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**United States Government Accountability Office  
Washington, DC 20548**

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## Decision

**Matter of:** Cape Henry Associates, Inc.

**File:** B-411492; B-411492.2

**Date:** August 10, 2015

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### DIGEST

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

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### DECISION

Cape Henry Associates, Inc., of Virginia Beach, Virginia, protests the Department of the Navy's award of a contract to Prism Maritime, LLC, of Chesapeake, Virginia, under request for proposals (RFP) No. N00024-15-R-3067, for technical and engineering services in support of Navy Chemical, Biological, Radiological, and Nuclear Defense (CBRND) programs. The protester asserts that the Navy improperly evaluated Cape Henry's proposal.

We deny the protest.

### BACKGROUND

The RFP, issued to holders of SeaPort-e Zone 2 indefinite-delivery/indefinite quantity (ID/IQ) contracts, provided for issuance of a primarily cost-plus-incentive fee task order, for a base period of 12 months with two 12-month options and two additional 12-month award term periods, to provide technical and engineering services in support of CBRND programs. RFP § L.1. In this regard, RFP section C,

Descriptions and Specifications (Performance Work Statement), advised offerors that:

This Performance Work Statement (PWS) describes the effort required of the contractor in support of Navy CBRND programs. The overall scope of CBRND programs is to develop and deploy equipment, systems, and practices that protect the warfighter from chemical, biological, radiological and nuclear attack.

RFP § C.2. The RFP then listed the following CBRND programs: collective protection (COLPRO); decontamination (DECON); detection and medical systems; individual protection equipment (IPE); information systems (IS); information technology (IT); counter proliferation detection and identification capability (CPC) for visit, board, search and seizure (VBSS); Z20 support for chemical, biological and radiological sustainment; and Z20 research and development biological/chemical laboratory sustainment and support. Id.

The task order was to be issued to the offeror whose proposal represented the best value to the government considering the following five factors (in descending order of importance): technical understanding/capability/approach, including subfactors for scenarios and performance work statement (PWS); workforce/staffing matrix/resumes, including subfactors for key personnel and staffing plan/staffing matrix; management capability; past performance; and cost. RFP § M.3.4. The workforce/staffing matrix/resumes, management capability and past performance factors, when combined, were equal to the technical understanding/capability/approach factor. The non-cost factors, when combined, were significantly more important than cost. RFP § M.3.4.

Regarding technical understanding/capability/approach, the RFP required offerors to “make an oral presentation to demonstrate the Offeror’s technical understanding, capacity, and approach to addressing both the PWS requirements in Section C and the scenarios listed in Section L.” RFP § M.3.4.1. In this regard, under the PWS subfactor, the RFP provided that offerors “shall address their technical understanding, capability, and approach to all areas described in Section C (C.2, C.4-C.4.28) PWS.” RFP § L.8.6.2(b). In addition, offerors were required to provide 10 resumes to fill 4 key labor categories, including the contract program manager. RFP § L.9(b)(1). The RFP advised offerors that the agency would evaluate all resumes on the degree to which they “meet, do not meet, or exceed the desired qualifications for their respective key labor categories including the relevance of professional development cited.” RFP § M.3.4.2.

The solicitation provided that past performance would be evaluated as “a measure of the degree to which the Offeror satisfied customers in the past,” and that “this factor focuses on the relevance of corporate experience to the PWS and the quality of relevant experience under contracts that have similar scope and complexity to

the efforts described in this solicitation.” RFP § M.3.4.4. As for cost, the solicitation required offerors to provide detailed information regarding their proposed direct and indirect costs, including “a three-year history of actuals incurred for each proposed indirect rate.” RFP § L.10.4(d); see RFP §§ L.10, M.3.4.5.

Three offerors, including Cape Henry and Prism Maritime, submitted proposals in response to the RFP. The table below summarizes the agency’s evaluation of Cape Henry’s and Prism Maritime’s proposals:

<b>Factor/Subfactor</b>	<b>Cape Henry</b>	<b>Prism Maritime</b>
<b>Technical Understanding/Capability/Approach</b>	Acceptable	Outstanding
• Scenarios	Good	Outstanding
• PWS	Marginal	Outstanding
<b>Workforce/Staffing Matrix/Resumes</b>	Acceptable	Outstanding
• Resumes of Key Personnel	Acceptable	Outstanding
• Staffing Matrix/Staffing Plan	Acceptable	Outstanding
<b>Management Capability</b>	Acceptable	Outstanding
<b>Past Performance</b>	Somewhat Relevant/ Limited Confidence	Very Relevant/ Substantial Confidence
<b>Overall Non-Cost Evaluation</b>	Acceptable	Outstanding
<b>Proposed Cost</b>	\$40,767,358	\$42,866,403
<b>Most Probable Cost</b>	\$43,004,192	\$46,578,109

AR, Tab 7, Best Value Determination (BVD), at 2-3, 6.

The agency found with respect to the technical understanding/capability/approach factor, that Prism Maritime’s proposal “exceeded the requirements which indicate[s] an exceptional approach and understanding of the scenarios and PWS.” AR, Tab 7, BVD, at 3. In contrast to Prism Maritime’s outstanding rating under that factor, Cape Henry received an acceptable rating, with its proposal found to have demonstrated only an “adequate” approach. Id. In this regard, Cape Henry’s proposal was evaluated as having two significant weaknesses under the PWS subfactor of the technical understanding/capability/approach factor, including a failure to address in its oral presentation “its approach to CBRND areas in section C.2” and its failure to “address lab support/work.” AR, Tab 6, Technical Evaluation, at 6. The Navy concluded that the proposal’s two significant weaknesses under the PWS subfactor were not offset by three strengths under the subfactor, and accordingly evaluated the proposal as marginal under the subfactor. Id.

Prism Maritime’s proposal also was rated as outstanding under the workforce/staffing matrix/resumes factor, with the agency finding with respect to the key personnel subfactor that “all proposed individuals possess the appropriate academic and relevant experience credentials well above the level desired by the solicitation.” AR, Tab 7, BVD, at 4. In contrast, Cape Henry’s proposal was rated only acceptable under this factor, with the agency assigning a significant weakness

because the proposed contract program manager's resume indicated "[n]o recent credible experience in the management of execution of alteration installations teams. Substantial education will be required to get the individual current in Navy shipyard installations processes." Id. at 5; AR, Tab 6, Technical Evaluation, at 6.

Under the management capability factor, Prism Maritime's proposal was found to include "extensive detail" regarding "all management areas," with "[i]mmediate support . . . available for emergent tasks." AR, Tab 7, BVD, at 4. While Prism Maritime's proposal accordingly received an outstanding rating under that factor, Cape Henry's proposal was rated as only acceptable, with two weaknesses. AR, Tab 7, BVD, at 4-5. In this regard, the agency assigned Cape Henry's proposal a weakness because it failed to provide a process for communication between the government's on-site installation coordinator and the [DELETED]. Id. at 5; AR, Tab 6, Technical Evaluation, at 7. Cape Henry's second evaluated weakness was a failure to provide an explanation of how the firm planned "to integrate current program efforts into their process if awarded this contract." Id. In addition, while Prism Maritime's past performance was evaluated as very relevant, with substantial confidence that Prism Maritime would successfully complete the required effort, Cape Henry's past performance was considered only somewhat relevant with limited confidence. AR, Tab 7, BVD, at 5-6.

While Cape Henry's most probable cost (\$42,866,403) was slightly lower than Prism Maritime's (\$46,578,109), the Navy concluded that "Cape Henry is not technically considered to be the best candidate for award due to the significant shortcomings in their technical proposal." AR, Tab 7, BVD, at 7. According to the agency, the "value added by Prism Maritime's proposal will result in a cost savings, in terms of dollars, time, and resources, to the Government, as well as significantly reducing the risk of slippage in ship installation schedules, inability to deploy ships, and safety to sailors." Id. The Navy concluded that Prism Maritime's "strong technical proposal," with "demonstrated exceptional technical knowledge" and "very low" risk of unsuccessful performance, warranted payment of the cost premium associated with its proposal. Id. Upon learning of the resulting award to Prism Maritime, Cape Henry filed this protest.

## DISCUSSION

Cape Henry asserts that the Navy improperly evaluated its proposal under the non-cost and cost factors. It is well established that in reviewing a protest challenging an agency's evaluation, our Office will not reevaluate proposals, nor substitute our judgment for that of the agency, as the evaluation of proposals is a matter within the agency's discretion. Joint Logistics Managers, Inc., B-410465.2, B-410465.3, May 5, 2015, 2015 CPD ¶ 152 at 5. Rather, we will review the record only to determine whether the agency's evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. Id.

We have considered all of Cape Henry's arguments here, and find that none furnish a basis for questioning the award to Prism Maritime. We discuss several of the most significant arguments below.

Cape Henry argues that the agency employed an unstated evaluation criterion when it assessed two significant weaknesses under the PWS subfactor. As discussed above, the Navy assigned Cape Henry's proposal a weakness under the PWS subfactor of the technical understanding/capability/approach factor for its failure to address in its oral presentation its approach to all of the CBRND programs listed in PWS Section C.2 and its failure to address lab work/support. AR, Tab 6, Cape Henry Technical Evaluation at 6. According to the agency, Cape Henry's proposal only cursorily addressed six of the nine CBRND programs identified in the PWS--including decontamination, detection and medical systems, individual protection equipment, information systems, counter proliferation detection and identification capability (for visit, board, search and seizure (VBSS) teams), and chemical, biological and radiological sustainment--and failed to address at all two programs, including collective protection and Z20 research and development biological/chemical laboratory sustainment and support. AR at 19-20.

In response, Cape Henry notes that the agency acknowledges that four of the cited programs (collective protection, detection and medical systems, counter proliferation detection and identification capability, and Z20 research and development biological/chemical laboratory sustainment) were only discussed in section C.2 of the PWS, entitled "Scope," and not in section C.4, entitled "Requirements." AR at 18-19. According to the protester, PWS section C.2 "consists primarily of precatory information," with any requirements restricted to PWS section C.4. Thus, in Cape Henry's view, the agency's "attempt to impose programs that it mentions only in Section C.2 of the Solicitation is an unreasonable reading of the solicitation." Protest at 11-12; Comments at 2-5.

This argument is without merit. The RFP specifically provided that "[t]he offeror shall address their technical understanding, capability, and approach to support all areas described in Section C, (C.2, C.4 - C.4.28) PWS." RFP § L.8.6.2(b) (emphasis added). The fact that certain programs and requirements in PWS section C.2 were only addressed in greater detail in section C.4 lends no support to Cape Henry's assertion that we should read out of the RFP the express requirement that technical proposals address all of the programs described in section C.2. The RFP unambiguously required offerors to address the programs and technical requirements in section C.2, and it is undisputed in the record that the protester's proposal failed to adequately address several of these specific programs and requirements for which it was assigned significant weaknesses. In these circumstances, we see no basis to question the evaluation in this area, including the rating of only acceptable for the technical understanding/capability/approach factor.

Cape Henry also challenges the agency's assessment of a significant weakness under the key personnel subfactor of the workforce/staffing/resumes factor, asserting that the agency unreasonably evaluated its proposed contract program manager's experience. In this regard, the RFP advised offerors that the Navy would evaluate the degree to which key personnel resumes met the "desired qualifications for their respective key labor categories including the relevance of professional development cited." RFP § M.3.4.2. The solicitation specifically required that the contract program manager shall have "[f]ive (5) years experience in management of engineering projects involving maintenance, repair, testing, product improvement, and shipboard alteration installations of CBRND Protection, Detection, and Decontamination Systems." RFP § H.2. Cape Henry asserts that in finding that its proposed contract program manager lacked the required experience, the agency essentially sought to require experience more appropriate for an installer or installation manager (such as the shipboard installation manager also required under the solicitation) than for a program manager. Comments at 7; see RFP § H.2.

We disagree. Cape Henry's challenge to the agency's evaluation of the resume of the proposed contract program manager ignores the fact that the individual lacked any experience with the types of systems or processes being supported by this requirement. As the agency notes, the proposed contract program manager's AIT experience [DELETED]; was on ships no longer in the current fleet; and was with systems that have been altogether superseded by newer technology. AR, Tab 8, Decl. of Principal Engineer, at 3, see AR, Tab 5c, Cape Henry Key Personnel Resumes at 5. In this regard, while the Navy prior to 2004 used the Fleet Modernization Program process, the agency then introduced a major process change called Ships and Carriers Entitled Process for Modernization, which brought "sweeping" revisions in the way that the Navy modernized its ships. AR, Tab 8, Decl. of Principal Engineer, at 2. None of the proposed contract program manager's experience was under the current Navy process, and none of it involved experience with shipboard chemical biological and radiological systems as expressly required by the solicitation. Id. at 2-3. In these circumstances, we see no basis to question either the evaluated significant weakness, or Cape Henry's overall rating of acceptable, for the workforce/staffing/resumes factor.

In addition, Cape Henry challenges the Navy's evaluation of its proposal under the management capability factor, where the proposal received an acceptable rating (while Prism Maritime's received an outstanding rating). For example, Cape Henry argues that the assignment of a weakness to its proposal under that factor for failure to provide for a communications process between the government's on-site installation coordinator and the contractor's [DELETED] manager, in fact a [DELETED], was unwarranted. The protester notes that its proposal included [DELETED]. AR, Tab 5e, at 11. Cape Henry argues that there was no requirement to go beyond showing lines of communication and also discuss the process by

which the government's on-site installation coordinator and the contractor's [DELETED] would communicate. Protest at 15.

The evaluation in this regard was reasonable. As noted by the agency, the RFP required offerors to "define the technical, management, and contracting lines of communication," and "present [their] overall management approach, proposed organization, management structure, liaison with the Contracting Officer, COR and SMEs . . . ." RFP § L.8.6.4. The RFP further provided that proposals would be evaluated to determine "whether the Offeror presents a management approach that provides an integrated team with a coordinated approach to work performance." RFP § M.3.4.3. In this regard, it is undisputed that, as noted by the agency, "installation work requires significant communication and coordination with the government OSIC" (on-site installation coordinator). AR at 42. Nor does Cape Henry refute the Navy's conclusion that its proposal did not explain the process by which its [DELETED] would coordinate or communicate with the government's on-site installation coordinator, nor generally the process by which Cape Henry, the subcontractors and the government would communicate. *Id.* In these circumstances, we find reasonable the agency's position that Cape Henry's failure to adequately address the process by which communication and coordination would occur was inconsistent with its obligation to present a management approach that provides for "an integrated team with a coordinated approach to work performance," RFP § M.3.4.3, and that this failure increased the risk of unsuccessful contract performance such as to warrant a weakness. AR at 42. Further, we see no basis to question the evaluation of Cape Henry's proposal as only acceptable under the management capability factor.

In sum, none of Cape Henry's protest arguments with respect to the evaluation of its proposal furnish a basis for questioning the agency's evaluation of that proposal as having "significant shortcomings," or the agency's conclusion that Prism Maritime's "strong technical proposal," with an outstanding rating (in contrast to Cape Henry's overall acceptable rating) for the non-cost evaluation overall, was superior under the non-cost factors. AR, Tab 7, BVD, at 7. In these circumstances, where the record supports the finding of Prism Maritime's significant technical superiority, and cost was the least important evaluation factor, we find reasonable the agency's conclusion that Prism Maritime's non-cost advantages warranted payment of the somewhat higher evaluated cost of its proposal.

The protest is denied.

Susan A. Poling  
General Counsel