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Comptroller General
of the United States

United States Government Accountability Office
Washington, DC 20548

Decision

Matter of: Beltway Transportation Service

File: B-411458

Date: July 28, 2015

Michael Davis for the protester.

Capt. Ahsan M. Nasar, Department of the Army, for the agency.

K. Nicole Willems, Esq., and Jennifer Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest is denied where the agency's evaluation was reasonable and consistent with the solicitation.

DECISION

Beltway Transportation Service, located in Forestville, Maryland, protests the issuance of a task order to RHG Group, Inc., located in Washington, DC, under request for quotations (RFQ) No. 961002, issued by the Department of the Army, U.S. Army Medical Research Acquisition Activity, for shuttle bus services. Beltway challenges the Army's evaluation of its price proposal.

We deny the protest.

BACKGROUND

The Army issued the RFQ--which it also identified (both in the solicitation itself and in the agency report) as request for proposals (RFP) No. BV523390--via the General Services Administration's (GSA) e-Buy system on February 25, 2015, under Federal Acquisition Regulation (FAR) subpart 8.4 procedures.¹ Contracting Officer's (CO's) Statement at 2; Agency Report (AR) at 2. The solicitation, which

¹ Because the solicitation refers to offerors and proposals, we use those terms in this decision. The distinction between an RFQ and an RFP has no bearing on our analysis here, but we will refer to the solicitation document as an RFQ.

was set aside for small businesses, was issued to offerors holding Federal Supply Schedule (FSS) contracts under General Services Administration (GSA) Transportation, Delivery and Relocation Solutions, Schedule 48. RFQ at 1. The solicitation contemplated the issuance of a task order, for a one-year base period and four option years, to provide shuttle services for the Defense Health Agency, Administration and Management Directorate. Id.

The solicitation established a lowest-price, technically-acceptable selection process, considering the following non-price factors: (1) technical approach; (2) experience; (3) management approach; (4) past performance; and (5) quality control approach. RFQ at 11. In order to be found technically acceptable overall, an offeror had to be found acceptable under each of the five non-price factors. Id. The solicitation advised offerors to clearly identify how their non-price proposals related to their pricing approaches and to use the labor categories specified in their GSA schedule contracts. RFQ at 2-3.

Offerors were to submit price proposals in two formats: (1) a pricing sheet providing monthly prices for the shuttle services; and (2) a supplemental pricing worksheet providing a detailed breakdown of the offeror's proposed pricing, including the identified labor, as well as all other direct costs, such as materials, equipment, travel, shipping, and any other costs associated with the performance of the resulting order. RFQ at 7. The solicitation instructed offerors to clearly outline any discounts to their GSA schedule prices in the supplemental pricing worksheets. Id.

The agency received five proposals prior to the March 27 due date. AR at 3. The technical evaluation panel (TEP) found that Beltway's proposal was technically acceptable, but concluded that Beltway's price proposal was unacceptable, rendering Beltway ineligible to receive the award. AR, Tab 9, Consensus Evaluation Report at 8-9. Specifically, the TEP found that Beltway's proposal lacked sufficient supplemental pricing data, and contained pricing data that was not aligned with Beltway's GSA schedule. Id. at 9. The CO elaborated on the TEP's finding during Beltway's debriefing, noting that Beltway's price breakdown contained summary data that lacked a level of pricing detail sufficient to determine Beltway's proposed price as fair and reasonable and in line with its GSA Schedule pricing.² AR, Tab 12, CO's Response to Beltway's Questions Following the Debriefing.

² While the GSA has already determined that the rates for services offered at hourly rates under FSS contracts are fair and reasonable (and, thus, ordering activities are generally not required to make a separate determination of fair and reasonable pricing), where, as here, a statement of work is required, the ordering agency must still perform a price evaluation to determine that the offeror's total price is reasonable. FAR §§ 8.404(d), 8.405-2(d).

The agency issued an order to RHG Group, Inc. on April 10. CO's Statement at 3. Unsuccessful offerors were notified on April 16, and Beltway filed this protest on April 24.

DISCUSSION

Beltway challenges the agency's evaluation of its price proposal, arguing that the evaluation was unreasonable and inconsistent with the requirements in the solicitation. Essentially, Beltway disagrees with the agency's finding that it failed to submit sufficiently detailed pricing information. Based on our review of the record, we find the protester's arguments to be without merit.

Where, as here, an agency issues a solicitation to FSS contractors under FAR subpart 8.4 and conducts a competition, we will review the record to ensure that the agency's evaluation is reasonable and consistent with the terms of the solicitation. SRM Group, Inc., B-410571, B-410571.2, Jan. 5, 2015, 2015 CPD ¶ 25 at 4. In reviewing a protest challenging an agency's evaluation, our Office will not reevaluate the quotations; rather, we will examine the record to determine whether the agency's evaluation conclusions were reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. OPTIMUS Corp., B-400777, Jan. 26, 2009, 2009 CPD ¶ 33 at 4. A protester's mere disagreement with the agency's judgment does not establish that an evaluation was unreasonable. DEI Consulting, B-401258, July 13, 2009, 2009 CPD ¶ 151 at 2.

Here, the RFQ required offerors to include a detailed breakdown of proposed pricing in the supplemental pricing worksheet, but the protester included only hourly labor rates, an explanation of how driver labor hours had been calculated (without the numbers themselves), general information pertaining to its calculation of vehicle and other direct costs, and total monthly (and annual) amounts for labor and for vehicle/other direct costs. AR, Tab 7, Protester's Supplemental Pricing Worksheet. For example, Beltway explained the basis for its computation of vehicle insurance costs, but failed to provide a dollar amount for such costs. Id.

The protester does not dispute that it failed to provide a breakdown of all direct costs associated with performance of the shuttle services, but argues that it would be unreasonable for the agency to expect offerors to provide such a level of detail given the potential for costs to fluctuate over time. Comments on AR at 2. To the extent Beltway contends that the requirement for a detailed breakdown of its proposed pricing was unreasonable, its complaint is untimely. Since the requirement was included in the solicitation, Beltway was required to raise its objection prior to the deadline set for submitting proposals. See Bid Protest Regulations, 4 C.F.R. § 21.2(a)(1)(2015).

In addition to failing to provide a detailed pricing breakdown, the protester concedes that it did not outline discounts to its GSA schedule rates in its price proposal, as

required by the RFQ. The protester maintains that it was “obvious” that it was offering discounted rates.³ Comments on the AR at 2. The omission of this information provides additional support for the agency’s conclusion that the protester’s price proposal was unacceptable. In responding to a solicitation such as the one here, it is the FSS contract holder’s responsibility to submit an adequately written proposal, and where a proposal omits, inadequately addresses, or fails to clearly convey required information, the schedule holder runs the risk of an adverse agency evaluation. K and V Limousine Serv., LLC, B-409668, July 10, 2014, 2014 CPD ¶ 209 at 3. Here, the fact that, in the protester’s opinion, the discounts should have been obvious to the agency did not excuse the protester from providing an explanation of the discounts it offered, as required by the solicitation.

The protest is denied.

Susan A. Poling
General Counsel

³ We also note that the record reflects additional problems with Beltway’s price proposal, including the fact that Beltway’s proposal did not address why the total price for the base year differed between the pricing sheet and the supplemental pricing worksheet. AR, Tab 7, Supplemental Pricing Worksheet; AR, Tab 8, Pricing Sheet.