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Decision

Matter of: Amentum Parsons Logistics Services LLC

File: B-422697.3; B-422697.7; B-422697.13

Date: October 4, 2024

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Wade L. Brown, Esq., George P. Farley, Esq., and Scott A. Johnson, Esq., Department of the Army, for the agency.

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DIGEST

Protester does not qualify as an interested party to challenge the agency's evaluation and source selection decision where protester's proposal would not be in line for award even if its protest were sustained.

DECISION

Amentum Parsons Logistics Services LLC (APLS), of Arlington, Virginia,¹ protests the Department of the Army's issuance of a task order to KBR Services, LLC, pursuant to request for task order proposals (RFTOP) No. W519TC-23-R-0014 to provide Army prepositioned stock (APS) support services at locations in Europe. See Agency Report

¹ APLS is a joint venture comprised of five members: Amentum Services, Inc.; PAE Applied Technologies, Inc.; PAE Government Services, Inc.; Parsons Government Services, Inc.; and Parsons Government Services International, Inc. Previously, APLS was known as PAE-Parsons Global Logistics Services LLC (P2GLS), and the agency's contemporaneous record refers to the protester, alternatively, as APLS, P2GLS, and Amentum. For the sake of consistency, this decision refers to the protester as APLS.

(AR), Tab 26, RFTOP at 1-4.² APLS challenges various aspects of the agency's evaluation of proposals. Because the record establishes that APLS's proposal was internally inconsistent with respect to APLS's compliance with the solicitation's material small business participation requirements, APLS's proposal was ineligible for award.

Accordingly, we dismiss the protest.

BACKGROUND

On May 5, 2023, pursuant to section 16.505 of the Federal Acquisition Regulation (FAR), the Army issued the RFTOP to the four contractors that were previously awarded indefinite-delivery, indefinite-quantity (IDIQ) contracts under the fifth generation of the Logistics Civil Augmentation Program (generally referred to as "LOGCAP V").³ As amended, the RFTOP contemplated issuance of four task orders to provide APS support in different geographic regions around the world;⁴ the task orders were competed simultaneously.⁵ RFTOP at 2-3 The solicitation provided that each task order will contain cost-plus-fixed-fee, fixed-price, and non-fee bearing cost contract line items (CLINs), and each task order will cover a 1-year base period, a 1-year option period with two additional 6-month option periods, and a final 6-month option period. *Id.* The instant protest concerns the Army's evaluation and source selection decision for the task order to be performed in Europe (APS-2).

The solicitation provided that award would be made on the basis of a best-value tradeoff between the following evaluation factors, listed in descending order of importance: technical/management approach, past performance, small business participation, and cost/price. The solicitation further stated that all factors other than cost/price, when combined, were significantly more important than cost/price. *Id.* at 26-27.

With regard to the technical/management approach factor, the solicitation established three equally weighted subfactors (program management plan, site specific staffing

² The page numbers referenced in this decision are the Adobe PDF page numbers in the documents submitted. All citations to the RFTOP in this decision refer to the final version of the RFTOP, issued with amendment 9, that was submitted at tab 26 of the agency report.

³ In 2019, the agency awarded LOGCAP V contracts to: Fluor Corporation; KBR, Inc.; Vectrus, Inc.; and APLS (P2GLS at the time of award).

⁴ Specifically, the solicitation contemplated issuance of task orders to provide APS services in Europe (referred to as APS-2), South Carolina (APS-3), Korea/Japan (APS-4), and Kuwait (APS-5). RFTOP at 2.

⁵ Offerors were not required to submit proposals for all four locations, and the RFTOP provided that the agency would separately evaluate the proposals for each location. *Id.* at 3, 27.

plan, and adjusted labor staffing model); set forth evaluation criteria for each subfactor; and provided that the Army would assess adjectival ratings of outstanding, good, acceptable, marginal, and unacceptable under this factor. *Id.* at 29-32.

With regard to past performance, the solicitation established three equally weighted subfactors (supply, maintenance, and transportation) and provided that the agency would make “overall integrated” confidence assessments by assigning ratings of substantial confidence, satisfactory confidence, neutral confidence, limited confidence, or no confidence. *Id.* at 37.

Of particular relevance here, with regard to the small business participation factor, the solicitation established certain requirements regarding the use of small business subcontractors; required each offeror to submit a small business commitment document addressing those requirements; provided that each proposal would be evaluated under this factor on an acceptable/unacceptable basis; and provided that a proposal must receive a rating of acceptable to be eligible for award. *Id.* at 39; see AR, Tab 11, Small Business Commitment Document.

Specifically, with regard to the APS-2 procurement,⁶ the solicitation stated:

The Government has established the following goals . . . based on total task order value:

- Small Business (SB) 2%
- Small Disadvantaged Business (SDB) 1%
- HUBZone-Certified Small Business (HUBZone) 1%
- Veteran-Owned Small Business (VOSB) 1%
- Service-Disabled Veteran-Owned Small Business (SDVOSB) .50%

Id. at 38.

To be rated as acceptable under this evaluation factor, an offeror’s proposal was required to meet or exceed each of the stated small business subcontracting goals or provide a “reasonable rationale” as to why the goals were not met. *Id.* at 39-40.

Also relevant here, with regard to the cost/price factor, the solicitation required each offeror to submit a cost/price proposal that included subcontractor costs. *Id.* at 18-26. Among other things, the solicitation stated that, if a subcontractor was proposed to support cost-type CLINs under a fixed-price subcontract, the offeror must provide “a detailed price proposal which clearly shows the proposed labor categories, proposed labor hours, proposed FTEs [full-time equivalents], and proposed firm fixed prices for all periods of performance.” *Id.* at 21. Similarly, if an offeror was being proposed to

⁶ The solicitation contained differing small business requirements depending on whether the performance location was within or outside the continental United States. RFTOP at 38.

support cost-type CLINS under a cost-reimbursement subcontract, the proposal was required to include “a detailed cost element proposal by CLIN,” and “be supported with verifiable facts, figures, and basis of estimates.” *Id.*

On or before the June 13 solicitation closing date, the agency received proposals from all four LOGCAP contractors, including Vectrus and APLS. Contracting Officer’s Statement and Memorandum of Law (COS/MOL) at 21. Thereafter, the agency evaluated those proposals, established a competitive range consisting of all four offerors, conducted multiple rounds of discussions, and requested that final proposal revisions be submitted by January 31, 2024. *Id.* at 21-22.

With its proposal, APLS submitted a small business commitment document indicating that it would comply with the solicitation’s small business requirements and listed specific subcontractors for each of the small business participation goals. AR, Tab 38, APLS’s Small Business Commitment Document at 2. Nonetheless, in describing its proposed technical/management approach, APLS’s proposal stated: “APLS . . . will perform all APS Task Order work under APLS member company Amentum Services, Inc,” and the organization chart it submitted as part of its APS-2 proposal indicated that no subcontractors were being proposed. AR, Tab 33, APLS Technical/Management Proposal at 1, 5. Further, in its cost/price proposal, APLS did not provide any small business subcontractor cost/price information and stated: “all subcontractor requirements detailed within the RFTOP are not applicable.” AR, Tab 40, APLS Proposal Assumptions; Tab 43, APLS Cost/Price Proposal.

Following the offerors’ submission of final proposal revisions, APLS’s and KBR’s proposals were evaluated as follows:⁷

	Technical	Past Performance	Small Business	Cost/Price
KBR	Good	Satisfactory	Acceptable	\$306,849,040
APLS	Good	Satisfactory	Acceptable	\$312,219,242

AR, Tab 100, Source Selection Evaluation Board (SSEB) Report at 20.

⁷ The proposals submitted by Fluor and Vectrus received equal or lower ratings than KBR’s and APLS’s proposals under the non-cost/price factors, and each contractor (Fluor and Vectrus) offered a higher evaluated cost/price; accordingly, those proposals were not considered in the agency’s best-value tradeoff determination.

Thereafter, the agency selected KBR's proposal for award. AR, Tab 102, Source Selection Decision Document at 15-16. APLS subsequently filed this protest.⁸

DISCUSSION

APLS challenges various aspects of the agency's evaluation of proposals. However, the intervenor argues that APLS's proposal failed to comply with the solicitation's material requirements regarding small business participation and should have been evaluated as ineligible for award. Intervenor's Comments on Agency Report at 44-45; Intervenor Comments on Supp. Agency Report at 21. Accordingly, the intervenor maintains that, because APLS's proposal would not be in line for award even if APLS's complaints regarding the agency's evaluation had merit, it does not qualify as an interested party to challenge the source selection decision, and its protest should be dismissed. *Id.* We agree.

A proposal that fails to comply with a solicitation's material requirements may not form the basis for an award. *Deloitte Consulting LLP*, B-417988.2 *et al.*, Mar. 23, 2020, 2020 CPD ¶ 128 at 6; *IBM U.S. Fed., a division of IBM Corp.; Presidio Networked Solutions, Inc.*, B-409806 *et. al.*, Aug. 15, 2014, 2014 CPD ¶ 241 at 10. In determining the technical acceptability of a proposal or quotation, an agency may not accept at face value a promise to meet a material requirement, where there is significant countervailing evidence that was, or should have been, reasonably known to the agency evaluators that should create doubt whether the offeror or vendor will or can comply with that requirement. *Deloitte Consulting LLP, supra*; *Bahrain Telecommunications Co., B.S.C.*, B-407682.2, B-407682.3, Jan. 28, 2013, 2013 CPD ¶ 71 at 5-6. In this context, a proposal that contains an ambiguity as to whether the offeror will comply with a material solicitation requirement renders the proposal unacceptable. *Deloitte Consulting LLP, supra*; *Solers, Inc.*, B-404032.3, B-404032.4, Apr. 6, 2011, 2011 CPD ¶ 83 at 7 n.6.

Based on the record here, we conclude that APLS's proposal contained internal inconsistencies regarding compliance with the solicitation's material subcontracting requirements, rendering the proposal ineligible for award. First, as discussed above, despite APLS's submission of a small business commitment document representing that APLS would comply with the solicitation's small business requirements, APLS's description of its technical/management approach stated: "APLS . . . will perform all APS Task Order work under APLS member company Amentum Services, Inc." See AR, Tab 33, APLS Technical/Management Proposal at 1. Further, while the organization chart APLS submitted with its technical/management proposal provided a

⁸ The value of the protested task order exceeds \$25 million. Accordingly, this protest is within our jurisdiction to hear protests of task orders placed under defense agency IDIQ contracts. 10 U.S.C. § 3406(f)(1)(B).

visual means to distinguish between areas that would be staffed by the prime or a subcontractor⁹--the chart did not, in fact, identify any subcontractors. *Id.* at 5. Finally, despite the solicitation's explicit requirements that cost/price proposals must include detailed cost/price information for proposed small business subcontractors, APLS's proposal contained no such cost/price information--and further stated: "all subcontractor requirements detailed within the RFTOP are not applicable." See AR, Tab 40, APLS Proposal Assumptions; Tab 43, APLS Cost/Price Proposal. On this record, the agency was required to either resolve these inconsistencies (which it did not) or evaluate APLS's proposal as ineligible for award. See *Deloitte Consulting LLP, supra*; *Bahrain Telecommunications Co., supra*; *Solers, Inc., supra*.

Further, our regulations provide that only an "interested party" may protest a federal procurement--that is, a protester must be an offeror whose direct economic interest would be affected by the award or the failure to award a contract. 4 C.F.R. § 21.0(a)(1). A protester is not an interested party where it would not be in line for award, were its protest to be sustained. *SOC LLC*, B-418487.2, B-418487.3, Feb. 4, 2021, 2021, CPD ¶ 75 at 15-16; *Bluewater Mgmt. Grp., LLC*, B-418831, Sept. 2, 2020, 2020 CPD ¶ 280 at 4; *MindPetal Software Sols., Inc.*, B-418016, Dec. 20, 2019, 2020 CPD ¶ 9 at 4-5.

Here, the solicitation provided that, to be eligible for award, a proposal must have demonstrated compliance with the solicitation's small business participation requirements. While a portion of APLS's proposal represented it would comply, both its technical/management proposal and its cost/price proposal contradicted that representation. Accordingly, the agency did not have a reasonable basis for assigning a rating of acceptable to APLS's proposal regarding its compliance with the solicitation's small business requirements, and APLS does not qualify as an interested party to challenge the agency's evaluation of KBR's proposal.¹⁰

The protest is dismissed.

Edda Emmanuelli Perez
General Counsel

⁹ The chart's legend provided that areas staffed by subcontractors would be outlined with a purple border.

¹⁰ As noted above, the proposals submitted by both Fluor and Vectrus were evaluated as eligible for award, and APLS has not challenged the agency's evaluation of those proposals. Accordingly, even if APLS's various protest allegations regarding the acceptability of KBR's proposal had merit, APLS would still not be in line for award.