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Decision

Matter of: Hughes Group, LLC

File: B-410354.2

Date: July 23, 2015

Mark G. Jackson, Esq., and Stowell B. Holcomb, Esq., Jackson Rosenfield LLP, for the protester.

Scott N. Flesch, Esq., and ChristinaLynn E. McCoy, Esq., Department of the Army, for the agency.

Peter D. Verchinski, Esq., and Nora K. Adkins, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging agency's evaluation of a proposal as technically unacceptable is denied, where the record reflects that the agency's evaluation was reasonable and consistent with the terms of the solicitation.

DECISION

Hughes Group, LLC, dba HG Solutions, of Tacoma, Washington, protests the award of a contract to Oryza Group, LLC, of Douglasville, Georgia, under request for proposals (RFP) No. W91247-14-R-0005, issued by the Department of the Army, Reserve Command, for sustainment information systems. Hughes contends that the agency unreasonably determined that its proposal was technically unacceptable.

We deny the protest.

BACKGROUND

The RFP, which was issued on June 11, 2014 as a service-disabled veteran-owned small business set-aside, contemplated the award of a fixed-priced contract for non-personal sustainment information system (SIS) support for a 1-month phase-in period, an 11-month base period, and two 1-year option periods. The RFP required that the successful offeror would provide SIS support in seven business areas (BA): project management support (BA 1); sustainment automation system management office (SASMO) support (BA 2); network and technical support (BA 3); standard

Army maintenance system--fleet management (BA 4); new equipment fielding facility--tactical computer exchange (NEFF-TCX) (BA 5); logistics data analysis tool (BA 6); and technical management support (BA 7). RFP, amend. 6, Performance Work Statement (PWS), at 3-4.

The solicitation provided that award would be made on a lowest-priced, technically-acceptable basis considering price and technical capability. Id. at 102. The technical capability evaluation factor consisted of three subfactors: management approach, staffing approach, and technical experience.¹ Id. Pursuant to the RFP, the agency would evaluate the offeror's technical capability to determine whether: (1) all aspects of the proposal are "adequately feasible;" (2) the proposal demonstrates a clear understanding of the requirements; and (3) the proposal provides "a practical/functional technical approach that meets the needs of the PWS." Id. at 103.

The RFP included specific standards of technical acceptability for each of the three subfactors. As relevant here, the RFP required under the management approach subfactor that offerors provide a comprehensive organizational structure; demonstrate a thorough understanding of the SIS and the ability to manage support services and subject matter expertise; and provide a realistic and effective 30 day phase-in plan. Id. With regard to the staffing approach subfactor, the RFP required offerors to provide a labor category description for each labor category proposed; demonstrate an understanding of the staffing resources required; and correlate the proposed personnel with the associated requirements for knowledge, skills, security clearances, education, and experience. Id. at 104. The RFP established that a proposal rated unacceptable under any of the three technical capability subfactors would be ineligible for award. Id. at 102.

The agency received eight proposals, including Hughes' and Oryza's, by the December 12, 2014 closing date. The agency's source selection evaluation board (SSEB) evaluated Hughes' and Oryza's proposals as follows:

¹ The RFP referred to these subfactors as "technical acceptability standards." RFP, amend. 6, at 103-104.

		Hughes	Oryza
Technical Capability	Management Approach	Unacceptable	Acceptable
	Staffing Approach	Unacceptable	Acceptable
	Technical Experience	Acceptable	Acceptable
Overall Technical Rating		Unacceptable	Acceptable
Total Evaluated Price		\$19,120,750	\$22,810,378

AR, Tab 24, Source Selection Decision Document, at 6-7.

The SSEB's ratings were supported by a narrative, which detailed the evaluator's findings for each subfactor. With regard to Hughes, the SSEB found a number of errors and omissions in Hughes' proposal that formed the basis of its unacceptable rating for the management approach and staffing approach subfactors. AR, Tab 22, Technical Consensus Report, at 21-26. For example with regard to management approach, the evaluators concluded that Hughes failed to demonstrate an "understanding of the SIS and the ability to manage support services and subject matter expertise in the daily operations, software maintenance, and enterprise transition requirements," and did not explain "how personnel will be managed to successfully execute services." Id. at 22. The evaluators also found that Hughes failed to demonstrate an understanding of appropriate hiring procedures under its phase-in plan. Id. at 24. With regard to staffing approach, the evaluators determined that Hughes failed to justify the labor category selections for some of the positions and/or failed to comply with the minimum requirements of the PWS. Id. at 25.

Based upon the results of its evaluation, the agency selected Oryza as the lowest-priced, technically-acceptable offeror. This protest followed.

DISCUSSION

Hughes objects to the evaluation of its proposal as technically unacceptable, providing a point-by-point rebuttal of the evaluation of its proposal under the management approach and staffing approach subfactors. While we do not address each of Hughes' arguments, we have considered them all and find no basis to sustain the protest. We discuss a few representative examples below.

In reviewing protests of alleged improper evaluations, it is not our role to reevaluate proposals; rather, we will examine the record to determine whether the agency's judgment was reasonable and consistent with the stated evaluation criteria and applicable procurement laws and regulations. IN2 LLC, B-408099 et al., June 18,

2013, 2013 CPD ¶ 149 at 5. An offeror has the burden of submitting an adequately written proposal, and it runs the risk that its proposal will be evaluated unfavorably when it fails to do so. Recon Optical, Inc., B-310436, B-310436.2, Dec. 27, 2007, 2008 CPD ¶ 10 at 6. A protester's disagreement with an agency's judgment is not sufficient to establish that an agency acted unreasonably. A&T Systems, Inc., B-410626, Dec. 15, 2014, 2015 CPD ¶ 9 at 3.

Based on our review of the record, we find that the agency's evaluation of Hughes' proposal was reasonable. In this regard, the record demonstrates that the agency found numerous errors and omissions in the protester's proposal that rendered the protester's proposal unacceptable under each of the two evaluation subfactors--either one of which would have been sufficient for an overall unacceptable rating.

Under the management approach subfactor, the agency found that Hughes' proposal did not demonstrate a thorough understanding of the SIS and its ability to manage support services and subject matter expertise in the daily operations of the contract. As one example, the agency concluded that Hughes' proposal contained a "material flaw" because Hughes had proposed that its SASMO support (in BA 2) would perform minor hardware repairs during site visits. AR, Tab 23, Technical Consensus Report, at 22. The agency concluded that proposing SASMO support to perform hardware repairs demonstrated Hughes' lack of understanding of the requirement because the PWS required hardware repairs to be performed at the NEFF-TCX facility (BA 5), not during SASMO site visits (BA 2). Id.; see RFP, amend. 6, PWS § 5.2.4.6. In addition, the agency noted that Hughes' proposal failed to demonstrate knowledge of NEFF-TCX operations and did not reference how the NEFF-TCX will perform hardware repair, which was a key aspect of managing support services and subject matter expertise in the daily operations. AR, Tab 23, Technical Consensus Report, at 23.

Hughes disagrees with these assessments, maintaining that the PWS did not prohibit SASMO support from conducting such repairs; having SASMO support perform minor repairs in the field is a valid approach to the PWS requirements; and the protester's approach is supported by an Army publication, "Techniques for Sustainment Information System Support." While Hughes has expressed its disagreement, it has not shown why the agency's judgment that this constitutes a material flaw in Hughes' proposal is unreasonable. In this regard, the PWS provided for a repair process when the SASMO troubleshoots a hardware problem; that process involves a work order to the NEFF-TXC, approvals by the appropriate levels of management, and shipment of a replacement part. RFP, amend. 6, PWS § 5.2.4.6. The process does not provide for repairs on the part of the SASMO.

As another example, we find reasonable the agency's conclusion that Hughes provided an unacceptable phase-in plan. The agency concluded that Hughes failed to demonstrate its understanding of appropriate hiring procedures since the proposal provided that the agency could determine which incumbent personnel are

retained. AR, Tab 23, Technical Capability Report, at 24. The agency found this unacceptable because the solicitation did not permit the agency to “dictate the personnel hired for this contract.” Id. While Hughes claims that it never intended for the agency to be involved in the hiring process, we find nothing unreasonable about the agency’s conclusion that Hughes provided for just such involvement given the statements in Hughes’ proposal. In this regard, an offer has the burden of submitting an adequately written proposal, and it runs the risk that its proposal will be evaluated unfavorably when it fails to do so. The agency’s evaluation in this regard is unobjectionable.

The protest is denied.²

Susan A. Poling
General Counsel

² We need not address the protester’s allegations with regard to the agency’s staffing approach evaluation because, even if our Office were to find them meritorious, the record does not support a finding that the protester was prejudiced by the alleged evaluation errors. Prejudice is an essential element of every viable protest, and we will not sustain a protest where it is clear from the record that a protester suffered no prejudice as a result of an agency evaluation error. Investment Management Enterprise, B-410762, B-410762.2, Feb. 9, 2015, 2015 CPD ¶ 77 at 4. Where the protester fails to demonstrate that, but for the agency’s actions, it would have had a substantial chance of receiving the award, there is no basis for finding prejudice. See, e.g., Special Servs., B-402613.2, B-402613.3, July 21, 2010, 2010 CPD ¶ 169 at 4. Here, even if Hughes were to prevail in its challenges to the agency’s evaluation under the staffing approach subfactor, Hughes’ proposal would still be unacceptable and ineligible for award, based on the agency’s finding that Hughes’ proposal was unacceptable under the management plan subfactor.