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Decision

Matter of: Dellew Corporation

File: B-284227

Date: March 13, 2000

James F. Nagle, Esq., Oles Morrison Rinker & Baker, for the protester.
Theodore M. Bailey, Esq., and Johnathan M. Bailey, Esq., for SelRico Services, Inc.,
an intervenor.

John E. Lariccia, Esq., and Maj. Michael A. Sciales, Department of the Air Force, for
the agency.

Paula A. Williams, Esq., and Michael R. Golden, Esq., Office of the General Counsel,
GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the agency's evaluation of past performance is denied where the record shows that the evaluators reasonably assessed the awardee's proposal as "[DELETED]" and the protester's proposal as "[DELETED]" under the same factor; the protester's mere disagreement does not render the agency's judgment unreasonable.

DECISION

Dellew Corporation protests the award of a contract to SelRico Services, Inc. under request for proposals (RFP) No. F24604-99-R-0027, issued by the Department of the Air Force to provide food service attendant services at Malmstrom Air Force Base (AFB) in Montana. Dellew principally contends that the agency's evaluation and the selection decision were unreasonable and inconsistent with the stated evaluation factors for award.

We deny the protest.

The RFP, issued as a commercial item solicitation, contemplated the award of a fixed-price plus award fee contract for a base period with up to four 1-year option periods. RFP § I, at 3-7. The contractor is to provide all personnel, supervision, and services, including serving and replenishing food, cleaning facilities, performing cashier services, and maintaining quality control. *Id.*, Statement of Work, at 3. The RFP stated that award was to be made on a best value basis considering past

performance and price, with past performance approximately equal to price. RFP § VI, Evaluation Factors, at 14. Under the past performance risk assessment factor, the RFP stated that a performance risk assessment would be conducted on each proposal, using a rating scale of exceptional/high confidence, very good/significant confidence, satisfactory/confidence, neutral/unknown confidence, marginal/little confidence, or unsatisfactory/no confidence.¹ RFP § VI, Evaluation Factors, at 14-15.

In assessing past performance risk, the RFP stated that the evaluators would review the experience listed in the proposal, seek additional present and past performance information through the use of simplified questionnaires, and use data independently obtained from other government and commercial sources. The purpose of this effort was “to identify and review relevant present and past performance and then make an overall risk assessment of the offeror’s ability to perform this effort.” RFP § VI, Evaluation Factors, at 15. Offerors were required to submit past performance information for “recent and relevant contracts for the same or similar items.” RFP § V, Instructions to Offerors, at 13. Under the performance risk/price tradeoff provision, the RFP further stated:

The Government reserves the right to award a contract to other than the lowest evaluated price and award to a higher priced offeror with a better performance risk rating. In these cases, price and performance risk are both treated as equal areas and may be traded off, one against the other. The contracting officer shall make an assessment of the price proposed and the performance risk rating assigned to determine the best value for the government.

RFP § VI, Evaluation Factors, at 14.

Dellew and SelRico were among the offerors that submitted initial proposals by the extended closing time. In terms of past performance, Dellew’s proposal included information pertaining to 13 past and current contracts. Of these, the evaluators identified only two contracts that were considered relevant to the solicited requirements: (1) a food services contract with Malmstrom AFB from October 1, 1997 through September 30, 1998; and (2) a mess attendant services contract at a Naval facility in Hawaii from October 1, 1994 through March 31, 1995. In contrast, SelRico’s proposal listed six food services/mess attendant contracts at Department of Defense (DoD) dining facilities in Colorado, Guam, Michigan, and Texas. The

¹ The adjectival ratings were defined as: exceptional/high confidence (performance record demonstrates no doubt that offeror will successfully perform); very good/significant confidence (little doubt exists); satisfactory/confidence (some doubt exists); neutral/unknown confidence (no performance record); marginal/little confidence (substantial doubt exists); and unsatisfactory/no confidence (extreme doubt exists). RFP § VI, Evaluation Factors, at 15.

evaluators noted that SelRico-operated facilities had received the Air Force Hennessey award and the Navy Ney award for excellence in their food service programs. Agency Report, Tab 7, Evaluation Assessment Report. All five of the references that addressed the question stated that they would award to SelRico today based on its performance on the current contract. Agency Report, Tab 11, Past Performance Questionnaires. Based on information submitted by the offerors and information provided by references contacted by the agency, the agency assigned a risk rating to each offeror's proposal.

The evaluated ratings and prices for the protester's and awardee's proposals were as follows:

Offeror	Past Performance/ Performance Risk	Price (base + options)
Dellew	[DELETED]	[DELETED]
SelRico	[DELETED]	\$4,739,172

Agency Report, Tab 7, Evaluation Assessment Report.

In making his award determination, the contracting officer considered SelRico's higher performance risk assessment and the price differential between SelRico and Dellew. The contracting officer agreed with the evaluators that SelRico's performance record was more relevant than Dellew's. More specifically, in reviewing the proposals and the evaluation record, the contracting officer noted that:

Dellew Corp. has had only two Mess Attendant Service contracts in the past. The past performance questionnaires considered Dellew as having a significant confidence rating. They currently have no food service or mess attendant contracts. Their total food service/mess attendant experience is limited to approximately three (3) years total. Dellew's primary area of expertise is not in food service/mess attendant contracts.

SelRico currently has six (6) food service/mess attendant contracts. They have been serving the government in the food service industry for ten (10) years. They specialize in food service/mess attendant contracts. All past performance questionnaires were significant to high confidence ratings. SelRico was the 1998 winner of the prestigious **Hennessey** award for a contract on Anderson AFB, Guam and the **Ney**, from a Navy contract on Pearl Harbor, HI.

Agency Report, Tab 8, Past Performance Evaluation. The contracting officer concluded that the "government is willing to trade-off approximately [DELETED] in exchange for better past performance, more experience and more expertise in food service/mess attendant contracts. They are obviously capable of competing for the

prestigious Hennessey and the Ney food service awards.” Id. The contracting officer therefore determined that SelRico’s proposal represented the best value to the government and awarded the contract to SelRico on the basis of its initial proposal. The agency provided a debriefing to Dellew on December 1, 1999, and this protest followed.

The protester challenges the evaluation on several grounds. In reviewing an agency’s evaluation of proposals, our Office will question the agency’s evaluation only where it violates a procurement statute or regulation, lacks a reasonable basis, or is inconsistent with the stated evaluation criteria for award. B. Diaz Sanitation, Inc., B-283827, B-283828, Dec. 27, 1999, 99-2 CPD ¶ __ at 6. Based on our review of the evaluation record, including the protester’s and the awardee’s proposals and the agency’s evaluation documentation, we find the protest is without merit.

The protester initially alleges that the evaluation of proposals was based on an undisclosed third evaluation factor, company experience. Protester’s Comments at 4. The RFP here specifically stated that in assessing performance risk, the experience listed in an offeror’s proposal would be reviewed. Thus, the agency’s consideration of SelRico’s 10 years of experience in providing food services to the government was entirely consistent with the RFP.

Dellew also challenges the agency’s evaluation of its and SelRico’s proposals as “[DELETED]” and “[DELETED],” respectively, based on the past performance information in the record. It is Dellew’s position that its proposal should have received a past performance rating equal to the awardee’s, which would have resulted in award to it based on its lower price. Protester’s Comments at 12. According to the protester, SelRico’s 10 years of experience in the food industry became the deciding factor and in doing so the agency ignored the 20 years of general contractor experience possessed by Dellew’s own corporate officers. Id. at 6-7.

The RFP informed offerors that the agency would assess each offeror’s recent, demonstrated record of successful past performance of the same or similar services as those required under the RFP. The evaluators found in reviewing Dellew’s proposal that the firm had a limited past performance record of providing food/mess attendant services. The evaluators noted that the firm currently has no food/mess attendant contracts and that Dellew’s primary area of expertise is not in food services/mess attendant services.² However, the evaluators considered the past

² This conclusion was based on information provided in Dellew’s proposal for 11 past and present contracts that the evaluators judged as not relevant under the past performance factor because the protester did not provide services similar to the solicited requirements. For example, one contract involved armed guard services for
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performance information supplied by the firm (as confirmed by its references) for the two relevant food/mess attendant services contract and found that Dellew merited a “very good” rating for this evaluation factor. Thus, contrary to the protester’s assertions, there is no basis to conclude that the agency ignored information submitted in its proposal or otherwise improperly evaluated its proposal concerning past performance.

On the other hand, the past performance information upon which SelRico was evaluated indicated a marked superiority in past performance over that of Dellew’s and, therefore, warranted an “exceptional” rating. As recognized by the evaluators, SelRico’s proposal indicated that the firm specialized in food/mess attendant services, and that SelRico currently had six contracts similar to the contract to be awarded under this RFP at various DoD dining facilities. Five references stated that they would contract with SelRico again. (One reference did not address this matter.) The agency was also aware that SelRico was the contractor at facilities that were the recipients of food service awards from the Air Force (the Hennessey) and the Navy (the Ney). While Dellew complains that the agency placed undue emphasis on SelRico’s role in the facilities’ receipt of these two awards, we think this was not the case. While we recognize that government personnel may play a key role in earning the awards, we see nothing unreasonable in the agency’s concluding that the contractor also deserves credit when a facility earns the award. These awards reasonably were viewed as a strong indication of SelRico’s ability to successfully perform the contracts.³ Overall, it is clear from the record that SelRico’s rating reflected judgments about the quality of SelRico’s past work and was not based solely on the quantity of SelRico’s experience. Based on the record, we have no reason to question the exceptional past performance rating assigned to SelRico’s proposal. Dellew’s mere disagreement with the evaluators’ judgment does not render the evaluation unreasonable.⁴ Matrix Int’l Logistics, Inc., B-277208, B-277208.2, Sept. 15, 1997, 97-2 CPD ¶ 94 at 4.

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the Coast Guard in Hawaii and another contract involved passenger terminal monitoring services at Hickam AFB in Hawaii.

³ The protester concedes that SelRico had “some role” in the earning of these awards. Protester’s Comments at 11.

⁴ As demonstrated by the above discussion, there is no evidence suggesting, as Dellew alleges, that the agency treated the offerors unequally in evaluating their records of past performance. Protester’s Comments at 8. The agency did not obtain references for prior contracts in a manner which was either favorable to SelRico or unfairly prejudicial to Dellew. Rather, the agency simply complied with the RFP requirement to evaluate past performance for services that were the “same” or “similar” in scope to this requirement.

Finally, Dellew maintains that the difference in evaluated past performance risk cannot reasonably have a value to the agency of the approximately [DELETED] difference in price between its proposal and SelRico's. Protest at 3. In a best value procurement, price is not necessarily controlling in determining the proposal that represents the best value to the government. Where, as here, the RFP identifies past performance and price as the evaluation factors, the selection official must decide whether or not a higher-priced proposal submitted by an offeror with a better past performance/performance risk rating represents the best value to the government. H.F. Henderson Indus., B-275017, Jan. 17, 1997, 97-1 CPD ¶ 27 at 2-3. We will review a selection decision to ensure that it was reasonable and consistent with the stated evaluation factors. Id.

As explained above, we find that the agency's performance risk evaluation was reasonable. The contracting officer considered the difference in the offerors' ratings and Dellew's lower price. He determined that a price premium of approximately [DELETED] over 5 years was justified by SelRico's more extensive experience, better past performance and high confidence ratings. That analysis appears reasonable and consistent with the RFP, and we therefore have no basis to question the contracting officer's tradeoff determination.

The protest is denied.

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