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Decision

Matter of: Alpha-Omega Change Engineering, Inc

File: B-413478.3

Date: November 14, 2016

Robert E. Korroch, Esq., and William A. Wozniak, Esq., Williams Mullen, for the protester.

Matthew Merritt, for Sonoran Technology-Professional Services, LLC, an intervenor. Col. C. Taylor Smith, Esq., and Capt. Ryan P. Payne, Esq., Department of the Air Force, for the agency.

Lois Hanshaw, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the agency's best-value award decision is denied where the record shows that the source selection authority reasonably concluded that the higher-rated, higher-priced proposal offered the best value to the government.

DECISION

Alpha-Omega Change Engineering, Inc. (Alpha), of Williamsburg, Virginia, protests the award of a contract to Sonoran Technology and Professional Services, LLC (Sonoran), of Goodyear, Arizona, by the Department of the Air Force under request for proposals (RFP) No. FA6800-16-R-0001 for contract aircrew training and courseware development (CAT/CWD).

We deny the protest.

BACKGROUND

On February 29, 2016, the RFP was issued to obtain personnel, equipment and services to perform B-1 and B-52¹ CAT/CWD services to train and initially qualify

¹ The B-1 and B-52 are strategic bomber aircraft used by the Air Force Global Strike Command in support of nuclear deterrence and global strike operations. RFP,

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combat-mission aviators. PWS at 1. For the CAT requirement, the PWS described various types of academic and training-device instruction that the contractor would be required to conduct.² Id. at 4. For CWD, the PWS required contractor personnel to produce, update, and revise courseware to support academic and training-device instruction, and flight phases of the training system covered under the contract. Id. at 7. The PWS also stated that courseware materials would support formal course programs and continuous training programs, and might be used for resident and non-resident training. Id.

The RFP was issued as a set-aside for service-disabled veteran-owned small businesses (SDVOSB). RFP at 1. The RFP contemplated the award of a fixed-price contract for a two-month phase-in period, a base year, and four one-year option periods. PWS at 3. The RFP also stated that award would be made on a best-value basis using the price-past performance tradeoff source-selection process in accordance with Federal Acquisition Regulation Part 15, Contracting by Negotiation, Department of Defense Source Selection Procedures (effective July 1, 2011) and Air Force Federal Acquisition Regulation Supplement Mandatory Procedures 5315.3 Source Selection. RFP at 44. Proposals would be evaluated using the following evaluation factors: mission capability (technical),³ price, and past performance. Id. at 45. The technical and past performance factors, when combined, were considered to be approximately equal to price.⁴ Id.

With regard to past performance, offerors were required to identify three recent and relevant efforts for themselves, and additionally, if desired, three recent and relevant efforts for its subcontractor. Id. at 40-41. When evaluating past performance, the

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Performance Work Statement (PWS) at 1; Agency Report (AR), Tab 20, Declaration of SSEB Chairman, at 1.

² Academic instruction would include platform academic instruction and remedial training, and might include monitoring of computer-based and self-paced instructional periods. PWS at 4. Training-device instruction would include instruction on training devices such as trainers for weapon systems, cockpit procedures, part-tasks, and offensive system missions. Id. A training device was defined as an item of training equipment designed to allow a student to practice tasks or procedures applicable to a specific weapon or support system, which could include actual or simulated components, or a combination of both, to portray the system or equipment it represents. Id. at 30.

³ The mission capability (technical) factor was to be evaluated as acceptable or unacceptable, reflecting whether the proposal met the solicitation's minimum performance or capability requirements. RFP at 45.

⁴ The technical factor consisted of four subfactors. RFP at 46-47.

agency would consider the recency, relevancy, and quality of each performance reference as it related to this acquisition. Id. at 50. As relevant here, contracts would be assigned a rating of very relevant, relevant, somewhat relevant, or not relevant.⁵ Id. at 49-50. Offerors would receive an overall performance confidence rating of, as relevant here, substantial confidence or satisfactory confidence.⁶ Id. at 49. In evaluating past performance, the government reserved the right to give greater consideration to information regarding contracts that were deemed most relevant to the effort described in the solicitation. Id. The RFP stated that past performance information might be obtained from other sources known to the government, such as the past performance information retrieval system (PPIRS). Id. at 43. The RFP advised that “the purpose of the past performance evaluation [was] to assess the degree of confidence the [g]overnment has in the offeror’s ability to supply B-1/B-52 CAT/CWD services that meet user’s needs, based on the offeror’s demonstrated record of performance.” Id. at 49.

The RFP’s evaluation scheme explained that if the lowest-priced offeror was judged not to have a substantial confidence performance rating, the proposal of the next lowest-priced offeror would be evaluated and the process would continue until an offeror was judged to merit a substantial confidence rating or until all offers had been evaluated.⁷ Id. at 49, 50. The RFP stated that the contracting officer (CO) would then make an integrated best-value award. Id.

On April 14, nine offerors, including the protester and awardee, submitted proposals. Contracting Officer’s (CO) Statement at 9. The source selection evaluation board (SSEB) evaluated offerors’ proposals. AR, Tab 10, Proposal Analysis Report (PAR), at 163. The record also shows that as part of the agency’s evaluation of offerors’ contracts, the agency compared the tasks performed on the

⁵ As relevant here, the RFP defined a very relevant rating to mean present/past performance effort involving essentially the same scope and magnitude of effort and complexities as the solicitation required, while relevant past performance would mean a present/past performance effort involving similar scope and magnitude of effort and complexities as the solicitation required. Id. at 49-50.

⁶ The RFP defined a substantial confidence rating to mean that the government had a high expectation that the offeror would successfully perform the required effort based on the offeror’s recent/relevant performance record, while a satisfactory confidence rating was defined to mean that the government had a reasonable expectation. Id. at 49.

⁷ The sentence above reflects the evaluation scheme provided by the agency’s solicitation. While the solicitation does not expressly state that award would be made to the lowest-priced offeror if it was judged to have a substantial confidence rating, based on our review of the record we conclude this was the agency’s intention, and there is no dispute about this issue.

past performance efforts to the scope, magnitude of effort, and complexity of the tasks contemplated by the solicitation. Id. at 127-35, 141-42, 148-60. Where a contract was rated as relevant, the rating reflected the agency's conclusion that the effort involved a similar scope, magnitude, and complexity to the solicitation, while efforts rated very relevant reflected efforts determined to involve essentially the same scope, magnitude, and complexity as the solicitation. Id.

Alpha submitted a total of six past performance references; three for itself and three for its proposed subcontractor.⁸ Id. at 127-35. Three of Alpha's six contracts were for CAT/CWD services and were rated as relevant. Id. at 130, 131, 134. As relevant here, none of these CAT/CWD contracts were performed on B-1/B-52 airframes. Based on the six contracts evaluated, Alpha's past performance was assessed a rating of satisfactory confidence. In accordance with the terms of the solicitation, the agency continued to evaluate the remaining proposals for past performance.⁹

Sonoran offered three references and the agency found five additional references in PPIRS. Id. at 148-60. Three of Sonoran's eight identified past performance examples were for CAT/CWD services. Id. at 148-49, 151-52, 154-55. Of these CAT/CWD contracts, one, performed for B-1/B-52 airframes, was rated very relevant, while the other two contracts, performed for non-bomber airframes, were both rated relevant. Id. Based on the eight contracts evaluated, Sonoran's past performance was assigned a rating of substantial confidence. As relevant here, the record shows that the SSEB assigned a very relevant rating (with exceptional quality) for another offeror's effort performing CAT/CWD on a B-1/B-52 airframe. Id. at 141-42.

The final ratings were as follows:

⁸ The record shows the agency conducted a search of PPIRS that did not reveal any additional reports for Alpha or its subcontractor that were determined to be relevant or somewhat relevant. AR, Tab 10, PAR, at 135.

⁹ The agency evaluated the proposal of the next lowest-priced offeror who was assessed a performance confidence rating of substantial confidence. However, that offeror was determined to be ineligible for award. Accordingly, the agency continued its evaluation to review the proposal of the third lowest-priced offeror, Sonoran.

	Alpha		Sonoran	
Technical ¹⁰	Acceptable		Acceptable	
Performance Confidence ¹¹	Relevancy	Quality	Relevancy	Quality
Effort #1	Somewhat Relevant	Very Good	Very Relevant	Exceptional
Effort #2	Somewhat Relevant	Unknown	Relevant	Very Good
Effort #3	Relevant	Very Good	Relevant	Very Good
Effort #4	Relevant	Very Good	Somewhat Relevant	Very Good
Effort #5	Relevant	Exceptional	Somewhat Relevant	Very Good
Effort #6	Relevant	Very Good	Relevant	Very Good
Effort #7	N/A		Relevant	Very Good
Effort #8	N/A		Somewhat Relevant	Very Good
Overall	Satisfactory Confidence		Substantial Confidence	
Price	\$35,050,078		\$37,307,142	

AR, Tab 9, SSD, at 13.

The source selection authority (SSA) reviewed the evaluation results and determined that Sonoran’s proposal offered the best value based on the evaluation criteria for CAT/CWD for the B-1/B-52 airframes. AR, Tab 9, SSD, at 17. In this regard, the SSA stated that because past performance and price were equal in importance, the best value was represented by the offeror that gave the agency the greatest confidence that it would meet the government’s requirements, considering all factors and the importance of evaluation criteria. Id. In making this determination, the SSA stated, “I then made an integrated assessment of each offeror’s price and past performance to determine which offer represented the best value to the government. Given the nature of the mission this contract supports, the

¹⁰ Both offerors were rated acceptable on the four subfactors under the technical factor. AR, Tab 9, Source Selection Decision (SSD), at 13.

¹¹ For Alpha, efforts #3, 4, and 6 represent the contracts in which Alpha performed CAT/CWD on non-bomber airframes. AR, Tab 10, PAR, at 130, 131, 134. For Sonoran, effort #1 represents the contract in which Sonoran performed CAT/CWD for the B-1/B-52 airframe, while efforts #3 and 7 represent the contracts in which Sonoran performed CAT/CWD on non-bomber airframes. Id. at 148-49, 152-52, 154-55.

higher past performance rating of [Sonoran], and that their previously determined fair and reasonable price was only 6.44% higher than [Alpha's] price[.] I determined that [Sonoran] represents the best value to the government."¹² Id.

On July 22, Alpha was notified of award. After requesting and receiving a debriefing, Alpha protested to our Office.

DISCUSSION

The protester challenges the agency's best value decision. In this regard, the protester asserts that the agency's tradeoff decision failed to justify paying the price premium for Sonoran's proposal with a specific reason, and that the source selection was based on an unreasonable past performance evaluation.¹³ Alpha's arguments provide no basis to sustain the protest.

As a general matter, source selection officials enjoy broad discretion in making tradeoffs between the comparative merits of competing proposals in a best-value setting; such tradeoffs are governed only by the test of rationality and consistency with the solicitation's evaluation criteria. See CAE USA, Inc., B-404625, Mar. 16, 2011, 2011 CPD ¶ 75 at 9. Further, while source selection decisions must

¹² In the agency report, the contracting officer states that the SSA's statement regarding to "the nature of the mission" was referring to the complex requirement of the bomber mission to train all Air Force bomber crews, noting, further, that any risk in performance represents a risk to the bomber mission and could affect the readiness of the bomber fleet. CO Statement at 28. Therefore, the CO continued, given that the higher premium was minimal in relation to the total contract value, the SSA determined that it was in the government's best interest to pay the 6.4% price premium to mitigate the risk of unsuccessful performance. Id.

¹³ The protester initially challenged the evaluation of past performance, asserting that it was mechanically done and that it was unreasonable for the agency to limit very relevant ratings to only efforts for CAT/CWD services performed for bomber airframes. Protest at 7. Although the agency provided a substantive response to this challenge, asserting various reasons that bomber and fighter airframes and training are significantly different, such as aircraft roles, tactical employment, crew resource management, operating requirements, mission capability, and the functional command to which each airframe belongs, AR, Tab 20, Declaration of SSEB Chairman, at 1-2, Alpha failed to provide a rebuttal to the agency's position in its comments. Accordingly, we view this ground as abandoned. See Engineering Design Techs., Inc., B-413281, Sept. 21, 2016, 2016 CPD ¶ 265 at 6. We separately address aspects of the protester's challenge to the tradeoff decision that relate to past performance.

be documented, and must include the rationale for any business judgments and tradeoffs made or relied upon by the source selection authority, there is no need for extensive documentation of every consideration factored into a tradeoff decision. Constellation NewEnergy, Inc., B-409353.2, B-409353.3, July 21, 2014, 2014 CPD ¶ 219. Rather, the documentation need only be sufficient to establish that the agency was aware of the relative merits and costs of the competing proposals and that the source selection was reasonably based. See Computer World Servs. Corp.; CompQSoft, B-411216 et al., June 17, 2015, 2015 CPD ¶ 184 at 13-14.

We find no merit to the protester's assertions that the source selection decision was based on an unreasonable past performance evaluation. The RFP stated that the purpose of the past performance evaluation was to assess the government's confidence in the offeror's ability to supply B-1/B-52 airframes with CAT/CWD services, based on the offeror's demonstrated record of performance. RFP at 49. Additionally, as part of that evaluation, the RFP stated that contracts deemed most relevant to the effort described in the solicitation would be given greater consideration, and that efforts involving essentially the same scope, magnitude, and complexity would be rated very relevant. Id. at 49-50.

Here, the protester submitted as past performance examples CAT/CWD efforts for airframes other than the B-1/B-52, while Sonoran's CAT/CWD efforts included a contract performed for B-1/B-52 airframes. The record shows that the agency considered the tasks performed on offerors' past efforts and compared them to the tasks contemplated by the solicitation, and determined that Sonoran's CAT/CWD performance on the contract for B-1/B-52 was essentially the same as the tasks required by the solicitation. Considering the purpose of the past performance evaluation and that the agency compared tasks performed by offerors to tasks required by the solicitation, we find unobjectionable the agency's determination that CAT/CWD efforts for B-1/B-52 airframes would be considered more relevant than CAT/CWD experience on other airframes. In short, while the protester disagrees with the agency's judgment in this regard, it provides no basis to conclude that the agency's bomber versus non-bomber distinction was unreasonable, and thus, no basis to object to the agency's assessment of CAT/CWD efforts performed on B-1/B-52 airframes as very relevant.

Additionally, to the extent the protester asserts that the agency's bomber-versus-non-bomber distinction for determining the degree of relevance in past performance is a post-hoc justification, or not supported by the contemporaneous record, we disagree. The record shows that after considering the tasks involved, the agency determined that CAT/CWD tasks performed for non-bomber airframes was considered less relevant than CAT/CWD tasks performed on bomber airframes.

The protester also argues that the best-value tradeoff lacked an analysis of the benefits of Sonoran's proposal that justified the agency's payment of a 6.4% price premium. Protest at 8. None of Alpha's challenges demonstrates that the agency's best-value tradeoff decision was unreasonable. Here, the RFP stated that a tradeoff would be performed between price and past performance. The record shows that the SSA conducted an integrated assessment of each offeror's price and past performance, and concluded that Sonoran's higher price and higher past performance rating merited selection of its proposal for award. Accordingly, Alpha's protest challenging the agency's best-value determination is denied.

The protest is denied.

Susan A. Poling
General Counsel