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Decision

Matter of: CACI Technologies, Inc.

File: B-412853.3; B-412853.4

Date: November 22, 2016

Craig S. King, Esq., Richard J. Webber, Esq., and Patrick R. Quigley, Esq., Arent Fox LLP, for the protester.
Lawrence S. Sher, Esq., Lawrence P. Block, Esq., and Elizabeth Leavy, Esq., Reed Smith LLP, for DynCorp International, LLC, an intervenor.
Maj. Julie A. Glascott, Department of the Army, for the agency.
Matthew T. Crosby, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging agency's finding that the awardee's proposed staffing level was adequate, notwithstanding a reduction from the level the protester used under the incumbent contract, is denied where the record reflects that the agency's evaluation of the awardee's staffing plan was reasonable and consistent with the solicitation's evaluation criteria.
 2. Protest challenging agency's assessment of a significant weakness to the protester's transition plan is denied where the record reflects that the agency documented a reasonable basis for finding the limited resources the protester proposed to perform the transition tasks required by the solicitation and described in the protester's transition plan represented a performance risk.
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DECISION

CACI Technologies, Inc., of Chantilly, Virginia, protests the issuance of a task order to DynCorp International, LLC, of McLean, Virginia, by the Department of the Army, Intelligence and Security Command (INSCOM), under request for task order proposals (RTOP) No. W911W4-15-R-0017 for worldwide logistics support services. CACI alleges that the agency's evaluation of proposals was flawed in various respects.

We deny the protest.

BACKGROUND

On June 26, 2016, the agency issued the solicitation to firms holding contracts under the agency's Global Intelligence Support Services multiple-award, indefinite-delivery/indefinite-quantity (ID/IQ) contract vehicle. Mem. of Law at 2. The solicitation anticipated the issuance of a cost-plus-fixed-fee task order with a one-year base period and four one-year options. RTOP at 2-48, 51.¹ The solicitation included a lengthy performance work statement (PWS) outlining the requirements for the needed "worldwide multi-disciplined lifecycle logistics and engineering" support services. Id. at 49-104. The PWS established the place of performance as various sites located within and outside the continental United States, including sites in Afghanistan and South Korea. Id. at 51-53. CACI is the agency's long-standing incumbent contractor for this requirement. Protest at 2.

The solicitation provided that the task order would be issued on a best-value tradeoff basis, considering the following three factors: technical approach, past performance, and cost. RTOP at 229. The solicitation stated that the technical approach factor was more important than the past performance and cost factors, and that the latter two factors were equally weighted. Id. at 230. The solicitation provided evaluation criteria for each factor. Id. at 230-32. As relevant here, the evaluation criteria for the technical approach factor included the consideration of, among other things, the offeror's staffing plan and transition plan. Id. at 230.

The agency received a number of proposals by the solicitation's closing date, including proposals from CACI and DynCorp. A source selection evaluation board (SSEB) evaluated the proposals and assessed strengths, weaknesses, significant weaknesses, deficiencies, and uncertainties under the technical approach factor.² See AR, Tab 18, SSEB Briefing, at 13, 17. CACI's proposal was assessed one strength, one weakness, one significant weakness, no deficiencies, and two uncertainties. Id. at 17. DynCorp's proposal was assessed six strengths, no weaknesses, no significant weaknesses, no deficiencies, and two uncertainties. Id. at 13.

¹ Citations to the solicitation refer to the "conformed" version issued under solicitation amendment no. 3. Agency Report (AR), Tab 8.3, RTOP, Amend. 3.

² In some parts of the record, the SSEB is alternatively referred to as the technical evaluation team (TET) or the technical evaluation board (TEB). For the sake of uniformity, we refer to it as the SSEB throughout this decision, except in instances where a different designation is used in a quotation from the record.

Following the evaluation, the SSEB assigned adjectival ratings under the technical approach and past performance factors.³ The table below shows the ratings assigned to CACI's and DynCorp's proposals, as well as the firms' proposed and evaluated costs.

	CACI	DYNCORP
Technical Approach	Marginal	Outstanding
Past Performance--Relevancy	Relevant	Relevant
Past Performance--Confidence	Satisfactory Confidence	Limited Confidence
Proposed Cost	\$(DELETED)	\$(DELETED)
Most Probable Cost	\$411,739,247	\$326,867,086

AR, Tab 18, SSEB Briefing, at 11, 44.

The contracting officer--who also served as the source selection authority in this procurement--received a briefing from the SSEB and reviewed the evaluation materials. See AR, Tab 18, SSEB Briefing, at 18. The contracting officer concurred with the SSEB's evaluation findings and executed a task order decision document (TODD). AR, Tab 17, TODD, at 38. In the TODD, the contracting officer noted that only DynCorp's proposal received the highest-available rating (outstanding) under the technical approach factor, the most heavily-weighted factor. Id. at 20. She also noted that DynCorp's past performance confidence rating was lower than some offerors' ratings, but that the firm offered the lowest probable cost. Id. After documenting a comparison of DynCorp's proposal against the others under all three evaluation factors, the contracting officer concluded that DynCorp's highest-technically-rated, lowest-probable-cost proposal offered the best value to the government. Id. at 20-38. Based on this, the task order was issued to DynCorp.

After receiving written debriefings, CACI and another unsuccessful offeror filed protests with our Office. Both firms argued that the agency's evaluation of proposals was flawed in various ways. In response, the agency decided to take corrective action by performing a review to determine whether the solicitation accurately reflected its requirements. The agency advised that if the solicitation

³ The available ratings under the technical approach factor were outstanding, good, acceptable, marginal, or unacceptable. RTOP at 231. Two ratings were assigned under the past performance factor--one for relevancy, and one for confidence. The available relevancy ratings were very relevant, relevant, somewhat relevant, or not relevant. AR, Tab 18, SSEB Briefing, at 25. The available confidence ratings were substantial confidence, satisfactory confidence, limited confidence, no confidence, or unknown confidence (neutral). Id.

was found not to accurately reflect its requirements, it would amend the solicitation and request revised proposals. Based on the agency's corrective action, our Office dismissed those protests. TASC, Inc.; CACI Techs., Inc., B-412853, B-412853.2, Apr. 22, 2016 (unpublished decision).

Several months later, the contracting officer executed an addendum to the TODD in which she documented a finding that the solicitation accurately reflected the agency's requirements. AR, Tab 30, TODD Add., at 3. The addendum also stated that "[t]he evaluation results remain unchanged" and that the selection of DynCorp's proposal as offering the best value to the government would stand. Id. After the agency notified the unsuccessful offerors of the outcome of its corrective action, CACI again filed a protest with our Office.⁴

DISCUSSION

CACI alleges that the agency's evaluation of proposals was unreasonable in various respects. We have considered all of the firm's arguments, and we conclude, based on the record, that none furnishes a basis on which to sustain the protest. Below, for purposes of illustration, we discuss the firm's chief contention regarding the evaluation of DynCorp's proposal as well as its chief contention regarding the evaluation of its own proposal. At the outset, however, we observe that in reviewing protests of an agency's evaluation and source selection decision, even in a task or delivery order competition as here, we do not reevaluate proposals or quotations; rather, we review the record to determine whether the evaluation and source selection decision are reasonable and consistent with the solicitation's evaluation criteria and applicable procurement laws and regulations. See Ball Aerospace & Techs. Corp., B-411359, B-411359.2, July 16, 2015, 2015 CPD ¶ 219 at 7. A protester's disagreement with the agency's judgment, by itself, is not sufficient to establish that an agency acted unreasonably. See id.

Evaluation of DynCorp's Staffing Plan

CACI challenges the agency's evaluation of DynCorp's staffing plan, arguing that the agency unreasonably failed to consider DynCorp's proposed approach of "reduc[ing] head-count by [DELETED] from the staffing being currently provided by the seasoned, eleven-year incumbent, CACI." Comments at 9-12; Supp. Comments at 3. CACI further argues that the agency's acceptance of DynCorp's lower staffing level reflects the application of a "purely mathematical" staffing approach that "fail[s] to take into account site-specific circumstances that establish minimum staffing needs for individual sites." Comments at 13-16. CACI offers

⁴ The value of the task order at issue exceeds \$10 million. Accordingly, this procurement is within our jurisdiction to hear protests regarding the issuance of task orders under multiple-award, ID/IQ contracts. 10 U.S.C. § 2304c(e).

various reasons why, in its view as the incumbent, circumstances at some sites--particularly those in Afghanistan and South Korea--require more staffing than DynCorp proposed. Comments at 14-16. Finally, CACI complains that DynCorp's staffing plan lacks adequate detail and is "unreasonably superficial."⁵ Id. at 17-21.

In response, the agency maintains that its evaluation of DynCorp's staffing was reasonable. In this regard, the SSEB explains the agency's staffing evaluation methodology as follows:

[W]e scrutinized the staffing plan to ensure the number of employees proposed could perform the offered technical approach. This included a review and assessment of the proposed labor categories, hours, and locations. During this review . . . , I instructed the technical team to identify the PWS references that supported the offeror's ability to properly staff this requirement. The team reviewed the labor categories, labor hours, security clearance and overall labor mix proposed to assess if the offeror demonstrated it proposed adequate staffing to meet PWS requirements and that the staffing matrix aligned to its technical approach.

AR, Tab 38, SSEB Chair Decl., at 6. As to CACI's claim that DynCorp used a "purely mathematical" approach to develop its staffing level, the agency argues that the firm's staffing plan itself shows this to be untrue. In particular, the contracting officer points out that the plan states it was developed through a "comprehensive requirements assessment" that considered [DELETED]. Contracting Officer's Supp. Statement at 1 (referencing AR, Tab 10.6, DynCorp Staffing Plan, at 2-3). The agency further points out that DynCorp's plan reflects the use of information regarding the sites, the labor categories, a "staffing rationale" for the PWS tasks, and numerous documents addressing "location-specific work load drivers." Supp. Mem. of Law at 5-6 (citing AR, Tab 10.6, DynCorp Staffing Plan, at 9-10). Based on all this, the agency argues that CACI's claim has no merit. For the reasons discussed below, we see no basis to overturn the agency's judgment regarding DynCorp's staffing plan.

As previously stated, the evaluation criteria for the technical approach factor included consideration of an offeror's staffing plan. RTOP at 230. In connection with this aspect of the evaluation, the solicitation stated that the agency would assess both "the realism of the resources proposed to accomplish the requirements of the PWS" as well as "the proposed labor categories, and hours." Id. The solicitation also stated that the agency would evaluate the offerors' proposed costs

⁵ While CACI criticizes DynCorp's lower staffing level, the record shows that CACI itself proposed markedly lower staffing relative to the current level. See Comments at 13 (discussing CACI's reduction of its headcount by [DELETED] percent).

“to determine whether the costs are realistic for the work to be performed.” RTOP at 232. Thus, the solicitation contemplated that the agency would evaluate the adequacy of the offerors’ proposed staffing levels.

Turning to the evaluation, the agency’s cost analysis report states that the methodology for evaluating the offerors’ proposed direct labor level was as follows: “The proposed Direct Labor hours were compared to the Technical Evaluation to ensure that the labor categories, labor mix, and labor hours (Staffing) were adequate.” AR, Tab 11, Cost Analysis Rep., at 4. With regard to DynCorp’s proposal specifically, the cost analysis report states: “The consensus of the [TET] was that [DynCorp’s] staffing plan complies with the Government’s requirements The Cost analyst took no exceptions to the proposed Direct Labor.”⁶ *Id.* at 39. We view these portions of the cost evaluation report to show the agency reviewed DynCorp’s proposed staffing level and found it adequate.

The technical evaluation report for DynCorp’s proposal also supports this conclusion. Specifically, two of the strengths assessed to DynCorp’s proposal pertained to the firm’s staffing plan. AR, Tab 13, DynCorp Technical Evaluation Rep., at 2-3. The first concerned DynCorp’s approach to “[DELETED].” *Id.* at 2. The second concerned DynCorp’s approach to reduce its staffing level [DELETED], which the agency found to “demonstrate[] efficiencies in achieving the wide variety of performance objectives defined in the . . . PWS.” *Id.* at 3. Thus, both strengths concerned ways in which DynCorp’s staffing plan was found to introduce efficiencies into performance, supporting the agency’s position that DynCorp’s staffing approach was adequate, notwithstanding the reduction in staffing level relative to CACI’s level under the incumbent contract.

Finally, we find, contrary to CACI’s assertions, that the record shows DynCorp’s staffing plan was not developed on a purely mathematical basis, that it reflects site-specific considerations, and that it was adequately detailed. Regarding these

⁶ These portions of the cost evaluation report are consistent with the SSEB chair’s post-protest statement. Although CACI argues that our Office should afford the statement little weight, Supp. Comments at 2, post-protest explanations that provide a more detailed rationale for contemporaneous conclusions may, as here, simply fill in previously unrecorded details, and generally will be considered in our review of the rationality of the selection decision, so long as those explanations are credible and consistent with the contemporaneous record. Geo-Seis Helicopters, Inc., B-299175, B-299175.2, Mar. 5, 2007, 2007 CPD ¶ 135 at 3 n.2; Jason Assocs. Corp., B-278689 *et al.*, Mar. 2, 1998, 98-1 CPD ¶ 67 at 6. While we accord greater weight to contemporaneous source selection materials, we will nonetheless consider the entire record, including statements and arguments made in response to a protest, in considering whether an agency’s source selection decision is supportable. Geo-Seis Helicopters, Inc., *supra*.

issues, we note that the plan was lengthy ([DELETED]) and that it provided specifics regarding its development and vetting, as shown from the following excerpt:

[DELETED]

AR, Tab 10.6, DynCorp Staffing Plan, at 11. In addition, and as the agency has pointed out, the plan reflects the application of [DELETED] and the use of [DELETED].” Id. at 10. Finally, the plan includes [DELETED] to “substantiat[e] the realism for proposed labor resources.” Id. at 9-10. Based on all this, we see no merit in CACI’s allegations that the plan was purely mathematical and that it lacked site-specific considerations or adequate detail. To conclude, based on the record here, CACI’s claim that the agency’s evaluation of DynCorp’s staffing plan was unreasonable is denied.

Evaluation of CACI’s Transition Plan

CACI alleges that the significant weakness assessed to its own proposal was improper. Protest at 32-34; Comments at 30-33; Supp. Comments at 12-14. The significant weakness concerned the hours and personnel that CACI proposed to perform tasks during the transition period. As relevant to CACI’s claim, the PWS included a section that established transition requirements. RTOP at 68-70. Additionally, the solicitation instructed that proposals include a detailed transition plan and show the labor categories and hours proposed to implement the plan. Id. at 221-22. Finally, the evaluation criteria for the technical approach factor included an offeror’s transition plan and the risk associated with it. Id. at 230.

The SSEB documented the significant weakness as follows:

Offeror proposes hours for only a limited number of personnel (including [DELETED] and other key staff) with [DELETED] hrs or less in most cases for the transition period. Also, other critical labor categories have [DELETED] hours during the transition period--for example, [DELETED] staff. The hours proposed by the Offeror is significantly less than the government’s estimate of 520 hours per key/critical staff to successfully complete transition activities. Despite the Offeror being the incumbent, there are many actions that have to happen to re-process staff (CVS [contractor verification system] processing, LOA’s [letters of authorization], TESA [technical expert status accreditation], DOCPER [Department of Defense Contractor Personnel Office]) that are managed by and facilitated by key staff. These actions take well beyond [DELETED] hours.

AR, Tab 12, CACI Technical Evaluation Rep., at 2. The SSEB further documented the issue in a pre-award memorandum to the file, which summarized the finding as follows:

The Technical Team's concern is with CACI's actual plan and its ability to successfully execute the proposed transition plan with the limited number of proposed labor hours of [DELETED] The CACI Staffing Matrix identifies [DELETED] hours, in most cases, for a limited number of personnel. Even as an incumbent contractor, and considering the many tasks to be accomplished during the transition-in period, the TET estimates the number of hours required to execute said activities would likely exceed CACI's proposed labor hours. With this in mind, the Technical Team assessed a high risk of unsuccessful performance associated to the labor hours proposed The team also assessed a high risk of unsuccessful completion of tasks within the required 90-day schedule. In combination, these findings may result in increased labor hours, schedule slippage and labor costs

AR, Tab 16, SSEB Mem. for Rec., at 2.

CACI challenges the agency's finding, arguing that it reflects the application of "a formulaic schedule [and number of hours] for transition" and ignores "numerous transition advantages that CACI enjoyed by virtue of its incumbent status." Protest at 33. CACI describes how its transition plan identified [DELETED] tasks and anticipated the completion of [DELETED] percent of them before the transition actually began. Id. (citing AR, Tab 9.11, CACI, Technical Proposal (Transition), at 3). CACI also provides examples of transition-related work that it claims would be inapplicable to the incumbent, such as [DELETED] and [DELETED]. Comments at 31-32. For these reasons, CACI argues the agency's assessment of the significant weakness was improper.

The agency responds by asserting that "[t]he Solicitation did not exempt the incumbent from transition activities." Mem. of Law at 24. The agency then recounts how the solicitation required proposals to include detailed transition plans and how CACI's plan presented a wide range and significant number of tasks to be performed during--rather than before--the transition period. Id. at 23 (citing RTOP at 222; AR, Tab 9.11, CACI Technical Proposal (Transition), at 9-10). The agency goes on to explain that the significant weakness was assessed because the SSEB "had significant concerns with the minimal personnel [CACI] proposed to complete transition." Supp. Mem. of Law at 25. The agency further explains that the issue was not that CACI failed to propose the same number of hours as the agency's internal estimate for the transition period, but that CACI's particular plan involved "a very few number of employees to complete a litany of transition of tasks over a very, very short period of time." See id.

Based on the record here, we see no basis to question the agency's assessment of the significant weakness. CACI does not dispute the agency's claim that the solicitation required the successful offeror to perform some transition tasks, regardless of whether the successful offeror was the incumbent. In fact, CACI's proposal recognized this by explaining that of the nearly [DELETED] tasks within the firm's transition plan, more than [DELETED] were to be completed after award. AR, Tab 9.11, CACI Technical Proposal (Transition), at 3. The issue here is whether it was unreasonable for the agency to conclude that the hours and labor mix that CACI proposed for these tasks was insufficient. CACI has not shown this to be the case. As discussed, the SSEB contemporaneously documented its view that given the breadth of transition tasks to be performed, the hours and labor mix that CACI proposed for the work was insufficient, notwithstanding CACI's status as the incumbent. AR, Tab 12, CACI Technical Evaluation, at 2; AR, Tab 16, SSEB Mem. for Rec., at 1-2. CACI's claim that this finding was improper amounts to disagreement with the agency's judgment and does not provide a basis on which to sustain the protest.

The protest is denied.

Susan A. Poling
General Counsel