

United States Government Accountability Office Washington, DC 20548

# Decision

**File:** B-402426

**Date:** March 16, 2010

Hussain Rashik for the protester.

Robert E. Sebold, Esq., Defense Logistics Agency, for the agency. Cherie J. Owen, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

#### DIGEST

Protester's assertion that agency's evaluation of its quotation was flawed is denied where the record shows that the evaluation was reasonable and consistent with the solicitation, and the protester's contentions represent only its disagreement with the agency's judgment.

## DECISION

Saif Industries, of Bakersfield, California, protests the rejection of its quotation by the Defense Logistics Agency (DLA) under request for quotations (RFQ) No. SPM4A5-10-Q-0565 for the purchase of 110 sleeve bearings to be used in Ohio Class nuclear submarines. Saif contends that the agency acted unreasonably in rejecting its quotation on the basis that its surplus documentation was deficient.

We deny the protest.

## BACKGROUND

DLA issued the solicitation on October 23, 2009, seeking 110 Fairbanks Morse Engine sleeve bearings for use in Ohio Class nuclear submarines. The agency identified this part as a "critical application item."<sup>1</sup> DLA Dismissal Request at 1.

<sup>&</sup>lt;sup>1</sup> A critical application item is an item essential to weapon system performance or operation, or the preservation of life or safety, or safety of operating personnel, as determined by the military services. <u>Critical Process Filtration, Inc.</u>, B-400746 <u>et al.</u>, Jan. 22, 2009, 2009 CPD ¶ 25 at 3 n.7.

The RFQ required that vendors offering government surplus materials provide the information specified in the surplus materials clause section of the solicitation.<sup>2</sup> <u>Id.</u>, Tab 1, RFQ at 8-10. For example, the clause required vendors to supply information about the original manufacturer of the parts, the agency that initially sold the part to the vendor, and the characteristics of the part itself. <u>Id.</u>

As relevant here, vendors were required to state the percentage of the offered parts that had been inspected for correct part number and for the absence of corrosion or any obvious defects. <u>Id.</u> at 9. The RFQ also required that, for materials that were manufactured in accordance with a specification or drawing, such as the parts offered by the protester, the vendor was to either provide a copy of the specification or drawing, or provide the specification/drawing number revision (if any) and the date. <u>Id.</u>

On October 26, the protester timely submitted an electronic quotation for the parts. However, its submission did not contain any of the representations required under the RFQ's government surplus materials clause. The following day, the agency's contract specialist contacted the protester and requested that it supply the missing information. In response, the protester submitted a copy of the RFQ's government surplus materials clause with most of the required information filled in. <u>Id.</u>, Tab 4, Saif Industries Surplus Certification, at 1-4. The protester also submitted a scanned image of the packaging label for the materials. <u>Id.</u> at 5.

After reviewing the quotation and supporting documentation, the agency determined that Saif's quotation was unacceptable because the surplus documentation was insufficient. <u>Id.</u>, Tab 7, Notice of Unacceptability, at 1. The agency notified the firm of its unacceptability on October 30. Saif filed an agency-level protest with DLA, which was denied on January 6, 2010. This protest followed.

#### DISCUSSION

Saif challenges the agency's determination that the firm's surplus documentation was unacceptable. The protester alleges that the agency did not properly examine its surplus documentation, and that the rejection of its quote was unreasonable.

In reviewing challenges to an agency's evaluation of proposals, we will not substitute our judgment for that of the agency regarding the merits of proposals. We will examine the agency's evaluation to ensure that it was reasonable and consistent with the solicitation's evaluation criteria, and with procurement statutes and regulations. <u>International Marine Prod., Inc.</u>, B-296127, June 13, 2005, 2005 CPD ¶ 119 at 6. As a consequence, a protestor's mere disagreement with the agency's judgment is not

<sup>&</sup>lt;sup>2</sup> Government surplus materials are items that were once owned by the government, were sold as surplus, and are now being offered for sale back to the government.

sufficient to establish that the agency acted unreasonably. <u>Id.; Command Mgmt.</u> <u>Servs., Inc.</u>, B-292893.2, June 30, 2004, 2004 CPD ¶ 168 at 3.

Here, DLA found that the protester's surplus materials certification failed to provide several pieces of information required by the RFQ. For example, Saif's certification failed to state the percentage of the offered parts that had been inspected for correct part number and for the absence of corrosion or any obvious defects. DLA Dismissal Request, Tab 4, Saif Surplus Material Certification, at 2. Similarly, Saif failed to provide a copy of the specification or drawing of its sleeve bearings or the specification/drawing number revision. <u>Id.</u> As a result, the agency contends that it was unable to verify whether the offered part complied with the latest revision of the drawing. DLA Dismissal Request, Tab 7, Notice of Unacceptability, at 1.

While the protester believes these omissions were mere technicalities, the RFQ expressly required offerors to provide this information, and in the agency's view, Saif's incomplete certifications made it impossible to verify that the protester's part was an exact match to the one required by the agency.<sup>3</sup> Other than Saif's unsupported assertions regarding the limited value of the missing information, there is nothing in the record to suggest that the agency's rejection of Saif's quotation as unacceptable was unreasonable or inconsistent with the solicitation.

The protest is denied.

Lynn H. Gibson Acting General Counsel

<sup>&</sup>lt;sup>3</sup> To the extent that Saif believed that information required by the RFQ was unnecessary or extraneous, it was required to file a protest raising that issue, at the latest, by October 30, the due date for receipt of quotations. See Bid Protest Regulations, 4 C.F.R. § 21.2(a)(1) (2009).