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**Comptroller General
of the United States**

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

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Decision

Matter of: Precision Standard, Inc.

File: B-310684

Date: January 14, 2008

Nancy M. Camardo, Esq., Joseph A. Camardo, Jr., Esq., and Adam H. Van Buskirk, Esq., Camardo Law Firm, PC, for the protester.

Edward R. Murray, Esq., Defense Logistics Agency, for the agency.

William K. Westell for Airdale Express, LLC, an intervenor.

Susan K. McAuliffe, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest of evaluation and selection of lower-priced quotation submitted by vendor with lower past performance score is denied where evaluation and selection were reasonable and consistent with the terms of the solicitation.
 2. Protest challenging agency's affirmative determination of responsibility of successful vendor is denied where record shows that contracting officer in fact considered performance information alleged to have been ignored in making that determination.
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DECISION

Precision Standard, Inc. protests the issuance of a delivery order to Airdale Express, LLC under request for quotations (RFQ) No. SPM4A7-07-Q-6692, issued as a service-disabled veteran-owned small business (SDVOSB) set-aside by the Defense Logistics Agency (DLA), Defense Supply Center Richmond, for 55 heat shield assemblies. The protester challenges the agency's evaluation of Airdale's past performance and the tradeoff determination that Airdale's lower price and slightly lower past performance score represented the best value to the agency. The protester also challenges the agency's affirmative determination of responsibility for Airdale on the basis of an alleged failure to consider numerous cancellations of prior work ordered from the firm.

We deny the protest.

The RFQ, issued on April 19, 2007, advised vendors that the source selection was to be based on a best value determination considering past performance and price (which were approximately equal in weight). With respect to past performance, the agency would consider the vendor's record of conforming to contract requirements and standards of good workmanship, adherence to contract schedules, including the administrative aspects of performance, reputation for reasonable and cooperative behavior, commitment to customer satisfaction, and general business-like concern for the customer's interest. RFQ at 22. The evaluation of past performance was to be based primarily on the vendors' Automated Best Value System (ABVS) scores maintained by the agency. *Id.* ABVS scores, ranging from 0 to a perfect score of 100, reflect the vendors' past 2-year delivery history (*i.e.*, whether deliveries were timely) and quality history (*i.e.*, whether the delivered product and packaging conformed to requirements). A different ABVS score applies to each federal supply class (FSC) of items for which a vendor has received orders; the FSC that encompasses the heat shields here is 1560, which covers airframe structural components.

Three vendors submitted quotations under the RFQ. Airdale, a dealer quoting the product of another firm, submitted the lowest price at \$29,600; Precision quoted the next low price of \$32,625. At the time of the agency's past performance evaluation, Airdale's ABVS score was [deleted] for the applicable FSC, and Precision's was [deleted]. The difference in the firms' scores was considered slight, since both were below the average ABVS score for the FSC, and since Airdale had a higher ABVS score [deleted] for its procurements DLA-wide (*i.e.*, across all FSCs) compared to Precision's DLA-wide ABVS score [deleted]. The contracting officer determined that Precision's higher ABVS score for FSC 1560 did not represent a sufficient reduction of performance risk to warrant payment of the premium associated with the firm's higher price, and Airdale was selected as the successful vendor under the RFQ. A delivery order was issued to that firm on October 12. This protest followed.

Precision contends that the agency failed to reasonably evaluate Airdale's past performance and unreasonably determined that the protester's higher past performance score did not warrant payment of the protester's higher price. In reviewing a protest of an agency's proposal evaluation and source selection, we review whether the agency acted reasonably and consistent with the terms of the solicitation and applicable statutes and regulations. United Def. LP, B-286925.3 et al., Apr. 9, 2001, 2001 CPD ¶ 75 at 10-11.

The contracting officer reports that his evaluation of Airdale's past performance included a review of the firm's ABVS score (including consideration of its delivery and quality history) as well as his knowledge that the firm has successfully performed hundreds of delivery orders for items for DLA since 2002. He also explains that prior to February 2006, Airdale's ABVS score for the applicable FSC was 100 (a perfect score) for both quality and delivery, but that the firm's score for delivery then started to decrease because one of its major subcontractors (a subcontractor on dozens of orders issued to Airdale by DLA) informed Airdale that it

would not be performing on those orders. Airdale reported the matter to the agency and agreed to find new manufacturers for as many of the items as it could. The contracting officer notes that Airdale has taken responsibility for its subcontractor's nonperformance, has aimed to minimize any disruption and best meet the agency's needs, and has disassociated itself from the subcontractor.

While Precision generally asserts its disagreement with the evaluation and source selection, our review of the record does not provide any basis to question the propriety of the evaluation of Airdale's past performance or the selection of the firm. As stated above, the RFQ provided that the primary basis for the past performance evaluation would be the ABVS scores, and the contracting officer determined that the difference in the vendors' ABVS scores for the FSC at issue did not indicate a substantial difference in terms of performance risk. We see no basis in the record to conclude that this determination was unreasonable.¹ Further, the contracting officer also reasonably considered that, prior to its recent problem with the subcontractor, Airdale had a perfect record for delivery and Airdale showed commitment to its customer by promptly informing the agency of the matter of its nonperforming subcontractor and initiating corrective action. Since price and past performance were approximately equal in importance in the source selection here, we have no basis to question the reasonableness of the agency's determination that Precision's slightly higher ABVS score did not warrant payment of the price premium associated with its quotation, and that Airdale's quotation represented the best value to the agency.²

¹ While Precision suggests that the contracting officer acted unreasonably in attributing all of Airdale's cancelled work to its problem subcontractor, and suggests that some cancellations may be based on other considerations not reviewed by the contracting officer, we do not find objectionable the contracting officer's decision not to review every cancellation here, since Airdale has shown that the reported subcontractor problem accounts for, if not all, clearly the vast majority of the cancellations.

² In its comments in response to the agency's report, Precision raises new protest contentions (for instance, challenging the accuracy of its ABVS scores, and alleging that Airdale should not have been determined to be responsible in light of information Precision shared with the agency months ago about Airdale allegedly subcontracting to a large business on a SDVOSB procurement). These new arguments are untimely since they were filed more than 10 days from the protester's receipt of the agency's report from which Precision apparently learned the basis of the contentions. While Precision was granted an extension of time in which to file its comments, such extension does not toll our timeliness requirements for the filing of new protest contentions. See Exelon Servs. Fed. Group, B-291934, Apr. 23, 2003, 2003 CPD ¶ 86 at 7 n.4.

Precision also challenges the agency's determination that Airdale is a responsible firm, contending that the agency ignored the information showing that Airdale had pursued cancellation of numerous prior orders due to its problems with its subcontractor. Our Bid Protest Regulations provide that we will consider protests challenging an agency's affirmative responsibility determination where the protest identifies evidence raising serious concerns that, in reaching a particular responsibility determination, the contracting officer unreasonably failed to consider available relevant information. 4 C.F.R. § 21.5(c) (2007); Brian X. Scott, B-298569, Oct. 26, 2006, 2006 CPD ¶ 156 at 4. The record here shows that in making the affirmative determination of Airdale's responsibility, the contracting officer did consider the information Precision alleges was ignored concerning cancellation of numerous prior orders placed with Airdale. Since there is no evidence that the contracting officer failed to consider the information regarding Airdale's cancelled orders, there is no basis for us to review the matter further.³ See Alutiiq Global Solutions, B-299088, B-299088.2, Feb. 6, 2007, 2007 CPD ¶ 34 at 7. Although the protester disagrees with the contracting officer's judgment regarding Airdale's responsibility, that disagreement does not provide a basis to challenge the contracting officer's affirmative responsibility determination. Brian X. Scott, supra.

The protest is denied.

Gary L. Kepplinger
General Counsel

³ While Precision contends that the contracting officer failed to document contemporaneously his affirmative responsibility determination for Airdale, such documentation was not required. See Federal Acquisition Regulation § 9.105-2(a)(1); FN Mfg., Inc., B-297172, B-297172.2, Dec. 1, 2005, 2005 CPD ¶ 212 at 7-8.