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Decision

Matter of: Operations Services, Inc.

File: B-422772.2

Date: February 18, 2025

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DIGEST

Protest based on a misstatement of the solicitation requirements and the protester's speculation regarding the awardee's proposed approach is dismissed for failing to state a sufficient basis for protest.

DECISION

Operations Services, Inc. (OSI), of Fayetteville, North Carolina, protests the Department of the Army's issuance of a task order to Logmet, LLC, pursuant to request for task order proposals (RTOP) No. PANMCC-24-P-0000010176, "to support the Contingency Operations Warehouse (COW) [for] the XVIII Airborne Corps." Dismissal Request, exh. 1, Original RTOP at 1.¹

We dismiss OSI's protest because it is based on a misstatement of the solicitation requirements and OSI's speculation regarding the contents of Logmet's proposal.

BACKGROUND

On May 21, 2024, the Army issued the RTOP pursuant to the procedures set forth in subpart 8.4 of the Federal Acquisition Regulation. The solicitation, which was set aside for service-disabled veteran-owned small businesses that hold certain General Services

¹ The page numbers referenced in this decision are the Adobe PDF page numbers in the documents submitted.

Administration multiple award schedule contracts, sought fixed-price proposals for “the appropriate amounts of qualified labor and management necessary to [perform the solicitation’s requirements].” *Id.* The solicitation provided that the source selection decision would be made on a lowest-price technically acceptable basis and established two evaluation factors: mission capability and price. *Id.* at 33.

Under the mission capability factor, the solicitation established three subfactors-- phase-in approach, management approach, and staffing approach--and provided that a proposal must be evaluated as acceptable under each subfactor in order to be eligible for award. *Id.* With regard to the staffing approach subfactor, the solicitation directed each offeror to submit a staffing plan/staffing matrix that reflected staff with “adequate skill levels in sufficient quantity to successfully perform the requirement.” *Id.* at 31. In this context, the solicitation directed offerors to address “how the proposed staff is sufficient to complete all the tasks in the PWS [performance work statement]” and to “detail roles, responsibilities, and address qualifications, education, experience, personnel security clearances, and certifications as required by the PWS.” *Id.* at 31. Finally, the solicitation included technical exhibit 3, titled “Historical Workload Data,” that identified the various tasks and associated levels of effort, as well as the labor categories and associated levels of effort, that had previously been used to perform the solicitation requirements; a total of 19 full-time equivalent personnel (FTEs) were identified in that technical exhibit. See Tech. exh. 3, Historical Workload Data at 1-2.

On or before the June 14 closing date, initial proposals were submitted by seven offerors, including OSI and Logmet.² Consistent with the flexibility the solicitation permitted in proposed staffing, OSI’s initial proposal included a staffing plan with only [redacted] proposed FTEs.

In evaluating OSI’s proposal, the agency rated OSI’s proposal unacceptable under the staffing approach subfactor. In documenting the basis for the unacceptable rating, the agency noted that OSI’s staffing plan included “[redacted] for which no historical workload exists,” noting that OSI had proposed these personnel to perform “the workload that is historically completed by Supply Technicians.” Initial Technical Evaluation at 4-5. The agency further noted that OSI’s proposal “failed to address how the [redacted] would perform the same duties as a Supply Technician,” adding that the proposed personnel “do[] [not] possess the experience or qualifications outlined in [the solicitation for supply technicians].” *Id.* at 4. Finally, the agency noted that OSI’s proposal offered a “staffing plan of [redacted] personnel instead of 19 . . . [and] did not outline or discuss how the same work would be accomplished with fewer personnel.” *Id.* at 5. Overall, Logmet’s and OSI’s initial proposals were evaluated as follows:

² The proposals of the other offerors are not relevant to this protest and are not further discussed.

	Technical Capability	Total Evaluated Price
OSI	Unacceptable	\$6,723,948
LOGMET	Acceptable	\$7,342,252

Dismissal Request, exh. 3, Original Notice of Unsuccessful Offeror at 1.

On July 12, the agency notified OSI that Logmet’s proposal had been selected for award. Among other things, the agency advised OSI that’s its low-priced proposal had been evaluated as unacceptable because OSI’s staffing plan “did not outline or discuss how the same work would be accomplished with fewer personnel to complete all tasks in the PWS.” Debrief Response, July 18, 2024, at 2.

On July 22, OSI filed a protest with this Office, challenging the source selection decision. On August 16, the agency stated that it would take corrective action, elaborating that it would conduct discussions with all offerors, seek revised proposals and make a new award decision. Dismissal Request, exh. 6, Corrective Action Letter at 1. Based on the agency’s pending corrective action, we dismissed OSI’s July 22 protest. *Operations Services, Inc.*, B-422772, Aug. 22, 2024 (unpublished decision).

Thereafter, the agency amended the solicitation;³ opened discussions with the offerors; and sought revised proposals. In its discussions with OSI, the agency stated:

Please identify and describe how [redacted] possess the skills and experience requisite to Supply Technicians to perform the [solicitation] requirements . . . or remove [redacted] from the proposal. . . .

Address how [redacted] FTEs will meet the workload requirements previously done with 19 FTEs . . . or include additional FTEs in the proposal.

Dismissal Request, exh. 7, Evaluation Notice at 4.

On September 23, OSI submitted its revised proposal, increasing the total number of proposed FTEs from [redacted] to [redacted] and increasing its proposed price. Thereafter, the agency evaluated OSI’s and Logmet’s proposals as follows:

³ As amended, the solicitation stated: “the proposed staffing approach must demonstrate the ability to perform all tasks in the PWS based on information contained in Technical Exhibit 3, Historical Workload.” Dismissal Request, exh. 8, Revised RTOP at 31. The amended solicitation also incorporated a new wage determination. *Id.* at 16.

	Technical Capability	Total Evaluated Price
OSI	Acceptable	\$7,468,300
LOGMET	Acceptable	\$7,295,903

Dismissal Request, exh. 9, Second Notice of Unsuccessful Offeror at 1.

On November 6, the agency notified OSI that it had again selected Logmet’s proposal for award. This protest followed.

DISCUSSION

OSI presents various arguments challenging the agency’s selection of Logmet’s proposal. However, all of these allegations are based on the following two flawed or unsupported assumptions: (1) the solicitation required offerors’ staffing plans to mirror the labor categories and levels of effort identified in technical exhibit 3⁴; and (2) Logmet “likely” proposed less than 19 FTEs. Protest at 6-12; Response to Dismissal Request at 2-4. Among other things, the protest presents OSI’s calculations of “possible pricing scenarios” that could have led to Logmet’s total proposed price. See Protest at 7. Based on OSI’s various assumptions regarding the elements of Logmet’s proposed price (including OSI’s estimate of Logmet’s indirect costs and fee), OSI asserts that Logmet’s profit would be less than 1 percent if it had proposed a staffing level of 19 FTEs. Accordingly, OSI speculates that Logmet “likely” proposed less than 19 FTEs and, accordingly, maintains that Logmet’s proposal should have been evaluated as technically unacceptable. Protest at 7-8,10-11.

The agency responds that OSI’s various protest allegations are based entirely on OSI’s speculation regarding Logmet’s proposed approach, which OSI combined with factually inaccurate assertions regarding the solicitation’s stated requirements. Accordingly, the agency maintains that OSI’s various protest allegations fail to constitute sufficient bases for protest. We agree.

Our Bid Protest Regulations require that a protest include a sufficiently detailed statement of the grounds supporting the protest allegations. 4 C.F.R. §§ 21.1(c)(4), 21.1(f), and 21.5(f). That is, a protest must include sufficient factual bases to establish a reasonable potential that the protester’s allegations may have merit; bare allegations or speculation are insufficient to meet this requirement. *Terra Klean Solutions, Inc.*, B-420991, B-420991.2, Sept. 28, 2022, 2022 CPD ¶ 246 at 4; *Ahtna Facility Servs., Inc.*, B-404913, B-404913.2, June 30, 2011, 2011 CPD ¶ 134 at 11. Unsupported or inaccurate assertions by the protester do not constitute an adequate basis for protest. *Science Applications Int’l Corp.*, B-265607, Sept. 1, 1995, 95-2 CPD ¶ 99 at 2.

⁴ More specifically, OSI asserts that technical exhibit 3 constituted a “mandatory minimum staffing standard.” Protest at 7.

First, as discussed above, neither the solicitation nor the agency's discussions with the offerors reflected a "mandate" that each offeror's staffing approach mirror the historical staffing approach. To the contrary, the solicitation, as amended, stated that offerors were required to propose a staffing plan that described "how the proposed staff is sufficient to complete all the tasks in the PWS . . . based on information contained in Technical Exhibit 3, Historical Workload."⁵ Dismissal Request, exh. 8, Revised RTOP at 31. Consistent with the terms of the solicitation, the agency's discussions with OSI regarding OSI's proposed reliance on labor categories other than those that had been historically used gave OSI the option to either "describe how [redacted] possess the [required] skills and experience . . . or remove [them] from the proposal." Dismissal Request, exh. 7, Evaluation Notice at 4. Similarly, in discussing the total staffing level proposed, the agency gave OSI the option to either "[a]ddress how [redacted] FTEs will meet the workload requirements previously done with 19 FTEs . . . or include additional FTEs in the proposal." *Id.* On this record, we reject OSI's assertion that offerors' staffing proposals were required to mirror the staffing approach that had historically been used. To the contrary, the solicitation permitted alternative approaches, but placed the burden on the offeror to adequately describe how it would successfully perform the contract using an alternative approach. The fact that OSI failed to adequately explain in its initial proposal how it would be able to successfully perform the solicitation requirements with a different staffing approach, and was found unacceptable on that basis, does not establish that any other approach was prohibited.

Next, we reject as mere speculation OSI's attempt to "reverse engineer" Logmet's price proposal in order to establish the staffing approach that Logmet "likely" proposed--and, based on that speculation, we also reject OSI's argument that Logmet's proposal should have been evaluated as technically unacceptable. OSI's combination of misstating the solicitation requirements and its speculation regarding Logmet's proposed approach is inadequate to support its protest. As noted above, unsupported assertions and mere speculation on the part of the protester do not provide adequate bases for protest. See, e.g., *Terra Klean Solutions, Inc.*, B-420991, B-420991.2, Sept. 28, 2022, 2022 CPD ¶ 246 at 4. On the record here, OSI's speculation and misstatement of the solicitation's

⁵ As noted above, technical exhibit 3 contained a description of the tasks that had been historically performed under the predecessor procurement.

provisions fail to comply with our Office's threshold requirements for consideration of a protest. Accordingly, the protest will not be further considered.⁶

The protest is dismissed.

Edda Emmanuelli Perez
General Counsel

⁶ OSI also complains that Logmet should have been excluded from competing under the revised solicitation because, following the initial award, Logmet had "unrestricted access to the current warehouse workforce . . . giving Logmet a clear and unfair competitive advantage." Protest at 9-10. As noted above, in its August 16, 2024, corrective action letter, the agency stated it would conduct discussions with all offerors, and it requested the submission of revised proposals by September 23. Yet, OSI did not challenge Logmet's participation in the ongoing procurement until it submitted this protest on November 18. Accordingly, OSI complaints are not timely raised. 4 C.F.R. § 21.2(a)(1); *Shimmick Construction Co., Inc.*, B-420072.3, Mar. 17, 2022, 2022 CPD ¶ 125 at 4.