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Decision

Matter of: DRS Technical Services, Inc.

File: B-412070

Date: December 2, 2015

Aaron S. Ralph, Esq., Michael J. Schaengold, Esq., and Melissa Prusock, Esq., Greenberg Traurig LLP, for the protester.

Scott M. McCaleb, Esq., John R. Prairie, Esq., Samantha S. Lee, Esq., and Craig Smith, Esq., Wiley Rein LLP, for General Dynamics Information Technology, the intervenor.

Mark B. Grebel, Esq., and Daniel C. McIntosh, Esq., Defense Information Systems Agency, for the agency.

Laura Eyester, Esq., Cherie J. Owen, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that agency failed to perform a proper best-value tradeoff and essentially converted the best-value competition set forth in the solicitation into a lowest-priced, technically acceptable competition is denied where the record shows that the agency performed a best-value tradeoff that was reasonable and adequately documented.

DECISION

DRS Technical Services, Inc. (DRS), of Herndon, Virginia, protests the Department of Defense, Defense Information Systems Agency's (DISA) award of a contract to General Dynamics Information Technology, Inc. (GDIT), of Fairfax, Virginia, under request for proposals (RFP) No. HC1028-14-R-0006, for communications systems acquisition, integration, installation, and operations and maintenance in support of deployed mission requirements in Southwest Asia. DRS challenges the agency's best-value tradeoff decision.

We deny the protest.

BACKGROUND

On August 21, 2014, DISA issued the RFP seeking communications system services in support of deployed mission requirements in Southwest Asia. RFP at 8, 10-11. The RFP provided for award of an indefinite-delivery/indefinite-quantity (ID/IQ) contract, for a one-year base period with four one-year options, on a best-value basis considering three evaluation factors: technical/management, including subfactors of equal weight for program management, task order 0001, and task order 0002; past performance; and cost/price. RFP at 8, 354-56. Technical/management and past performance were of equal importance, while all the non-cost/price evaluation factors, when combined, were significantly more important than cost/price. RFP at 356.

DISA received five proposals in response to the solicitation, including proposals from DRS and GDIT. The agency prepared several source selection evaluation documents, including the source selection advisory council best-value tradeoff analysis and award recommendation, the source selection authority final decision brief, and the source selection decision. Agency Report (AR), Tabs 21-23. The source selection decision set forth the final evaluation results in detail, including the strengths and weaknesses for each offeror. Id., Tab 23, Source Selection Decision Document (SSDD), at 1-73. The evaluation of the awardee's and protester's proposals is summarized below:

| Evaluation Factor/Subfactor | | GDIT | DRS |
|---|--------------------------------------|---------------|---------------|
| Factor 1: Technical/Management ¹ | | | |
| | Subfactor A: Project Management Plan | Acceptable | Acceptable |
| | Subfactor B: Task Order 0001 | Acceptable | Good |
| | Subfactor C: Task Order 0002 | Acceptable | Outstanding |
| Factor 2: Past Performance | | Acceptable | Acceptable |
| Factor 3: Proposed Cost/Price | | \$127,310,729 | \$151,057,340 |
| Factor 3: Evaluated Cost/Price | | \$132,124,527 | \$152,100,568 |

Id. at 73.

The SSA decided that since DRS's proposal offered the highest-rated technical solution with the second-lowest cost/price, and GDIT's proposal was rated acceptable with the lowest cost/price, the two proposals were the highest rated

¹ The RFP provided that no overall "roll-up" rating would be assigned for this factor. RFP at 356; AR, Tab 23, SSDD, at 9.

overall. AR, Tab 23, SSDD, at 74. Accordingly, the SSA conducted a best-value tradeoff between these two proposals. Id., Tab 23, SSDD, at 74-75.

In his tradeoff decision, the SSA recognized that GDIT had one strength under each of the three technical/management subfactors, while DRS had several strengths under two of the subfactors. AR, Tab 23, SSDD, at 74-75. The SSA in his tradeoff analysis discussed each strength for both proposals. Id. With respect to past performance, the SSA stated that both offerors were acceptable and there was a reasonable expectation that both could successfully perform. Id. at 75-76. In addition, the SSA stated that although GDIT's cost/price proposal was lower than DRS's, there was no performance or cost/price risk associated with GDIT's proposal "from a realism perspective." Id. at 76. The SSA concluded that:

I believe the price/cost premium of more than 15 percent, and nearly \$20M of the DRS proposal compared to the GDIT proposal negates the benefits of DRS's superior technical approach. Despite DRS's numerous strengths and exceptional approach, any technical advantage enjoyed by DRS's proposal is simply not worth the substantial price premium as compared to GDIT's acceptable proposal. Thus, recognizing that all evaluation factors other than cost/price, when combined, are significantly more important than cost/price, I nonetheless determine that GDIT's proposal provides the best value to the Government.

Id. at 77. Upon learning of the resulting award to GDIT, DRS filed this protest with our Office.

DISCUSSION

DRS asserts that DISA's best-value tradeoff decision was improper because the agency failed to conduct and document sufficiently a comparative analysis of the proposals. DRS contends that the agency failed to accord the non-cost/price factors significantly more importance than cost/price, as required by the RFP, and instead essentially converted the best-value competition into a lowest-priced, technically acceptable (LPTA) competition.² Protest at 9-12; Protester's Comments at 5-13. DISA maintains that the source selection was reasonable and consistent with the solicitation. AR at 122-26.

As noted above, the RFP provided for a best-value source selection based upon an integrated assessment of each offeror's proposal under the technical/management, past performance, and cost/price evaluation factors. See RFP at 354-55. When

² DRS initially raised other grounds of protest that it subsequently abandoned. See Protester's Comments at 4.

making tradeoff decisions in a best-value source selection, selection officials have considerable discretion. Omega Apparel, Inc., B-411266, June 26, 2015, 2015 CPD ¶ 205 at 6. The propriety of the cost/technical tradeoff decision does not turn on the difference in the technical scores or ratings per se, but on whether the selection official's judgment concerning the significance of the difference was rational and consistent in light of the RFP's evaluation scheme. Id. An agency may select a lower-priced, technically lower-rated offeror in a best-value procurement even when the solicitation states that technical factors are of greater importance than price, as long as the SSA acknowledges and documents any significant advantages of the higher-priced, higher-rated offer and explains why they are not worth the price premium. Id. The documentation supporting the decision must be sufficient to establish that the SSA was aware of the relative merits and costs of the competing proposals. General Dynamics--Ordnance & Tactical Sys., B-401658, B-401658.2, Oct. 26, 2009, 2009 CPD ¶ 217 at 8.

Contrary to the protester's assertions, here, the contemporaneous record documented the SSA's rationale for selecting GDIT's proposal as the best value to the government. AR, Tab 23, SSDD, at 73-77. The SSA's 77-page source selection decision specifically recognized that DRS's proposal was higher-rated than GDIT's under two technical subfactors, and that while GDIT had one strength under each of the three technical/management subfactors, DRS had several strengths under both the task order 1 and task order 2 subfactors. Id. at 73-75. In addition, the decision discussed each strength assigned to GDIT's and DRS's proposals. Id. at 9-21, 73-75. The SSA, however, ultimately concluded that, notwithstanding the fact that under the RFP the non-cost/price factors were significantly more important than cost/price, GDIT's proposal nevertheless offered the best value to the government because DRS's strengths under the two technical/management subfactors were not worth the substantial price premium (more than 15 percent, or nearly \$20 million) associated with DRS's proposal. Id. at 77.

DRS's protest provides no basis to question the SSA's tradeoff decision. Again, the mere fact that the SSA, in a best-value procurement where the technical factors are of greater importance than price, nevertheless determines that the technically-lower rated offeror is a better value than the higher cost/price offeror, does not show that the source selection was improper. General Dynamics--Ordnance & Tactical Sys., supra at 8. Here, the source selection decision acknowledged and documented the advantages of the higher-cost/price, higher-rated offer, and explained why they were not worth the cost/price premium. In these circumstances, the selection of GDIT was reasonable.

The protest is denied.

Susan A. Poling
General Counsel