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Comptroller General
of the United States

United States Government Accountability Office
Washington, DC 20548

Decision

Matter of: Computer Cite

File: B-299858

Date: August 31, 2007

Cammy C. Ticknor for the protester.

Jaron E. Chriss, Esq., General Services Administration, for the agency.

Sharon L. Larkin, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency properly rejected quotation of vendor under request for quotations (RFQ) for the award of basic ordering agreements with Federal Supply Schedule (FSS) contract holders, where the vendor did not propose a contract teaming agreement (CTA) in accordance with the conditions imposed by the RFQ and did not satisfy the RFQ requirement applicable where an offering vendor is not a CTA that a single offeror hold all of the FSS Schedule contracts required by the RFQ.

DECISION

Computer Cite (CCite) protests the General Services Administration's (GSA) decision to reject its quotation under request for quotations (RFQ) No. GSC-TFMG-RFQ-07-0003, issued by GSA on behalf of the Department of Energy and the National Nuclear Security Administration, for management, organizational, and administrative support services.

We deny the protest.

The RFQ provided for the issuance of blanket purchase agreements (BPA) on a labor hour, time-and-materials, and/or firm fixed-price basis. The labor, support products, and travel costs of performing under the BPAs were not to exceed \$205,700,000 over a 5-year period. RFQ §§ 1.1, 1.2. The competition was limited to GSA Federal Supply Schedule (FSS) holders, specifically vendors that either by themselves, or collectively with their team, held MOBIS, Language Services, and LOGWORLD

schedule contracts and certain identified special item numbers (SIN) under those contracts.¹ The RFP provided that the required SINs were “minimum requirements,” and that the “[f]ailure of the contractor team to collectively possess the identified schedules and SINs at [the] time of RFQ closing will result in rejection of the entire offer.” Id. § 2.3; see id. § 11.1.

The RFQ instructed that the “BPA Team” may consist of a “Prime Contractor/Team Leader” or “Contractor Teaming Arrangement (CTA) Team Lead/CTA Team Member” relationship. Vendors were informed that

The “Prime Contractor/Team Leader” (BPA Holder) MUST have a GSA MOBIS Schedule Contract. A “Team Member” also must be a GSA Schedule contractor that has agreed to be part of the BPA Holder’s team via the establishment of a formal CTA. A formal CTA is not required for a Prime Contractor/Subcontractor relationship. A Subcontractor need not possess a GSA Schedule contract. Therefore, all work performed by the subcontractor must be within the prices, labor categories, SINs, scope, and terms and conditions of the GSA Schedule contract in which the subcontractor is performing the work.

Id. § 7.5.4;² see id. § 10.6.2. The RFQ provided that if a vendor’s quotation was based on a CTA, then the CTA could be provided in “whatever form and/or format the team collectively decides is most appropriate.” “At a minimum,” however, the CTAs were required to contain such information as the name, schedule number, agreed upon team discount, period of performance, point of contact information of the team leader and team members, business size of the team leader and team members, and delineation of the roles and responsibilities of the team members. Id. § 10.6.3. In addition, a CTA was required to describe the manner in which any of the team members would take a leadership role at the task order level in the event that award through a team member was determined to be in the best interests of the Government. Id. The RFQ also provided that if no CTA was being proposed, the vendor was required to indicate the manner in which it intended to satisfy the GSA Schedule and SIN requirements of the BPA, and stated that:

¹ The required SINs for the MOBIS (Schedule 874) contract were SIN 874-1 (Consulting Services) and 874-7 (Program Integration and Project Management Services). The required SINs for the Language Services (Schedule 738 II) contract were SINs 382-1 (Translation Services) and 382-2 (Interpretation Services). The required SIN for the LOGWORLD (Schedule 874 V) contract was SIN 874-501 (Supply and Value Chain Management). RFQ § 2.3.

² Vendors were referred to GSA’s website for more information about “Contractor Teaming.” RFQ § 7.5.4.

There is no requirement for CTAs to be formed under this acquisition, provided that a single offeror possesses all of the required MOBIS, Language [Services] and LOGWORLD Schedule contracts and required SINS, under the same company name and address.

Id.

Multiple BPAs were to be issued on a best-value basis, considering price and five technical factors (listed in descending order of importance): team lead/prime contractor socioeconomic considerations, management approach, technical approach, past performance, and key personnel. Id. §§ 11.1-11.3. The technical factors, when combined, were said to be “significantly more important than price.” Id. § 11.1. Among the elements to be evaluated under the management approach factor was “[h]ow the Offeror structures its CTA to allow for the potential to rotate team members, in particular small businesses, to serve as team leads at the Task Order level.” Id. § 11.3.2. This element was required to be addressed by vendors in the oral presentation portion of the proposal regarding the management approach. Id. § 10.7.5.1.c.

CCite’s quotation, submitted in response to the RFQ, provided that it would team with four companies to perform the work, and established that collectively the team held all of the required FSS contracts and SINS. The quotation listed CCite as a MOBIS schedule contract holder and identified the SINS that CCite would perform. The quotation also identified each of the four companies as a “Key Sub[contractor]” and listed each firm’s FSS contract (MOBIS, Language Services, or LOGWORLD), the SINS that the firm would perform, and the firm’s business size. Agency Report (AR), Tab 5, CCite Technical Quotation, attach. K. The quotation included signed “Teaming Agreements” between CCite and each of the team members, which included the point of contact information, the GSA schedule contract number and applicable SINS, and the “scope of effort” to be performed by each of the team members. Id., Teaming Agreements. Under the teaming agreements, CCite, as the “Prime,” was to manage all “Customer contacts.” Id. The quotation also included the individual discounts that would be provided to the government by CCite and by each of its team members. AR, Tab 6, CCite Price Quotation, at 2. When questioned by the agency at the oral presentation whether CCite was proposing a formal CTA or a prime/subcontractor relationship, CCite responded (and states here) that it was proposing a prime/subcontractor relationship and not a formal CTA; however, the quotation repeatedly referred to CCite and its subcontractors as the “CCite Team.” Contracting Officer’s Statement ¶ 30; CCite’s Comments at 3-4; AR, Tab 5, CCite Technical Quotation, attach. K.

The agency rejected CCite’s quotation after the oral presentation because it found that CCite was not a CTA and did not possess all three of the required FSS contracts, but only held a MOBIS schedule contract. The agency relied specifically on section 10.6.3 of the RFQ, which provided that without a CTA a “single offeror” must hold

the required MOBIS, Language Services, and LOGWORLD schedule contracts. AR, Tab 15, Notice of Rejection, at 1.

CCite contends that its quotation, including its teaming agreements, satisfies the essential requirements for a CTA as defined in the FAR. See § 9.601. However, the RFQ here provided additional conditions on CTAs that CCite's quotation does not satisfy. For example, as noted above, this RFQ required a CTA to allow for any of its team members to take a leadership role at the task order level, including being named contractor on that particular task order, where it was determined to be in the government's best interests. RFQ § 10.6.3; see also id. § 11.3.2 (evaluating the CTA's use of rotating team members).

CCite's teaming agreements do not satisfy this last stated provision because they only allow the "Prime," that is, CCite, to interact with the ordering agency and not its subcontractors to which CCite will assign task order work. AR, Tab, 5, CCite Technical Quotation, Teaming Agreements. Thus, as was contemporaneously stated by CCite, its proposal was not for a CTA as contemplated by this RFQ. Therefore, its quotation was subject to the RFQ requirement that "a single offeror possess[] all of the required MOBIS, Language [Services] and LOGWORLD Schedule contracts and required SINS, under the same company name and address." RFQ § 10.6.3.

Inasmuch as CCite only has a MOBIS Schedule contract and did not satisfy all of the conditions imposed on CTAs under this RFQ, its quotation was properly rejected by GSA.

The protest is denied.

Gary L. Kepplinger
General Counsel