

Protest of)
SOUTHWEST BELL TELEPHONE, INC.) Date: April 19, 1989
Solicitation No. 169990-89-A-0005) P.S. Protest No. 89-23

DECISION

Southwest Bell Telephone, Inc. (SBT) timely protests the award of a contract for an Electronic Private Automatic Branch Exchange (EPABX) system for the Inspection Service office in St. Louis, MO to Executone Information Systems, Inc. (Executone).

Solicitation No. 169990-89-A-0005 was issued by the Central Region Procurement & Materiel Management Service Center, Chicago, IL on December 9, 1988, with an offer due date, as amended, of January 17, 1989. A pre-proposal conference was held on December 22, and five amendments to the solicitation were issued. The solicitation covered a EPABX system for the Inspection Service Office in St. Louis, as detailed in the specification. Section M.2 of the solicitation, Contract Award and Proposal Evaluation, provided that: "[a]ward will be made to the responsible offeror who submits the best combination of Technical Proposal, Business Proposal (cost/price), Business/Management Proposal (if applicable), and other factors considered. ... Cost/price will be considered in the award decision, although the award may not necessarily be made to that offeror submitting the lowest price." Pages 6 and 7 of Amendment A04 specified the technical evaluation criteria which would be used to evaluate the proposals. Pricing was requested for purchase, lease/purchase, and lease of the EPABX system. Award was made to Executone on March 7, and SBT's timely protest followed.

SBT's protest consists of two grounds. First, SBT alleges, on the basis of a conversation it had with a member of the evaluation team, that its proposal was unfairly evaluated because the evaluators added all optional features on all stations in evaluating its offer. SBT claims that this was unnecessary and unduly inflated the cost of its proposal. Second, SBT claims that while the solicitation allowed the pricing to be based on either purchase, lease/purchase, or lease, the funding for this procurement was solely capital in nature, making a lease alternative impossible.

The contracting officer responds that the evaluation of SBT's offer was reasonable and correct. Apart from any pricing issue, SBT's proposal received a very low technical score. In addition, the facility at which the system would be used (an Inspection

Service office) would require all features on most, if not all, of the phones, negating SBT's system's advantage of cost effectiveness. Since the lead time for installation and activation of this system was so short, (50 days after award), all offers were evaluated as providing all features to all stations. As to the funding, the contracting officer notes that the funding for the procurement could have been used for any of the three options set forth in the solicitation, and that the purchase option was selected because it resulted in the best value for the Postal Service.

In Telex Federal Telephony, Inc., P.S. Protest No. 87-104, November 17, 1987, we set forth the standard of review by which protests against the evaluation of proposals are to be judged:

[T]his office will not substitute its judgment for that of the evaluators or disturb the evaluation unless it is shown to be arbitrary or in violation of procurement regulations. H & B Telephone Systems, [P.S. Protest No. 83-61, February 6, 1984]; Amdahl Corporation, P.S. Protest No. 81-34, September 29, 1981. The determination of the relative merits of technical proposals is the responsibility of the contracting officer. This office does not resolve disputes on the scoring of technical proposals. Computer systems & Resources, Inc., [P.S. Protest No. 86-9, March 27, 1986], citing Mid-Atlantic Forestry Services, Inc., Comp. Gen. Dec. B-217334, September 9, 1985, 85-2 CPD &279.

We have reviewed the evaluation of SBT's offer, and conclude that, while there is a disagreement between SBT and the Postal Service about the evaluation, there is no basis upon which to conclude that the evaluation was arbitrary or capricious. The determinations of the contracting officer and the technical evaluators are reasonable and supported in the record.

As to the issue of the solicitation's funding, the solicitation provided for offers to be made on either purchase, lease/purchase or lease, and the funds available for award could have been used for any of these options. The choice among them as to what was in the best interest of the Postal Service is in the discretion of the contracting officer. Therefore we find that there is no basis to SBT's protest in this regard. See Garden State Copy Company, P.S. Protest No. 85-61, September 17, 1985.

The protest is denied.

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[checked against original JLS 5/20/93]