

United States Government Accountability Office
Washington, DC 20548

Decision

Matter of: PeoplePower LLC

File: B-409396

Date: April 2, 2014

Greg Ingles, for the protester.

Maj. J. E. Buis, United States Marine Corps, for the agency.

Noah B. Bleicher, Esq., and Sharon L. Larkin, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the evaluation of quotes and best value award decision is denied where the record shows that the agency's evaluation and source selection were reasonable and consistent with the solicitation.

DECISION

PeoplePower LLC, of San Diego, California, protests the award of a contract to Gold Coast Helicopter (GCH) Services, LLC, of Glendale, Arizona, pursuant to request for quotes (RFQ) No. M67001-14-T-0001, issued by the U.S. Marine Corps for aircraft maintenance services. PeoplePower challenges the agency's evaluation of its quote and argues that the agency made an unreasonable selection decision.¹

We deny the protest.

¹ PeoplePower was not represented by counsel in this protest. Accordingly, our Office did not issue a protective order, and PeoplePower was provided only a redacted version of the agency report. In resolving the protest, we reviewed *in camera* unredacted copies of all evaluation and source selection documents and have based our decision on the full record. As much of the information reviewed by our Office is source selection sensitive and proprietary in nature, our discussion of the evaluation is necessarily limited.

BACKGROUND

On November 6, 2013, the Marine Corps issued the solicitation as a simplified commercial item acquisition under Federal Acquisition Regulation Subpart 13.5. RFQ at 1, 8. The RFQ, set aside for service-disabled, veteran-owned small businesses (SDVOSB), sought quotes for maintenance services for Marine Helicopter Squadron One, which provides worldwide helicopter support to the President. The solicitation provided for the award of a fixed-price, level-of-effort contract with a 1-year base period and two 1-year options. Id. at 8. Pursuant to the RFQ, award would be made to the vendor whose quote was deemed “most advantageous to the Government,” considering price, technical/management capability, and past performance, with the non-price factors weighted equally and, when combined, weighted significantly more important than price. Id. at 6-7. For the technical/management capability factor, the RFQ identified six equally-weighted subfactors, lettered A through F. Of relevance to this protest, subfactor C evaluated whether the vendor provided documented skills and experience as detailed in the statement of work (SOW). Id. at 6. Subfactor D focused on whether submitted resumes and position descriptions demonstrated personnel experience and qualifications that meet the SOW requirements.² Id.

With respect to past performance, the RFQ instructed offers to submit up to three past performance references for contracts performed in the past 3 years that were of the “same or similar type services” as those required under the RFQ. Id. at 5, 7. The RFQ expressly advised that “[n]o information will be considered which is over 3 years old.” Id. at 6. In evaluating a vendor’s past performance, the RFQ stated that the agency would assess the quality of service, timeliness of performance, customer satisfaction, and business relations. Id. at 7. If a vendor did not have a record of past performance, or past performance information was not available, the vendor would not be evaluated favorably or unfavorably under the factor; a rating of neutral would be assigned. Id. at 6-7.

The agency received quotes from six vendors, including quotes from PeoplePower and GCH Services. Contracting Officer’s Statement at 4. PeoplePower proposed to perform the aircraft maintenance services for \$2,246,508. Agency Report (AR), Tab M, Business Clearance Memorandum, at 17. GCH Services proposed a price of \$2,293,452. Id.

Evaluators reviewed the quotes and identified strengths, weaknesses, and deficiencies. Id. at 10. Quotes were assigned adjectival ratings for each factor and

² Subfactor A evaluated the vendor’s understanding of the scope of work and corporate experience; subfactor B evaluated the vendor’s work methods; subfactor E evaluated personnel hiring; and subfactor F evaluated the phase-in of personnel. RFQ at 6-7.

subfactor, as well as an overall rating.³ Id. at 10, 17. The contracting officer prepared a memorandum that detailed the consensus evaluation findings. See id. at 1-18.

PeoplePower's quote was assigned a rating of good under the technical/management capability factor. Id. at 13. With respect to the technical subfactors, the quote was rated as fair under subfactor C (skills and experience) and subfactor D (resumes and position descriptions), and good under the other subfactors. Id. The contracting officer wrote that the quote demonstrated a "fair to good understanding of [the] requirements" and met the RFQ's "capability standards." Id. at 15. In addition, the contracting officer noted that "performance areas assessed contain[ed] some issues and weaknesses" and that there was a "moderate degree of risk in [PeoplePower] meeting the Government's requirements. . . ." Id.

With respect to PeoplePower's past performance, the contracting officer noted that the references that the firm provided were for "contracts performed over 20 years ago." Id. at 16. Due to the lack of experience within the past 3 years, the firm was assigned a neutral past performance rating. Id. This neutral rating along with PeoplePower's quote's good technical/management capability rating resulted in the quote being assigned an overall rating of good. Id. at 17.

GCH Services was assigned an excellent rating under both the technical/management capability factor and the past performance factor, resulting in an overall rating of excellent. Id. at 17. The contracting officer highlighted that the company's quote demonstrated a "firm understanding of the requirements and goals set forth in the SOW, address[ed] each requirement and goal . . . and provide[d] technical solutions to indicate requirements and goals will be met on schedule." Id. at 15. The contracting officer also concluded that the firm's management plan exceeded the requirements "both quantitatively and qualitatively." Id.

The contracting officer, who also served as the source selection authority, conducted a tradeoff analysis which resulted in GCH Services being recommended for contract award. Id. at 16. In reaching this conclusion, the contracting officer noted that GCH Services' quote "exceeded the government's expectations." Id. Moreover, while other quotes were also rated as excellent, those vendors had proposed higher prices than GCH Services, and the contracting officer determined the higher prices were not justified. Id. Similarly, the contracting officer concluded that PeoplePower's lower-rated, lower-priced quote represented more risk to the agency. Id. at 17. Thus, GCH Services' quote was viewed as offering the best value to the agency and was selected for award. After learning of the agency's award decision, PeoplePower protested to our Office.

³ Possible overall ratings were excellent, good, fair, marginal, or poor. AR, Tab M, Business Clearance Memorandum, at 10-11.

DISCUSSION

PeoplePower challenges the Marine Corps' evaluation of its quote. Specifically, the protester objects to the agency's evaluation of its quote under technical subfactors C and D. Comments/Supplemental (Supp.) Protest at 5. PeoplePower also argues that its quote was the best value to the government.⁴ Protest at 1.

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. Emergency Vehicle Installations Corp., B-408682, Nov. 27, 2013, 2013 CPD ¶ 273 at 4. In reviewing a protest of an allegedly improper simplified acquisition evaluation, we examine the record to determine whether the agency met this standard and exercised its discretion reasonably. DOER Marine, B-295087, Dec. 21, 2004, 2004 CPD ¶ 252 at 3. A protester's mere disagreement with the agency's judgment does not establish that the evaluation was unreasonable. DEI Consulting, B-401258, July 13, 2009, 2009 CPD ¶ 151 at 2. Moreover, a vendor is responsible for affirmatively demonstrating the merits of its quotation. Emergency Vehicle Installations Corp., supra.

Based on our review of the record here, we find nothing objectionable about the agency's evaluation of PeoplePower's quote. Specifically, contrary to the protester's assertion, the agency's assignment of a fair rating under technical subfactors C and D was reasonable.

Under subfactor C, the agency was required to evaluate whether vendors provided documented skills and experience as detailed in the SOW. RFQ at 6. In its quote, PeoplePower included a paragraph that described the experience of the firm's "leadership." AR, Tab J, PeoplePower's Quote, at 3. The evaluators recognized this experience, but assigned a weakness to the quote because the skills and

⁴ In addition, PeoplePower challenges the RFQ provision limiting the agency's review of a vendor's past performance to the preceding 3 years. See RFQ at 5. PeoplePower argues that this 3-year limitation, which precluded the consideration of its past performance, "inhibits the government to select a better qualified vendor with exceptional experience." Comments/Supp. Protest at 6. We find that this contention is untimely. If PeoplePower wanted to challenge the RFQ's 3-year limit for past performance, it should have raised its objection prior to the deadline for submitting quotes. See Five-R Co., B-288190, Sept. 10, 2001, 2001 CPD ¶ 163 at 2 n.1. Protests of alleged solicitation improprieties, such as this, must be filed no later than the time that quotes were due. Bid Protest Regulations, 4 C.F.R. § 21.1(a)(1) (2014). Since PeoplePower did not raise this solicitation challenge until after award, we dismiss this protest argument as untimely.

experience identified were “specific to [the] company owner and higher than [the] level required at the flight line level” and “more executive in nature.” AR, Tab M, Business Clearance Memorandum, at 14. The evaluators also concluded that the quote showed “[l]ittle to no rotary wing expertise. . . .” Id.; see also AR, Tab L, PeoplePower Technical Evaluation, Evaluation 2, at 8 (finding that “[t]he company did not show clear and current skills to accomplish the SOW.”). Based on our review of the record, we find the agency’s conclusion unobjectionable. Although PeoplePower maintains that it is “extremely qualified” to perform the maintenance services based on “the owner of the company[’s] experience level as a maintenance officer [and] pilot during a 21 year career,” Comments/Supp. Protest at 2, this argument does not negate the reasonable conclusion of the agency that PeoplePower had not provided evidence of documented skills and experience beyond those of the company owner.

The agency’s evaluation of PeoplePower’s quote under subfactor D was also reasonable and consistent with the solicitation’s criteria. Under this subfactor, the agency was required to evaluate whether submitted resumes and position descriptions demonstrated personnel experience and qualifications that met the SOW requirements. RFQ at 6. In its quote, PeoplePower indicated that it would provide the “necessary qualified manpower” after contract award, and the firm identified by title the different positions it would fill. AR, Tab J, PeoplePower’s Quote, at 4, 7-9. PeoplePower also included a resume of the firm’s “Founder, Chairman and CEO” who would serve as the project manager. Id. at 3, 4-7. Based on this record, we find that the evaluators reasonably assigned a weakness to PeoplePower’s quote because the firm’s position descriptions did not “go into any detail regarding the positions.” AR, Tab M, Business Clearance Memorandum, at 14; see also AR, Tab L, PeoplePower Technical Evaluation, Evaluation 1, at 9 (concluding that the position descriptions were “bare bones”). Again, the protester’s contention that it “understood the requirements, experience and background necessary” to perform the SOW reflects its disagreement with the agency’s evaluation, see Comments/Supp. Protest at 6, but it does not demonstrate that the agency unreasonably evaluated the firm’s quote.

Finally, we find no merit to PeoplePower’s disagreement with the contracting officer’s judgment that GCH Services’ higher-priced quote reflected the best value to the agency. In this regard, the record here shows a reasonable, adequately-documented source selection that is consistent with the terms of the RFQ.

It is the function of the source selection authority to perform a price/technical tradeoff, that is, to determine whether one quote’s technical superiority is worth its higher price. InnovaTech, Inc., B-402415, Apr. 8, 2010, 2010 CPD ¶ 94 at 6. Agencies enjoy discretion in making cost/technical tradeoffs where the solicitation provides for the award of a contract on a best-value basis; the agency’s selection decision is governed only by the test of rationality and consistency with the solicitation’s stated evaluation scheme. Marine Hydraulics Int’l, Inc., B-403386.3,

May 5, 2011, 2011 CPD ¶ 98 at 4. An agency may select the higher-rated, higher-priced quote as reflecting the best value to the agency where that decision is consistent with the evaluation criteria and the agency reasonably determines that the technical superiority of the higher-priced quote outweighs the price difference. SENTEL Corp., B-407060, B-407060.2, Oct. 26, 2012, 2012 CPD ¶ 309 at 9.

The record here reflects that the evaluators identified and documented, and the contracting officer considered, specific individual strengths and weaknesses associated with the quotes. As discussed above, the evaluators found that GCH Services' quote "exceeded the government's expectations," and it was rated excellent.⁵ AR, Tab M, Business Clearance Memorandum, at 16. Although the protester contends that it was the "best qualified, lower-priced vendor," Comments/Supp. Protest at 7, we find that the contracting officer reasonably concluded that GCH Services' quote reflected "less risk" and represented the best value to the Marine Corps. Id. at 17. PeoplePower has not shown the contracting officer's judgment here to be unreasonable or inconsistent with the solicitation's criteria.⁶

The protest is denied.

Susan A. Poling
General Counsel

⁵ PeoplePower argues that the awardee received higher ratings because it "provided more information than necessary" in its quote. Comments/Supp. Protest at 3. The protester similarly complains that in its quote the firm was "keeping it simple" and that it was "not informed of the need to submit a detailed proposal." Id. at 2, 3. This argument is unconvincing because the solicitation here expressly advised vendors to "be specific" and "address every requirement stated in the SOW." See RFQ at 5. In addition, the RFQ did not limit the amount of information vendors could include in quotes. Id.; see also RFQ, amend. 2, Questions and Answers, at 2 (confirming that "[t]here is no page limitation" for quotes). In this case, PeoplePower had the burden of submitting an adequately written quote, and it ran the risk that its quote would be evaluated unfavorably if it failed to do so. See D'Andre Ins. Servs., LLC, B-405046, July 21, 2011, 2011 CPD ¶ 138 at 4.

⁶ PeoplePower raises other arguments that are variations of or additions to the arguments discussed above. We have considered all of them and find them to be without merit.