

United States Government Accountability Office Washington, DC 20548

Decision

Matter of: XtremeConcepts Systems

File: B-402438

Date: April 23, 2010

Carmel R. Alasagas, for the protester.

Paul F. Khoury, Esq., and Brian G. Walsh, Esq. Wiley Rein LLP, for ManTech Systems Engineering Corp., the intervenor.

Gregory T. Einboden, Esq., and Angela D. Hall, Esq., Department of the Navy, for the agency.

Linda C. Glass, Esq., and Guy R. Pietrovito, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the evaluation of the protester's proposal is denied where the record establishes that the evaluation was reasonable and consistent with the solicitation's evaluation criteria.

DECISION

XtremeConcepts Systems, of Arlington, Virginia, protests the issuance of task orders to ManTech Systems Engineering Corporation, of Arlington, Virginia, and Schafer Corporation, of Arlington, Virginia, under task order proposal request (TOPR) No. N00024-09-R-3362, issued by the Department of the Navy, Naval Surface Warfare Center, for services in support of the Defense Advanced Research Projects Agency (DARPA). The protester maintains that the agency improperly evaluated its proposal and made an improper selection decision.

We deny the protest.

BACKGROUND

The TOPR, issued on May 26, 2009, sought proposals from firms holding Seaport-E multiple-award cost-plus-fixed-fee task order contracts to provide support services to DARPA under four basic contract line item numbers (CLINs) identified in the TOPR, for a base period and 4 option years. Offerors could propose on any or all CLINs but were required to submit a separate proposal for each CLIN.

As is relevant here, CLIN 4020 sought professional support services for the director of DARPA; the services are for technology transition and strategic support for current and ongoing DARPA programs. TOPR at 16. Offerors were to provide consultants (subject matter experts) to support the DARPA director by participating in studies and advisory groups on an as-needed basis; offerors were also required to document their ability to recruit the services of expert consultants within 10 days of being notified by DARPA. TOPR at 17. The CLIN listed eight labor categories for onsite support, all of which were considered to be key personnel labor categories. See TOPR amend. 2, Table 5, Estimated Labor Hours CLIN 4020 On-site.

CLIN 4030 was for professional support for communications, media, and production services, to include: media support for large conferences and symposiums, and world-wide web support. TOPR at 19. These tasks were to be performed on an asneeded and/or part-time basis. The initial task was for the production of short video clips of program manager interviews and a documentary of DARPA recent accomplishments. Labor categories, some of which were identified as key personnel, and estimated labor hours, were provided for CLIN 4030. See TOPR amend. 2, Table 6, Estimated Labor Hours CLIN 4030 Off-site.

Offerors were advised that award would be made, based upon initial proposals without conducting discussions, on a "best value" basis considering the following evaluation factors listed in descending order of importance: technical, past performance and cost. TOPR at 51. The technical evaluation factor consisted of the following subfactors listed in descending order of importance: technical knowledge, capability and approach; management plan; relevant experience; and, oral understanding of the work. Offerors were required to submit resumes for proposed key personnel. TOPR at 40. For proposed personnel that were not currently employed by an offeror, a letter of intent had to be submitted. All on-site personnel were required to have at least a secret security clearance, and clearances had to be capable of verification by the government through the Joint Personnel Adjudication System. Id.

Under the technical knowledge, capability and approach subfactor, offerors were required to demonstrate an understanding of the requirements contained in the performance work statement (PWS) and demonstrate knowledge and capability to perform the requirements. TOPR at 39. Offerors were also required to provide a staffing plan, and demonstrate a commitment to assign appropriately skilled and experienced individuals by submitting a matrix which cross-referenced the proposed person's name, education and work experience against the required tasks in the PWS. Offerors were also required to address the employment status and the current security clearance level for all proposed personnel.

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¹ The RFP provided that the agency may require offerors to provide an oral presentation to demonstrate their oral understanding of the work. RFP at 40-42.

Under the management plan subfactor, offerors were to provide a comprehensive management plan to include supervision and communication with personnel, and methods and processes that would be used for assigning tasks and tracking their progress. The plan was to specifically address how the offeror would identify, prioritize, plan, and schedule operational activities, as well as how the offeror's resources would be used to accomplish the activities.

For the past performance evaluation, offerors were to provide three references to address the offeror's relevant past performance during the last 5 years. TOPR at 52. The TOPR provided a past performance questionnaire to be completed by references. The TOPR warned offerors that failure to provide the required information, or to provide an explanation of its omission, would result in the removal of the offeror from consideration for award.

Evaluation of CLIN 4020

The agency received three proposals in response to CLIN 4020, including the protester's and ManTech's. The agency elected to not conduct oral presentations. The evaluation results were as follows:

| OFFEROR | TECHNICAL SCORE ² | PAST PERFORMANCE | COST |
|-----------|---------------------------------|---------------------|-----------------|
| ManTech | A | A | \$42,048,732.28 |
| Offeror A | В | A | \$41,346,090.27 |
| Xtreme | D | Neutral | \$31,833,881.98 |

AR, Tab 1, Business Clearance Memorandum, at 20.

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² The agency explained that an "A" rating reflects an exceptionally thorough proposal that demonstrates a comprehensive understanding of the program goals, resources, schedules, and other aspects essential to performance of the program; the proposal contains major strengths, exceptional features or innovations that should substantially benefit the program; the proposal contains no weaknesses or deficiencies and presents an extremely low risk of unsuccessful performance. AR, Tab 1, Business Clearance Memorandum at 16. In contrast, a "D" rating reflects a superficial proposal, or one that demonstrates a vague understanding of the program goals and the methods, resources, schedules, and other aspects essential to the performance of the program; the proposal contains weaknesses that are not offset by strengths and has a moderate risk of unsuccessful performance. Id.

The technical evaluation panel concluded that the protester had a limited understanding of the CLIN 4020 PWS requirements. The panel also concluded that the protester's proposed staffing plan was "critically deficient" because the proposal identified fewer personnel than the TOPR with no explanation of how the smaller staff could effectively perform the requirements. AR, Tab J1, Technical Evaluation Summary Report, at 9. In addition, the evaluators found that the protester's team did not meet the experience, educational, and/or security clearance requirements, and noted that the proposal did not assign candidates to specific tasks as required by the TOPR. The evaluators also found that the protester's proposal did not discuss its approach to identifying operational challenges or address the Specialized Study and Advisory Group, as required by the TOPR.

The protester's management plan was found to be deficient because it did not specifically explain how it related to DARPA's mission and needs, and did not indicate how the protester's team would interact with the government staff. While the evaluators acknowledged that the protester had relevant experience, they found that the protester's prior experience did not cover several of the PWS tasks. <u>Id.</u> at 12.

With respect to past performance, the agency did not receive a single questionnaire from the protester's references, and the agency could not locate any past performance information regarding the protester in the Past Performance Information Retrieval System (PPIRS). As a result, the agency assigned a neutral rating.

Given these results, the evaluation panel recommended ManTech for award. The contracting officer (CO) reviewed the evaluation and concluded that, due to Xtreme's D rating for the technical evaluation factor and its neutral past performance rating, its proposal was unacceptable. AR, Tab 2. Business Clearance Memorandum, at 48, 51. As a result, Xtreme was not included in the tradeoff decision, and award of the CLIN 4020 task order was made to ManTech.

Evaluation of CLIN 4030

The agency received six proposals in response to CLIN 4030, including the protester's and Schafer's, which were evaluated as follows:

| OFFEROR | TECHNICAL | PAST | COST |
|-----------|-----------|-------------|-----------------|
| | SCORE | PERFORMANCE | |
| Schafer | В | A | \$15,170,509.57 |
| Offeror A | В | A | \$18,101,192.00 |
| Offeror B | С | A | \$12,596,799.19 |
| Offeror C | C | A | \$12,492,897.38 |
| Offeror D | C | A | \$13,284,905.76 |
| Xtreme | D | Neutral | \$10,685,654.76 |

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AR, Tab 2, Business Clearance Memorandum, at 19.

Again, the evaluators found that the protester's proposal demonstrated a superficial and vague understanding of the requirements and contained numerous weaknesses, the primary one being the protester's failure to address a majority of the required tasks. See AR, Tab J4, Evaluation Panel Summary Report, at 15. Specifically, the evaluators found that the protester failed to provide information relating to, among other things, creating news releases, assisting with public/media inquiries, interviews, and professional production. The protester's staffing plan was also considered to be severely deficient, given that Xtreme identified only five personnel in its proposal, which was much less than the estimated number provided by the agency in the TOPR. See TOPR amend. 2, Table 6, Estimated Labor Hours CLIN 4030 Off-site. Moreover, none of the protester's candidates had conference or event planning experience and the protester's proposal did not specifically address the logistical requirements for managing a conference event.

The CO reviewed the evaluation panel results and concluded that, although the protester's proposal offered the lowest cost, the proposal was unacceptable and ineligible for award given the numerous technical deficiencies that resulted in a technical rating of D. AR, Tab 2, Business Clearance Memorandum, at 55. Award of the CLIN 4030 task order was made to Schafer.

Following a debriefing, Xtreme filed this protest with our Office.

DISCUSSION

Xtreme questions the agency's evaluation of its proposal and argues that the agency improperly issued the task orders to two offerors with higher evaluated costs.

In reviewing protests of alleged improper evaluations and source selections, our Office examines the record to determine whether the agency's judgment was reasonable and in accord with the stated evaluation criteria and applicable procurement laws. See ABT Assocs., Inc., B-237060.2, Feb., 26, 1990, 90-1 CPD ¶ 223 at 4. It is an offeror's responsibility to submit a well-written proposal, with adequately detailed information which clearly demonstrates compliance with the solicitation and allows a meaningful review by the procuring agency. CACI Techs., Inc., B-296946, Oct. 27, 2005, 2005 CPD ¶ 198 at 5. In this regard, an offeror must affirmatively demonstrate the merits of its proposal and risks the rejection of its proposal if it fails to do so. HDL Research Lab, Inc., B-294959, Dec. 21, 2004, 2005 CPD ¶ 8 at 5. A protester's mere disagreement with the agency's evaluation provides no basis to question the reasonableness of the evaluators' judgments. See Citywide Managing Servs. Of Port Washington, Inc., B-281287.12, B-281287.13, Nov. 15, 2000, 2001 CPD ¶ 6 at 10-11.

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In addressing Xtreme's protest, we have reviewed the record, including the agency's evaluation materials, Xtreme's proposal, and its arguments challenging the agency's evaluation and selection decision. While we only address the protester's primary challenges, we have considered all of Xtreme's arguments and conclude that none of them have merit. In short, we think the record supports the ratings given the protester's proposal and the agency's selection decisions.

Initially, we note that, although the agency report specifically addresses the protester's challenge to the evaluation of the firm's proposal and provides a detailed analysis of the evaluated weaknesses and deficiencies in that proposal, the protester's comments do not substantively challenge the agency's evaluation results. Rather, the protester argues in a general fashion that it has the knowledge and personnel to perform the requirement. The TOPR, however, required that offerors demonstrate their abilities to perform the requirements in their proposals, and, in our view, Xtreme simply failed to do so.

With respect to CLIN 4020, the TOPR required offerors to identify a specific number and category of employees all of which were considered key. The TOPR further stated that resumes must be provided for all key personnel. The protester does not contend that it proposed sufficient key staff to perform the CLIN (or that it provided resumes for these key personnel), but instead argues that it has the ability to obtain staff and will provide sufficient staff in contract performance. See Protest at 1-2; Comments at 3. This response, however, does not show that the agency's concerns about Xtreme's staffing plan were unreasonable. In short, the TOPR required offerors to detail the personnel to be provided under the contract and to demonstrate a commitment to assign appropriately skilled and experienced personnel.³

With respect to CLIN 4030, the protester also failed to address a number of TOPR requirements, including identifying sufficient staff to perform and addressing how it will accomplish contract tasks. Again, the protester does not specifically challenge the agency's evaluation conclusions concerning Xtreme's proposal but simply argues that it has the ability to provide the required services. As noted above, however, this does not demonstrate that the agency's evaluation concerns are unreasonable.

For both CLINs, the agency received no completed past performance questionnaires from any of the protester's references, and found no past performance information for Xtreme in the PPIRS database. The protester contends that it is not listed in the

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³ The protester argues that its technical approach was fully substantiated in its Quality Assurance Surveillance Plan (QASP) and that the agency overlooked its QASP in its evaluation. We have reviewed Xtreme's QASP plan, and we find no evidence in our review that this plan in fact addresses the agency's evaluated concerns with the protester's staffing and management plans.

PPIRS because several prime contractors, which subcontracted work to the protester, failed to provide past performance information to the PPIRS, despite repeated requests that they do so. Although Xtreme complains that it was prejudiced by these prime contractors' failure to provide past performance information, Xtreme does not contend that the agency was involved in any way. Xtreme's complaints in this regard simply do not show that the Navy acted unreasonably, or in violation of law or regulation.

The protester also argues that the agency was biased against Xtreme, a small veteran-owned business. The protester, however, presents no evidence supporting this allegation other than its own inference based upon an alleged comment by a procurement official that this requirement was not for small businesses. Rather, as noted above, the record supports the reasonableness of the agency's evaluation of Xtreme's proposal. We find no basis to conclude that the evaluation of Xtreme's proposal was the result of the agency favoring large business concerns, or was otherwise motivated by bias or bad faith on the part of the agency. In this regard, government officials are presumed to act in good faith, and we will not attribute unfair or prejudicial motives to procurement officials on the basis of inference or supposition. See Shinwha Elecs., B-290603 et al., Sept. 3, 2002, 2002 CPD ¶ 154 at 5 n.6.

In sum, given the protester's failure to demonstrate its ability to satisfy the agency's requirements, we find that the agency's evaluation was reasonable and consistent with the evaluation criteria. Furthermore, given the reasonableness of the evaluation, the record provides no basis to question the agency's decision not to select Xtreme for these task orders. Because the agency found the protester's proposals to be unacceptable in both instances, the agency was not required to consider Xtreme's lower costs in its tradeoff decisions, since it is well established that a technically unacceptable proposal cannot be considered for award. EMSA Ltd. P'ship, B-254900.4, July 26, 1994, 94-2 CPD ¶ 43 at 5.

The protest is denied.

Lynn H. Gibson Acting General Counsel

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