

Decision

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Matter of: Agile-Bot II, LLC

File: B-419350.3; B-419350.4

Date: June 16, 2021

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DIGEST

1. Protest challenging the agency's technical evaluation is denied where the record shows that the evaluation was reasonable and consistent with the terms of the solicitation.
2. Protest alleging that the agency performed an unequal evaluation is denied where the record shows that the difference in the evaluation stemmed from differences in quotations.
3. Protest challenging the agency's price realism analysis is denied where the agency followed the stated evaluation criteria and reasonably exercised its discretion in its analysis.

DECISION

Agile-Bot II, LLC, a small business joint venture, of Reston, Virginia, protests the issuance of a task order to SecuriGence LLC, a small business, of Leesburg, Virginia, under request for quotations (RFQ) No. HR001120Q0002, issued by the Department of Defense (DOD), Defense Advanced Research Projects Agency (DARPA), for multi-network support services. The protester contends that the agency unreasonably and unequally evaluated quotations. The protester also argues that the agency's price realism analysis with regard to the awardee's quotation was unreasonable.

We deny the protest.

BACKGROUND

DARPA issued the RFQ on March 23, 2020, using the Federal Supply Schedule (FSS) procedures of Federal Acquisition Regulation (FAR) subpart 8.4.¹ Agency Report (AR), Tab 4, Initial RFQ at 0001; AR, Tab7, RFQ amend. 3 at 0115.² The RFQ anticipated the issuance of a task order on a hybrid fixed-price award fee, time-and-material, and labor-hour basis, with a 1-year base period and eight 1-year options. AR, Tab 4, Initial RFQ at 0003-0020; RFQ at 0102. The competition was limited to small business vendors holding an FSS schedule contract under the category of Information Technology Professional Services. RFQ at 0115. The RFQ sought quotations for the entire range of information technology (IT) services, support, engineering, and infrastructure necessary to implement DARPA's IT operational, mission, and research objectives, which were expected to evolve. *Id.*

The RFQ advised vendors that the resulting order would be issued on a best-value tradeoff basis, considering the following seven evaluation factors, listed in descending order of importance: (1) essential capabilities experience; (2) technical approach; (3) management approach; (4) key personnel; (5) past performance; (6) supply chain risk mitigation plan; and (7) price/cost. *Id.* at 0115, 0117. The RFQ provided that the essential capabilities experience factor is more important than all of the other non-price/cost factors combined. *Id.* at 0117. The RFQ also stated that, while non-price/cost factors combined are significantly more important than price/cost, the importance of the price/cost factor will increase as quotations under the non-price/cost factors become closer in merit. *Id.*

The RFQ provided for evaluations in two phases. *Id.* at 0115, 0117. In phase I, the agency would evaluate the vendors' recent and relevant experience working in unclassified and classified cloud environments under the essential capabilities experience factor. *Id.* at 0116. For vendors that proceeded to phase II, the agency would evaluate their quotations using all seven factors, including the essential capabilities factor. *Id.* at 0117.

The RFQ stated that, for each of the technical approach, management approach, key personnel, and supply chain risk mitigation plan factors, the agency would use the following ratings: high confidence, medium confidence, and low confidence. *Id.* at 0118. For past performance, the RFQ stated that the agency would first assess the recency and relevancy of each past performance effort and assign the following relevancy levels: very relevant, relevant, somewhat relevant, and not relevant. *Id.* at 0119. Then, the agency would evaluate the vendor's quality of performance

¹ The Federal Supply Schedule program is also known as the General Services Administration (GSA) schedules program or the multiple award schedule program. See FAR 8.402(a).

² Unless otherwise noted, citations to the RFQ in this decision are to the third amended RFQ provided by DARPA at Tab 7 of the agency report. Citations to page numbers are to the Bates numbers provided by the agency for each document.

information to assign an overall past performance rating using the following ratings: substantial confidence, satisfactory confidence, neutral confidence, limited confidence, and no confidence. *Id.* at 0119-0120. The RFQ further provided that the price/cost factor would be evaluated to ensure fair and reasonable pricing and for realism, where the fixed-price portions of quotations would be assessed a performance risk rating of low risk, medium risk, or high risk. *Id.* at 0120-0121.

Agile-Bot and SecuriGence both submitted quotations and proceeded to phase II of the evaluation. The agency evaluated their quotations and initially issued the task order to SecuriGence in October 2020. Contracting Officer's Statement (COS) at 18 n.3.

Agile-Bot filed its initial protest with our Office after receiving notice that it was not selected for the order. On October 27, 2020, after the agency notified our Office of its intent to reevaluate proposals and make a new award decision, we dismissed the initial protest as academic. *Agile-Bot II, LLC*, B-419350, B-419350.2, Oct. 27, 2020 (unpublished decision).

On November 18, 2020, the agency issued exchange notices to the protester and the awardee, identifying weaknesses in each quotation and requesting final quotation revisions within the scope of the exchange notices. COS at 18; AR, Tab 13.1, Exchange Notice to SecuriGence; AR, Tab 13.2, Exchange Notice to Agile-Bot. In light of the disclosure of the awardee's price, the agency required vendors making any changes to their price/cost quotations outside the scope of the issues identified in the exchange notices to "fully explain how such changes have a clear nexus to and are materially impacted by" their respective exchange notices. *Id.* On December 7, 2020, both Agile-Bot and SecuriGence timely submitted their final quotation revisions. COS at 23. DARPA's technical evaluation board (TEB) reviewed and evaluated the quotation revisions, resulting in the following ratings:

	AGILE-BOT	SECURIGENCE
Essential Capabilities Experience	Substantial Confidence	Substantial Confidence
Technical Approach	High Confidence	High Confidence
Management Approach	High Confidence	High Confidence
Key Personnel	High Confidence	High Confidence
Past Performance	Substantial Confidence	Substantial Confidence
Supply Chain Risk Mitigation Plan	High Confidence	High Confidence
Price/Cost	\$819,569,555 ³	\$781,997,009
Performance Risk	Low Risk	Low Risk

AR, Tab 21, Best-Value Determination and Award Decision (Award Decision) at 0005.

³ As relevant here, the agency rejected some of Agile-Bot's price reductions in its final quotation revision as not compliant with the instructions in the exchange notice. See AR, Tab 17, Contracting Officer's Memorandum for Record. Agile-Bot's final total evaluated price/cost would have been \$[DELETED], if all of its price revisions had been accepted by the agency. AR, Tab 21, Award Decision at 0019.

The agency conducted a best-value tradeoff analysis and concluded that quotations of Agile-Bot and SecuriGence were close in technical merit and considered the price/cost factor to be of increased relative importance. *Id.* DARPA's source selection authority (SSA) determined that Agile-Bot's quotation was not worth the price premium of approximately \$37.6 million and that SecuriGence's equally-rated, lower-priced quotation represented the best value to the government. *Id.* at 0002, 0019-20. On March 1, 2021, DARPA issued the task order to SecuriGence and notified Agile-Bot. COS at 0040; AR, Tab 23, Task Order Non-Award Notice. This protest followed.

DISCUSSION

Agile-Bot challenges numerous aspects of the agency's evaluation under both the non-price and price factors. The protester alleges that the agency conducted an unreasonable and unequal evaluation of quotations under the solicitation's technical approach, management approach, and past performance factors. The protester also challenges the agency's evaluation of price/cost quotations, arguing that the agency conducted an unreasonable realism analysis of the awardee's price/cost quotation and unreasonably rejected the protester's quotation revisions. Finally, the protester argues that the agency conducted a flawed best-value tradeoff analysis by failing to look beyond the adjectival ratings to the merits of each quotation.⁴ For the reasons discussed below, we deny all of Agile-Bot's protest grounds.⁵

⁴ After reviewing the agency report, Agile-Bot withdrew various aspects of its initial protest. Protester's Comments and Supp. Protest at 2 n.2.

⁵ Although we do not specifically address every collateral argument the protester raises, we have carefully considered all of them and find that none provides a basis to sustain the protest. For example, Agile-Bot objects to the agency's evaluation of SecuriGence's quotation under the management approach factor, arguing that it was unreasonable for the agency to assign a high confidence rating to SecuriGence "due to [SecuriGence's] failure to propose a price that adequately reflected its understanding of the requirements." Protest at 44; Protester's Comments and Supp. Protest at 20. However, the management approach factor was a non-price factor for which quotations were to be evaluated "on how well their management approach demonstrates their ability to successfully manage all requirements of the task order." RFQ at 0117. For this factor, vendors were instructed to "address their management approach" to include staffing mix, organizational structure, quality control plan, recruitment/retention strategies, flexibility to adapt to changing requirements, and teaming structure. *Id.* at 0108. Notably, consideration of proposed prices or price realism was not part of the evaluation scheme under the management approach factor. Accordingly, the agency reasonably did not consider price or price realism in its evaluation of the awardee's quotation under this factor.

Technical Approach

The protester contends that the agency's evaluation of the awardee's quotation under the technical approach factor was flawed. Specifically, Agile-Bot argues that the agency should have rejected SecuriGence's quotation for a material deficiency, or assessed at least a significant weakness, for failing to meet the requirement to furnish a sensitive compartmented information facility (SCIF) with a current top secret facility security clearance. Protester's Comments and Supp. Protest (Supp. Protest) at 7; Supp. Comments at 9-15. The agency responds that the requirement for the SCIF was not a minimum technical requirement that offerors had to meet at the time of quotation submission, but part of the performance work statement (PWS) for which the vendors were evaluated on how well their proposed approach met the PWS requirements. Supp. Memorandum of Law (Supp. MOL) at 40-44. The agency further argues that it considered SecuriGence's proposed approach to meeting this requirement and reasonably identified it as a weakness. *Id.* at 45-47.

Where, as here, an agency issues an RFQ to FSS vendors under FAR subpart 8.4 and conducts a competition for the issuance of an order, we will review the record to ensure that the agency's evaluation was reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. *Digital Solutions, Inc.*, B-402067, Jan. 12, 2010, 2010 CPD ¶ 26 at 3-4; *DEI Consulting*, B-401258, July 13, 2009, 2009 CPD ¶ 151 at 2. In reviewing a protest challenging an agency's technical evaluation, our Office will not reevaluate the quotations; rather, we will examine the record to determine whether the agency's evaluation conclusions were reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. *OPTIMUS Corp.*, B-400777, Jan. 26, 2009, 2009 CPD ¶ 33 at 4. A protester's disagreement with the agency's judgment, without more, does not establish that an evaluation was unreasonable. *DEI Consulting, supra*.

Under the technical approach factor, a vendor's quotation had to address its technical approach to six specified sections of the PWS "as exemplars for the overall task order." RFQ at 0108. The RFQ further informed vendors that their quotations under the technical approach factor would be evaluated on "how well their technical approaches will fulfill all of the requirements [] of the exemplar PWS sections/subsections demonstrating the ability to successfully perform all contract requirements." *Id.* at 0117. Section 3.1.1 of the PWS titled "Government Furnished Spaces / Contractor Furnished Spaces," one of the six exemplar sections of the PWS, stated that "[t]he Contractor shall provide ~2000 sq. ft. of equipment storage space at a Top Secret SCI Facility within the National Capital Region." *Id.* at 0018.

In its quotation, SecuriGence offered its existing SCIF space in [DELETED], providing over [DELETED] square feet of DARPA-approved and currently operational SCIF space. Tab 28, Awardee's Final Quotation Revision at 0019. SecuriGence stated that this facility "meets all the requirements listed in PWS 3.1.1," but noted that upgrades

were underway for the Intelligence Community Directive (ICD) 705 accreditation⁶, a recent requirement for SCIFs, and that it “anticipate[s the modifications to] be completed prior to [Multi-Network Support Services (MNSS)] contract execution.” *Id.* at 0019-0020. SecuriGence added that it has also identified several alternative SCIFs with full ICD 705 accreditation, as well as [DELETED] DARPA-accredited SCIFs with [DELETED] square feet of space at [DELETED]. *Id.* at 0020.

In rating SecuriGence’s quotation as high confidence under the technical approach factor, the TEB identified multiple strengths under each of the six PWS sections for which vendors were instructed to address their technical approach; the agency also identified one weakness for SecuriGence’s approach to section 3.1.1 of the PWS. AR, Tab 18, Awardee’s Technical Evaluation at 0003-0007. Specifically, the TEB assigned a strength to the awardee’s approach for having the “capability to provide [DELETED] DARPA accredited SCIFs/[Special Access Program Facility]s totaling [DELETED] square feet for storage of inventory and equipment awaiting destruction,” noting that it provided DARPA with “immediate ability to take advantage of SCIF space, which is difficult to obtain on short notice for surge requirements.” *Id.* at 0005-0006. The TEB, however, also assigned a weakness to the awardee’s quotation under this requirement, noting that one of the proposed contractor-furnished spaces-- “[DELETED] facility”--is not yet compliant with ICD 705 requirements needed to maintain a SCIF accreditation. *Id.* at 0006. As a result, notwithstanding the awardee’s assurance that required renovations would be completed prior to the task order’s period of performance would begin, the TEB assessed a weakness for the “risk that construction requirements cannot be completed within their defined timeline.” *Id.*

On this record, we find no basis to object to the agency’s assignment of a weakness for this aspect of the awardee’s quotation, rather than a deficiency or a significant weakness that the protester believes to be warranted. Nothing in the RFQ’s instructions or evaluation criteria specified that the PWS requirement to provide a SCIF during the performance of the task order was a minimum technical requirement that vendors had to meet at the time of quotation submission. Rather, the RFQ instructed vendors to “address [their] approach” to meeting the specified PWS requirements “as exemplars for the overall task order,” and provided that their quotations would be evaluated for “how well their technical approaches will fulfill all of the requirements [] of the exemplar PWS sections.” RFQ at 0108, 0117. Moreover, contrary to the protester’s contention otherwise, nothing in the agency’s evaluation record indicates that the agency deemed the SCIF to be a material requirement. See Supp. Comments at 13 n.5; AR, Tab 18, Awardee’s Technical Evaluation at 0005-0006. Accordingly, we find the agency’s assessment of a weakness, rather than a deficiency, for the risk posed by the

⁶ Intelligence Community Directive 705 is a directive issued by the Director of National Intelligence that requires all intelligence community SCIFs to comply with uniform international community physical and technical security requirements to ensure the protection of sensitive compartmented information and foster efficient, consistent and reciprocal use of SCIFs in the intelligence community. Intelligence Community Directive No. 705 (ICD 705), *Sensitive Compartmented Information Facilities*, May 26, 2010, at 1.

awardee's approach to meeting PWS 3.1.1 to be reasonable and consistent with the stated evaluation criteria.

Unequal Treatment

The protester also argues that the agency conducted a disparate and unequal evaluation by crediting SecuriGence's quotation with strengths under the technical approach and management approach factors, while failing to credit Agile-Bot for similar aspects of its quotation. The agency responds that the protester's quotation did receive strengths where its approach to the corresponding aspects of the solicitation--i.e., Network Operations and Security Center (NOSC) help desk coverage hours, and recruitment and retention strategy--similarly represented a benefit to the government, and the difference in the evaluation stemmed from differences in the quotations. Supp. MOL at 49-57.

We have consistently found that it is a fundamental principle of government procurement that competition must be conducted on an equal basis that is, the contracting agency must treat all vendors equally, and even-handedly evaluate quotations against common requirements and evaluation criteria. *SMS Data Products Group, Inc.*, B-418925.2 *et al.*, Nov. 25, 2020, 2020 CPD ¶ 387 at 8; *Environmental Chem. Corp.*, B-416166.3 *et al.*, June 12, 2019, 2019 CPD ¶ 217 at 10. When a protester alleges disparate treatment in a technical evaluation, it must show that the differences in the evaluation did not stem from differences between the vendors' quotations. *Id.*; *INDUS Tech., Inc.*, B-411702 *et al.*, Sept. 29, 2015, 2015 CPD ¶ 304 at 6. Accordingly, to prevail on an allegation of disparate treatment, a protester must show that the agency unreasonably failed to assess strengths for aspects of its quotation that were substantively indistinguishable from, or nearly identical to, those contained in other quotations. See *Battelle Memorial Inst.*, B-418047.3, B-418047.4, May 18, 2020, 2020 CPD ¶ 176 at 5. Here, we find that the protester has not made such a showing.

NOSC Help Desk Coverage under Technical Approach

The protester first contends that the agency assessed a strength for the awardee's quotation under the technical approach factor for [DELETED] help desk coverage for DARPA's NOSC under PWS section 4.14.2.19, while failing to credit the protester's quotation for the same approach. Supp. Protest at 10-12; Supp. Comments at 15-17. The agency responds that it did credit the protester with a strength for its approach to the NOSC help desk coverage, and the difference in the evaluation's narratives stemmed from differences in quotations. Supp. MOL at 49.

As noted, under the technical approach factor, the solicitation required vendors to address their technical approach to six specific PWS sections "as exemplars for the overall task order." RFQ at 0108. For PWS section 4.14.2.19, vendors were required to provide a NOSC that would provide "network, server, IA and availability monitoring services, information, and reporting, incident management and perform other tasks as

directed by the Government,” as well as “support to the Help Desk as required.” *Id.* at 0050. The RFQ provided that quotations were to be evaluated on “how well their technical approaches will fulfill all of the requirements [] of the exemplar PWS sections/subsections demonstrating the ability to successfully perform all contract requirements.” *Id.* at 0117.

In its quotation, SecuriGence highlighted its [DELETED] NOSC support with a [DELETED] schedule as one of the key aspects of its approach to meeting PWS section 4.14.2.19. Tab 28, Awardee’s Final Quotation Revision at 0011. With respect to NOSC help desk, it stated that its solution includes a “[DELETED] Help Desk center” in lieu of “the legacy approach of [DELETED].” *Id.* at 0012. SecuriGence also noted that its help desk operations center “follows [DELETED]” for the main NOSC support, with “minimum of [DELETED] to ensure ample coverage [DELETED].” *Id.* Its quotation also emphasized that each of its personnel “will have the requisite levels of expertise and experience to meet Customer needs [DELETED]” to ensure “greater customer satisfaction and a significant reduction or elimination of backlog requirements that currently accumulate [DELETED].” *Id.*

In evaluating this aspect of the SecuriGence’s quotation, the agency noted its “proposed [DELETED] Help Desk [that] will provide coverage for DARPA users [DELETED]” as one of six strengths assessed for the awardee’s approach to meeting PWS section 4.14.2.19. AR, Tab 18, Awardee’s Technical Evaluations at 0004. The agency further noted that, “[w]ith the expansion of DARPA support [to the continental U.S. (CONUS)] and [outside the continental U.S. (OCONUS),] this will benefit DARPA customers [DELETED].” *Id.*

The record shows that the protester’s quotation also stated it “will have personnel [DELETED] to support Solutions Group applications” and that “NOSC will improve support to the [DOD’s] global mission with [DELETED] services” by providing “true [DELETED] support . . . [w]ith more robust [DELETED] staffing.” AR, Tab 15.2, Protester’s Final Quotation Revision at 0014. However, in contrast to the awardee’s quotation, the rest of protester’s approach to the help desk requirement did not expand further on the [DELETED] support, but instead focused on its approach of “[DELETED]” to “[DELETED] resolve issues.” *Id.* Agile-Bot’s quotation emphasized that it will “establish a truly [DELETED] operations environment” and use “[DELETED]” to “deliver [DELETED] to the teams, users, and DARPA leadership.” *Id.*

The agency recognized this aspect of the protester’s approach to the PWS section on NOSC as one of four strengths, noting that the NOSC “will be manned by [DELETED] consisting of [DELETED].” AR, Tab 19, Protester’s Technical Evaluations at 0004. In assessing this strength, the agency concluded that “[t]his will increase productivity and allow [Information Technology Directorate (ITD)] to engineer, build, and upgrade services beyond [DELETED] used today.” *Id.*

On this record, we find no merit to the protester’s argument that the agency should have assigned a separate and additional strength for its [DELETED] help desk approach.

The record here shows that the agency reasonably evaluated each vendor's strengths under PWS section 4.14.2.19, and the difference in the documentation of evaluations resulted from differences in the vendors' quotations. See *INDUS Tech., Inc., supra*. Moreover, whether the agency counted the benefits of each vendor's approach as multiple aspects of a single strength, or as separate stand-alone strengths is not the operative concern; rather, the relevant inquiry is the reasonableness of the substantive evaluation findings. See *SMS Data Products Group, Inc., supra*. An agency's judgment of whether to assess unique strengths is a matter within the agency's discretion and one that we will not disturb where, as here, the protester has failed to demonstrate that the evaluation was unreasonable or inconsistent with the applicable evaluation criteria. *Raytheon Co., B-417935 et al.*, Dec. 13, 2019, 2020 CPD ¶ 6 at 7; *Fluor Intercontinental, Inc.--Advisory Opinion*, B-417506.14, Nov. 5, 2019, 2020 CPD ¶ 46 at 23.

Recruitment/Retention Strategy under Management Approach

Next, the protester argues that the agency assessed a strength for the awardee's quotation under the management approach factor for its recruitment and retention strategy of teaming with a staffing firm specializing in IT and engineering professionals, but failed to assign a strength to the protester's approach to work with specialized recruiting firms. Supp. Protest at 12. The agency again responds that the protester also received strengths for its recruitment and retention strategy and that the difference in the evaluation stemmed from the difference in the quotations.

Under the management approach factor, the RFQ instructed vendors to address six separate aspects of their management approach: staffing mix; organizational structure; quality control plan; recruitment/retention strategies; flexibility and ability to adapt to changing technologies; and seamless teaming arrangement structure. RFQ at 0108. The RFQ informed vendors that their quotations under the management approach factor would be evaluated on "how well their management approach demonstrates their ability to successfully manage all requirements of the task order." *Id.* at 0117.

The agency assessed several strengths and no weaknesses across the six specified areas to each of SecuriGence's and Agile-Bot's management approach. AR, Tab 18, Awardee's Technical Evaluation at 0008-0011; AR, Tab 19, Protester's Technical Evaluation at 0008-0010. For SecuriGence, the agency assessed two strengths for its recruitment/retention strategies, one of them for teaming with [DELETED], "a staffing firm that specializes in hiring IT and Engineering professionals." AR, Tab 18, Awardee's Technical Evaluation at 0009. In assessing this strength, the agency noted that this approach "should lower the time it takes to hire qualified personnel." *Id.* Even though the agency also assessed two strengths for the protester's recruitment/retention strategies, the protester contends that it should have been assigned an additional strength for the portion of its approach that also mentioned working with recruiting firms. We disagree.

The record here shows that the awardee, in the portion of its quotation addressing recruitment/retention strategies, described its teaming arrangement with [DELETED] and the specific benefits of that arrangement to its approach to recruitment/retention strategies. AR, Tab 28, Awardee's Final Quotation Revision at 0035-0036. Specifically, SecuriGence explained that [DELETED] is its "exclusive teammate" and that it has been awarded *Best Workplaces in Consulting and Professional Services* and *Best of Staffing Client* awards for the past two years. *Id.* at 0035. It also detailed the benefits offered by [DELETED] with over 25,000 resumes, as well as its "bench of proven IT [subject matter experts] and engineers [that] provide[] immediate response to vacancies." *Id.* at 0035-0036. In contrast, while Agile-Bot's quotation provided that it "work[s] with specialized recruiting firms that understand the talent landscape, including [DELETED], [DELETED], and [DELETED]," it does not provide any additional information about these firms, its relationships with them, or any specific benefits from working with them. AR, Tab 15.2, Protester's Final Quotation Revision at 0034-0035.

On this record, we find that the agency did not treat the vendors disparately in assigning a strength for the awardee's teaming with a specialized staffing firm while declining to assign a similar strength for the protester's approach to working with specialized recruiting firms. While Agile-Bot disagrees with the agency's evaluation, it has not demonstrated that the difference in the evaluation did not stem from differences between the quotations. See *UltiSat, Inc.*, B-418769.2, B-418769.3, Feb. 26, 2021, 2021 CPD ¶ 110 at 6.

Past Performance

Next, the protester alleges that the agency unreasonably and unequally evaluated quotations under the past performance factor. First, the protester argues that the agency unreasonably assessed as relevant one of SecuriGence's past performance submissions (submission no. 3) when the value of that effort was significantly smaller than the required effort. Supp. Protest at 20-21. Second, the protester argues that the agency disparately determined that two of Agile-Bot's past performance submissions were only somewhat relevant because of their smaller sizes. *Id.* at 21-22. The agency responds that it evaluated the vendors' past performance in accordance with the RFQ, which required the agency to assess the relevancy of past performance based on similarity of scope and magnitude of the reference in view of the complexities of the PWS requirements, not solely on the dollar value of the reference. Supp. MOL at 62. We find the agency's evaluation was reasonable and consistent with the stated evaluation criteria.

An agency has broad discretion, when evaluating experience and past performance, to determine whether a particular contract is relevant to the evaluation. See *Criterion Systems, Inc.*, B-416553, B-416553.2, Oct. 2, 2018, 2018 CPD ¶ 345 at 6; *L & J Bldg. Maint., LLC*, B-411827, Oct. 27, 2015, 2015 CPD ¶ 344 at 3. Our Office will examine an agency's evaluation of past performance only to ensure that it was reasonable and consistent with the stated evaluation criteria and applicable statutes and regulations since determining the relative merit or relative relevance of a vendor's performance

history is primarily a matter within the agency's discretion. *United Facility Servs. Corp. d/b/a EASTCO Bldg. Servs.*, B-408749.2, Jan. 17, 2014, 2014 CPD ¶ 35 at 4.

The RFQ required vendors to provide up to six relevant past performance information submissions. RFQ at 0109. The RFQ informed vendors that the past performance evaluation will consider each vendor's "demonstrated recent and relevant record of performance in supplying services that meet the task order's requirements," and that the "currency and relevance of the information, source of the information, context of the data, and general trends" in the vendor's performance will be combined to establish one performance confidence assessment rating for each vendor. *Id.* at 0118. The RFQ further identified three aspects of the past performance evaluation as recency, relevancy, and quality, defining relevancy as "similar[ity] in size, scope, and complexity to the PWS requirements." *Id.* at 0119. As noted, the RFQ informed vendors that each past performance submission would be categorized as either: very relevant, relevant, somewhat relevant, or not relevant; the level of relevance would be determined by whether the present/past performance effort involved essentially the same, similar, some, or none of the "scope and magnitude of effort and complexities this solicitation requires." *Id.*

SecuriGence provided five past performance information submissions, of which three were assessed to be very relevant, and two were assessed to be relevant. AR Tab 18, Awardee's Technical Evaluation at 0016-0018. As pertinent here, while the agency assessed the awardee's submission no. 3 to be "smaller in size, scope, and complexity to the PWS requirements," it also noted that the awardee "is a first-tier subcontractor responsible for the engineering, management and maintenance of [DELETED]" in that effort. *Id.* at 0017. Based on this assessment, the agency concluded that this submission was relevant. *Id.* at 0017. We find the agency's evaluation here to be reasonable.

While we agree with the protester that dollar value may be a necessary component in determining size under the RFQ's definition of relevance, we note that it is just one of the ways to assess similarity in size, and that size was but one of the various aspects in the RFQ's definition of relevance. *Id.* Notwithstanding the smaller dollar value, SecuriGence's quotation noted that submission no. 3 should be considered relevant because it "supports thousands of users across multiple systems making it similar in size" to this procurement. AR, Tab 28, Awardee's Final Quotation Revision at 0072. Moreover, the quotation stated that SecuriGence "performed work nearly identical to 11 of 14 main performance areas" of the PWS requirements, making this effort "very relevant to the scope" of this procurement. *Id.* On this record, we find reasonable the agency's conclusion that, despite its smaller size in terms of total dollar amount, submission no. 3 was relevant in that the effort involved similar scope and magnitude of effort and complexities as this solicitation requires. AR Tab 18, Awardee's Technical Evaluation at 0017; see RFQ at 0119.

We also find no merit to the protester's assertion that the agency evaluated the relevance of vendors' prior contracts disparately. The protester argues that the agency

disparately assessed as somewhat relevant Agile-Bot's submissions nos. 4 and 6 because they were smaller in size, scope, and complexity. Supp. Protest at 21. As noted, the RFQ did not equate similarity in size with similar dollar value, nor did it make size the determinative aspect of a relevancy level. As relevant here, of the protester's six past performance submissions, the agency found three to be very relevant, one relevant, and two somewhat relevant, resulting in assignment of the highest rating for the factor of substantial confidence. AR, Tab 19, Protester's Technical Evaluation at 0015-0017.

The record shows that, unlike in the evaluation of SecuriGence's submission no. 3, where the agency noted aspects other than size for its conclusion on relevance, the agency noted no additional aspect of Agile-Bot's submission no. 4, other than that it was smaller in size, scope, and complexity, in assigning it the relevance level of somewhat relevant. *Id.* at 0016. In assessing the protester's submission no. 6 as also somewhat relevant, the TEB noted that the effort was smaller in size and complexity, and similar in scope to the unclassified and management portions of the PWS, but also added that the effort was *significantly* smaller in size, scope, and complexity to the classified portions of the PWS. *Id.* The record here shows that the agency, in accordance with the solicitation, considered aspects other than the dollar value of the effort in assessing both vendors' past performance submissions and, based on this consideration, reasonably and even-handedly assigned the respective relevancy levels.⁷

In sum, Agile-Bot has not shown that the agency's evaluation of the awardee's past performance was unreasonable or inconsistent with the RFQ's stated evaluation criteria. The protester has also failed to show that the agency unreasonably or disparately evaluated its past performance. As a general matter, the evaluation of an offeror's past performance is within the discretion of the contracting agency, and we will not substitute our judgment for reasonably based past performance ratings. *LASEOD Group, LLC*, B-405888, Jan. 10, 2012, 2012 CPD ¶ 45 at 7-8; *MFM Lamey Group, LLC*, B-402377, Mar. 25, 2010, 2010 CPD ¶ 81 at 10. Although Agile-Bot disagrees with the agency's judgment, the protester's disagreement does not establish that the agency acted unreasonably. See *Citywide Managing Servs. of Port Washington, Inc.*, B-281287.12, B-281287.13, Nov. 15, 2000, 2001 CPD ¶ 6 at 10-11.

Price Realism

Agile-Bot contends that the agency failed to consider the risk of SecuriGence's unrealistically low price. Specifically, the protester contends that the agency departed from the RFQ's stated evaluation methodology by limiting its realism analysis to the labor rates of key personnel instead of looking at all proposed labor rates and other proposed cost elements in the fixed-price portion of the firm's quotation. Supp. Protest

⁷ Although the protester argues that its past performance submissions nos. 4 and 6 should also have received a "relevant" relevancy level, it did not identify any additional aspects of these submissions that demonstrated their relevance and that the agency failed to consider.

at 2-6. The protester also argues that the awardee's lower proposed price indicates the awardee's intent to pay below-market and below-incumbent rate compensation to its proposed personnel, which poses a risk that the awardee will not be able to recruit and retain vital personnel. Protest at 39. In support of its argument, the protester points to (1) the awardee's total evaluated price being 4.6 percent below the protester's proposed price, (2) the awardee's proposed labor rate for the position of [DELETED] being significantly lower than that proposed by the protester, and (3) the awardee proposing greater total labor hours and full-time equivalents than the protester despite its lower total price. Supp. Protest at 19-20. The agency counters that its price realism analysis of the awardee's quotation was reasonable and in accordance with the methodology stated in the RFQ. MOL at 33-40; Supp. MOL at 15-37, 69-76.

As noted, the RFQ provided that the agency's realism analysis would be limited to the fixed-price portions of the quotation, which would be analyzed to evaluate whether the proposed cost elements are realistic for the work to be performed, reflect a clear understanding of the requirements, and are consistent with the unique method of performance described in the technical quotation.⁸ RFQ at 0120. The RFQ informed vendors that the results of the price realism analysis would be used to determine a performance risk of low, medium, or high, depending on whether the potential to cause degradation of performance or issues with retention and recruitment of personnel was negligible, some, or likely. *Id.* at 0120-0121.

Where, as here, an RFQ contemplates the award of a fixed-price contract, or a fixed-price portion of a contract, an agency may provide in the solicitation for the use of a price realism analysis for the limited purpose of measuring an offeror's understanding of the requirements or to assess the risk inherent in an offeror's proposal or quotation. *Integrity Management Consulting, Inc.*, B-417942, Dec. 16, 2019, 2020 CPD ¶ 49 at 4; *SKE Italy Srl*, B-414884.3, Jan. 24, 2018, 2018 CPD ¶ 37 at 6. The nature of the analysis required to assess whether an offeror's proposed price is so low as to reflect a lack of competence or understanding is generally a matter within the agency's discretion. *Id.* Thus, our review of a price realism analysis is limited to determining whether it was reasonable and consistent with the terms of the solicitation. *Id.* Further, there is no general requirement that an agency base its analysis on a comparison to the incumbent contractor's prices. *SKE Italy Srl, supra*; see *Science & Mgmt. Res., Inc.*, B-291803, Mar. 17, 2003, 2003 CPD ¶ 61 at 3. Based on our review of the record, we cannot conclude that the agency's price realism analysis was either inconsistent with the terms of the solicitation or unreasonable.

First, contrary to the protester's assertions, the record shows that the agency conducted a realism analysis for each of the cost elements in the fixed-priced portion of the awardee's price quotation, including proposed labor hours, direct labor rates, fringe

⁸ Even though the solicitation and the evaluation documents refer to cost realism, we will use the term price realism in discussing this protest ground. Because the RFQ limited the realism analysis to the fixed-price portion of price quotations, the analysis required here is of price, not cost.

benefits, overhead, general and administrative, subcontractor material handling, escalation, proposed base fee/profit, and other price/cost considerations, as well as each of these elements for the awardee's proposed subcontractors. AR, Tab 20, Price/Cost Evaluation at 0013-0025. With respect to direct labor rates, the agency noted that the awardee's rates were based on historical labor data and salary surveys, and documented that the awardee proposed to provide incumbent staff [DELETED] and, for others, to propose salaries using [DELETED] of industry-wide salary data. *Id.* at 0013.

The agency also reviewed the mapping of the awardee's labor rates across all labor categories to similar categories in the firm's GSA contract rates, including the proposed discount rates. *Id.* The agency then compared the vendors' direct labor rates for the eleven key personnel positions and concluded that the awardee's rates were in line with other vendors' proposed direct labor rates. *Id.* at 0006-0007, 0013. Based on this analysis, the agency concluded that SecuriGence's proposed cost elements were realistic for the work to be performed, reflected a clear understanding of the requirements, and were consistent with the unique method of performance described in the awardee's technical quotation. *Id.* at 0025.

Moreover, we find no support in the record for the protester's assertion that the agency should have assessed a higher performance risk for various aspects of the awardee's quotation, such as lower total proposed price, significantly low labor rate for one of eleven key personnel, and greater labor-hours and full-time equivalents. See Supp. Protest at 19-20. The record shows that the agency considered each of these aspects of the awardee's quotation in its analysis and determined that there is negligible potential for them to cause degradation of performance or issues with retention and recruitment of personnel. AR, Tab 20, Price/Cost Evaluation at 0006, 0007, 0025. Agile-Bot's disagreement with the agency's judgment, without more, does not render the agency's evaluation unreasonable.

On this record, we find no merit to the protester's contention that the agency's price realism analysis was unreasonable or departed from the stated evaluation criteria. Agile-Bot essentially argues that the agency should have engaged in a more fulsome realism analysis, such as conducting a comparison of all labor rates and other cost elements against those proposed by other vendors. However, as noted, the RFQ did not require any specific methodology for the conduct of the agency's price realism analysis. As our Office has consistently explained, a protester's disagreement with the nature and extent of an agency's price realism methodology does not provide a basis on which to sustain a protest. See *BillSmart Solutions, LLC*, B-413272.4, B-413272.5, Oct. 23, 2017, 2017 CPD ¶ 325 at 10; *Citywide Managing Servs. of Port Washington, Inc.*, *supra*, at 4-5 (noting that the depth of an agency's evaluation in this regard is a matter within the sound exercise of the agency's discretion). Here, the record reflects that the agency followed the RFQ's stated evaluation criteria and reasonably exercised its discretion in its price realism analysis.

Best-Value Tradeoff

Agile-Bot also challenges various aspects of the agency's best-value tradeoff. First, the protester contends that the agency's best-value tradeoff was unreasonable by virtue of its reliance on the alleged flawed evaluations above. Supp. Protest at 22. The protester also contends that the agency failed to look beyond the assessed adjectival ratings when making its best-value determination, specifically by failing to conduct a sufficient comparative analysis of strengths and weaknesses to justify its conclusion that the vendors were technically equal. Protest at 57-58. Agile-Bot further argues that the agency erroneously rejected Agile-Bot's final price revisions, using the higher price of \$819,569,555 for the tradeoff instead of the fully reduced final revised price quotation of \$[DELETED], which prejudiced its chance of award.⁹ Protest at 34-37; Supp. Protest at 15-18.

Where, as here, a solicitation provides for the issuance of a task order on the basis of a best-value tradeoff, it is the function of the source selection authority to perform a price/technical tradeoff, that is, to determine whether one quotation's technical superiority is worth its higher price. *PricewaterhouseCoopers Public Sector, LLP*, B-415504, B-415504.2, Jan. 18, 2018, 2018 CPD ¶ 35 at 13; see *Research & Dev. Sols., Inc.*, B-410581, B-410581.2, Jan. 14, 2015, 2015 CPD ¶ 38 at 11. An agency has broad discretion in making a tradeoff between price and non-price factors, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the solicitation's stated evaluation criteria. See *Portage, Inc.*, B-410702, B-410702.4, Jan. 26, 2015, 2015 CPD ¶ 66 at 19. We find each of the protester's objections to the agency's best-value tradeoff analysis to be without merit.

First, as discussed above, we find no merit to Agile-Bot's objections to the agency's technical evaluations and price realism analysis; thus, there is no basis to question the SSA's reliance upon those judgments in making the source selection decision. Next, the record shows that in conducting the tradeoff, the SSA comparatively assessed Agile-Bot's and SecuriGence's quotations, including the strengths and weaknesses assessed under each technical evaluation factor, as well as their cost/price and realism risk. AR, Tab 21, Award Decision at 0006-0020. Based on these considerations, the SSA concluded that Agile-Bot's and SecuriGence's quotations were technically equal and, therefore, Agile-Bot's quotation was not worth the price premium of up to

⁹ While the protester couches this challenge as a protest of the agency's price evaluation, we find that it is a challenge to the use of its higher, unreduced price--rather than its lower, rejected price--in the agency's best-value tradeoff. See Protest at 34-37; Supp. Protest at 15-18. As noted, the agency informed vendors that, under the price/cost factor, price quotations would be evaluated to ensure fair and reasonable pricing and, for the fixed-price portion, that the quotation was realistic for work to be performed. See RFQ at 0120-0121. As explained above, the agency found Agile-Bot's price quotation to be fair and reasonable, as well as realistic. AR, Tab 20, Price/Cost Evaluation at 0002-0003, 0012, 0033.

\$37,572,546. *Id.* at 0022. Notwithstanding the protester's disagreement, we find the SSA's conclusion reasonable.

Finally, in light of our decision above on the agency's evaluation of non-price factors and price realism analysis, we find that the protester was not prejudiced by the agency's rejection of its price revisions. As noted, the agency rejected some of Agile-Bot's price reductions in its final quotation revision based on the agency's conclusion that Agile-Bot failed to comply with the exchange notice instructions. The protester insists that, had the agency not rejected the price revision, it would have resulted in Agile-Bot's final price being reduced by almost [DELETED] dollars and, because of all of the alleged errors in the agency's technical evaluation, the smaller price premium would have afforded Agile-Bot a significant chance of award in tradeoff.

The agency responds that it properly rejected Agile-Bot's price reductions because they did not comply with the restriction in the exchange notice that limited the scope of quotation revisions. The agency also argues--and we agree--that the protester was not prejudiced by any error in this regard. Competitive prejudice is an essential element of every viable protest; we will not sustain a protest unless the protester demonstrates that, but for the agency's improper actions, it would have had a substantial chance of receiving the award. *UltiSat, Inc., supra* at 7; *Converge Networks Corp.*, B-415915.2, B-415915.3, Aug. 20, 2018, 2018 CPD ¶ 334 at 8.

Here, the record shows that the SSA specifically considered Agile-Bot's rejected price revisions in the tradeoff decision. First, the SSA documented in detail an independent consideration of the contracting officer's decision to reject Agile-Bot's price revisions as noncompliant with its exchange notice. AR, Tab 21, Award Decision at 0012-0013. Moreover, as relevant here, the SSA concluded as follows with respect to Agile-Bot's rejected price revisions:

Even if I would have accepted [Agile-Bot (ABII)]'s non-compliant quote revisions, which I do not, its price premium compared to SecuriGence's quote is still \$[DELETED], or about \$[DELETED] per year. In comparing the quotes of ABII and SecuriGence from the perspective of its non-compliant price quote, I still found little, if anything, in ABII's technical quote that would justify DARPA spending up to \$[DELETED], or \$[DELETED] per year more than it would for SecuriGence's quote which offers equal value at a significantly lower price. Therefore, I concluded that ABII's quote is not worth its \$37.6M price premium, or even a \$[DELETED] price premium, over SecuriGence's equally highly rated but significantly lower-priced quote.

Id. at 0020. The SSA further documented, multiple times throughout the award decision, consideration of Agile-Bot's price revisions and specifically noted that it would not have changed the best-value decision. See *id.* at 0019-0022. On this record, even if the agency's rejection of Agile-Bot's price revisions was in error, we cannot find that

the protester was prejudiced by such error, especially since we found none of its multiple challenges to the agency's technical evaluations to be meritorious.

Accordingly, we find that the record here is consistent with the requirement that where, as here, a procurement conducted pursuant to FAR subpart 8.4 provides for award on a best-value tradeoff basis, it is the function of the source selection authority to perform a price/technical tradeoff, that is, to determine whether one quotation's technical superiority--or technical equivalence in this case--is worth its higher price. See *UltiSat, Inc.*, *supra* at 7-8.

The protest is denied.

Thomas H. Armstrong
General Counsel