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**Comptroller General
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**United States Government Accountability Office
Washington, DC 20548**

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Decision

Matter of: Manufacturing Engineering Systems, Inc.

File: B-293299.3; B-293299.4

Date: August 3, 2004

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Tenley A. Carp, Esq., and Nicole C. Farrar, Esq., McGuire Woods, for Spiral Aviation Training Company, the intervenor.

Sharon H. Sachs, Esq., Department of the Navy, for the agency.

Sharon L. Larkin, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that agency unreasonably evaluated technical proposals for flight simulators and instructor training is denied, where evaluation reflected the reasoned judgment of the source selection authority, based on a detailed comparative assessment of strengths and weaknesses in the proposals in accordance with the stated evaluation criteria.

DECISION

Manufacturing Engineering Systems, Inc. (MES) protests the Department of the Navy's award of a contract to Spiral Aviation Training Company (SATCO), under request for proposals (RFP) No. N61399-03-R-0084, for two flight training devices (FTD) and instructor training for TC-12B aircraft. MES challenges the reasonableness of the agency's technical evaluation.

We deny the protest.

BACKGROUND

The RFP provided for award of a fixed-price indefinite-delivery/indefinite-quantity contract--with a base period of 3 years, 8.5 months, and a 1-year option period followed by a 3.5-month option period--to support the TC-12B command aircraft crew training program by furnishing certified flight instructors, two TC-12B FTDs, support personnel to operate and maintain the FTDs, and any additional labor required to supervise and administer classroom and simulator training. (The

government will provide the approved course curricula/syllabi, as well as facilities at Naval Air Station, Corpus Christi, Texas.) The FTDs were required to simulate the performance and functional operation of the TC-12B aircraft, meeting at least the Federal Aviation Administration's (FAA) Level 6 FTD certification requirements for fidelity and realism of simulation. In addition, the FTDs were required to have a minimum 200-degree horizontal (including 100-degree left and 100-degree right) by a 40-degree vertical field-of-view, and simulate meteorological and day/night conditions. TC-12B instructors were to possess minimum training, experience, and qualifications--such as being FAA certified or logging a minimum number of flight hours--which the RFP stated were "prerequisite[s]" to performing as TC-12B instructors. However, the RFP also stated that the government would provide "initial instructor training leading to qualification" at no cost to the contractor. RFP at 27-28.

Award was to be made to the offeror whose proposal was most advantageous to the government considering three evaluation factors (in descending order of importance): (1) technical capability, including equally weighted subfactors for training equipment and instructor personnel, administration, scheduling and quota throughput capabilities, and risk mitigation, delivery and transition plans; (2) past performance; and (3) price. The RFP provided that proposals would be evaluated under the technical capability factor for both technical merit and proposal risk, while a performance risk rating would be assigned under the past performance factor.

Four proposals were received from three offerors by the closing time. Both MES and SATCO submitted proposals to provide two FTDs and instructor training. MES also submitted an alternate proposal that was essentially the same as its base proposal, but included [REDACTED]. After establishing a competitive range consisting of the three proposals submitted by SATCO and MES, the Navy first conducted discussions and then requested final proposal revisions.

A technical evaluation team (TET) evaluated the technical proposals; a past performance evaluation team evaluated the past performance proposals; and a price evaluation team evaluated the price proposals. These teams reported their findings to the source selection evaluation board (SSEB), which assessed the significance of the evaluated proposal strengths and weaknesses. The SSEB reported its findings to the source selection authority (SSA), who concurred with the SSEB's findings, and rated proposals as follows:

	MES 1 (Base)	MES 2 (Alternate)	SATCO
Technical Capability	Highly Satisfactory Low Risk	Satisfactory Medium Risk	Outstanding Low Risk
Training Equipment & Instructor Personnel	Highly Satisfactory Low Risk	Satisfactory Medium Risk	Outstanding Low Risk
Administration, Scheduling & Quota Throughput Capabilities	Highly Satisfactory Low Risk	Highly Satisfactory Low Risk	Outstanding Low Risk
Risk Mitigation, Delivery & Transition Plans	Satisfactory Low Risk	Satisfactory Medium Risk	Highly Satisfactory Low Risk
Past Performance	Very Low Risk	Very Low Risk	Very Low Risk
Price	\$10,527,035.28	\$12,548,598.35	\$12,436,452.00

SSA Decision at 6, 10, 14, 16.

As an initial matter, the SSA determined not to award the contract to MES on the basis of its alternate proposal for the addition of [REDACTED]. The SSA discounted MES's suggestion that [REDACTED] would increase student training capability by replacing aircraft training time with [REDACTED]. The SSA noted that it takes a very high-fidelity visual system and trainer, with a level of fidelity well in excess of that of the FAA Level 6 FTDs required under the solicitation, to even consider replacing an aircraft training mission with [REDACTED]. ([REDACTED]) The SSA concluded that the level of expertise of the TC-12B student pilots at this stage of their training was such as to require actual aircraft training missions. Moreover, the SSA viewed as a major weakness the fact that incorporating [REDACTED] into the training would require a change in the course syllabus; according to the SSA, this change would take about 2 years and require considerable expense to implement, and was "neither desired nor needed." *Id.* at 9-10. The SSA concluded that there was "considerable doubt that [MES's] [a]lternate approach can be incorporated and utilized without the potential for disruption to cost, schedule, and perhaps performance." *Id.* at 9, 16.

In comparing MES's base proposal to SATCO's proposal, the SSA recognized that MES's proposal offered a number of technical strengths. For example, the SSA recognized that MES proposed to provide instructor training through a subcontractor that is the incumbent contractor for these services, and thus had available an "established cadre of qualified instructors." *Id.* at 17. The SSA, on the other hand, noted that not only had SATCO proposed a satisfactory staffing approach for instructors, but, in addition, because it was the original equipment manufacturer of the FTDs currently used by the Navy (as well as the new FTDs proposed by SATCO), it could provide the agency with a "wealth of experienced technicians" to maintain the simulators at the highest state of readiness. *Id.* at 11-12.

Furthermore, the SSA determined that SATCO's proposed FTDs offered capabilities that significantly exceeded the solicitation requirements in a beneficial way. For

example, the SSA noted that SATCO's proposed FTDs included a number of FAA [REDACTED] components, that is, components that deliver a more realistic aircraft performance and flight environment, and thus more closely simulate the actual aircraft, than is the case with the Level 6 components that were minimally required under the solicitation. Some of the [REDACTED] components cited by the SSA were SATCO's proposed [REDACTED]. *Id.* at 6-8, 17. In addition, the SSA also identified a number of other "value added" benefits, such as [REDACTED], and the ability to [REDACTED]. The SSA noted with respect to SATCO's proposal of [REDACTED], which was not offered by MES, that currently the only opportunity for students to use [REDACTED] was in the actual aircraft; the SSA found that including a [REDACTED] in the proposed FTD would afford students the beneficial opportunity to respond to [REDACTED] phenomena that are either unavailable during actual training flights or are too risky to fly in for training purposes. The SSA also determined to be advantageous SATCO's proposal of state-of-the-art equipment, including [REDACTED], since this would not only enhance training, but also would greatly increase reliability and reduce maintenance. Further, the SSA found that SATCO's proposal of [REDACTED] that are adjustable on-line, [REDACTED] to work with the government scheduler, and a reduction from the RFP's requirement of 48-hour notice to only [REDACTED] notice in the event that premium time was required would provide a "definite benefit to the government" in lessening administrative burden, increasing efficiency, and allowing scheduling flexibility in a dynamic training environment. *Id.* at 18.

Given the extensive, beneficial technical enhancements provided by SATCO, including more realistic simulator training, better reliability and maintenance, more efficient scheduling, and increased flexibility in scheduling student time, the SSA determined that SATCO's proposal was technically superior to MES's. The SSA further determined that, in view of SATCO's outstanding technical approach and excellent past performance, SATCO's proposal offered the best value to the government, notwithstanding the 18 percent differential in price. Upon learning of the resulting award to SATCO, and after being debriefed, MES filed this protest with our Office.

DISCUSSION

MES challenges the evaluation under the technical capability factor, asserting that its proposal was superior in this regard. MES concludes that since the technical evaluation was unreasonable, the resulting cost/technical tradeoff necessarily was unreasonable.

Where an evaluation is challenged, our Office will not reevaluate proposals, but instead will examine the record to determine whether the agency's judgment was reasonable and consistent with stated evaluation criteria and applicable statutes and regulations. *U.S. Facilities, Inc.*, B-293029, B-293029.2, Jan. 16, 2004, at 6.

Based on our review of the record, we find that the agency reasonably determined SATCO's proposal to be superior under the technical capability factor to MES's base and alternate proposals. In this regard, as noted above, the SSA found that SATCO's proposal offered a number of exceptional enhancements that would significantly benefit the training process. These included: [REDACTED] and other components that delivered a more realistic aircraft performance and flight environment, such as [REDACTED]. In addition, SATCO's proposal of [REDACTED], and reduction in the notice required for premium time were determined to be beneficial in lessening administrative burden, increasing efficiency, and allowing scheduling flexibility in a dynamic training environment.¹

MES has furnished no basis to question the agency's judgment that these advantages warranted a finding that SATCO's proposal was superior under the technical capability factor. For example, MES asserts that the SSA failed to give its proposals sufficient credit for offering [REDACTED] or better components ([REDACTED]), or an expanded field-of-view. However, our review confirms the agency's position that SATCO proposed many more [REDACTED] or better components, which would lead to a more realistic simulator environment than offered by MES. Further, while MES, like SATCO, proposed a visual system with an expanded field-of-view, the Navy reports that SATCO, unlike MES, proposed a [REDACTED], which is required for [REDACTED] certification; according to the agency, SATCO's [REDACTED] system provides [REDACTED] than does MES's display system. Agency Report at 33-34; Agency Supplemental Report at 28-29. Likewise, while MES asserts that the agency failed to credit its proposals with also offering state-of-the-art equipment, the agency notes that the state-of-the-art equipment cited by MES primarily consisted of upgrades to components of the existing FTDs proposed by MES. In contrast, notes the agency, SATCO was offering new FTDs, the reliability and maintainability of which were greater than that of MES's upgraded devices.

MES contends that the agency ignored the fact that SATCO does not currently have available trained TC-12B instructors. As noted by the agency, however, the RFP did not require trained instructors with TC-12B experience at the outset of the contract, but instead provided that the government would provide initial training. RFP at 27-28. The agency maintains that SATCO furnished reasonable assurances that it would be able to adequately staff the training requirement, including plans to aggressively recruit incumbent instructors upon award. According to the agency, historically, in a transition from one contractor to another, a large percentage of the

¹ As for MES's alternate proposal, our review supports the reasonableness of the agency's determination that not only was SATCO's technical proposal superior based on the significant enhancements discussed above, but in addition, MES's proposal to [REDACTED] was unlikely to benefit training and, because of the expense and time required to change the syllabus to incorporate [REDACTED] into the training, had the potential for significant disruption to schedule and perhaps performance.

incumbent instructors accept positions with the new contractor. In addition, the agency notes that SATCO further proposed to provide additional back-up capability by cross-training experienced personnel from a teaming partner that holds a much larger Navy pilot training contract. In these circumstances, we find that the agency could reasonably conclude that SATCO would be able to furnish qualified instructor pilots. While MES also argues that its proposals posed less risk because it already had instructors in place, we note that the agency specifically recognized MES's advantage in this regard, and assigned MES's base proposal a low risk.² Further, MES has not shown that SATCO's proposal was not also entitled to a low risk rating, since SATCO, unlike MES, is the original equipment manufacturer for its proposed FTDs and thus is more likely to be able to maintain its simulators at the highest state of readiness.

MES asserts that the individual technical evaluator comments do not support the ultimate consensus findings of the TET, SSEB, or the SSA. However, we note that most of MES's examples relate to isolated evaluator comments from the initial evaluation, which appear to have been addressed through discussions. In any case, the overriding concern in the evaluation process is that the final results accurately reflect the actual merits of proposals, not that they be mechanically traceable back to the isolated comments or ratings of individual evaluators. Dragon Servs., Inc., B-255354, Feb. 25, 1994, 94-1 CPD ¶ 151 at 11. Here, the SSA's award decision reflected a well-reasoned and thorough assessment of the relative strengths and weaknesses of proposals consistent with the RFP's evaluation criteria. Although MES disagrees with this judgment, it has not shown it to be unreasonable. UNICCO Gov't Servs., Inc., B-277658, Nov. 7, 1997, 97-2 CPD ¶ 134 at 7.³

The protest is denied.

Anthony H. Gamboa
General Counsel

² Again, MES's alternate proposal was assessed a higher risk as a result of the risks associated with the integration of [REDACTED] into the curriculum. As discussed above, we find the agency's position in this regard to be reasonable.

³ MES also complains that the agency improperly weighted the technical capability subfactors in assigning SATCO's proposal higher technical ratings than MES's proposals. However, we find no basis to question the agency's application of the subfactor weights; the evaluation record furnishes no basis for questioning SATCO's evaluated technical advantages or otherwise concluding that MES was superior under any of the technical capability subfactors.