

November 20, 1995

P.S. Protest No. 95-25

DAVCO CORPORATION

Solicitation No. 102590-95-A-0032

DIGEST

Protest against award of task order contract is denied where contracting officer's determination that technical merit of higher-priced offers warranted award was not arbitrary and was consistent with solicitation's evaluation scheme.

DECISION

Davco Corporation timely protests its failure to receive award of a task order contract for new loose mail transport systems for several mail processing facilities around the country.

Solicitation 102590-95-A-0032 was issued February 10, 1995, by Automation Purchasing, Merrifield, VA, seeking to obtain "010 Loose Mail Systems" on a "site by site basis nationwide." The requirement was estimated to be 12 new systems, and awards to two contractors were contemplated "resulting in a possible 6 to 8 site opportunity for each contractor."¹

Section A.1 stated that the contract would include "all engineering, fabrication, delivery, installation, testing, training, spare parts, manuals, as built drawings, and support for the 010 Loose Mail System," and emphasized that "[o]nly companies with prior U.S. Postal Service related experience will be considered for an award."

¹ The solicitation also stated that three one-year options were contemplated, adding 16 new systems in 1996, 16 in 1997 and 16 in 1998. The option quantities were not to be priced until negotiations at the time the options would be exercised.

Offerors were asked to submit "a complete and accurate" technical proposal, and to submit their price proposals separately.

Section J.6, Instructions for the Preparation of Technical and/or Business Proposals, established the "acceptable minimum requirements for the format and the content of proposals" as follows:

a. Technical Proposal. The technical section must contain a detailed technical discussion and description of the offeror's methodology to be used in accomplishing the effort, including the rationale for the approach proposed. It must be precise, factual, and complete and must contain the information listed in subparagraphs 1 through 7 below:

1. Resumes--The offeror must provide resumes listing qualifications and details relating to professional or technical personnel expected to be assigned to the proposed contract.

2. Efforts--The offeror must state the percentage of time, based on the offeror's regular workweek, such personnel are expected to devote to the contract.

3. Subcontracting--The offeror must describe and explain that portion of the work intended to be subcontracted, identifying probable sources.

4. Ability to Perform--Each offeror must submit, with its proposal, evidence of ability to perform the effort. Such evidence must be in reference to Postal Service contracts, contracts with other Government agencies, or commercial contracts for similar efforts successfully completed. Contract numbers, a brief description of work performed, and the name and location of the contracting officer or other official, cognizant agency, or company must be included.

5. Organization--The offeror must outline the relationship between this project and the offeror's organization.

6. Related Experience--The offeror must describe in detail its experience and familiarity related to the subject of this effort.

7. Related Facilities--The offeror must describe special facilities it may have that have specific application to this work.

Section M.1 a. stated that award would be made "to the responsible offeror whose proposal offers the BEST VALUE to the Postal Service, (i.e. technical factors, a combination of price, price-related factors, and/or other factors). Offerors are encouraged to assure that the proposal meets ALL solicitation requirements. Proposals shall be evaluated in two parts: Technical/Management and Price/Cost."

Under "Technical/Management Evaluation," Section M.1. stated, in part:

Each proposal will be evaluated to determine whether it complies with the specifications within the statement of work and the other requirements of this solicitation. Proposals must demonstrate the methods and abilities the offeror will use to satisfy the specifications and requirements of the solicitation. A simple restatement of the specification and/or requirement and an indication that the offeror will comply is not adequate and will result in significant downgrading in proposal scoring.

Three primary non-price related evaluation factors and their assigned points were:

- (A) Prime Contractor Overall Contract Plan (40 Points)
- (B) Contract Team (30 Points)
- (C) Postal Experience (30 Points)adequate

Factor (A) required the offeror to delineate how it planned to meet the objectives of the contract, which involved explanations of, among other things, its operating and internal structure, management and staffing plans, quality and experience of key personnel, and quality control plan. Factor (B) "examine[d] in detail the makeup of the proposed team," including subcontractors' key personnel. Factor (C) "examine[d] the detailed history of this entire [team's] USPS contracting experience," including "type of contracts previously executed, scope, location, duration, performance, and eventual outcome, particularly with respect to mechanization and Loose Mail Systems" and also stated that "an understanding of Postal contracting, operation and the postal facility environment is important."

Section M.1 b. stated that best value to the Postal Service

will be determined by comparing differences in the value of technical and management features (non-price factors) with differences in price/cost to the Postal Service. In making this comparison, the Postal Service considers non-price related factors more important than price and price related factors and is concerned with striking the most advantageous position between non-price related factors and price/cost to the Postal Service.

Section K.3 stated that "[t]he Postal Service intends to make award on the basis of initial proposals received, without discussions as permitted by the 'Award Without Discussions'

provision of this solicitation."²

Seven proposals were received by March 20. An evaluation panel convened to consider the technical proposals gave Davco the second lowest technical score (288 out of a possible 600 points).³ The technical evaluators found none of the offerors technically unacceptable. The contracting officer weighed "the advantages of the[] lower prices [which the three lowest ranked offerors proposed] against the disadvantages of the poor technical abilities demonstrated and determined that these proposals were not due further consideration."⁴

Following analysis of the technical evaluations and prices of the remaining offerors, awards were made without discussions on the basis of the original proposals to CSI and NAC on June 2.⁵ This protest followed.

² The solicitation incorporated by reference Provision A-9, Award Without Discussion (October 1987), which states that the Postal Service "may award a contract on the basis of initial proposals received, without discussions. Therefore, each initial proposal should contain the offeror's best terms from a cost or price and technical standpoint."

³ The evaluation memorandum listed several aspects of Davco's proposal which the technical evaluators defined as weaknesses, including a lack of a "well defined or strong management group"; an incomplete and ill-designed schedule ("The panel could not develop any feel for the offeror[']s overall understanding of the organizational needs behind scheduling."); and no defined quality control plan. The evaluators noted that for Risk/Contingency Plan, Davco "made some general statements about contingency plans but did not note any specific areas of concern or how they would deal with them" and for Postal Interface Plan, Davco "did not convey to the panel an understanding of Postal Operations and how interfacing could [a]ffect the project at any level." Regarding Davco's Contract Team, the evaluators noted a lack of details in Davco's proposal relating to such considerations as proposed fabricators, major suppliers, and electrical installer.

Under strengths, the evaluators noted that Davco's proposal "conveyed a sense of capability" of its proposed engineering, mechanical installer and electrical installer subcontractors, and that Davco has had "positive" postal contract experience.

The evaluators concluded, in part, as follows:

--"This proposal was very difficult to work with. It did not quite follow the solicitation format and the actual sections were hard to find when it was necessary to cross reference information."

--"It did not appear to the panel that this was a consolidated team. They had several solid subcontractors but the overall plan for coordination and implementation was not conveyed well."

⁴ Davco's prices were the highest of the three eliminated offerors; it was ranked second-lowest technically.

⁵ CSI and NAC had the highest technical scores of all offers received. Price apparently played little role

Davco states that its protest is based on the fact that its line item pricing was less than that of the awardees; that Davco has a "history of successful USPS fixed mechanization contracts"; that its technical proposal was "responsive [sic] and for the requirements of the solicitation"; and that awardee CSI is a "new company with no work history on USPS projects."

In response to the protest, the contracting officer states that Davco's "assertions themselves are inappropriate for this 'best value' procurement . . . that it is the low price, responsive and responsible contractor and therefore should have received award." Despite its "relatively low price," Davco's proposal offered "far from the best value in this procurement." The contracting officer emphasizes the deficiencies in Davco's proposal noted by the evaluators (footnote 3, *supra.*), and also asserts that because CSI's personnel are subcontractors and "key employees" of a "former experienced contractor, CCC Conveyer, Inc.," CSI has "substantial experience."

The protester did not reply to the contracting officer's statement.

One of the other unsuccessful offerors submitted comments in support of the contracting officer, asserting that the protester erred in not employing a technical writing firm for its proposal and that it is "unfair" of the protester to challenge the evaluation when its error led to a poorly written proposal.

DISCUSSION

Davco's submissions evidence a misunderstanding of the basis for award in a best value procurement, which this solicitation clearly contemplated. To award to Davco or any offeror solely on the basis of its lower prices would have been erroneous because the solicitation did not call for award to the lowest-priced technically acceptable offeror. Instead, it clearly stated that technical merit was more important than price, requiring the contracting officer to make "trade-off judgments involving cost and other evaluation factors." See *Marathon, Inc.*, P.S. Protest No. 91-14, March 28, 1991; see also *Western Coach and Wheel Works*, P.S. Protest No. 90-70, November 29, 1990, and Procurement Manual 4.2.5 b.2.⁶

As for Davco's technical evaluation, our standard of review of a contracting officer's technical evaluations is narrow. This office will not substitute its judgment for that of the
(..continued)

in the evaluation, since although CSI's prices were among the lowest of the four higher-ranked proposals, NAC's prices were the highest within that group.

⁶ The protester's reference to "responsiveness" is inappropriate as well, because that term is correctly used only to describe an offer made in formally advertised procurements, not in the negotiated procurement process used here. Cf., *Marathon, Inc.*, *supra.*

technical evaluators unless it is shown to be arbitrary or in violation of procurement regulations. *Standard Register; Moore Business Forms, Inc.*, P.S. Protest No. 92-68, November 23, 1992.

The determination of the relative merits of technical proposals is the responsibility of the contracting office, which has considerable discretion in making that determination. It is not the function of our office to evaluate technical proposals or resolve disputes on the scoring of technical proposals.

In reviewing a technical evaluation, we will not evaluate the proposal *de novo*, but instead will only examine the contracting officer's evaluation to ensure that it had a reasonable basis. The protester bears the burden of showing that the technical evaluation was unreasonable.

Id., quoting *Computer Systems & Resources, Inc.*, P.S. Protest No. 86-4, March 27, 1986. The technical determinations of a contracting officer will not be overturned unless they are arbitrary, capricious, or otherwise unsupported by substantial evidence. *Southern Air Transport*, P.S. Protest No. 89-56, October 3, 1989.

According to the evaluators, Davco's proposal did not contain a strong management plan, contained an incomplete and "ill-designed" schedule and contained inadequate quality control and contingency plans. In addition, Davco failed to use the prescribed proposal format and to supply the requested details in most of the evaluation areas. Footnote 3, *supra*. Our review of the record, including Davco's proposal and those of the successful offerors, provides no basis to overturn the evaluators' conclusions or the contracting officer's decision. *American Bank Note Company*, P.S. Protest No. 94-02, May 11, 1994; *Standard Register; Moore Business Forms, Inc.*, *supra*.

The burden is on an offeror to submit an adequately written proposal. Any reduction in scoring that results from a lack of diligence in completing a proposal is attributable only to that offeror. See *Government Contract Advisory Services, Inc., B & B General Contracting, Inc.*, P.S. Protest Nos. 93-21; 25, December 16, 1993; *Hill's Capitol Security, Inc.*, P.S. Protest No. 90-25, July 20, 1990.⁷

The protest is denied.

William J. Jones
Senior Counsel
Contract Protests and Policies

⁷ The record similarly does not support either Davco's apparent contention that it did not receive enough credit in the experience category, or Davco's challenge to CSI's experience.