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# Decision

**Matter of:** Qwest Government Services, Inc. d/b/a CenturyLink QGS

**File:** B-419045.4; B-419045.5; B-419045.6

**Date:** June 2, 2021

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## DIGEST

1. Where the agency conducted discussions that reasonably led protester into the area of its proposal requiring amplification, the agency was not required to conduct additional discussions once it determined that the price proposal, as revised, remained unrealistic.

2. Protest challenging the agency's price realism analysis is denied where the record shows that protester failed to clearly identify contract line items subject to zero-dollar pricing.

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## DECISION

Qwest Government Services, Inc. d/b/a CenturyLink QGS (CenturyLink), of Monroe, Louisiana, protest the issuance of a task order to AT&T Corporation (AT&T), of Oakton, Virginia, under request for proposals (RFP) No. 91990020R0009, issued by the Department of Education for telecommunications, networking, and information technology infrastructure services. CenturyLink challenges the agency's conduct of discussions and evaluation of price.

We deny the protest.

## BACKGROUND

On January 23, 2020, the Department issued the RFP under the General Services Administration's (GSA) Enterprise Infrastructure Solutions (EIS) contract. Agency Report (AR), Contracting Officer's Statement (COS) at 1. The EIS is a 15-year multiple

award indefinite-deliverable, indefinite-quantity (IDIQ) contract that offers services from multiple expiring legacy GSA contracts (Networkx, Washington Interagency Telecommunications System WITS 3, and Regional/Local Service Agreements). AR, Tab C, RFP at 39.

The task order competition was conducted pursuant to Federal Acquisition Regulation (FAR) subpart 16.5. *Id.* The contract would be performed for an 8-month transition period, a 1-year base period, and multiple 1-year option periods spanning 11 years. RFP at 238. The RFP advised that the agency may award the contract without conducting discussions. *Id.* at 275.

The RFP contemplated the issuance of a fixed-price task order on a best-value tradeoff basis.<sup>1</sup> *Id.* The agency would evaluate proposals considering three non-price evaluation factors, listed in descending order of importance: (1) technical design and approach (technical approach); (2) service delivery, operations and management approach (management approach); and (3) past performance. *Id.* The RFP additionally advised that the closer the technical capabilities of the various proposals are to one another, the more important price considerations will become, and that proposed prices may become a determining factor in the award as technical capabilities converge. *Id.* at 277, 280.

As relevant to price, the government would evaluate proposals by adding the total price for the mandatory contract line item numbers (CLINs) to the total price for all optional CLINs for all years (base period of performance and all option years). *Id.* at 279. The RFP also required that where service-related labor is proposed, the proposed CLINs and/or task order unique CLINs (TUCs) shall be indicated in the price proposal.<sup>2</sup> *Id.* at 261. The RFP stated that proposals would be evaluated to determine if the proposed price is realistic for the work to be performed, reflects an accurate understanding of the requirement, and is consistent with the technical proposal. *Id.*

Three offerors submitted proposals by the closing date, including CenturyLink and AT&T. COS at 5. After conducting discussions and evaluating proposals, the agency made award to AT&T on August 13. After requesting and receiving a debriefing, CenturyLink protested to our Office, challenging the agency's price evaluation and conduct of discussions. Protest at 14.

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<sup>1</sup> The agency intended to award two task orders for the Office of the Chief Information Officer (OCIO) requirement and Federal Student Aid requirements. COS at 2. Only the OCIO requirement is relevant here.

<sup>2</sup> The RFP identified five key personnel. RFP at 167. Offerors were required to include in their price proposals the key personnel labor costs proposed to meet the tasks identified in the statement of work, and to ensure in their technical proposals that key personnel met the minimum qualifications, certifications, and education levels specified in the RFP. *Id.*

After developing the record in that protest, the GAO attorney assigned to the protest conducted an “outcome prediction” alternative dispute resolution (ADR) conference. During the ADR conference, the GAO attorney informed the parties that GAO would likely sustain CenturyLink’s protest on the basis that the agency’s conduct of discussions was unequal. In response, the agency advised our Office that it intended to take corrective action by reopening discussions, allowing offerors to submit final proposal revisions (FPRs), and making a new award decision. Our Office subsequently dismissed CenturyLink’s protest as academic. *Qwest Government Services, Inc. d/b/a CenturyLink QGS, B-419045 et al.*, Nov. 18, 2020 (unpublished decision).

In performing its corrective action, the agency reopened discussions with the protester to provide a final opportunity to submit pricing consistent with the contract deliverables.<sup>3</sup> AR, Tab F, Request for FPRs at 1. The agency provided a spreadsheet to CenturyLink in which the agency mapped CenturyLink’s pre-corrective action pricing to the CLINs and advised the firm of issues identified with its pricing. *Id.* For example, the agency noted that CenturyLink had provided a single set of prices for each period, and that the agency was unclear whether the prices applied only to the transition period because no other pricing was provided. *Id.* at 3. Additionally, because CenturyLink provided little pricing information, the agency clarified that it was procuring all-inclusive services and asked the protester to explain its pricing. *Id.* The agency requested and received FPRs from CenturyLink.<sup>4</sup>

The agency’s subsequent price evaluation compared offerors’ total prices to each other and to the independent government cost estimate, as well as analyzed the offerors’ prices for each CLIN. AR, Tab R, Price Comparison; AR, Tab K, Price Evaluation at 4. The agency identified areas of significant concern regarding CenturyLink’s price proposal and sought input from the technical evaluation panel (TEP), who provided

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<sup>3</sup> The agency also advised CenturyLink of weaknesses in its technical proposal and that the firm need only address issues associated with the firm’s price proposal because there were no identified deficiencies in the firm’s technical approach. AR, Tab F, Request for FPRs. In response to this statement, the protester requested confirmation that no deficiencies or weaknesses were identified in CenturyLink’s technical approach and that only price revisions were being requested. AR, Tab G, Emails between CenturyLink and Agency at 3. The agency confirmed that although the technical proposal was not assessed deficiencies, there were weakness that had been previously identified; the agency also advised that the technical approach can be affected by the price proposals. AR, Tab H, emails between CenturyLink and Agency at 1. The agency also clarified that services proposed as optional for the agency to exercise in the price proposal could impact the technical proposal and that “CenturyLink should address any changes proposed in the technical proposal even though no questions were posed” by the agency. AR, Tab G, Emails between CenturyLink and Agency at 1.

<sup>4</sup> CenturyLink submitted FPRs to its price proposal and did not revise its technical proposal. COS at 9.

feedback about each CLIN and associated pricing.<sup>5</sup> AR, Tab K, Price Proposal at 4. Final ratings for proposals were as follows:

	CenturyLink	AT&T
<b>Technical Approach</b>	Satisfactory	Satisfactory
<b>Management Approach</b>	Very Good	Very Good
<b>Past Performance</b>	Satisfactory	Satisfactory
<b>Total Evaluated Price</b>	\$87,842,521	\$105,170,075

AR, Tab N, Post-Award Debriefing at 2.

The contracting officer, acting as the source selection authority (SSA), found two anomalies in CenturyLink’s pricing: (1) CenturyLink included labor for only six staff; and (2) the price proposal included a “severe” reduction in the number of agency personnel being served by the contract. AR, Tab L, Award Summary Corrective Action at 5. With regard to the number of staff, the agency understood that CenturyLink’s price proposal identified five key personnel positions and one additional full-time equivalent (FTE) to support the contract. AR, Tab K, Price Evaluation at 5. However, the agency also found “no indication in the pricing proposal to identify where key personnel would be compensated” and concluded that key personnel must be covered by the six FTEs. *Id.* In addition, the agency found that in reading the price and technical proposals together, the six proposed staff would either take 20 percent pay cuts or be replaced with more junior staff after one year. *Id.* The agency noted that replacing key personnel would place ongoing infrastructure support at even greater risk than just being undermanned and concluded that the level of staffing could not adequately serve the agency’s minimum needs. *Id.*

Based on these anomalies, the agency concluded that CenturyLink’s proposed price did not reflect a proper understanding of the agency’s requirements and was unrealistic. AR, Tab L, Award Summary Corrective Action at 5. The agency made award to AT&T because the agency did not see any areas of concern in the firm’s proposal, and because AT&T’s price proposal was consistent with its technical approach and the agency’s requirements. AR, Tab N, Post-award Debriefing at 2.

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<sup>5</sup> The TEP further discussed each CLIN based on concerns identified in CenturyLink’s price proposal. AR, Tab J, TEP Cost Realism Analysis. In this regard, the TEP’s analysis identified the CLINs with appropriate pricing and the CLINs that raised concerns, such as, CLIN 005, where the TEP viewed the protester’s zero-dollar price as unrealistic. *Id.* at 2. The contracting officer represents this document was mistakenly entitled a cost realism analysis, rather than a price realism analysis. AR, Tab O, Supp. COS at 4.

On February 17, 2021, the agency notified CenturyLink of its award decision. After requesting and receiving a debriefing, CenturyLink filed this protest with our Office.<sup>6</sup>

## DISCUSSION

The protester contends that the agency held inadequate and misleading discussions, and conducted a flawed price realism analysis. Protest at 18, 23. Additionally, CenturyLink argues that the agency's price realism analysis treated CenturyLink's and AT&T's proposals unequally. Comments and Supp. Protest at 21. We have reviewed the protester's arguments and conclude that none provide a basis to sustain the protest.<sup>7</sup>

### Discussions with CenturyLink

In its protest, CenturyLink contends that the agency engaged in inaccurate and misleading discussions by advising the protester to revise only its price proposal, but failed to advise the protester of the agency's concerns with CenturyLink's proposed staffing in its technical proposal. Protest at 23.

In response, the agency argues that its discussions were not inaccurate or misleading. The agency explains that prior to taking corrective action, CenturyLink's price proposal failed to provide a summary of total proposed costs by CLINs, left several items unpriced, and did not include labor rates or volumes for proposed labor. Memorandum of Law (MOL) at 15. In reopening discussions during its corrective action, the agency asserts that it provided CenturyLink with a pricing spreadsheet that mapped the protester's previous price proposal to the CLINs identified in the solicitation, and advised the protester of several instances in which the protester's pre-corrective action price proposal was missing information or otherwise insufficient. *Id.*

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<sup>6</sup> The awarded value of the task order at issue exceeds \$10 million. Accordingly, this procurement is within our jurisdiction to hear protests of task orders placed under civilian agency IDIQ contracts valued in excess of \$10 million. 41 U.S.C. § 4106(f)(1)(B).

<sup>7</sup> In pursuing this protest, CenturyLink raised arguments in addition to, or variations of those discussed here. While we do not address every issue raised, we have considered the protester's arguments and find no merit to CenturyLink's challenges. For example, the protester asserts that the agency made a "concerted effort to again eliminate CenturyLink from the competition." Supp. Comments and 2nd Supp. Protest at 7. There is no evidence in the record, however, to support the protester's attribution of unfair or prejudicial motives to the evaluator's review. A protester's claim that contracting officials were motivated by bias or bad faith must be supported by convincing proof; we will not attribute unfair or prejudicial motives to procurement officials on the basis of inference or supposition. *Phacil Inc.*, B-406628, July 5, 2012, 2012 CPD ¶ 202 at 5. Consequently, this protest ground is denied.

The agency also argues that it did not identify concerns that would have required the agency to engage in discussions about the protester's technical proposal. In this regard, the agency avers that only after reopening discussions and receiving the protester's FPRs did it have sufficient information to identify discrepancies between the protester's price and technical proposals. *Id.* at 15-16. The agency asserts that finding concerns with the protester's FPRs did not obligate the agency to engage in additional rounds of discussions to address the newly discovered discrepancies. *Id.* We agree with the agency.

With regard to competitions for task and delivery orders under IDIQ contracts, FAR section 16.505 does not establish specific requirements for discussions; nonetheless, when exchanges with the agency occur in task order competitions, they must be fair and not misleading. *Altavian, Inc.*, B-417701, B-417701.2, Sept. 17, 2019, 2019 CPD ¶ 323 at 4. Where, as here, an agency conducts a task order competition as a negotiated procurement, our analysis regarding fairness will, in large part, reflect the standards applicable to negotiated procurements. *Id.*

In this regard, discussions, when conducted, must be meaningful; that is, they may not be misleading. *SMS Data Prods. Grp., Inc.*, B-414548 *et al.*, July 12, 2017, 2017 CPD ¶ 222 at 8. More specifically, an agency may not mislead an offeror through the framing of a discussion question into responding in a manner that does not address the agency's actual concerns, or otherwise misinform the offeror about a problem with its proposal. *Engility Corp.*, B-413120.3 *et al.*, Feb. 14, 2017, 2017 CPD ¶ 70 at 6. In this context, however, we have consistently stated that agencies are not required to spoon-feed an offeror during discussions; agencies need only lead offerors into the areas of their proposals that require amplification or revision. *Abacus Tech. Corp.*; *SMS Data Prods. Grp., Inc.*, B-413421 *et al.*, Oct. 28, 2016, 2016 CPD ¶ 317 at 7. Further, where proposal defects are first introduced in response to discussions or in a post-discussion proposal revision, an agency has no duty to reopen discussions or conduct additional rounds of discussions. *SMS Data Prods. Grp., supra.*

Based on our review of the record, we find no merit to the protester's challenge to the agency's conduct of discussions. The record shows that prior to the agency taking corrective action, CenturyLink's proposal provided little pricing information and failed to price numerous items. See AR, Tab F, Request for FPRs at 3. During discussions, the agency identified various issues with the protester's pricing, such as cost build-up items not being priced and the fact that the protester provided a single set of prices that did not explain the performance period to which the prices applied. *Id.* In addition, the agency also requested that the protester clearly identify how CLINs and services would be priced. *Id.* The fact that the agency identified additional concerns after evaluating CenturyLink's revised price proposal does not show that the agency's conduct of discussions was misleading. See *SMS Data Prods. Grp., supra.*

Further, while the protester mistakenly represents that the agency identified staffing issues in CenturyLink's technical proposal, the record shows that the agency found issues only with CenturyLink's price proposal. AR, Tab L, Award Summary Corrective

Action at 5. That is, the record shows that the agency identified concerns regarding CenturyLink's price proposal and that the agency's concerns were sufficiently captured by the agency's price-related discussions. On these facts, the record shows that the agency led the protester into the area of its proposal requiring amplification or revision and engaged in meaningful discussions. See, e.g., *SigNet Techs., Inc.*, B-417335, B-417335.2, May 28, 2019, 2019 CPD ¶ 202 at 4 (agency's discussions are not misleading where the agency identified the areas of the protester's proposal requiring revision). As a result, we deny this basis of protest.

## Price Realism

CenturyLink also raises various arguments related to the agency's price realism analysis, which concluded that CenturyLink's price was unrealistic as it identified labor for only six staff and would drastically decrease the number of agency personnel served by the contract. AR, Tab K, Price Evaluation at 7. Based upon our review of the record, we find no basis to sustain the protester's allegations. Below, we discuss CenturyLink's principal contention, its challenge to the agency's conclusions regarding staffing. The gravamen of this challenge is that the agency's conclusions were flawed because the express terms of the protester's technical and price proposal indicated that service-related labor was provided at [DELETED] cost to the government.

In support of this argument, the protester offers statements from its technical and price proposals. CenturyLink cites a statement in its technical proposal that provides, "[c]onsistent with Section C2.11 of the EIS Contract, CenturyLink will provide, at [DELETED] cost to the government, all Service-Related Labor (SRL) necessary to implement the services offered." Comments and Supp. Protest at 7 (citing AR, Tab E, CenturyLink Technical Proposal at 23). From its price proposal, CenturyLink offers an excerpt that provides, "CenturyLink verifies that the costs for all services are included in the fixed price for each CLIN, except for those services that are usage based." *Id.* at 9 (citing AR, Tab I, CenturyLink Revised Pricing Spreadsheet, General Pricing Notes). Thus, the protester argues that the agency's price realism analysis ignored the express terms of its technical and price proposals, both of which indicated that service-related labor would be offered at [DELETED] cost. *Id.* at 7.

In response to the protest, the agency explains that its conclusions were reasonable because the protester's proposed pricing was inconsistent with its technical proposal. MOL at 8. Specifically, the agency explains that it understood CenturyLink's technical proposal to identify [DELETED] FTEs. In addition, the agency notes that the solicitation instructed offerors that "where service-related labor is proposed, the proposed CLINs and/or TUCs shall be indicated in the price proposal." *Id.* at 9 (citing RFP at 264). The agency contends that based on the statement referenced above and the lack of any other proposed labor rates or designations in the price proposal, the agency understood that CenturyLink's price proposal was only offering labor based on the agency's use of such labor. *Id.* (citing AR, Tab K, Pricing Evaluation at 5). In this regard, the agency contends that CenturyLink's failure to clearly identify costs for key personnel and other proposed FTEs demonstrates the protester's failure to submit a well-written proposal, rather than error in the agency's evaluation. *Id.* at 10.

Where, as here, the issuance of a fixed-price task order under FAR subpart 16.5 procedures is contemplated, an agency is not required to perform a price realism analysis unless the solicitation so requires. *Diamond Info. Sys., LLC*, B-410372.2, B-413072.3, 2015 CPD ¶ 122 at 10. However, an agency may, as it did in the solicitation here, provide for the use of a price realism analysis for the limited purpose of assessing technical understanding or risk. FAR 15.404-1(d)(3); *DynCorp International LLC et al.*, B-408554.5 *et al.*, Dec. 9, 2013, 2014 CPD ¶ 6 at 8. We will review an agency's price realism evaluation only to determine whether it was reasonable and consistent with the solicitation requirements. *RELI Grp., Inc.*, B-418005, Dec. 23, 2019, 2020 CPD ¶ 53 at 4.

We find no basis to sustain this protest allegation. The RFP stated that proposals would be evaluated to determine if the price is realistic for the work to be performed, reflects an accurate understanding of the requirement, and is consistent with the technical proposal. RFP at 279. In this regard, the agency evaluated the offerors' proposed CLINs and found that CenturyLink's price proposal was unrealistic because it failed to propose enough personnel to support the requirement and improperly reduced the pay and qualifications of proposed staff. AR, Tab K, Price Evaluation at 7.

Although the protester argues that the agency's conclusions are unreasonable because the express terms of its price proposal conveyed that service-related labor would be provided at [DELETED] cost, this assertion is not supported by the record. The record shows that the protester's price proposal stated "that the costs for all services are included in the fixed price for each CLIN, except for those services that are usage based." Tab I, CenturyLink Revised Pricing Spreadsheet, General Pricing Notes.

Unlike the technical proposal--which clearly stated that service-related labor was provided at [DELETED] cost--the plain language of the statement in the price proposal does not declare that service-related labor was provided at [DELETED] cost. *Compare Id.* (costs for all services are included in the fixed price for each CLIN, except for those services that are usage-based), *with* AR, Tab E, CenturyLink Technical Proposal at 23 (CenturyLink will provide, at [DELETED] cost to the government, all service-related labor necessary to implement the services offered). In our view, without expressly conveying in the price proposal that service-related labor was provided at [DELETED] cost, it was reasonable for the agency to conclude that CenturyLink's price proposal was unrealistic where information in CenturyLink's price proposal appeared to conflict with the firm's technical proposal.

Additionally, the solicitation required that service-related labor be identified by CLIN in the price proposal. RFP at 261. Given that CenturyLink's price proposal did not clearly identify the CLINs in which service-related labor could be found, we find reasonable the agency's conclusions that CenturyLink's price proposal included no indication to identify where key personnel would be compensated, and that the price and technical proposals, read together, indicated that key personnel would be replaced after the base year. See AR, Tab K, Price Evaluation at 5. As our Office has explained, it is an offeror's responsibility to submit a clearly written proposal. See *Mission 1st Grp., Inc.*,



B-414738.9, Feb. 12 2019, 2019 CPD ¶ 80 at 6 (agency reasonably concluded that conflicting information in cost proposal prevented performance of realism analysis). The protester's failure to do so and its disagreement with the agency's conclusions based on the information provided do not show that the agency's evaluation was unreasonable. Accordingly, this basis of protest is denied.<sup>8</sup>

The protest is denied.

Thomas H. Armstrong  
General Counsel

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<sup>8</sup> To the extent the protester also raises arguments asserting that the price realism analysis was unequal, these allegations are not borne out by the record. For example, the protester argues that although AT&T's and CenturyLink's price proposals included zero-priced CLINs, the government accepted AT&T's pricing and rejected CenturyLink's. Comments and Supp. Protest at 22-25. The record shows that the agency found CenturyLink's price unrealistic due to the number of proposed staff. AR, Tab K, Price Evaluation at 7. In addition, while the record shows that the TEP identified concerns regarding a zero-priced CLIN in CenturyLink's price proposal, the SSA disregarded this concern and concluded that "this area of concern is not an issue. . . ." *Id.* at 5. On these facts, we find no basis to sustain the protest.