



G A O

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: Manassas Travel, Inc.

File: B-294867.3

Date: May 3, 2005

Barry Roberts, Esq., for the protester.

John N. Maher, Esq., Mayer, Brown, Rowe & Maw LLP, for Alexander Travel Ltd., an intervenor.

Maj. Frank A. March, Department of the Army, for the agency.

Katherine I. Riback, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency reasonably made award based upon higher-priced proposal with an inferior performance risk rating because of the higher rating of the awardee's proposal, and the specific strengths supporting that rating, under most heavily-weighted technical factor; during hearing GAO considered agency's credible explanation of the strengths, which was consistent with contemporaneous record.

DECISION

Manassas Travel, Inc. protests the Department of the Army's award of a contract to Alexander Travel Ltd. under request for proposals (RFP) No. W91QUZ-04-R-0007, for official travel management and related additional services.

We deny the protest.

The RFP, issued February 13, 2004, contemplated the award of six fixed-price contracts, each for a base period of 2 years, with three 1-year options, to provide official travel management and related additional services on a point-of-sale basis for recruits, from Military Entrance Processing Station (MEPS) locations in six travel areas (101 through 105) to the recruits' initial post, camp, or installation to undergo recruit training. A MEPS is a location where military recruits from all of the military branches report for their initial medical examination, and administration of the oath.

This protest concerns the award of the contract for Travel Area 103 to Alexander Travel, Inc.¹

Proposals were initially subject to an initial “go/no go” evaluation for the passenger name record (PNR) data validation with the Defense Travel System. The determination of the most advantageous proposal for each travel area was to be based on three evaluation factors: technical, performance risk, and price. The technical factor was more important than the price factor, the price factor was more important than the performance risk factor, and the technical and performance risk factors, when combined, were significantly more important than the price factor. Award was to be made on a “best value” basis.

The Army received nine proposals for Travel Area 103, including those of Manassas Travel and Alexander Travel. All offerors submitting proposals for Travel Area 103 successfully completed the PNR data validation process. Following written discussions, eight final proposal revisions were received. Manassas Travel’s proposal received a “good” technical rating and a “very low” performance risk rating, and offered a total evaluated price of \$1,175,587.50. Alexander Travel’s proposal received an “outstanding” technical rating and a “low” performance risk rating, and offered a total evaluated price of \$1,436,663.94. Based on Alexander Travel’s proposal’s “outstanding” rating under the most important factor, and the particular strengths that supported this rating, the agency determined that Alexander Travel’s proposal represented the overall best value to the government, even though its evaluated price was higher than that of Manassas Travel and its performance risk rating was inferior to Manassas Travel’s “very low” rating. In the Source Selection Document, the agency identified the two most significant technical strengths in the Alexander Travel proposal that led to its “outstanding” technical rating and the award selection: a customized on-line MEPS transportation application and an automated Centrally Billed Account (CBA) reconciliation product (called ReconPlus). The agency awarded the contract to Alexander Travel on January 28, 2005. On February 4, Manassas Travel filed this protest.

Manassas Travel argues that the technical strengths that the agency cited for Alexander Travel’s proposal are illusory because the agency failed to explain exactly what Alexander Travel would do that is superior to Manassas Travel’s, and that the agency’s best value determination was flawed in that it failed to explain why any advantages in Alexander Travel’s proposal were worth the higher price.

We review challenges to an agency’s evaluation of proposals only to determine whether the agency acted reasonably and in accord with the solicitation’s evaluation

¹ Travel Area 103 consists of the following 10 MEPS locations: Des Moines, IA; North Chicago, IL; Chicago, IL; Indianapolis, IN; Minneapolis, MN; Lansing, MI; Detroit, MI; Fargo, ND; Sioux Falls, SD; and Milwaukee, WI.

criteria and applicable procurement statutes and regulations. PharmChem, Inc., B-291725.3 et al., July 22, 2003, 2003 CPD ¶ 148 at 3. A protester's mere disagreement with the agency's judgment is not sufficient to establish that the agency acted unreasonably. Entz Aerodyne, Inc., B-293531, Mar. 9, 2004, 2004 CPD ¶ 70 at 3.

We conducted a hearing in this case because contemporaneous evaluation documentation did not completely explain the nature of the cited strengths that led to the award selection. In this regard, the protester argues that the agency's cost/technical tradeoff contained only conclusions and was insufficiently documented. The protester contends that the agency's attempts to orally justify the cost/technical tradeoff during the hearing should not be allowed because "an oral justification following a bid protest months after the actual evaluation is inherently unreliable and no substitute for a written rational[e] made contemporaneous with the award." Protester's Hearing Comments at 5. However, post-protest explanations that provide a detailed rationale for contemporaneous conclusions simply fill in previously unrecorded details, and will generally be considered in our review of the rationality of selection decisions, so long as those 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. As detailed below, the explanations provided at the hearing simply provide more details regarding the strengths identified in the source selection decision, and we have considered these explanations, which are consistent with the record, in determining that the award selection was reasonable.

As explained at the hearing by an adviser to the source selection authority (SSA), the customized on-line MEPS transportation application offered by Alexander Travel will automate many of the manual processes currently in use and give the government a better ability to manage the names on the blocked seats against the names in the computer system. Currently, the government does a projection a month in advance of the number of travelers for the following month, and these projections are faxed or e-mailed to the commercial travel office. With the on-line MEPS application offered by Alexander Travel, the government will be able to enter those projections into the database and send them electronically to the commercial travel office; the commercial travel office can send this information to the airlines and block the seats; and the airline can then send the flight information, record locators, and the seat block information back to the commercial travel office. Currently, when the commercial travel office receives this information from the airline, it is then relayed back to the government by fax or telephone. With the on-line MEPS application, the commercial travel office can enter that information into the database and send it back to the government. Then, 24 hours prior to departure, names can be provided to the commercial travel office to place against the seats that have been blocked by the airlines, and the commercial travel office can issue airline tickets. Hearing Transcript (Tr.) at 16-20.

The agency also explained that Alexander Travel's on-line MEPS application is specifically geared towards MEPS travel and will assist the government in managing the MEPS travel program. Tr. at 22. The agency noted that this is significant because MEPS and temporary duty (TDY) travel have separate fare structures, in that MEPS travel uses passenger standing route order program fares and TDY travel primarily uses contracted city pair fares. In addition, with MEPS travel there are many last minute modifications due to personnel changes, resulting in a high probability of fluctuation with the names prior to ticketing. Tr. at 8. As explained by the source selection authority at the hearing, "there's a greater degree of difficulty in managing a group of unknown people that are going to travel on an unknown date to an unknown--well, to a known destination than there is in the traditional travel services where the travel services get me from point A to point B." Tr. at 94. In contrast, the agency noted that the Manassas Travel proposal offered more of a low fare search, which was more appropriate for TDY travel; the agency witness explained that while a low fare search might be appropriate for TDY travel, it would not "necessarily work" for MEPS travel because there are already guaranteed traffic dedicated fares for MEPS personnel.² Tr. at 22

The agency also identified certain benefits that would accrue to it as a result of the on-line MEPS application outlined in Alexander Travel's proposal. First, the automated system is a "more accurate and more efficient way" to track the last minute changes that are inherent in the travel of recruits, in contrast to the current method, where many processes regarding last minute changes are performed manually. Tr. at 78. Second, it will allow the agency to use the information in the database to quickly establish accurate projections of the number of seats that the agency will need in the future, so that the agency can negotiate better rates; currently, to obtain better rates, the agency has "to go back through mounds of paperwork" to establish seat projections. Tr. at 19.

The other major strength that the agency identified in Alexander Travel's proposal was an automated CBA reconciliation product, called ReconPlus. At the hearing, the adviser to the SSA explained that this will "allow the Government to perform [the] reconciliation and dispute process on line, managing those disputes more efficiently than the manual process we have today, as well as alleviating [the] prompt payment penalty because of our ability to manage the dispute process in a more efficient manner." Tr. at 29. She further explained that the dispute process leads to "out of balance" invoices, which leads to problems of delinquency, such that the government may be liable for prompt payment interest, which may amount to a "good sum of money." Tr. at 29-30, 45-46. Delinquent accounts can also be suspended, which can have serious implications for MEPS travelers because these recruits do not have a personal charge card and would therefore be stranded, with no way to travel from

² We note that Manassas Travel does not refute the agency's technical evaluation of its own proposal.

their MEPS recruiting station to their duty point or to their duty base. Tr. at 57-58. In contrast, Manassas Travel's proposal did not provide for this automated feature.

Based on the foregoing, we find that the agency's evaluation of Alexander Travel's proposal was reasonable and consistent with the RFP. Where, as here, the RFP indicates that technical considerations are more important than price considerations in determining the best value to the government, selecting a technically superior, higher-priced proposal is proper where the agency reasonably concludes that the price premium is justified in light of the proposal's technical superiority. The propriety of such a price/technical tradeoff decision turns not on the difference in the technical scores or ratings *per se*, but on whether the selection official's judgment concerning the significance of the difference was reasonable and adequately justified in light of the RFP's evaluation scheme. Continental RPVs, B-292768.6, April 5, 2004, 2004 CPD ¶ 103 at 6-7. As stated above, the agency in its evaluation identified various strengths in Alexander Travel's proposal that outweighed Manassas Travel's price advantage and "very low" performance risk rating, which reasonably justify the award selection. *Id.* at 7; Ready Transp., Inc., B-285283.3, B-285283.4, May 8, 2001, 2001 CPD ¶ 90 at 12-13.

The protest is denied.

Anthony H. Gamboa
General Counsel