



DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

Decision

Matter of: Douglas County Fire District #2

File: B-403228

Date: October 4, 2010

James E. Mountain, Esq., Harrang, Long, Gary & Rundick, PC, for the protester.
David G. Fagan, Department of Veterans Affairs, for the agency.
Charles W. Morrow, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency unreasonably evaluated the protester's quotation for ambulance services as unacceptable under the solicitation's geographic coverage evaluation factor where, as described in its quotation, the protester offered to provide the same services within the required geographic coverage as it had performed under the incumbent contract and its quotation provided similar information to that provided by the awardee, which received an acceptable rating under this factor.

DECISION

Douglas County Fire District #2 (DCFD), of Roseburg, Oregon, protests the issuance of a purchase order to Metro West Ambulance, of Hillsboro, Oregon, under request for quotations (RFQ) No. VA-260-10-RQ-0279, issued by the Department of Veterans Affairs (VA), for ambulance services.

We sustain the protest.

The RFQ, issued on March 29, 2010, as a simplified commercial item acquisition under Federal Acquisition Regulation (FAR) Parts 12 and 13, sought fixed-price quotations for ambulance services for the Roseburg VA Healthcare System for a base year with four 1-year option periods. The statement of work (SOW) required the contractor to furnish all necessary personnel, vehicles, management, supplies, transportation, equipment, and reports to provide emergency and non-emergency ground ambulance services for eligible beneficiaries. In addition, the SOW stated:

The services will primarily be associated with the Roseburg VAMC [medical center] area, but may include transporting patients to/from other areas in Oregon and can include Northern California and Western Washington. Primary geographical coverage shall be the Oregon counties of Douglas, Lane, Coos, Curry, Josephine, Jackson, Klamath, and California County of Del Norte. Less frequently, trips shall be to the Oregon counties of Linn, Benton, Lincoln, and Multnomah.

RFQ ¶ B.2.1 at 11.

The selection decision under the RFQ was to be made on a best-value basis considering five evaluation factors: (1) contractor qualifications, (2) contractor experience, (3) geographic coverage, (4) past performance, and (5) price. The technical and past performance factors combined were significantly more important than price. The three technical factors were to be evaluated on a “pass/fail” basis; if a quoter received a fail rating for any technical factor, it would be ineligible for selection. See RFQ at 57, 61-62. With regard to the geographic coverage factor, the RFP stated:

Geographic Coverage: will consider whether the contractor has the resources, facilities, vehicles, personnel, and plan to cover the geographic area of service identified in the SOW Paragraph B.3 [sic].¹ This factor will be evaluated on the basis of “Pass or Fail.”

RFQ at 61-62. The RFQ further stated:

In performing the Qualifications, Experience & Geographic Coverage evaluation, each offeror will be assigned one of the following ratings:

QUALIFICATIONS, EXPERIENCE & GEOGRAPHIC COVERAGE	
Rating	Description
PASS	Based on the offeror’s qualifications and experience, the government has confidence the offeror will successfully perform the required effort.

¹ The agency states that the paragraph B.3 reference should have been to the paragraph B.2.1 of the RFQ (quoted above). Agency Report at 2 n.2. The protester noted that there was no paragraph B.3 of the SOW and that paragraph B.2.1 is the section of the SOW that relates to geographic coverage. Protest at 5.

FAIL	Based on the offeror's qualifications and experience, extreme doubt exists that the offeror will successfully perform the required effort.
------	--

RFQ at 62. For past performance, the evaluation considered the quality and extent of the quoter's experience deemed relevant to the requirements of this RFQ.² Id.

Three quoters, including DCFD (the incumbent contractor) and Metro West, submitted quotations in response to the RFQ by April 16. The VA's three-member evaluation panel determined that only Metro West's quotation was entitled to receive "pass" ratings for all three of the technical evaluation factors; the quotation also received a high confidence past performance rating, and its price of \$3,780,506 was determined to be fair and reasonable. Agency Report, Tab 9, Source Selection Decision, at 2-3. DCFD's quotation received a "fail" rating for the geographic coverage factor (and pass ratings for the other technical factors), and a significant confidence past performance rating; DCFD also submitted the lowest price of \$2,993,899. Id. The "fail" rating was based on the evaluators' findings that DCFD's quotation provided no plan or supporting information regarding coverage of the geographic area set forth in the SOW, especially for Washington, eastern Oregon, and northern California. See AR, Tab 15, Evaluator Worksheets, at 10, 22, and 26. On June 24, the VA selected Metro West, the only eligible quoter. This protest followed.³

DCFD contends that the VA unreasonably evaluated its quotation under the geographic coverage factor. DCFD argues that the agency failed to consider the information included in its quotation that indicated that it could and would provide the required geographic coverage.

The acquisition here was conducted pursuant to simplified acquisition procedures. When using simplified acquisition procedures, an agency must conduct the procurement consistent with a concern for fair and equitable competition and must evaluate quotations in accordance with the terms of the solicitation. In reviewing protests of an allegedly improper simplified acquisition evaluation, we examine the record to determine whether the agency met this standard and executed its discretion reasonably. Computers Universal, Inc., B-297552, Feb. 14, 2006, 2006 CPD ¶ 42 at 4-5; DOER Marine, B-295087, Dec. 21, 2004, 2004 CPD ¶ 252 at 3. Here, as

² The qualitative ratings were high confidence, significant confidence, satisfactory confidence, unknown confidence, little confidence, and no confidence.

³ Performance under the contract has been suspended pending our decision on this protest.

explained below, we find that the VA's evaluation of DCFD's quotation under the geographic coverage factor was unreasonable.

As noted, the evaluators found that DCFD's quotation "failed" under the geographic coverage factor because it provided no plan or supporting information regarding coverage of the geographic area set forth in the SOW, especially for Washington, eastern Oregon, and northern California. See AR, Tab 15, Evaluator Worksheets, at 10, 22, and 26. DCFD's quotation states that it "intends to furnish the [ambulances identified in the quotation] to provide ground ambulance transportation to the Roseburg Medical System as outlined in this [SOW]." DCFD's quotation identifies its ambulances, its eight locations, its personnel, qualifications and training, the method of dispatch, organizational chart, equipment, quality control plan, and policies and procedures. The quotation also stated that "[DCFD] currently provides services to the Roseburg VA Medical System," and that under that contract "not only does the [DCFD] transport locally but routinely travels to Eugene, Portland, and, occasionally, to Klamath Falls, Seattle and San Francisco." See Agency Report, Tab 2, DCFD Quotation, exh. B, at 5-10.

Metro-West's quotation was found by the evaluators to have "passed" the geographic coverage factor because it demonstrated its ability to meet the geographical requirements identified in the SOW. See AR, Tab 15, Evaluator Worksheets, at 2, 14, and 30. Metro-West's quotation, like DCFD's, identified the locations of the various ambulances of itself and associated companies, as well as its personnel, qualifications and training, method of dispatch, organizational chart, equipment, quality control plan, and policies and procedures. However, based on our review, we think that Metro-West's quotation did not include any more specific information than DCFD's quotation regarding a plan to cover the geographic area. With regard to the geographic coverage factor, Metro-West's quotation only stated the following:

Using all four companies, Metro West Ambulance, Bay Cities Ambulance, Medix Ambulance and Pacific West Ambulance, our proposal is capable of covering all of Oregon, Washington and California to serve the terms of this contract.

Agency Report, Tab 8, Metro West Quotation, Response to Technical Factor. Elsewhere in its quotation Metro-West simply parroted without elaboration the SOW requirements regarding geographic coverage. Id., Statement of Work ¶ B.2.

On the record before us, we conclude that the VA unreasonably evaluated DCFD's quotation with a "fail" rating for the geographic coverage factor for lack of a plan to cover the geographic area where the awardee's quotation did not include any more specific information than DCFD's quotation, which was assigned a "pass" rating under the geographic coverage factor. See Kathryn Huddleston and Assocs., Ltd., B-289453, Mar. 11, 2002, 2002 CPD ¶ 57 at 7. While it may be that the agency believed that Metro West identified more resources than DCFD that could be utilized to satisfy the geographic coverage factor, this does not provide a basis for rating

DCFD's quotation as "fail" under this factor. As noted above, in order to find DCFD to have "failed" under this factor, the agency was required to conclude that based on DCFD's "qualifications and experience, extreme doubt exists that the offeror will successfully perform the required effort." RFQ at 62. On this record, the agency has provided no basis for a determination that "extreme doubt exists" that DCFD "could successfully perform the required effort," particularly given that DCFD was the incumbent for these services and indicated in its quotation that it would continue to provide them, as in the past, over the same required geographic coverage area.⁴ Furthermore, we note that DCFD's quotation responded to this factor in a manner similar to Metro West's response, which the agency found to be acceptable.

We sustain the protest.

We recommend that the agency reevaluate proposals in accordance with the RFQ, conduct discussions if appropriate, and make a new selection decision. If another quoter is selected other than Metro West, the VA should terminate the purchase order issued to Metro West and issue a purchase order to the successful quoter. We also recommend that DCFD be reimbursed the reasonable costs of filing and pursuing the protest. 4 C.F.R. § 21.8(d)(1) (2010). The protester should submit it certified claim, detailing the time expended and costs incurred, directly to the VA within 60 days of receiving this decision.

The protest is sustained.

Lynn H. Gibson
Acting General Counsel

⁴ We note that DCFD received a significant confidence past performance rating and the agency does not allege that DCFD did not meet contract requirements in the geographic coverage area in performing the prior contract.