441 G St. N.W. Washington, DC 20548 Comptroller General of the United States

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# **Decision**

**Matter of:** Tapestry Technologies, Inc.

**File:** B-416670.2; B-416670.3

Date: December 12, 2019

Paul A. Debolt, Esq., and Ioana Cristei, Esq., Venable, LLP, for the protester. Paul F. Khoury, Esq., Brian G. Walsh, Esq., Moshe B. Broder, Esq., and Sarah B. Hansen, Esq., Wiley Rein LLP, for IPKeys Technologies, LLC, the intervenor. Anthony J. Balestreri, Esq., Colleen A. Eagan, Esq., and Nati Silva, Esq., Defense Information Systems Agency, for the agency.

Michael Grogan, Esq., Michael Willems, Esq., and Edward Goldstein, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

### **DIGEST**

- 1. Protest challenging agency's evaluation of quotations is denied where the agency's evaluation was reasonable and consistent with the terms of the solicitation.
- 2. Allegation of material misrepresentation by awardee is denied where the record does not establish that statements in awardee's proposal constitute material misrepresentations.

### **DECISION**

Tapestry Technologies, Inc., a woman-owned small business of Chambersburg, Pennsylvania, protests the issuance of a task order to IPKeys Technologies, LLC, a woman-owned small business of Stafford, Virginia, under request for quotations (RFQ) No. 831711853, issued by the Defense Information Systems Agency (DISA), for technical assessment and support services. Tapestry challenges the agency's evaluation of quotations and the best-value tradeoff decision, and argues that the awardee's quotation included a material misrepresentation.

We deny the protest.

#### **BACKGROUND**

The RFQ was issued on July 31, 2018, pursuant to the procedures in Federal Acquisition Regulation subpart 8.4, as a set-aside for woman-owned small businesses

holding General Services Administration Federal Supply Schedule contracts under schedule 70, Information Technology. Agency Report (AR), Tab 2, RFQ at 1; Contracting Officer's Statement and Memorandum of Law (COS/MOL) at 3; AR, Tab 2F, Performance Work Statement (PWS) at 1.1 The RFQ contemplated the award of a single fixed-price task order, with a 1-year base period and four 1-year option periods. for technical assessment and support services to DISA's Risk Management Executive/Fifth Estate Center. RFQ at 1. Specifically, the solicitation required contractor support for cybersecurity assessments and authorization, risk management and information assurance support, and risk adjudication and connection services, across 22 distinct task areas. PWS at 1, 3-4.

The solicitation advised that award would be made on a best-value tradeoff basis, utilizing two evaluation factors, technical/management approach and price, where technical/management approach was more important than price. RFQ at 3-6. The technical/management approach factor was composed of five subfactors, each tied to specific elements within the PWS and a full-time equivalent (FTE) matrix: (1) system and enclave assessments (PWS § 6.2.1); (2) cloud assessments/validations (PWS § 6.4.2); (3) on-site at the contractor's facility (PWS § 9.1.3); (4) transition-in (PWS § 6.1.3.2); and (5) FTE matrix. RFQ at 4-5. The technical/management approach subfactors were of equal importance. Id. at 4.

As relevant to this protest, under the on-site at the contractor's facility subfactor, vendors were required to demonstrate their ability to provide a facility within 20 miles of Ft. Meade, Maryland, with both secure and non-secure internet and network access to conduct day-to-day requirements. PWS at 39. Additionally, the awardee's facility was required to have certain meeting space requirements, as outlined in the PWS. Id.; RFQ at 4. The agency required vendors to provide access to this facility at the start of contract performance. See AR, Tab 2H, RFQ Question & Answer, at 12.

The RFQ provided that DISA would assign a color/adjectival rating for each technical/management approach subfactor based on the quotation's technical/risk rating.<sup>2</sup> RFQ at 4. The RFQ provided that price would be evaluated for reasonableness and completeness. Id. at 6.

(continued...)

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<sup>&</sup>lt;sup>1</sup> The RFQ was amended multiple times. All citations to the RFQ are to the final conformed version provided by the agency.

<sup>&</sup>lt;sup>2</sup> For the technical/risk subfactor ratings, the agency used a color/adjectival rating scheme with the following rating combinations: blue/outstanding, purple/good, green/acceptable, vellow/marginal, and red/unacceptable. AR, Tab 2B, Evaluation Table. As relevant to this protest, a green/acceptable rating would be assigned when a "[g]uote meets requirements and indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate," and a purple/good rating would be assigned where a "[q]uote indicates a thorough approach and understanding of the requirements and contains at least one strength, and risk of unsuccessful performance is low to moderate." AR. Tab 2B. Evaluation

DISA received final revised quotations from multiple vendors, to include IPKeys and Tapestry, by the May 16, 2019 submission deadline. COS/MOL at 5. The following is a summary of the final ratings of the quotations of Tapestry and IPKeys:

	Tapestry	IPKeys
Technical/Management Approach		
System and enclave assessments	Blue/Outstanding	Green/Acceptable
Cloud assessments/validations	Green/Acceptable	Green/Acceptable
On-site at the contractor's facility	Green/Acceptable	Green/Acceptable
Transition-in	Purple/Good	Purple/Good
FTE matrix	Green/Acceptable	Purple/Good
Total Evaluated Price	\$213,740,029	\$165,066,525

AR, Tab 5, Selection Recommendation Decision (SRD) at 101-102.

The agency noted that Tapestry's quotation was priced 23 percent higher than IPKeys' quotation, but because the technical/management approach factor was more important than price, DISA noted "the question is whether the difference in price is outweighed by the benefits associated with Tapestry's technical quote, which as demonstrated above, was determined to be technical[ly] superior to IPKeys's quote under one of the five Subfactors." Id. at 108. The agency found that after considering the evaluation factors and their relative importance, "the technical benefits of Tapestry's quote under Subfactor 1 [system and enclave assessments] are not worth the \$48,673,504 or 23% price premium." Id. The agency concluded, therefore, that IPKeys quotation was the best value to DISA. Id. DISA notified the protester of its award decision on August 29. Protest at 6. This protest followed on September 9.

#### DISCUSSION

The protester contends that the agency conducted a flawed evaluation of IPKeys' quotation under the on-site at the contractor's facility subfactor, and argues that the agency made an unreasonable best-value tradeoff decision, as a result. Protest at 8-10; Comments and Supp. Protest at 2-7. The protester also argues that IPKeys

Table. The solicitation further stated that a strength would be provided when an aspect of an offeror's proposal/quotation "has merit or exceeds specified performance or capability requirements in a way that will be advantageous to the Government during contract performance." <u>Id.</u>

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<sup>(...</sup>continued)

<sup>&</sup>lt;sup>3</sup> Though not relevant to this protest, based on the record, it appears that Tapestry's quotation was rated higher than IPKeys' quotation in the system and enclave assessments subfactor, but IPKeys was higher rated in the FTE matrix subfactor. AR, Tab 5, SRD at 101-102.

made a material misrepresentation in its quotation concerning its ability to provide the required facilities. Comments and Supp. Protest at 5-6; Protester's Supp. Comments at 2-5. Although we do not address every argument raised by Tapestry, we have reviewed them all and find that none provides a basis to sustain the protest.<sup>4</sup>

# Contractor's Facility and Material Misrepresentation

Tapestry's arguments concerning the agency's misevaluation of IPKeys' quotation and the protester's assertion that the awardee's quotation contains a material misrepresentation both concern IPKeys' proposed contractor facility. As provided above, to satisfy the requirements of the solicitation, vendors were required to demonstrate their ability to provide a facility within 20 miles of Ft. Meade, Maryland, that satisfied certain technical and spatial requirements. See PWS at 39; RFQ at 4. IPKeys' quotation indicated that it would utilize space located at 300 Sentinel Drive in Annapolis Junction, Maryland. AR, Tab 4, IPKeys' Quotation, at 18-22. Specifically, IPKeys represented in its quotation that it had entered into a lease with CGI Federal--the owner of the facility and a subcontractor to IPKeys--for space on the 2nd and 7th floors of the building. Id. at 20. IPKeys further stated that because the "incumbent contractor's lease agreements for the CGI facility must transition upon the conclusion of the incumbent's contract," IPKeys could "provide the existing facilities on Day 1 [of the contract]." Id. at 18.

Tapestry contends that DISA's evaluation of IPKeys' quotation, under the on-site at the contractor's facility subfactor, was unreasonable because Tapestry's quotation also represented that it would use 300 Sentinel Drive to satisfy the solicitation's requirements, and that Tapestry, alone, has exclusive use of the facility. Protest at 8; Comments and Supp. Protest at 2-5. In this regard, the protester argues that CGI Federal, the building's owner, licensed the use of the facility to CSRA, LLC, a

<sup>&</sup>lt;sup>4</sup> For example, the protester argues that DISA unreasonably evaluated its quotation under the on-site at the contractor's facility subfactor, when it awarded a green/acceptable rating, rather than a purple/good rating. Protest at 10; Comments and Supp. Protest at 6. In this regard, Tapestry argues that it "should have received a strength for its low risk of unsuccessful performance" because "no risk exists that Tapestry cannot provide the facility on day one of contract performance" and that its technical solution offers "little to no transition risk." Comments and Supp. Protest at 6. The agency argues, however, and the record reflects, that DISA determined that Tapestry's quotation, under this subfactor, did not warrant a strength because its approach met, but did not exceed, the solicitation's requirements; we have no basis to question DISA's assignment of a green/acceptable rating under this subfactor. A protester's disagreement with the agency's judgment, without more, is insufficient to establish that an evaluation was improper. Commercial Window Shield, B-400154, July 2, 2008, 2008 CPD ¶ 134 at 2.

subcontractor to Tapestry.<sup>5</sup> Protest at 8-9. Tapestry contends that under the terms of the lease agreement, CGI Federal was not permitted to lease the facility to another firm. Id.; Protest, Exh. 6, Decl. of CSRA Contracts Director, at 1-2; see Protester's Response to Req. for Dismissal, Exh. 3, Unredacted Lease, First Amendment, April 11, 2017, at ¶ 9. Moreover, the protester asserts that CSRA will grant Tapestry, and no other company, use of the facility at issue. Protest at 8-9; Protest, Exh. 6, Decl. of CSRA Contracts Director, at 2. Accordingly, Tapestry contends that because only it was permitted to utilize the facility, DISA's evaluation of IPKeys' quotation, which proposed using the same facility, cannot be reasonable.

The agency argues that it reasonably evaluated IPKeys' quotation, under the on-site at the contractor's facility subfactor, in accordance with the terms of the solicitation. COS/MOL at 9-17; see also IPKeys' Comments at 2-4. DISA asserts that IPKeys' quotation properly documented that IPKeys planned to utilize the facility to satisfy the requirements of the RFQ, and that the firm had signed a lease agreement for that facility with CGI Federal, the facility's owner. COS/MOL at 11-12. The agency contends that it reasonably evaluated this information presented in IPKeys' quotation, determined that IPKeys' quoted facility met the solicitation's requirements, and then concluded that IPKeys' approach warranted a green/acceptable rating. Id.; see AR, Tab 5, SRD at 14-16. DISA further notes that Tapestry's quotation did not indicate that the protester had exclusive use of the facility. COS/MOL at 13-15.

The evaluation of a quotation is a matter within the agency's discretion. Sigmatech, Inc., B-406288.2, July 20, 2012, 2012 CPD ¶ 222 at 5. In reviewing a protest challenging an agency's evaluation, our Office will not reevaluate quotations, but instead, will examine the record to determine whether the agency's judgment was reasonable and consistent with the stated evaluation criteria and applicable procurement statutes and regulations. Torres Advanced Enterprise Solutions, LLC, B-403036, Aug. 18, 2010, 2010 CPD ¶ 197 at 2. A protester's disagreement with an agency's judgment, without more, is insufficient to establish that an agency acted unreasonably. Converge Networks Corp., B-415915.2, B-415915.3, Aug. 20, 2018, 2018 CPD ¶ 334 at 5. As a general matter, in evaluating quotations, an agency may reasonably rely on information provided by an offeror in its quotation as being accurate. See Beckman Coulter, Inc., B-405452, Nov. 4, 2011, 2011 CPD ¶ 231 at 5; Able Bus. Techs., Inc., B-299383, Apr. 19, 2007, 2007 CPD ¶ 75 at 5; NCR Gov't Sys. LLC, B-297959, B-297959.2, May 12, 2006, 2006 CPD ¶ 82 at 8-9.

We find unobjectionable the agency's conclusion that IPKeys' quotation satisfied the requirements of the solicitation and warranted a green/acceptable rating under the on-site at the contractor's facility subfactor. The evaluation record reflects that DISA determined that IPKeys' quotation met "all requirements for Subfactor 3 [concerning a

<sup>&</sup>lt;sup>5</sup> Specifically, the protester notes that CGI Federal granted a license for the use of the facility to NES Associates, LLC (NES), now a wholly-owned subsidiary of CSRA. Protest at 8.

contractor's facility] and indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate." AR, Tab 5, SRD at 17. In so finding, the record demonstrates that DISA evaluated IPKeys' quotation and acknowledged that the vendor had a signed lease agreement with CGI Federal for use of the facility. Id. at 15. There is nothing in the record to suggest that it was unreasonable for DISA to rely on the information provided in IPKeys' quotation. Indeed, IPKeys quotation references a signed lease agreement for the facility, and we find no information in Tapestry's quotation, or elsewhere in the contemporaneous record, suggesting that Tapestry had exclusive rights to use the facility at issue. Because an agency may reasonably rely on the information provided in a vendor's quotation as being accurate when performing its evaluation, especially where it has no reason to question that information, we find no basis to find the agency's evaluation unreasonable. See Beckman Coulter, Inc., supra, at 5. This protest ground is denied.

Tapestry also argues that IPKeys' quotation contains a material misrepresentation regarding IPKeys' lease of the facility at issue. Comments and Supp. Protest at 5-6. The protester contends that IPKeys's quotation mispresented that it could provide DISA with a facility that satisfied the requirements of the RFQ at the start of contract performance because the protester asserts that Tapestry, through CSRA, controls the facility through April 2021. <u>Id.</u>; Protester's Supp. Comments at 2-3. By including a facility in its quotation for which it did not have a reasonable expectation of utilizing during contract performance, Tapestry argues IPKeys' quotation contained a material misrepresentation. Comments and Supp. Protest at 5-6; Protester's Supp. Comments at 2-3.

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<sup>&</sup>lt;sup>6</sup> The parties argue, through multiple rounds of briefing, whether CSRA's license (on which Tapestry relies for use of the facility) with CGI Federal is exclusive. <u>See</u> COS/MOL at 13-15; Comments and Supp. Protest at 2-5; Supp. COS/MOL at 3-5; Protester's Supp. Comments at 3-5. However, such a determination is irrelevant to the question of whether DISA properly evaluated IPKeys' quotation under the on-site at the contractor's facility subfactor. Indeed, as discussed above, because the contemporaneous record lacks information that could have put DISA on notice that the facility could not be used by IPKeys, we need not address this issue. To the extent Tapestry believes CGI Federal may have violated or breached CSRA's license agreement, such an allegation concerns a private dispute between private parties that we will not consider, absent evidence of government involvement. <u>See Imagine One Tech. & Mgmt., Ltd.</u>, B-412860.4, B-412860.5, Dec. 9, 2016, 2016 CPD ¶ 360 at 22.

<sup>&</sup>lt;sup>7</sup> To the extent Tapestry challenges whether IPKeys will actually provide the quoted facility as specified in its quotation, this is a matter of contract administration which is not for our consideration. 4 C.F.R. § 21.5(a); see Neopost USA Inc., B-404195, B-404195.2, Jan. 19, 2011, 2011 CPD ¶ 35 at 7 n.5; United Concordia Companies, Inc., B-404740, Apr. 27, 2011, 2011 CPD ¶ 97 at 10.

A vendor's material misrepresentation in its quotation can provide a basis for disqualification of the quotation and cancellation of a contract award. <u>Crown Point Sys.</u>, B-413940, B-413940.2, Jan. 11, 2017, 2017 CPD ¶ 19 at 6. A misrepresentation is material where the agency relied upon it and it likely had a significant impact on the evaluation. <u>ERIMAX, Inc.</u>, B-410682, Jan. 22, 2015, 2015 CPD ¶ 92 at 9. For a protester to prevail on a claim of material misrepresentation, the record must show that the information is false. <u>Id.</u>

Based on the record before us, we find that the protester has not provided sufficient evidence to demonstrate that the awardee made a material misrepresentation in its quotation with regard to its intended use of the facility at 300 Sentinel Drive. The protester's argument is derivative of its claim that only Tapestry could utilize the facility. However, as explained above, IPKeys' quotation provided that it had executed a lease agreement with CGI Federal, the owner of the facility. Tab 4, IPKeys' Quotation, at 18-22. Moreover, as evidenced by the declaration submitted by IPKeys' vice president, at the time IPKeys submitted its quotation, the firm fully anticipated that it would occupy the facility at the start of contract performance, if awarded the contract. AR, Tab 7, Decl. of IPKeys' Vice President, at 1-2.

The record confirms that IPKeys coordinated its access to the facility with CGI Federal, that CGI Federal reviewed IPKeys' quotation concerning its use of the facility, and that IPKeys was informed that CGI Federal "received verbal notification from [the incumbent contractor] that they would not be leasing the space if they lost the contract as they could not use the facility for another contract." <u>Id.</u> Moreover, following the filing of this protest, CGI Federal again confirmed that IPKeys would have access to the facility on the first day of contract performance, if awarded the contract. <u>Id.</u> at 2. We fail to see how the record demonstrates that IPKeys misrepresented its expected use of the facility. As Tapestry does not provide sufficient evidence to demonstrate that IPKeys made any material misrepresentations in its quotation, we deny this protest ground.

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<sup>&</sup>lt;sup>8</sup> Tapestry argues that IPKeys' quotation incorrectly stated that the "facility must transition upon the conclusion of the incumbent's contract." <u>See</u> AR, Tab 4, IPKeys' Quotation, at 18. Based on our review of the record, it is not apparent that this alleged misrepresentation was false. As the record demonstrates, IPKeys executed a lease agreement for the space with CGI Federal, the building owner. To the extent the protester argues that the facility was not required (as a legal matter) to transition at the end of the incumbent contract's period of performance, IPKeys' signed lease with the building owner suggests that IPKeys had a reasonable belief that the space would transition.

<sup>&</sup>lt;sup>9</sup> To the extent Tapestry argues that the license agreement signed by its subcontractor, CSRA, trumps IPKeys' lease with CGI Federal, such an argument concerns a private dispute that is not for our consideration. <u>See Imagine One Tech. & Mgmt., Ltd.</u>, <u>supra</u>, at 22.

## **Best-Value Determination**

Finally, Tapestry argues that DISA's evaluation errors under the on-site at the contractor's facility subfactor rendered the best-value decision unreasonable. Protest at 11; Comments and Supp. Protest at 6-7. Since, as discussed above, we find the protester's arguments concerning the evaluation of Tapestry's and IPKeys' quotations without merit, we have no basis to conclude that the agency's best-value decision was unreasonable.

The protest is denied.

Thomas H. Armstrong General Counsel