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Decision

Matter of: ManTech Advanced Systems International, Inc.

File: B-415497

Date: January 18, 2018

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Katherine I. Riback, Esq., and Amy B. Pereira, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the agency's best-value source selection decision is sustained where the record shows that there is insufficient information and analysis in the record to determine that the award selection was reasonable.

DECISION

ManTech Advanced Systems International, Inc., of Herndon, Virginia, protests the award of a task order to The Buffalo Group, under request for proposals (RFP) No. HHM402-17-R-0015, issued by the Defense Intelligence Agency (DIA), for development and enhancements for enterprise applications. ManTech argues that the agency's source selection decision was flawed.

We sustain the protest.

BACKGROUND

On March 14, 2017, the DIA issued the RFP pursuant to the procedures of Federal Acquisition Regulation (FAR) part 16 for a Development and Enhancements for Enterprise Applications (DEEA) task order under the agency's Enhanced Solutions for the Information Technology Enterprise (E-SITE) indefinite-delivery/indefinite-quantity (IDIQ) contract to provide support to users, including war fighters and interagency partners that defend America's national security interests, by developing new

applications, enhancing current applications and eliminating capability overlaps.¹ Agency Report (AR), Exh. 4, RFP, Amend. 1, Performance Work Statement (PWS), Tab 4.2.2 at 2-4; RFP, Amend. 7, Tab 4.8.1 at 5. The solicitation included separate contract line item numbers (CLINS) for labor, materials, and travel, and contemplated award of a single task order on a time-and-materials and cost reimbursable basis for a base year with four 1-year options, and an option to extend for an additional 6 months. AR, RFP, Tab 4.1.1 at 2-8, 64.

The purpose of the procurement is to provide efficient, consistent and quality enterprise information technology (IT) management services to DIA customers and the intelligence community. RFP, Amend. 1, PWS, Tab 4.2.2 at 4. The PWS set forth DIA's eight broad program objectives under DEEA, including enabling standardized and consistent processes for moving from regionally-provided IT services to enterprise-provided IT services. Id. The contractor was to provide managed services which would meet the program and performance objectives within the thresholds identified in the PWS. Id.

The solicitation provided for award on a best-value tradeoff basis, considering price and two technical evaluation factors--program objectives and technical/management.² RFP, Amend. 7, Tab 4.8.1 at 5, 10. The RFP provided that "[f]actor 2 [technical/management] is significantly more important than [f]actor 1 [program objectives], when combined [these factors are] significantly more important than price." RFP, Amend. 7, Tab 4.8.1 at 6. The agency would assign each of these factors one of the following combined technical/risk ratings: outstanding, good, acceptable, marginal, and unacceptable. RFP, Amend. 7, Tab 4.8.1 at 12-13. As relevant to this protest, the definition of an acceptable rating was a proposal that met the requirements and indicated an adequate approach and understanding of the requirements, with a risk of unsuccessful performance of no worse than moderate. RFP, Amend. 7, Tab 4.8.1 at 12. An outstanding rating was defined as a proposal that indicated an exceptional approach, understood the requirements and contained multiple strengths, with a low risk of

¹ The E-SITE "contract provides worldwide coverage of IT requirements and technical support services supporting the Government through system design, development, fielding, and sustainment of global intelligence and Command and Control (C2) assets vital to the security of the United States." DIA, E-SITE, https://www.siteidiq.gov?Default_ESITE.aspx (last visited Jan. 12, 2018).

² The program objectives factor would be evaluated for the quality of the offeror's proposed approach for fulfilling each of the agency's eight objectives for this factor, with each objective being of equal importance. RFP, Amend. 1, Tab 4.2.2, PWS at 6-7; Amend. 7, Tab 4.8.1 at 7. The solicitation provided that the technical/management factor would be evaluated for the quality of the offeror's proposed approach for fulfilling the following seven equally-weighted requirements: effective program management; implement project internal use software labor tracking; implement testing; transition planning; executing lab services; evaluation of external change requests; and evaluation of proposed labor mix. RFP, Amend. 7, 4.8.1 at 7-9.

unsuccessful performance. Id. The RFP also provided that the agency would identify significant strengths, strengths, adequates, weaknesses, significant weaknesses, and deficiencies, in support of the technical/risk rating assigned to the offerors' proposals. RFP, Amend. 7, Tab 4.8.1 at 6. The solicitation also provided that price would be evaluated for reasonableness. RFP, Amend. 7, Tab 4.8.1 at 10.

The agency received seven proposals by the initial due date for proposals, including proposals from ManTech and The Buffalo Group. The agency evaluated the initial proposals, conducted discussions, and solicited final revised proposals. Contracting Officer's Statement (COS) at 2.

The agency received final proposal revisions from seven offerors.³ AR, Exh. 7, Source Selection Decision at 6. The Buffalo Group received an overall technical/risk rating of acceptable with eight adequate ratings for the program objectives factor, and one strength and six adequate ratings for the technical/management factor, and had an evaluated price of \$771,230,621. Id. at 46. ManTech's proposal received an overall technical/risk rating of outstanding with two strengths and six adequate ratings on the program objectives factor, and one significant strength and six strengths for the technical/management factor, with an evaluated price of \$846,151,986.⁴ Id. The source selection authority determined that ManTech's proposal was "slightly technically superior" to that of The Buffalo Group with regard to the program objectives factor, and was "technically superior" to The Buffalo Group's proposal with regard to the technical/management factor. Id. at 47. The agency determined that ManTech's risk of unsuccessful performance was low and that The Buffalo Group's risk of unsuccessful performance was moderate. Id.

The source selection authority stated the following regarding its conclusion that The Buffalo Group's proposal represented the best value to the government:

ManTech's proposal provides a technically superior approach overall, as a result of strengths related to (1) their understanding of the Enterprise ITSM [IT service management] services and their understanding of CID [continuous integration delivery] using the SDLC [software development lifecycle] methodology under Factor 1 [the program objectives factor], and (2) their understanding of and approach to program management, their understanding of Internal Use Software labor tracking, their approach to testing and certification, their understanding of the transition process, their

³ The agency's source selection decision did not contain a separate evaluation of each offeror's proposal, rather it referenced the individual evaluation of each proposal and compared it to the evaluation of The Buffalo Group's proposal. AR, Exh. 7, Source Selection Decision.

⁴ The independent government cost estimate was \$[DELETED]. AR, Exh. 7, Source Selection Decision at 46.

understand of executing lab services, their evaluation of External Change Requests, and their understanding of the labor mix needed under Factor 2 [the technical/management factor]. However, The Buffalo Group's proposal clearly indicates that they can perform this mission. It offers a strength in the most important factor, Factor 2 [the technical/management factor], for [DELETED], and is adequate in all elements, with no weaknesses identified, and only moderate risk. While there is considerable distinction between the technical proposals, and while award to The Buffalo Group may not result in the best performance possible, I have determined after careful assessment that the additional strengths provided by ManTech's proposal do not warrant paying a significant premium of \$74,921,365 (9.71%) above the price offered by The Buffalo Group. It is my determination that The Buffalo Group's technical proposal is likely to result in successful performance, will provide benefit to the government, and combined with the lower price of \$771,230,621.10, provides the best value to the government.

AR, Exh. 7, Source Selection Decision at 47. The contracting officer notified ManTech that The Buffalo Group had been accepted for award. In response, ManTech requested an in-person meeting that was held on October 3 and, on October 10, this protest to our Office followed.⁵ COS at 8.

ANALYSIS

ManTech protests the agency's best-value tradeoff determination. The protester maintains that the determination by the source selection authority that The Buffalo Group represented the best value to the government was unreasonable and inconsistent with the RFP's evaluation criteria that elevated technical/management approach above price, and required a tradeoff, rather than an award to the lowest-priced, technically acceptable offeror. Comments at 9. The protester argues that the agency failed to explain in its selection decision why ManTech's technically superior approach did not merit the additional cost. Protest at 13.

DIA maintains that the agency's tradeoff analysis and best-value determination were well-documented and rational, and that ManTech's argument is an attempt to substitute its judgment for that of the agency. Agency Memorandum of Law at 2-3. The agency further states that source selection decisions must be documented but that there is no need for extensive documentation of every consideration factored into a tradeoff decision. Id.

⁵ The total evaluated price of the task order task order was \$771,230,621. AR, Exh. 7, Source Selection Decision at 46. Accordingly, this procurement is within our jurisdiction to hear protests related to the issuance of orders under multiple-award IDIQ contracts valued over \$25 million. 10 U.S.C. § 2304c(e)(1)(B).

In reviewing an agency's source selection decision, we examine the supporting record to determine if it was reasonable and consistent with the solicitation's evaluation criteria and applicable procurement statutes and regulations. Technology Concepts & Design, Inc., B-403949.2, B-403949.3, Mar. 25, 2011, 2011 CPD ¶ 78 at 8. In this regard, ratings, whether numerical, color, or adjectival, are merely guides for intelligent decisionmaking. One Largo Metro LLC, et al., B-404896 et al., June 20, 2011, 2011 CPD ¶ 128 at 14. The evaluation of proposals and consideration of their relative merits should be based upon a qualitative assessment of proposals consistent with the solicitation's evaluation scheme. NOVA Corp., B-408046, B-408046.2, June 4, 2013, 2013 CPD ¶ 127 at 5; see West Coast General Corp., B-411916.2, Dec. 14, 2015, 2015 CPD ¶ 392 at 12 (finding source selection not reasonable where award determination was based entirely on a comparison of total technical scores and general and administrative rates as a proxy for price).

Where a solicitation provides for a tradeoff between the price and non-price factors, even where price is the least important evaluation factor, as here, an agency properly may select a lower-priced, lower-rated proposal if the agency reasonably concludes that the price premium involved in selecting a higher-rated, higher-priced proposal is not justified in light of the acceptable level of technical competence available at a lower price. i4 Now Solutions, Inc., B-412369, Jan. 27, 2016, 2016 CPD ¶ 47 at 15. However, a tradeoff analysis that fails to furnish any explanation as to why a higher-rated proposal does not in fact offer technical advantages or why those technical advantages are not worth a price premium does not satisfy the requirement for a documented tradeoff rationale, particularly where, as here, price is secondary to technical considerations under the RFP's evaluation scheme. Blue Rock Structures, Inc., B-293134, Feb. 6, 2004, 2004 CPD ¶ 63 at 6.

The agency's source selection decision first compared ManTech's proposal to that of The Buffalo Group.⁶ AR, Exh. 7, Source Selection Decision at 39-47. Under the program objectives factor, as stated above, the agency evaluated how well each offeror would achieve each of the eight program objectives. The agency stated that "[t]he Buffalo Group was evaluated as [a]dequate," for each of the eight objectives. Id. at 39

⁶ While the source selection authority stated that he "reviewed and fully considered" the source selection evaluation board report, AR, Exh. 7, Source Selection Decision at 6, we note that this document was not referenced in the source selection decision, beyond what appears to be a recitation of strengths, and was not provided by the agency to our Office. The agency did provide the agency's evaluation of ManTech's proposal and a heavily redacted source selection decision. While our Bid Protest Regulations, 4 C.F.R. § 21.3(d), only require agencies to produce documents in response to a protest that are relevant to the allegations raised, an agency's overly aggressive efforts to limit document production can, as here, frustrate the mandate of the Competition in Contracting Act, 31 U.S.C. §§ 3551-3556, for our Office to resolve bid protests. CORTEK, Inc., B-412047 et al., Dec. 17, 2015, 2015 CPD ¶ 397 at 3; see Johnson Controls World Services, Inc.--Costs, B-295529.4, Aug. 19, 2005, 2005 CPD ¶ 162 at 8.

to 41. Regarding the agency's evaluation of ManTech's proposal under the program objectives factor, the agency described two strengths that were assigned to the firm and, for the remaining objectives, stated that ManTech's proposal was evaluated as adequate. Id. The source selection authority concluded that ManTech's proposal was slightly technically superior to The Buffalo Group's proposal with regard to the program objectives factor, without any qualitative comparison or explanation beyond the recitation of ratings cited above. Id. at 46.

Under the most important factor, the technical/management evaluation factor, the agency evaluated The Buffalo Group proposal as adequate for six of the elements and described one strength that was assigned to that firm under the third element. Id. at 41-45. Regarding the agency's evaluation of ManTech's proposal under technical/management factor, the agency described one significant strength and six strengths that were assigned to that firm. Id. As before (under the program objectives factor), the source selection authority concluded that ManTech's proposal was technically superior to The Buffalo Group's proposal with regard to the technical/management factor, without any qualitative comparison or explanation, beyond the recitation of ratings cited above. Id. at 46.

The source selection decision also included a section that addressed the tradeoff between the price and non-price factors for the proposals of The Buffalo Group and ManTech. While the tradeoff provides a brief recitation of each offerors' strengths, there is, again, no substantive comparison or analysis of the offerors' proposals or the rationale for determining why ManTech's higher-rated proposal was not worth the price premium associated with it. Instead the source selection authority found a "considerable distinction between technical proposals," but provided no substantive analysis for its determination that "the additional strengths provided by ManTech's proposal [did] not warrant paying a significant premium." AR, Exh. 7, Source Selection Decision at 47. Such a general statement falls far short of the requirement to justify cost/technical tradeoff decisions, especially in the presence of significant qualitative differences between the two proposals. Blue Rock Structures, Inc., supra; TRW, Inc., B-234558, June 21, 1989, 89-1 CPD ¶ 584 at 5. Given the lack of meaningful comparison of the proposals, along with the lack of an explanation regarding why ManTech's significantly higher technically rated proposal was not worth the price premium, we find the agency's source selection decision to be unreasonable and sustain the protest on this basis.

RECOMMENDATION

We recommend that the DIA make a new source selection decision containing a reasonable documented comparative analysis of the proposals and the rationale for any cost/technical tradeoffs. If the new source selection decision determines that an offeror other than The Buffalo Group offers the best value to the government, DIA should terminate The Buffalo Group's contract for the convenience of the government and make award to the successful offeror. We also recommend that ManTech be reimbursed its costs of filing and pursuing the protests, including reasonable attorneys'

fees. 4 C.F.R. § 21.8(d)(1). ManTech should submit its certified claim for costs, detailing the time expended and costs incurred, directly to the contracting agency within 60 days after receipt of this decision. 4 C.F.R. § 21.8(f)(1).

The protest is sustained.

Thomas H. Armstrong
General Counsel