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Decision

Matter of: Imagine One Technology & Management, Ltd.

File: B-401503.4

Date: August 13, 2010

David J. Taylor, Esq., Katherine A. Allen, Esq., Rachel W. McGuane, Esq., and William J. Spriggs, Esq., Buchanan Ingersoll & Rooney PC, for the protester. John R. Tolle, Esq., and Bryan R. King, Esq., Barton Baker Thomas & Tolle, LLP, for the intervenor.

Stephanie J. Quade, Esq., and Raymond P. Oldach, Jr., Esq., Department of the Navy, for the agency.

Cherie J. Owen, Esq., and Sharon L. Larkin, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

- 1. In a task order competition where the agency conducted discussions, protest that the agency engaged in unequal and misleading discussions is denied where the record shows that discussions were appropriately tailored to the firms' respective proposals and were not misleading or unfair.
- 2. Protest challenging the agency's cost realism analysis of the protester's proposed "impacted indirect rates" is denied, where the record demonstrates that the protester failed to substantiate its proposed rates and the agency reasonably relied on rates that had been approved by the Defense Contract Audit Agency.
- 3. Protest challenging the agency's technical evaluation of the protester's proposal is denied where the record shows that the evaluation was reasonable and consistent with evaluation criteria; mere disagreement with agency's evaluation is insufficient to show it was unreasonable.

DECISION

Imagine One Technology & Management, Ltd., of Colonial Beach, Virginia protests the issuance of a task order to Advanced Systems Technology & Management, Inc. (ASTM), of Vienna, Virginia, by the Department of the Navy, Naval Air Systems Command under request for proposals (RFP) No. N00024-08-R-3353 for program management support services. Imagine One challenges the agency's cost and

technical evaluations and argues that the agency's discussion questions were unequal and unfair.

We deny the protest.

BACKGROUND

The Navy issued the RFP on February 3, 2009, as a competitive small business set-aside, seeking program management support services to support domestic and foreign military sales requirements of the Navy's Direct and Time Sensitive Strike Weapons Program Office. Agency Report (AR), Tab T, Source Selection Decision Memorandum, at 1. The contractor selected to perform the task order will provide support for the advanced anti-radiation guided missile project, the high-speed anti-radiation missile project, the joint air-to-ground missile program, the advanced precision kill weapon system, the common defensive weapon system, and legacy in-service weapons. AR, Tab B, Amended Source Selection Plan, at 1. The RFP anticipated issuance of a performance-based cost-plus-fixed-fee and firm-fixed-price task order issued under a multiple award indefinite-delivery/indefinite-quantity (ID/IQ) contract. RFP at 5; Contracting Officer's Statement at 1; Agency Response to GAO Inquiry, Aug. 5, 2010, at 1.

The solicitation announced that award would be based on the evaluation of three factors: technical, past performance and cost/price. RFP at 57. The RFP provided that the technical evaluation factor was more important than the past performance evaluation factor, and the two combined were more important than the cost/price factor. <u>Id.</u> The RFP explained that the Navy would assign letter grades of A, B, C, D, or F in rating proposals under each of the evaluation factors. <u>Id.</u> at 59-60. "A" was considered to be the highest possible letter grade, and "F" represented the lowest possible letter grade. <u>Id.</u>

The solicitation identified four technical subfactors in descending order of importance: workforce, understanding of the work, corporate experience, and management plan. <u>Id.</u> at 57. With regard to the workforce subfactor, the solicitation stated that the agency would evaluate personnel, the labor mix proposed, and the supporting information to determine how well the team was suited to perform the tasks. <u>Id.</u> at 58. Further, the agency would evaluate proposed personnel on their labor qualifications, including education, experience, and security clearance levels. Id.

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¹ The RFP provided that the task order competition here would be conducted pursuant to Federal Acquisition Regulation (FAR) part 16. <u>See, e.g., RFP at 44.</u> However, due to the size and scope of the ID/IQ contract, the agency decided to model its ordering procedures here after FAR part 15. Agency Response to GAO Inquiry, Aug. 5, 2010, at 1.

With regard to the cost/price factor, the RFP stated that, in evaluating each proposal, the agency would consider the realism of offerors' estimated costs to determine if the overall costs proposed were realistic for the work to be performed, if the costs reflected the offeror's understanding of the requirements, and if the costs were consistent with the various elements of the offeror's technical proposal. <u>Id.</u> The RFP explained that in assessing cost realism, the agency would review offerors' proposed labor categories and compare the proposed rates to average labor rates in the industry or to "Seaport-e rates within the same demographic zone." <u>Id.</u> The evaluation was to be based on, among other things, an analysis of the realism and completeness of offerors' cost data. <u>Id.</u> at 58-59. The RFP advised that pertinent cost information, including Defense Contract Audit Agency (DCAA) recommended rates for direct labor and other items, would be used to arrive at the agency's determination of the most probable cost to be incurred in the performance of the task order. <u>Id.</u> at 59. Further, the RFP informed offerors that the burden of proof for cost credibility rested with the offeror. Id.

The solicitation informed offerors that the agency did not contemplate holding discussions, but that it reserved the right to do so, should the need arise. <u>Id.</u> at 44. Therefore, offerors were advised that their proposals should contain the offeror's best terms from a cost or price and technical standpoint. <u>Id.</u> The RFP also stated that the agency "may contact any or all or a limited number of awardees with questions concerning their responses as permitted under FAR Part 16." <u>Id.</u>

Four offerors submitted proposals by the RFP closing date of March 16, 2009, including Imagine One and ASTM. Under the technical factor, Imagine One's initial proposal received ratings of D, C, B, and C for the workforce, understanding of the work, corporate experience, and management plan subfactors, respectively, and an overall technical rating of D. AR, Tab K, Competitive Range Determination, at 1. ASTM's initial proposal received ratings of B, B, A, and A for the same subfactors, and an overall technical rating of B. Id. With regard to past performance, Imagine One's proposal received a rating of A, while ASTM's proposal received a rating of B. Id. The total evaluated cost/price of Imagine One's initial proposal was \$21,246,427.37, and the total evaluated cost/price of ASTM's initial proposal was \$24,937,262.55. Id. The agency determined that the competitive range would consist of the proposals submitted by ASTM and Imagine One. Id. at 2.

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² The evaluation record indicates, however, that the agency utilized FAR part 15 in conducting discussions. <u>See</u> AR, Tab S, Determination to Close Discussions, at 1 (stating that discussions with offerors in the competitive range were conducted "in accordance with FAR [§] 15.306(d)(2)").

³ The independent government cost estimate (IGCE) was \$[deleted]. AR, Tab O, Price/Cost Analysis, Apr. 12, 2010, at 9.

In February and March 2010, the contracting officer held discussions with ASTM and Imagine One. With regard to cost/price, the cost evaluation team identified two issues for discussion in ASTM's proposal and nine issues for discussion in Imagine One's proposal. AR, Tab L, Letters to Offerors in Competitive Range, at 3, 7-8. As relevant here, one of ASTM's discussion questions stated: "The offeror is advised that a decrease in overall price would enhance materially the proposal's potential for award." Id. at 3. In response, ASTM lowered its overall price.

With regard to Imagine One, one of the cost-related discussion questions stated:

The proposed direct labor rate of \$[deleted] for the Engineer labor category is considered to be unrealistically low, based on analysis conducted by the Government. Please provide additional substantiation for use of this rate and/or revise the cost proposal accordingly.

<u>Id.</u> at 7. In response to the discussion question, the firm elected to increase the direct labor rates for the six engineers in this labor category to \$[deleted] for one engineer, \$[deleted] for two engineers, and \$[deleted] for three engineers. AR, Imagine One Revised Proposal, Vol. 4, Cost/Price Proposal, at 2; <u>id.</u>, exh. Q, ONET Summary Report, at 1; <u>id.</u>, attach. 1, Summary of Changes, at 4. Imagine One's revised proposal contained support for the new labor rates in the form of an ONET⁴ salary survey, which showed the national median rate for an engineer as \$41.52, and the median rate for an engineer in Huntsville, Alabama, as \$44.13. AR, Imagine One Revised Proposal, Vol. 4, Cost/Price Proposal, exh. Q, ONET Summary Report, at 1.

Another discussion question directed to Imagine One stated:

Please provide additional substantiation for the use of the proposed impacted indirect rates. ⁵ The Government is concerned about the realism of these rates, as these are notably lower than the [fiscal year 2009] budgeted rates submitted to DCAA.

AR, Tab L, Letters to Offerors in Competitive Range, at 7. In its response to the discussion question, Imagine One explained why it "impacted" its indirect rates to

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⁴ The ONET on-line database provides a variety of occupational information, including salary surveys.

⁵ The agency clarified that "impacted indirect rates" means rates modified based upon the potential impact that award of this task order was projected to have on the protester's overhead and G&A pools. AR, encl. 2, Declaration of Cost Evaluation Team Lead, at 1.

result in lower rates than it submitted to (and were approved by) DCAA. The offeror stated that, as a result of winning the contract, it estimated an increase in direct labor with only small increases in expenses, resulting in lower rates for overhead and general and administrative (G&A) costs. AR, Imagine One Revised Proposal, Vol. 4., Cost/Price Proposal, at 3-4. For example, the protester explained that, with the addition of [deleted] new FTEs to perform the increased workload resulting from the issuance of this task order, the only increases in overhead expenses would be as follows: (1) \$[deleted] for additional bonuses paid to employees; (2) \$[deleted] to purchase computers and software for the new hires; (3) \$[deleted] for recruiting; (4) \$[deleted] for office supplies; (5) \$[deleted] for telephones; and (6) \$[deleted] for new hire training, resulting in a total increase in overhead costs of \$[deleted]. Id. at 4. Therefore, as a result of a higher dollar value for direct labor, and a minimal increase in overhead, the firm projected that its overhead rate would decline from [deleted] percent to [deleted] percent. Id. Similarly, the protester projected that its G&A rate would decline from [deleted] percent. Id. Deleted] percent. Id. 2 at 8.

After discussions, the agency allowed the offerors in the competitive range to submit final proposal revisions on March 4, 2010. In the agency's evaluation of Imagine One's final proposal revision, the agency noted a new significant weakness under the workforce evaluation subfactor of the technical factor. Specifically, the technical evaluation team noted that, although the protester's revised proposal increased the number of Huntsville, Alabama-based engineers, five of these engineers were prospective hires and site leadership was a collateral duty for one of the prospective hires. AR, Tab N, Technical Evaluation Team Consensus Report, at 11. The technical evaluation team concluded that hiring so many highly qualified personnel and assigning a new-hire as the on-site lead at a remote location would increase the risk of successful team integration and contract execution. Id.

Also under the workforce subfactor, the agency assigned a new weakness to Imagine One's revised proposal because the firm proposed a labor mix to support the advanced precision kill weapon system that did not include any senior personnel. <u>Id.</u> The agency found that this labor mix presented a risk to providing quality support for the program. <u>Id.</u>

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⁶ The protester did not provide documentation to substantiate its estimates.

The final ratings assigned to the offerors' revised proposals are as follows:

	Imagine One	ASTM
Factor 1: Technical	В	A
Subfactor 1: Workforce	С	A
Subfactor 2: Understanding of the Work	В	A
Subfactor 3: Corporate Experience	A	A
Subfactor 4: Management Plan	В	A
Factor 2: Past Performance	A	A
Total Evaluated Cost/Price	\$22,132,249.50	\$21,686,552.70

AR, Tab N, Technical Evaluation Team Consensus Report, at 1-2; AR, Tab O, Price/Cost Analysis, Apr. 12, 2010, at 9.

On April 28, after conducting an independent analysis of proposals, the source selection authority (SSA) found that, while Imagine One's proposal contained several strengths, the number of significant and minor weaknesses in the protester's proposal was notably higher than in ASTM's proposal. Thus, while the SSA found that the risk of unsuccessful contract performance was low for Imagine One, the risk was very low for ASTM. The SSA found that the proposal submitted by ASTM was more advantageous in all evaluation areas, with the exception of the corporate experience technical subfactor and the past performance evaluation factor, where the proposals were equally rated. The SSA noted that under the past performance evaluation factor, the agency had equal confidence in the ability of both offerors to successfully accomplish the requirements set forth in the statement of work. Id. With regard to cost/price, the SSA noted that ASTM offered the more advantageous price, with a total evaluated cost/price that was \$445,696.8, or 2.1 percent, lower than Imagine One's total evaluated cost/price. The SSA concluded that the government could obtain the numerous advantages associated with ASTM's proposal without paying any price premium. Therefore, the SSA determined that the proposal submitted by ASTM represented the best value to the government, and issued the task order to ASTM. AR, Tab T, Source Selection Decision Memorandum, at 5-6.

The protester requested and received a post-award debriefing on May 6. This protest followed.

DISCUSSION

Imagine One argues that the agency conducted unequal discussions with the awardee and the protester, causing the protester to unnecessarily raise its price. Imagine One also contends that the agency's discussion question regarding the labor rate for engineers was improper and based on an incorrect labor rate analysis that did not take into account geographic differences in rates. The protester also argues that the agency improperly adjusted the firm's proposed costs to reach an evaluated

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cost that did not allow for the benefit of its impacted indirect rates. Further, Imagine One contends that the agency's technical evaluation was flawed.

The agency responds that it conducted its discussions and evaluated proposals in accordance with the terms of the RFP and applicable procurement laws and regulations.

Unequal Discussions

Imagine One argues that the agency engaged in unequal discussions when it informed ASTM that "a decrease in overall price would enhance materially the proposal's potential for award," while at the same time it informed the protester that some of its rates were considered to be unrealistically low. Protester's Comments at 3. The protester contends that, while an agency may inform an offeror that its price is too high, the agency's statement to ASTM provided the firm with an improper advantage over other offerors. ⁷ Id. at 4.

As a general rule, FAR part 15 procedures do not govern task and delivery order competitions conducted under FAR part 16. We will review such task order competitions to ensure that the competition is conducted in accordance with the solicitation and applicable procurement laws and regulations. Bay Area Travel, Inc. et al., B-400442 et al., Nov. 5, 2008, 2009 CPD ¶ 65 at 9, n.13; Triple Canopy, Inc., B-310566.4, Oct. 30, 2008, 2008 CPD ¶ 207 at 7. Where, as here, the agency's evaluation record expressly provides that the agency conducted discussions in accordance with FAR part 15, we will evaluate the agency's adherence to those regulations in evaluating this aspect of the evaluation. See Allied Tech. Group, Inc., B-402135.2, Jan. 21, 2010, 2010 CPD ¶ 152 at 5 n.8 (applying similar analysis in Federal Supply Schedule competition); The Analysis Group, LLC, B-401726, B-401726.2, Nov. 13, 2009, 2009 CPD ¶ 237 at 2 n.1 (same). As discussed below, even applying the requirements of FAR part 15 to the evaluation of discussions here, the protester has not demonstrated that the discussions were unreasonable or unfair.

When conducting discussions pursuant to FAR part 15, contracting officers are required to raise with each offeror proposal deficiencies and significant weaknesses; contracting officers are also "encouraged to discuss other aspects of the offeror's

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⁷ The protester also contends that the agency improperly based its discussion questions on different bases of price comparison—comparing the protester's proposed labor rates to DCAA approved rates, while comparing the awardee's overall cost/price to the IGCE. Protester's Comments at 4. However, the agency was assessing different items—labor rates and overall proposal cost/price. We find nothing improper in the agency's decision to use two different bases of comparison when assessing two different items, and the record shows that the agency evaluated proposals consistently in this regard.

proposal that could, in the opinion of the contracting officer, be altered or explained to enhance materially the proposal's potential for award." FAR \S 15.306(d)(3). Although discussions may not be conducted in a manner that favors one offeror over another, discussions need not be identical among offerors; rather, discussions are to be tailored to each offeror's proposal. FAR $\S\S$ 15.306(d)(1), (e)(1); see M. Matt Durand, LLC, B-401793, Nov. 23, 2009, 2009 CPD \P 241 at 5.

Here, the agency's discussions with ASTM were appropriately tailored to the firm's proposal and, consistent with FAR § 15.306(d)(3), addressed an area where the firm could enhance materially the proposal's potential for award. Likewise, discussions with the protester were tailored to its proposal and raised issues that could materially enhance the proposal's potential for award. We disagree with the protester's contention that the agency's statement to ASTM provided the firm with an advantage over other offerors, given that the question merely restated, in a general way, the requirements of the FAR. ⁸ We therefore deny this protest ground.

Labor Rates

The protester also challenges the agency's evaluation of engineer labor rates. As noted above, the agency advised the protester during discussions that its proposed labor rate of \$[deleted] for engineers appeared to be unrealistically low, and the agency requested that the protester either substantiate the rate or revise its cost proposal. The protester complains that the agency erred in concluding that the rates were unrealistically low, and that the agency misled the firm to increasing its rates. Protest at 8-9; Protester's Comments at 5-6. The protester asserts that its initially proposed rate of \$[deleted] was reasonable for the geographic area in question. In support of its argument to our Office, the protester reproduces a portion of a salary survey from the "Salary.com" website showing a labor rate of \$28.86 as the 75th percentile base rate for software engineers in Huntsville, Alabama. Protester's Comments at 5.

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offeror's proposal.

⁸ The protester relies on <u>Sytronics, Inc.</u>, B-297346, Dec. 29, 2005, 2006 CPD ¶ 15, in support of its argument that advising ASTM to lower its price gave ASTM too much "coaching" as compared to the questions directed to the protester. Protester's Comments at 5. The <u>Sytronics</u> case is distinguishable. In that case, the agency advised one offeror that its price was "excessive," but told another offeror that its price was only "high." Given that the agency had the same concern with both proposals, but gave more specific direction to one offeror, we found the discussions to be unfair. <u>Id.</u> at 8-9. Here, the agency did not have the same concern with Imagine One's and ASTM's proposals, and, as stated above, discussions were reasonably tailored to advise offerors of the different concerns the agency had with each

The problem for the protester, however, is that there is no reference to this salary survey in the protester's initial or revised proposals, or in its response to the agency's discussion questions. To the contrary, with regard to the labor rate for engineers, the only salary survey referenced in the protester's proposals was an ONET salary survey, which was provided in response to the agency's discussion question. AR, Imagine One Revised Proposal, Vol. 4, Cost/Price Proposal at 2; <u>id.</u>, exh. Q, ONET Summary Report, at 1. The ONET salary survey shows a much higher rate of \$44.13 as the median rate (50th percentile) for an engineer in Huntsville, Alabama, and a rate of \$51.87 for the 75th percentile of engineer labor rates in that geographic area, which supports the agency's conclusion that the protester's initially proposed rate was unrealistically low. <u>Id.</u>; <u>see also</u>, AR, Imagine One Initial Proposal, Vol. 4, Cost/Price Proposal, at 3; <u>id.</u>, Supporting Cost Proposal and Assumptions, at 1 (referencing the ONET salary survey in support its proposed engineer labor rates).

Furthermore, when the agency presented the protester with the opportunity to provide documentation or other substantiation to support its proposed \$[deleted] labor rate for engineers, the protester did not produce the Salary.com data cited in its pleadings. Rather, it opted to increase the proposed labor rate, and provided the ONET salary report to substantiate the realism of the revised rates. AR, Imagine One Revised Proposal, Cost Proposal, Summary Report, at 1. Based on this record, Imagine One's decision to revise its engineer rates upward reflects the exercise of the firm's own business judgment and not improper conduct by the agency. See Academy Facilities Mgmt.—Advisory Opinion, B-401094.3, May 21, 2009, 2009 CPD ¶ 139 at 6; First Preston Hous. Initiatives, LP, B-293105.2, Oct. 15, 2004, 2004 CPD ¶ 221 at 3-5.

In sum, we find nothing misleading or coercive regarding the discussions about which Imagine One complains, and nothing unreasonable in the agency's evaluation of Imagine One's proposed engineer labor rates.

Impacted Indirect Rates

The protester contends that the agency's decision to ignore Imagine One's proposed impacted indirect rates, and upwardly adjust the proposal's evaluated cost/price as a result, was without a reasonable basis. The firm argues that it provided sufficient information to support its estimated impacted rates, and the agency erred in refusing to accept them. The protester also claims that none of the issues identified by the contracting officer with regard to problems with the impacted rates were conveyed to the firm during discussions. Protester's Comments at 6-7.

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⁹ The agency accepted the revised rates as realistic and made no adjustments to the rates in calculating the most probable cost of Imagine One's proposal.

As stated above, the RFP here required a cost realism analysis to determine whether each offeror's proposed costs were realistic for the work to be performed, reflected the offeror's understanding of the requirements, and were consistent with the offeror's technical proposal. RFP at 58.

In its initial cost evaluation, the agency noted that it had concerns about Imagine One's ability to achieve the savings that Imagine One estimated in calculating its impacted indirect rates. AR, Tab I, Price/Cost Analysis (Feb. 15, 2010), Price/Cost Report for Imagine One, at 6. During discussions, the agency informed Imagine One that it was concerned about the realism of these rates because they were notably lower than the fiscal year 2009 budgeted rates submitted to, and approved by, DCAA. AR, Tab L, Letters to Offerors in Competitive Range, at 7. In its evaluation of the protester's revised proposal, the cost evaluation team indicated that it continued to have doubts about the protester's estimated savings as a result of winning the task order. AR, Tab O, Price/Cost Analysis (Apr. 12, 2010), Price/Cost Report for Imagine One, at 13.

Thus, contrary to the protester's arguments, the record shows that the agency did discuss its concerns with Imagine One during discussions. The record also supports the agency's doubts about the accuracy of the impacted indirect rates and the agency's decision not to rely on them in its cost realism analysis. In this regard, Imagine One's response to the agency's discussion questions and its revised proposal explain how the firm calculated its impacted indirect rates, but the firm did not include any documentation or other support to substantiate the estimated impacts to the proposed rates. In this regard, the agency found, and we agree, that the protester's estimates were "overly speculative and not the most realistic." AR at 31. For example, Imagine One's proposal did not sufficiently explain how the firm projected that the cost of overhead expenses would increase by just \$[deleted], given the anticipated increase in direct labor of over \$[deleted]. See AR, Imagine One Revised Proposal, Vol. 4, Cost/Price Proposal, at 4. On this record, we find that the agency's doubts were reasonable, and the agency acted within its discretion in deciding to use Imagine One's 2009 budgeted rates, which were approved by DCAA, rather than the unsubstantiated proposed impacted rates. 10

Technical Evaluation

Imagine One challenges several aspects of the agency's technical evaluation and contends that the agency applied unstated evaluation criteria in conducting its technical evaluation. Protest at 4-7.

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We also note that the agency's refusal to accept Imagine One's impacted indirect rates resulted in an increase to the proposed costs of only \$186,015.64. AR, Tab O, Price/Cost Analysis, Apr. 12, 2010, at 12. That amount represents less than one percent of the Imagine One proposal's evaluated cost of \$22,132,249.50.

As noted above, we review task order competitions to ensure that the competition is conducted in accordance with the solicitation and applicable procurement laws and regulations. Bay Area Travel, Inc. et al., supra, at 9, n.13; Triple Canopy, Inc., supra, at 7. Although we do not discuss each of the protester's numerous arguments, we have considered them all and find they amount to mere disagreement with the reasonable judgment of the agency. We address a few of these arguments below.

Imagine One challenges the agency's assignment of a significant weakness, under the workforce subfactor of the technical factor, for the firm's staffing of the Huntsville, Alabama, office with five prospective hires, and assigning site leadership to one of the prospective new-hires as a collateral duty. Protester's Comments at 13. The protester contends that its decision to staff the Huntsville office in this manner was "purposeful and logical," and that it chose this strategy rather than adding all of the work to one current employee's existing duties. <u>Id.</u> The firm also contends that it planned to higher a manager who would be familiar with the programs and the appropriate government personnel relevant to this portion of the work. <u>Id.</u>
Therefore, Imagine One contends, its hypothetical new-hire would have an "intricate knowledge of the work to be performed and be better suited to manage" the other engineers. <u>Id.</u> The firm also contends that its plan is consistent with "standard industry hiring practices." <u>Id.</u> at 14.

As noted above, the RFP provided, for the workforce subfactor, that the agency would evaluate personnel, the labor mix proposed, and supporting information to determine how well the proposed team was suited to perform the tasks. RFP at 58. The record shows that, consistent with these criteria, the agency evaluated Imagine One's proposed labor mix and reasonably concluded that the reliance on new-hires and assigning site leadership to a new-hire as a collateral duty presented a "risk of successful team integration and contract execution." AR, Tab N, Technical Evaluation Team Consensus Report, at 11. Although Imagine One disagrees with the agency's conclusions, the firm has not shown the evaluation to be unreasonable.

Imagine One also challenges the agency's assignment of a weakness for the firm's failure to assign any senior personnel to support the advanced precision kill weapon system. Protester's Comments at 14-15. Specifically, the protester argues that its proposed "staffing switch," to remove a senior program analyst from the proposed labor mix and replace the individual with two non-senior program analysts, is not a weakness. Rather, the firm contends that the switch is a strength because the two proposed non-senior personnel are experienced program analysts who have already worked with the program. <u>Id.</u> at 15. The protester also notes that the RFP does not clearly dictate where senior personnel should be located and to which tasks they should be assigned. <u>Id.</u>

Again, we find that the protester's arguments amount to mere disagreement with the agency's reasoned judgment. The record shows that the agency considered the protester's approach, and found that it presented a risk for quality support of the advanced precision kill weapon system program, especially given that the program

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was approaching a milestone. Based on our review of the record, the agency's analysis is unobjectionable.

Finally, the protester challenges the assessment of numerous weaknesses that the agency found in the firm's initial proposal and raised during discussions. Protest at 5-7; Protester's Comments at 8-11. However, as the agency points out, and the protester admits, all of these weaknesses were removed during the agency's final evaluation. AR at 5, Protester's Comments at 8. Although the protester states that it suffered "competitive prejudice" as a result of the discussions, we find Imagine One's unsubstantiated claims of competitive prejudice unconvincing. See McDonald-Bradley, B-270126, Feb. 8, 1996, 96-1 CPD ¶ 54 (denying protest that agency misled protester during discussions where protester did not demonstrate a reasonable possibility that it was prejudiced).

In sum, the record shows that the agency reasonably evaluated proposals, fairly conducted discussions, and reasonably selected the firm with the highest-rated, lowest-priced proposal for issuance of the task order.

The protest is denied.

Lynn H. Gibson Acting General Counsel

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