecting CRL, including the many benefits associated with the additional cost, and we see no reason to question the agency's award decision. Id.

consider this material fact in evaluating CRL's technical proposal as "outstanding." To the extent that the protester is arguing that it is impossible for any other firm to perform the contract, given the protester's lease on the required island, the protester is raising an untimely challenge to the terms of the solicitation. 4 C.F.R. § 21.2(a)(1) (2007); <u>Baird Corp.</u>, B-206268, July 6, 1982, 82-2 CPD ¶ 17.

The protester also argues that the agency failed to "evaluate the acquisition of a lease as either a strength or a weakness at all for any offeror, contrary to the specific provisions of the SOW and Section M, Evaluation Factors for Award, of the Solicitation." Protester's Response to Agency's Motion to Dismiss at 4. The SOW states that the "Contractor shall be responsible for accepting the colony at the designated site and arranging for the lease of the facility." AR, Tab I.B, SOW at 1. As noted above, one evaluation criterion under the technical capability factor is the "[a]vailability and adequacy of facilities and equipment." RFP at 57. These provisions do not require the acquisition of a lease for Morgan Island prior to contract award; indeed, the questions and answers noted above specifically require the contractor—not the offeror—to secure a lease within 60 days of contract award.

## **Material Contingencies**

The protester also asserts that, because CRL's proposal contains "material contingencies and reservations," it was improper for the agency to accept the proposal. Protester's Response to Agency's Motion to Dismiss at 5. At issue are these paragraphs labeled "Advanced Understandings and Requested Conditions" in CRL's proposal:

## [DELETED]

AR, Tab B2.B(2), CRL Proposal at 50. The introduction to these paragraphs states that CRL "respectfully requests that our Proposal be viewed subject to the following understandings and conditions."

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<sup>&</sup>lt;sup>9</sup> "[T]he government did not evaluate the acquisition of the lease as a strength or a weakness for any offeror." Contracting Offeror's Statement of Facts at 9.

<sup>&</sup>lt;sup>10</sup> The presolicitation notice stated that the agency would evaluate an offeror's "ability to provide adequate facilities and equipment including securing a lease of the current colony site." AR, Tab I.E, Presolicitation Notice at 2. To the extent that the protester's argument relies on that language, <u>see</u> Protest at 10, its argument is legally flawed. Acquisition of the lease by an offeror was clearly eliminated as an evaluation criterion when the agency published the RFP; when the terms of an RFP conflict with the presolicitation notice, the RFP controls. <u>See Hung Myung (USA) Ltd., Inc.; Containertechnik Hamburg GmbH & Co.</u>, B-244686 <u>et al.</u>, Nov. 7, 1991, 91-2 CPD ¶ 434 at 4.

In negotiated procurements, any proposal that is expressly conditioned upon the agency's acceptance of terms and conditions that take material exception to the terms of the solicitation should be considered unacceptable and may not form the basis for an award. Sonshine Enters., B-246268, Feb. 26, 1992, 92-1 CPD ¶ 232 at 5. Here, however, the allegation that the awardee made its proposal contingent upon its ability to obtain a lease from the SCDNR ignores the fact that the RFP makes the acquisition of the Morgan Island lease a performance requirement, not a term of the solicitation. Per the RFP, the awardee must acquire the Morgan Island lease, but only after contract award. Accordingly, while CRL's proposal sets out the terms it will seek to have included in its lease of Morgan Island, it does not take exception to any of the terms of the solicitation.

The protester also asserts that the awardee made its offer contingent on its ability to secure the lease of necessary docking facilities and that there was no indication in the agency report that the awardee has been able to secure such a lease. A requirement that offerors have dedicated facilities in place at the time of contract award can be met by offerors who have leases that are contingent upon receipt of the contract. See University Research Corp., B-216461, Feb. 19, 1985, 85-1 CPD ¶ 210 at 6. In its revised proposal, CRL states that if it is selected for award it [DELETED]. AR, Tab VI.B, CRL Revised Proposal at 1. Such an arrangement satisfies the requirements of the solicitation and does not take material exception to the terms of the RFP, and we find no merit to the allegation that CRL's proposal is unacceptable.

The protest is denied.

Gary L. Kepplinger General Counsel

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