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Comptroller General  
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United States Government Accountability Office  
Washington, DC 20548

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## Decision

**Matter of:** Systematic Management Services, Inc.

**File:** B-407199; B-407199.2; B-407199.3

**Date:** November 29, 2012

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Brian S. Gocial, Esq., and Brian A. Bannon, Esq., Blank Rome LLP, for the protester.

JiSan Lopez, Esq., and William Mayers, Esq., Department of Energy, for the agency.

Katherine I. Riback, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### DIGEST

Protest challenging agency's evaluation of the competitive quotations provided by blanket purchase agreement holders is denied where the record shows that the evaluation was reasonable and consistent with the solicitation.

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### DECISION

Systematic Management Services, Inc. (SMS), of Germantown, Maryland, protests the decision of the Department of Energy (DOE), National Nuclear Security Administration (NNSA), to award a contract to Mele Associates, Inc., of Rockville, Maryland, under request for quotations (RFQ) No. DE-SOL-0004229.

We deny the protest.

### BACKGROUND

NNSA's Office of Enterprise Project Management (NA-APM-20) provides staff support to the Associate Administrator for Acquisition and Project Management (NA-APM), other Deputy Administrators and the Administrator. The principle objectives of NA-APM-20 are to continuously improve project management within NNSA, assist in developing departmental policy and practices for construction project management improvement, and assist NNSA line management organizations in implementing departmental and NNSA requirements. RFQ amend. 1, Performance Work Statement (PWS), at 1. The selected contractor under this RFQ would provide subject matter experts (SME) to support NA-APM-20

during the performance of Independent Project Management Assessments (IPMA) and Independent Project Reviews (IPR), and to otherwise support NA-APM-20, with the objective of improving NNSA project success. Id. at 1-2. To this end, the RFQ identified nine personnel qualifications, which must be provided by contractor personnel in performing the task order. Id. at 5. One of these qualifications was “[t]he contractor shall have personnel able to use project planning software, including Primavera Project Planner.” Id.

The RFQ was issued on June 25, 2012, to five DOE/NNSA Enterprise Wide Technical, Engineering, and Programmatic blanket purchase agreement (BPA) holders, including SMS and Mele. These BPAs were issued under the vendors’ Federal Supply Schedule (FSS) contracts. The RFQ sought to award a fixed-priced labor hour task order under an established GSA BPA with a 3-year period of performance.<sup>1</sup>

The solicitation provided that award would be made on a best-value basis, considering, in descending order of importance, the following factors: (1) technical analysis of task/labor/cost matrix, including supporting resumes; (2) demonstrated understanding, ability, expertise and approach to performing the PWS;<sup>2</sup> (3) past performance;<sup>3</sup> and (4) price. RFQ at 16.

For purposes of evaluation, vendors were required to (1) identify the task order program manager and the key personnel; (2) provide resumes, qualifications, and expertise to perform and execute the PWS tasks and deliverables for each individual proposed in the task/labor/price matrix; (3) describe the vendor’s technical approach to performing the tasks in the PWS; (4) provide past performance project sheets for three similar contracts/task orders that have been performed by the prime contractor during the past 3 years and; (5) prepare and submit a task/labor/price matrix that includes labor categories/disciplines, employee name, employee’s company, and GSA Schedule discounted hourly rates required to perform the tasks in the PWS. RFQ at 15.

The agency received quotations from SMS and Mele, which were evaluated as follows:

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<sup>1</sup> The RFQ included separate contract line items for travel and other direct costs for which the vendors were provided plug numbers and were not evaluated.

<sup>2</sup> Possible ratings for the technical analysis and the demonstrated understanding factors were excellent, good, satisfactory, marginal, and unsatisfactory. RFQ at 17-18.

<sup>3</sup> Possible ratings for past performance were exceptional, very good, satisfactory, marginal, unsatisfactory, and neutral. RFQ at 19.

Vendor	Factor 1 Technical Analysis	Factor 2 Demonstrated Understanding	Factor 3 Past Performance	Factor 4 Price
Mele	Excellent	Excellent	Exceptional	\$2,344,491
SMS	Good	Good	Very Good	\$1,657,852

Agency Report (AR) at 10. Although SMS’s quoted price was less than Mele’s, the agency determined that the price difference did not offset the technical superiority of the MELE quotation as the government was more concerned with obtaining a superior technical analysis than making an award at the lowest price. Id. The agency made award to Mele. After a debriefing, this protest followed.

## DISCUSSION

The protester challenges the evaluation of its and the awardee’s quotations. 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 ¶ 231 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 its ratings 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. We have reviewed all of the protester’s numerous arguments regarding the propriety of the agency’s evaluation of the protester’s and awardee’s quotations, and have found none that provide a basis to sustain SMS’s protest. We discuss some examples below.

SMS first contests a weakness assigned its quotation under the technical analysis factor. In this regard, the agency concluded that the number of hours SMS quoted for project integrators was so excessive it demonstrated minimal understanding of the technical requirements of the PWS. AR at 14. The protester contends that “Project Integrators have been critical to SMS’s success in performing IPRs for NA-APM-20 over the past twenty years.” Protest at 6.

The agency notes that the principal purpose of this task order, as set forth in the PWS, was to provide SMEs for IPRs and IPMAs. The agency acknowledged that while SMS proposed an approach that the firm has used under the predecessor contract, the RFQ clearly indicated that the agency itself would now be performing integration functions instead of the contractor. AR at 15. This was further clarified by the answer to Question 3 included in Amendment No. 1 to the RFQ as follows:

Question 3:

[PWS] . . . indicates that the “*Contractor may be expected to provide dedicated and/or on-call support located on-site and/or off-site as appropriate.*” Historically, there has been on-site support provided at GTN (IPR Integrator support) and at FORS (planning assistance for IPRs). Should we plan to propose an On-site IPR Integrator for this effort?

Answer 3:

No. An on-site integrator will not be necessary.

RFQ amend. 1, at 8.

SMS argues that despite the agency’s view about integrators, the contractor is responsible for the production of certain specific deliverables and that its proposed integrators would perform this function. The agency responded that SMS’s approach of allocating [DELETED] percent of the total offered hours to provide project integration functions leaves too few hours for SMEs. As a result the agency decided that SMS’s approach created performance risk and assigned the quotation a weakness. AR, Tab 3, Technical Evaluation Panel, at 7-8.

Based on our review, we find this evaluation to be reasonable and consistent with the solicitation. While SMS now argues that the RFQ had a latent defect if the agency believed that the RFQ advised vendors that integrators “[were] not necessary at all,” Supp. Protest (Oct., 1, 2012) at 9, the record shows that the agency made no such finding, but simply found that the number of hours SMS proposed for integrators was too high.<sup>4</sup>

SMS also contests another weakness that the agency assigned under the technical analysis factor. This weakness was that SMS only proposed one individual with Primavera experience, which could pose a performance risk. The protester asserts that because there was no minimum percentage of proposed individuals that must have experience in using the Primavera Project Planner in the solicitation, the agency’s assignment of a risk here was unreasonable and inconsistent with the RFQ. Protester’s Comments at 7. SMS argues that the agency should have inferred that other SMS personnel had the requisite Primavera software experience because “SMS proposed many more proposed personnel with project planning

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<sup>4</sup> To the extent that SMS argues that MELE’s quotation suffered from the same weakness, the agency notes that MELE clearly understood that NNSA would primarily perform the project integration functions and that this understanding was reflected in MELE’s quotation. Supp. AR at 13; see AR, Tab 5, Mele Proposal, at 32-33.

experience, including the inherent use of project planning software for cost estimating, risk management and scheduling.” Protest at 9.

SMS’s contention that the agency here acted improperly by not “inferring” that more of its employees would have Primavera experience is absurd; evaluators are not required to infer an offeror’s meaning from an inadequately written proposal or quotation. Interstate Gen. Gov’t Contractors, Inc., B-290137.2, June 21, 2002, 2002 CPD ¶ 105 at 5. Given that SMS only identified one individual with Primavera experience in its proposal, we find that the agency’s evaluation was reasonable, and consistent with the stated evaluation criteria.

SMS also contends that Mele’s quotation offered the use of vendors not currently included in Mele’s BPA. The agency responds that Mele’s actions are permissible under the terms of the BPA. In this regard, the agency points to clause H.6 of the BPA, which reads as follows:

H.6. SUBSTITUTION OF BPA TEAM MEMBERS AND/OR SUBCONTRACTORS

Upon award, those BPA Team Members and subcontractors evaluated as acceptable to the Government during the BPA selection/qualification process shall be considered as approved. Any subsequent additions must be approved in a modification by the BPA Contracting Officer. The BPA Contracting Officer may insist that the substituted BPA Team Members and/or subcontractors meet or exceed those qualification[s] established by the BPA Holder for the initially approved BPA Team Member composition.

Mele BPA at H-12.

On this issue, the agency acknowledges that two of the vendors proposed in Mele’s response to this RFQ were not listed in Mele’s BPA as team members or subcontractors. On the other hand, the agency explains that both of the companies had been approved as subcontractors to other BPA holders and met the qualifications to perform the requirements. While SMS argues that the agency’s explanation “makes a mockery of the BPA competitive process,” Supp. Comments at 1, we find no basis to disagree with the agency that Mele could offer these subcontractors in response to the RFQ, subject to the approval of the contracting officer, particularly given that nothing in the BPA or RFQ otherwise limited Mele’s actions in this regard.<sup>5</sup>

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<sup>5</sup> In these circumstances, the fact that the contracting officer will need to formally modify Mele’s BPA to reflect these two team members, which were already  
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SMS also contends that Mele's cost proposal was unacceptable because it proposed multiple rates for each labor category and multiple rates and hours for each employee within each labor category, even though SMS contends that the RFQ instructions authorized only a single rate for each labor category. Supp. Protest (Sept. 28, 2012) at 5.

However, as noted by the agency, the RFQ did not state that vendors must propose a single fixed labor hour rate for each labor category. The agency notes here that all orders placed against the BPA are subject to the terms and conditions of the contractor's FSS contract, and that Mele's labor categories and rates are based on its FSS schedule, or that of a team member's. The agency explains that Mele utilized multiple schedule rates to account for the different periods of performance in the RFQ, as compared to the FSS schedule. While SMS complains that neither Mele's quotation, nor the agency's contemporaneous evaluation documentation provided this explanation, SMS has provided no basis to find Mele's quotation unacceptable for providing multiple labor rates.

Finally, SMS argues that Mele improperly took exception to the solicitation requirement to produce the deliverable reports within the total contract amount at a fixed labor hour rate. Supp. Protest (Sept. 28, 2012) at 7-8. The protester states Mele took exception to this requirement because its quotation states "[i]n the event the contract ceiling has been expended prior to reaching the maximum level of effort (LOE) and the Government requires the team to continue performance, it is mutually understood that the contract will be modified to cover such additional level of effort by providing additional funding." See AR, Tab 9, Mele's Quotation, at 3. However, as explained by the agency, Mele's statement here is consistent with the incremental funding limitation that was included in its BPA. Mele BPA at B-4. Thus, we also find this protest ground meritless. In sum, we find the agency's evaluation of SMS's and Mele's quotations to be reasonable and consistent with the RFQ.

The protest is denied.

Lynn H. Gibson  
General Counsel

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expressly found to be qualified by the agency, provides no basis to object to this aspect of Mele's quotation.