



GAO

Accountability * Integrity * Reliability

**Comptroller General
of the United States**

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

DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

Decision

Matter of: SENTEL Corporation

File: B-407060; B-407060.2

Date: October 26, 2012

John E. Jensen, Esq., Daniel S. Herzfeld, Esq., and Clare M. Cavaliero, Esq., Pillsbury Winthrop Shaw Pittman LLP, for the protester.

Ronald S. Perlman, Esq., and Alexander B. Ginsberg, Esq., Holland & Knight LLP, for National Technology Associates, Inc., the intervenor.

Maj. K. L. Grace Moseley and Capt. Tyler L. Davidson, Department of the Army, for the agency.

Linda C. Glass, Esq., and Guy R. Pietrovito, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging an agency's evaluation and selection decision is denied where the record demonstrates that the evaluation and selection decision were reasonable and consistent with the solicitation's evaluation criteria.

2. Protest that agency failed to conduct meaningful discussions is denied where the aspect of the protester's quotation that was not discussed was not a deficiency or weakness, but reflected an approach that did not receive the maximum rating available.

DECISION

SENTEL Corporation, of Alexandria, Virginia, protests the issuance of a task order to National Technology Associates, Inc. (NTA), of Alexandria, Virginia, under request for quotations (RFQ) No. W91WAW-12-R-0060, issued by the Department of the Army for logistics contractor support services. The protester objects to the agency's evaluation, discussions, and selection decision.

We deny the protest.

BACKGROUND

The agency issued the RFQ via the General Services Administration (GSA) eBuy system on April 30, 2012, under Federal Acquisition Regulation (FAR) Subpart 8.4, to vendors holding GSA Logistics Worldwide Schedule 874V contracts. The RFQ provided for the issuance of a task order to provide logistics contractor support services for Department of the Navy air fleet readiness centers in California, Maryland and Virginia for a base year and 2 option years. Vendors were informed that the successful vendor would be selected on a best value basis, considering the following factors listed in descending order of importance: technical approach, personnel, past performance and price. RFP at 57. The technical approach factor was stated to be significantly more important than the personnel factor, which was slightly more important than the past performance factor. Id. All non-price factors combined were stated to be significantly more important than price. Id.

With respect to the technical approach evaluation factor, vendors were instructed to demonstrate their understanding of the Performance Work Statement (PWS) work. Id. at 55. With respect to the past performance factor, vendors were required to provide not more than three relevant contracts performed within the last three years, and to explain how their experience was relevant to the analytical, technical, and administrative support work indentified in the PWS. Id. at 55-56. In this regard, the RFQ defined a relevant contract to be contracts with federal, state or local government entities or commercial entities that were similar in scope and complexity to the PWS requirements.¹ Id. at 56.

The agency received five quotations, including SENTEL's and NTA's. The quotations were evaluated under the technical approach and personnel factors by the agency's source selection evaluation board (SSEB) and contracting officer, who was the source selection authority for this procurement. The contracting officer evaluated the quotations under the past performance factor. Contracting Officer's Statement at 5-6.

Discussions were conducted with all five vendors. SENTEL was asked to clarify its quotation with respect to its personnel and past performance references, see AR, Tab 24, Request for Clarifications, at 1, and advised of several evaluated weaknesses concerning specific PWS requirements. AR, Tab 29, Request for Clarifications and Final Revision, at 1-2. For example, SENTEL was advised that it failed to address the requirement or mention a process for generating estimates for special project workload. Id. SENTEL was also advised that its failure to mention the requirement to coordinate with supply technicians and the warehouse manager

¹ The RFQ also stated that the scope of a contract related to the range of products and services provided and its dollar value. RFP at 56.

to reorder any items determined to be lost in shipment within 24 hours of the discovery was a significant weakness. Id.

NTA's and SENTEL's revised quotations were evaluated as follows:²

| | NTA | SENTEL |
|---------------------------|-------------------------|------------------------|
| Technical Approach | Good | Acceptable |
| Personnel | Good | Good |
| Past Performance | Satisfactory Confidence | Substantial Confidence |
| Contract #1 | Somewhat Relevant | Very Relevant |
| Contract #2 | Somewhat Relevant | Very Relevant |
| Contract #3 | Somewhat Relevant | Not Relevant |
| Price | \$12.8 million | \$12.6 million |

Agency Report (AR), Tab 15, Source Selection Decision, at 10.

NTA's good rating under the technical approach factor reflected the SSEB's judgment that NTA's quotation satisfied requirements and indicated a thorough approach and understanding. Id. at 11. NTA's quotation was evaluated as having the following seven strengths (and no weaknesses): the use of an executive white paper to clearly demonstrate that the offeror understood the concept behind the requirements to proactively track and manage funding lines; quad charts to provide actionable data to decision makers; maintaining a list of obsolete parts to facilitate finding new sources for diminishing manufacturing sources and material shortages; creating an inaccurate tech data log book to exchange information with organizations responsible for technical publication revisions; shelf-life training; and periodic training of warehouse personnel. Id. The agency also found that NTA's draft transition plan exceeded the PWS requirements by including several critical elements which would be of value to the government, such as, a sharepoint site to facilitate communication during the transition and identifying areas for improved efficiencies and notifying the government before implementation. Id.

² Quotations were evaluated under the technical approach and personnel factors as outstanding, good, acceptable, marginal or unacceptable. RFQ at 59. An acceptable rating reflected a proposal that met the requirements, indicated an adequate approach and understanding of the requirements, and had strengths and weaknesses that were offsetting or would have little or no impact on contract performance. Id. at 59. Past performance was evaluated as substantial confidence, satisfactory confidence, limited confidence, no confidence, and unknown confidence. Id. A satisfactory confidence rating reflected that the agency had a reasonable expectation that the vendor would successfully perform the required effort. Id.

NTA's satisfactory confidence rating reflected the contracting officer's assessment that NTA had provided three references that were somewhat relevant to the RFQ work. AR, Tab 14, Past Performance Assessment, at 2-4. The contracting officer evaluated NTA's past performance as satisfactory confidence based upon an interview with one reference's contracting officer's representative (COR) and information in the Past Performance Information Retrieval System (PPIRS) for another reference. NTA's third reference was a recently awarded contract, for which there was no past performance assessment available.³ Id. at 3.

SENTEL's acceptable rating under the technical approach factor reflected the SSEB's judgment that SENTEL's quotation demonstrated its ability to satisfy the requirements and indicated an adequate approach and understanding. Id. at 12. SENTEL's quotation was evaluated as having the following three strengths (and no weaknesses): organizational work structure; management structure including detailing the role and responsibilities of the teams; and risk mitigation strategy in the draft transition plan. Id.

SENTEL's substantial confidence rating under the past performance factor reflected the contracting officer's finding that two of the protester's references were very relevant and SENTEL had satisfactory to very good performance for these references. AR, Tab 14, Past Performance Assessment, at 9-10. The contracting officer found SENTEL's third reference to be not relevant. Id. at 10.

The contracting officer concluded that NTA's quotation reflected the best value to the agency. Specifically, the contracting officer found that NTA's thorough understanding of the requirement, acceptable mix of personnel, and satisfactory past performance confidence rating showed a "great likelihood of successful performance." AR, Tab 15, Source Selection Decision, at 16. In this regard, she found that NTA's quotation was superior to SENTEL's under the technical approach factor, noting that NTA's evaluated strengths under this factor outweighed SENTEL's strengths. Id. at 17. She also found that, although both vendors' quotations were rated good under the personnel factor, NTA's quotation was in fact superior to SENTEL's because NTA would provide two additional logisticians. Id. In assessing the overall merit of the firms' quotations, the contracting officer concluded that NTA's superiority under the technical approach and personnel factors outweighed SENTEL's higher rating under the past performance factor and lower price. Id. at 17.

³ Although the contracting officer stated in her source selection decision that she obtained past performance information from PPIRS for two of NTA's references, the past performance assessment indicated that there was information in PPIRS with respect to only one of NTA's references. Compare AR, Tab 14, Past Performance Assessment, at 3-4, with AR, Tab 15, Source Selection Decision, at 14.

The task order was issued to NTA, and this protest followed a debriefing.

DISCUSSION

Technical Approach Factor

SENTEL objects to the acceptable rating assigned to its quotation under the technical approach factor, arguing that its quotation should have received a good rating under this factor, given its three evaluated strengths and lack of weaknesses.⁴ Protest at 8.

In reviewing an agency's evaluation in an FSS competitive acquisition, we will not reevaluate quotations, but will examine the record to ensure that the agency's evaluation was reasonable and consistent with the terms of the solicitation. Beckman Coulter, Inc., B-405452, Nov. 4, 2011, 2011 CPD ¶ 231 at 5; Maybank Indus., LLC, B-403327, B-403327.2, Oct. 21, 2010, 2010 CPD ¶ 249 at 5. The essence of an agency's evaluation is reflected in the evaluation record itself, not the adjectival ratings. Stateside Assocs., Inc., B-400670.2, B-400670.3, May 28, 2009, 2009 CPD ¶ 120 at 8. It is well established that ratings, be they numerical, adjectival, or color, are merely guides for intelligent decision making in the procurement process. Burchick Constr. Co., B-400342.3, April 20, 2009, 2009 CPD ¶ 102 at 4-5. There is no legal requirement that an agency must award the highest possible rating, or the maximum point score, under an evaluation factor simply because the proposal or quotation contains strengths and/or is not evaluated as having any weaknesses. See Applied Tech. Sys., Inc., B-404267, B-404267.2, Jan. 25, 2011, 2011 CPD ¶ 36 at 9.

Here, the agency gave ample consideration to the qualitative differences in NTA's and SENTEL's quotations. The record shows that the SSEB and contracting officer recognized SENTEL's evaluated strengths and lack of weaknesses under the technical approach factor, but concluded that SENTEL's quotation only demonstrated an adequate approach and understanding of the requirements. See AR, Tab 15, Source Selection Decision, at 12; Tab 13, Technical Approach Consensus Evaluation, at 1. In this regard, the SSEB recognized that SENTEL's

⁴ SENTEL also complains that the SSEB initially identified a fourth strength involving the protester's quality management plan that was not included as a strength in the final SSEB evaluation report. Supplemental Protest at 13. The agency explains that after several rounds of discussions, it no longer considered the protester's quality management plan to be a strength. SSEB Chairman Statement at 2. Although SENTEL disagrees with this evaluation judgment, it has not shown it to be unreasonable.

quotation exceeded expectations with respect to certain PWS areas but also noted that its quotation demonstrated a lack of understanding of the basic requirements in other areas. AR, Tab 13, Technical Approach Consensus Evaluation, at 1. Moreover, the SSEB and contracting officer noted that none of SENTEL's evaluated strengths involved the core areas of the PWS, whereas six of NTA's seven evaluated strengths did involve core areas. See Contracting Officer's Statement at 6; SSEB Chairman Statement at 4. Based upon this evaluation, the agency concluded that SENTEL's quotation merited an acceptable, and not good, rating under the technical approach factor.

Although the protester disagrees with the agency's judgment in this regard, this does not show that the agency acted unreasonably. We have found that where, as here, an agency reasonably considers the underlying bases for its ratings, including the advantages and disadvantages associated with the specific content of competing offers or quotations, in a manner that is fair and consistent with the terms of the solicitation, the protester's disagreement over the adjectival or color ratings is essentially inconsequential in that it does not affect the reasonableness of the judgments made in the source selection decision. See Sherrick Aerospace, B-310359.2, Jan. 10, 2008, 2008 CPD ¶ 17 at 6.

Past Performance Factor

The protester complains that the agency unreasonably found NTA's past performance merited satisfactory confidence where the agency determined that NTA's experience was only somewhat relevant. Protest at 16. The protester contends that NTA's past performance should have been evaluated as limited confidence. Id. The protester also complains that the Army unreasonably considered information provided by a COR concerning NTA's past performance, arguing that the COR was not authorized to provide the information. Supp. Protest at 9.

Where a solicitation contemplates the evaluation of vendors' past performance, the agency has the discretion to determine the scope of the performance history to be considered, provided all quotations are evaluated on the same basis and the evaluation is consistent with the terms of the solicitation. Weidlinger Assocs., Inc., B-299433, B-299433.2, May 7, 2007, 2007 CPD ¶ 91 at 8. Regarding the relative merits of vendors' past performance information, this matter is generally within the broad discretion of the contracting agency, and our Office will not substitute our judgment for that of the agency. See e.g., Clean Harbors Env'tl. Servs., Inc., B-296176.2, Dec. 9, 2005, 2005 CPD ¶ 222 at 3. A protester's mere disagreement with the agency's judgment does not establish that an evaluation was improper. Id.

First, we find no merit to SENTEL's complaint that the Army unreasonably considered information provided by a COR for one of NTA's references. An agency is generally not precluded from considering any relevant past performance

information, regardless of its source. See e.g., NVT Techs., Inc., B-297524, B-297524.2, Feb. 2, 2006, 2006 CPD ¶ 36 at 5. In this regard, SENTEL does not argue that the COR for this reference did not have sufficient basis of knowledge to render an informed opinion regarding NTA's performance. Rather, SENTEL appears to mistakenly believe that the agency may only consider the opinion of a contracting officer.

We also find no merit to SENTEL's objection that the Army could not have found NTA's experience somewhat relevant because the value of these projects was significantly below the task order value here. The RFQ defined somewhat relevant to be where the present or past performance effort involved some of the scope and magnitude of the effort and complexities of the work solicited here. RFQ at 59. The Army found that, although NTA's references were not of the value of the task order, they nevertheless reflected some of the scope, magnitude, and complexity of the task order work. See AR, Tab 14, Past Performance Assessment, at 2-4. Although SENTEL disagrees with the agency's judgment in this regard, it has not shown it to be unreasonable.

Discussions

The protester also complains that the Army's discussions with SENTEL were not meaningful. Specifically, SENTEL contends that the Army found a significant weakness in its quotation under the technical approach factor, because SENTEL had not provided descriptions of processes the firm would use to perform certain PWS requirements. The protester states that the Army did not disclose this concern in its discussions with SENTEL. Supp. Protest at 7; Protester's Comments at 17.

When an agency engages in discussions with a vendor, the discussions must be "meaningful," that is, sufficiently detailed to lead the vendor into the areas of its quotation requiring amplification or revision. AINS, Inc., B-400760.4, B-400760.5, Jan. 19, 2010, 2010 CPD ¶ 32 at 5. To satisfy this obligation to conduct meaningful discussions, an agency must lead firms into the areas of their proposals or quotations that reflect deficiencies or significant weaknesses; that is, an agency must identify aspects of the firm's proposal or quotation that, unless further addressed, would prevent the firm from having a reasonable chance for award. Northrop Grumman Info. Tech., Inc., B-290080 et al., June 10, 2002, 2002 CPD ¶ 136 at 6. An agency is not required to conduct all-encompassing discussions or to discuss every element of a proposal or quotation receiving less than the maximum rating. American Ordnance, LLC, B-292847 et al., Dec. 5, 2003, 2004 CPD ¶ 3 at 4-5; Information Sys. Tech. Corp., B-289313, Feb. 5, 2002, 2002 CPD ¶ 36 at 5.

Here, the record shows that, contrary to the protester's arguments, the Army found no weaknesses in SENTEL's final revised quotation under the technical approach factor. See AR, Tab 2, Source Selection Decision, at 11. Rather than being a deficiency or significant weakness, the Army's "concern" with SENTEL's failure to

provide a detailed description of some of its processes to perform PWS work reflected the agency's weighing of the firm's evaluated strengths and comparing the merits of SENTEL's approach to that of NTA's. See Supp. AR at 16-17. We find that the Army's discussions with SENTEL were meaningful and that the Army was not required to discuss this concern with the firm.

Source Selection Decision

SENTEL raises numerous challenges to the Army's source selection decision. In addition to arguing that its quotation should have been selected based upon its lower price, SENTEL complains that the selection decision contains errors and does not sufficiently document the basis for the contracting officer's judgment.⁵

Where, as here, a procurement conducted pursuant to FAR subpart 8.4 provides for award on a "best value" basis, it is the function of the source selection authority to perform a price/technical tradeoff, that is, to determine whether a quotation's technical superiority is worth its higher price. InnovaTech, Inc., B-402415, Apr. 8, 2010, 2010 CPD ¶ 94 at 6; The MIL Corp., B-297508, B-297508.2, Jan. 26, 2006, 2006 CPD ¶ 34 at 13. While we are mindful that, under simplified acquisition procedures, limited documentation of the source selection is permissible, the agency must at least provide a sufficient record to show that the source selection was reasonable. FAR § 8.405-2(e) (minimum documentation requirements include documenting the rationale for any tradeoffs when establishing a BPA or placing an order); e-LYNXX Corp., B-292761, Dec. 3, 2003, 2003 CPD ¶ 219 at 8 (even for procurements conducted under simplified acquisition procedures, an agency must have a sufficient record to allow for a meaningful review).

As an initial matter we disagree with the protester that the agency's source selection decision in this FSS procurement is inadequately documented. In her decision, the contracting officer describes the SSEB's evaluation of each vendor's quotation under each factor, detailing the evaluation ratings and describing the evaluated strengths and weaknesses supporting the respective ratings. The contracting officer also

⁵ In its supplemental protest, SENTEL complained that the agency failed to inform it of a significant weakness under the technical approach factor, citing the agency's legal memorandum that described SENTEL's failure to fully describe its process for performing the PWS as a significant weakness. See Supp. Protest at 8. The Army contends that SENTEL has misread the agency's legal memorandum and states that it found no weaknesses or significant weaknesses in SENTEL's quotation under the technical approach factor. See Supp. AR at 16-17. Our review confirms the Army's position; the contemporaneous record shows that the agency found no weaknesses or significant weaknesses in SENTEL's quotation under this factor. See AR, Tab 15, Source Selection Decision, at 11.

details the basis for her conclusion that the technical merit of NTA's higher-priced quotation outweighed SENTEL's better past performance rating and lower price.

We also do not agree with SENTEL that two "alleged" factual errors in the selection decision call into question the reasonableness of the contracting officer's best value judgment. Specifically, SENTEL complains that, although the SSEB found the firm's draft transition plan to be a strength, the contracting officer stated in her selection decision that SENTEL's draft transition plan satisfied the PWS requirements "with no weaknesses or strengths." AR, Tab 2, Source Selection Decision, at 12. The record shows, however, that the contracting officer specifically recognized that SENTEL's risk mitigation strategy in its draft transition plan had been evaluated as a strength, but also recognized that the transition plan would only be in effect for a short period of time and would have little impact on performance. See AR, Tab 15, Source Selection Decision, at 12; see also Contracting Officer's Statement at 6.⁶

SENTEL also complains that the contracting officer in weighing NTA's past performance erroneously stated that she received past performance information from PPIRS for two of NTA's references, when in fact she obtained PPIRS information for only one reference. Protester's Comments at 7. The contracting officer acknowledges that this statement in the selection decision is in error. See Supp. Contracting Officer's Statement at 8. Nevertheless, this minor misstatement does not call into question the contracting officer's judgment regarding the NTA's past performance or with respect to her cost/technical tradeoff. As noted above, the contracting officer performed the past performance assessments and obtained adequate information supporting her evaluation. Although she may have misstated the source for NTA's past performance information with respect to one reference, SENTEL has not shown any basis to question the information received with respect to that reference.

Finally, we find no merit to SENTEL's disagreement with the contracting officer's judgment that NTA's higher-priced quotation reflected the best value to the agency. Source selection officials have considerable discretion in making cost/technical tradeoff decisions. Their judgments in these tradeoffs are by their nature subjective;

⁶ Although SENTEL contends that we should give little weight to the agency's post-hoc explanation of the "errors" in the contracting officer's selection decision, citing Boeing Sikorsky Aircraft Support, B-277263.2, B-277263.3, Sept. 29, 1997, 97-2 CPD ¶ 91 at 15, we will consider post-protest explanations that, as here, provide a detailed rationale for contemporaneous conclusions, and simply fill in previously unrecorded details. In reviewing such explanations, we consider whether the explanations are credible and consistent with the contemporaneous record. NWT, Inc.; PharmChem Labs., Inc., B-280988, B-280988.2, Dec. 17, 1998, 98-2 CPD ¶ 158 at 16.

nevertheless, the exercise of these judgments must be reasonable and must bear a rational relationship to the announced criteria upon which competing offers are to be selected. An agency may select the higher-rated, higher-priced quotation as reflecting the best value to the agency where that decision is consistent with the evaluation criteria and the agency reasonably determines that the technical superiority of the higher-priced quotation outweighs the price difference. InnovaTech, Inc., supra. SENTEL has not shown the contracting officer's judgment here to be unreasonable or inconsistent with the solicitation's criteria.

The protest is denied.

Lynn H. Gibson
General Counsel