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Decision

Matter of: Quasars, Inc.

File: B-405747

Date: December 7, 2011

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DIGEST

Protest challenging the nonselection of a vendor for award of a blanket purchase agreement is denied, where quotation was lower rated and higher priced than selected vendors, and the agency reasonably determined that quotation failed to contain sufficient information to, among other things, demonstrate technical capability.

DECISION

Quasars, Inc., of Washington, DC, protests the decision of the Department of Homeland Security (DHS) not to award it a contract under request for quotations (RFQ) No. HSHQDC-11-Q-00105 for scientific, engineering, and technical assistance (SETA) support for the Domestic Nuclear Detection Office (DNDO). Quasars contends that the agency improperly evaluated its proposal as unacceptable.

We deny the protest.

BACKGROUND

The DNDO is responsible for coordinating federal efforts to detect and protect against the unauthorized importation, development, or use of nuclear explosive devices, fissile material, or radiological material in the United States, and to protect the United States from attacks involving these devices and materials. Agency Report (AR) at 2. The DNDO, unlike other entities within the DHS, is primarily a scientific,

analytical, research and development, and test and evaluation organization that deals almost exclusively in the realm of radiation/nuclear materials detection and forensics. Id.

The RFQ was issued on July 20, 2011 to Quasars and 13 other General Services Administration (GSA) Federal Supply Schedule (FSS) Schedule 871¹ holders for SETA support services to be provided to the DNDO.² The RFQ sought to award multiple blanket purchase agreements (BPA) for a 5-year ordering period, with an overall ceiling value of \$140 million, using the evaluation procedures of Federal Acquisition Regulation (FAR) Subpart 8.4. RFQ at 3-5, 36. The solicitation provided that awards would be made on a best-value basis, considering the evaluation of socioeconomic status,³ demonstrated technical capability, management approach,⁴ past performance,⁵ and price. Id. at 36-38. The non-price factors were equally weighted and, together, were more important than price. Id. at 36-37. The RFQ nonetheless cautioned that the government would not make an award at a significantly higher overall price to achieve only slightly superior performance capabilities. Id. at 36.

The RFQ included a statement of work (SOW) setting forth the scope of work to be performed. This SOW described in detail DNDO's responsibilities and goals involving radiation and nuclear detection and forensics, and required vendor support for these operations, to include: strategic planning for technology programs and activities; concept development and requirements analysis; system design, engineering, and integration; and test and evaluation. Id. at 24. The RFQ also emphasized radiation and nuclear detection training in many of the position descriptions that were required under the contract. Id. at 65-80.

¹ Schedule 871 is for professional engineering services.

² The RFQ stated that the following special item numbers (SINs) in Schedule 871 were applicable: SIN 870-1 (strategic planning for technology programs and activities); SIN 871-2 (concept development and requirements analysis); SIN 871-3 (systems design, engineering, and integration); and SIN 871-4 (test and evaluation). RFQ at 3.

³ Possible ratings for socioeconomic status were excellent (which was assessed to small businesses) and fair (which was assessed to large businesses). AR, Tab 4, Source Selection Decision, at 3.

⁴ Possible ratings for demonstrated technical capability and management approach were outstanding, good, acceptable, and unacceptable. AR, Tab 4, Source Selection Decision, at 4-5.

⁵ Possible ratings for past performance were outstanding, good, unsatisfactory, or neutral. AR, Tab 4, Source Selection Decision, at 5.

The SOW was referenced in two evaluation factors--demonstrated technical capability factor (which advised vendors that their RFQ responses would be evaluated to determine their “knowledge, understanding, and technical ability” to meet the SOW requirements) and management approach factor (which advised that the agency would assess whether the vendor “effectively demonstrate[d] the ability to manage the [SOW] requirements”). Id. at 37. The RFQ cautioned vendors to ensure that their quotation responses to the RFQ “are complete, address all the requirements, [and] are reflective of the evaluation factors.”⁶ Id. at 36. The RFQ also required that vendors “clearly demonstrate the Quoter’s understanding of the overall and specific requirements of the [SOW]; and convey the Quoter’s capabilities for transforming their understanding into accomplishments for performing the requirements.” Id. at 30.

With their quotations, vendors were required to identify whether they were going to perform as a contractor team arrangement (CTA) or as a prime/subcontractor arrangement. Id. at 34-35. If a CTA was being relied on, then the vendor was to “submit . . . supporting documentation” of its CTA. Id. at 35. In addition, the vendor was to identify the team leader and all team members, provide their FSS contract numbers, and “describe the services to be performed” by the team lead and each team member. Id. The RFQ required that each quotation “describe the team leader and team member responsibilities in terms of receiving Task Orders under the BPAs.” Id.

Quasars submitted a quotation in response to the RFQ on behalf of Quasars, Inc., a women-owned small business. AR, Tab 13, Quasars Quotation, at II-A-I. In a single paragraph repeated throughout the quotation, the firm advised that, to perform the work, it had entered into a CTA that included “two additional primes” ([deleted]).⁷ E.g., id. at II-D-23. Quasars identified itself as the team leader and the other firms as team members, and further declared that Quasars would be the single point of contract for all technical, contractual, and financial matters. Id. In its quotation, Quasars explained generally that the “teammates” experience would augment Quasars’ experience, but did not explain how this augmentation would occur in performing the requirements of the RFQ. Id.; see also id. at II-C-1, II-D-1. The

⁶ The RFQ limited demonstrated technical capability responses to 17 pages and management approach responses to 24 pages. RFQ at 31. Prior to submitting a quotation, Quasars did not protest the imposition of page limits as precluding an adequate response to the RFQ. To the extent Quasars does so here, its arguments are untimely. 4 C.F.R. § 21.2(a)(1) (2011).

⁷ Elsewhere in the quotation, Quasars refers to “subcontractors” and “subcontracts” when discussing internal interfaces and communications. AR, Tab 13, Quasars Quotation, at II-D-8.

quotation stated generally that “[e]ach member of the team will support and is experienced in all elements of the [SOW],” *id.* at III-D-1, but provided summary charts of the SOW requirements, with boxes checked to indicate that some team members did not possess capabilities in required areas. *Id.* at II-C-4, II-C-11, II-C-15. Moreover, these charts, and the general descriptions that followed, only described general capabilities and did not identify what roles or responsibilities each of the team members would serve in performing the requirements here.⁸ *Id.* at II-C-2 to II-C-17, II-D-6 to II-D-7. The quotation also omitted any supporting documentation concerning Quasars’ CTA.

Quasars quotation was evaluated as excellent under the socioeconomic factor, unacceptable under the demonstrated technical capability factor, acceptable under the management approach factor, and good under the past performance factor; the quoted price was \$1,523,016.⁹ AR, Tab 4, Source Selection Decision, at 6. The source selection authority (SSA) explained that the unacceptable rating was because Quasars did not address which team member would actually perform the requirements of the SOW. Although the firm mentioned most SOW requirements and generally recited team member capabilities, the SSA noted that the proposal failed to relate the capabilities of each team member to performance of the requirements here; the SSA found that this posed a risk that Quasars did not understand the DNDO mission needs or the RFQ requirements. The SSA also was concerned that Quasars lacked nuclear and radiological experience, and was relying almost entirely on a single team member ([deleted]) for this expertise, which posed a risk that the loss of this team member would “drain” the entire expertise in this critical area. *Id.* at 7. Based on these concerns, the SSA concluded that Quasars was “highly unlikely” to provide the necessary technical support to meet all of the requirements specified in the RFQ. *Id.* at 8.

In contrast to the demonstrated technical capability factor, the SSA found Quasars’ quotation to be acceptable under the management approach factor due to certain management innovations and a strong corporate commitment from Quasars. However, the SSA identified some concerns associated with the quotation’s lack of discussion about the specific roles and responsibilities of the team members, their relationship to each other, and how they would be “weaved” together in a manner to allow for effective oversight. *Id.* at 8. The SSA also found that the quality assurance plan (which was required under the RFQ) lack essential detail. *Id.*

⁸ The quotation’s pricing schedule identified the labor categories on each team member’s schedule, but the quotation did not further explain whether or how these related to the SOW requirements. AR, Tab 13, Quasars Quotation, BPA Pricing Table.

⁹ The other vendors’ quotations were higher rated and lower in price.

The agency rated Quasars' quotation good under the past performance factor based on questionnaires submitted on behalf of Quasars and its team members. However, the agency was not convinced that the quotation established expertise and capability to perform the requirements of the RFQ. Id. at 9.

The agency advised Quasars that it was not selected for award, and Quasars protested.

DISCUSSION

Quasars challenges the evaluation of its quotation. It complains that the agency ignored the technical and management capabilities of its team members, and erroneously evaluated the relationship as a prime/subcontractor arrangement and not a CTA. Protest 7-8.

In reviewing an agency's evaluation in an FSS competitive acquisition, we will not reevaluate quotations, but will examine the record to ensure that the agency's evaluation was reasonable and consistent with the terms of the solicitation. Beckman Coulter, Inc., B-405452, Nov. 4, 2011, 2011 CPD ¶ __ at 5; Maybank Indus., LLC, B-403327, B-403327.2, Oct. 21, 2010, 2010 CPD ¶ 249 at 5. It is a vendor's burden to submit an adequately written quotation, and the vendor's mere disagreement with an unfavorable rating of a poorly written quotation does not establish that the evaluation was unreasonable. See CMI Mgmt., Inc., B-404645, Mar., 2, 2011, 2011 CPD ¶ 66 at 4-5; DEI Consulting, B-401258, July 13, 2009, 2009 CPD ¶ 151 at 2.

Quasars is incorrect that the agency ignored the technical and management capabilities of the team members. As described above, the evaluation record clearly demonstrates that the agency considered the experience of all three members under each of the evaluation factors when evaluating Quasars' quotation.¹⁰ However, significant informational deficiencies existed in the quotation. For example, in responding to the demonstrated technical capability factor, Quasars' quotation did little more than recite SOW requirements and generally describe team member capabilities. Quasars did not identify what roles each of the team members would play, or what responsibilities they would assume, in performing the requirements

¹⁰ For example, in discussing the demonstrated technical capability factor, the SSA noted that [deleted] was the only team member to possess radiological and nuclear experience, which was a critical component of the work to be performed. AR, Tab 4, Source Selection Decision, at 6-7. Under the management approach factor, the SSA gave credit to Quasar's management innovations and corporate commitment, but noted concern over the lack of explanation concerning roles and responsibilities of the other team members in the management structure. Id. at 8. With regard to past performance, the rating was based on questionnaires submitted on behalf of each of the team members. Id. at 9.

here.¹¹ That is, Quasars failed to convey how any of the asserted capabilities would transform into accomplishments for performing the requirements, as required by the RFQ. RFQ at 30.

Quasars also did not establish in its quotation that the team members had adequate radiological or nuclear experience, which was critical to the work to be performed. As noted above, only [deleted] possessed this experience; the agency reasonably found that this created a risk to performance since the loss of this one team member would “drain the entire [radiological and nuclear] experience pool.”¹² AR, Tab 4, Source Selection Decision, at 7. This lack of team experience, coupled with significant information deficiencies in the quotation, supports the agency’s assessment of an unacceptable rating to Quasars’ quotation under the demonstrated technical capability factor.

Finally, Quasars’ complains that the agency erroneously evaluated the quotation as being based on a prime/subcontractor relationship and not a CTA. Such distinction is irrelevant. The RFQ did not require that greater consideration be given to CTAs relative to prime/subcontractors, and, as discussed above, the agency here gave full consideration to the technical and management experience of the individual team members identified in Quasars’ quotation, and it fairly evaluated the quotation as a result.¹³

¹¹ Similarly, in responding to the management approach factor, Quasars did not explain the roles that the other team members would serve in managing the contract. Instead, Quasars merely repeated a “high level summary” of the team members’ technical capabilities from the technical capability portion of its quotation. See AR, Tab 13, Quasars Quotation, at II-D-6.

¹² The agency contrasted Quasars’ approach of having only one team member with this essential experience to other vendors, who had multiple team members with the experience, or had the experience in-house, so as to ameliorate the performance risk of losing any one team member. AR, Tab 4, Source Selection Decision, at 7. This is but one example that shows where the other vendors provided a superior approach to ameliorate any informational or other weaknesses in their quotations. Therefore, to the extent that Quasars contends that the agency engaged in unequal treatment, see, e.g., Comments at 5-6, 7-8, we deny the protest.

¹³ While it is true that the evaluation documents reflect the agency’s concern about the nature of the team members’ legal relationship, such concerns were the result of Quasars failure to adequately explain the roles and responsibilities of the team members, and the firm’s failure to provide supporting documentation of its CTA as required by the RFQ. RFQ at 35; see AR, Tab 4, Source Selection Decision, at 7, 8. Even upon reviewing Quasars CTA, which the firm provided during the development of this protest, it is unclear what the team members’ roles and responsibilities are here in performing the requirement. Comments, attach. 1.

In sum, we find that the agency reasonably determined not to select Quasars' quotation for award.

The protest is denied.

Lynn H. Gibson
General Counsel