441 G St. N.W. Washington, DC 20548 Comptroller General of the United States

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Decision

Matter of: Starlight Corporation

File: B-420267.3; B-420267.4

Date: March 14, 2022

Kristin Zachman, Esq., Bailey & Bailey, PC, for the protester.

Brian A. Darst, Esq., for Empire Aircraft Services Inc., the intervenor.

Lieutenant Colonel Keric Clanahan, and Erika Whelan Retta, Esq., Department of the Air Force, for the agency.

Sarah T. Zaffina, Esq., and Jennifer D. Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging the agency's past performance evaluation is sustained where the agency failed to adequately document its relevancy evaluation of offerors' past performance information and improperly reduced one of the protester's ratings on a past performance questionnaire.

DECISION

Starlight Corporation, a small business, of Carlsbad, California, protests the Department of the Air Force's award of a contract to Empire Aircraft Services, Inc. (Empire), a small business, of Summerville, South Carolina, under request for proposals (RFP) No. FA449721R0014, for aircraft wash and corrosion control services at Dover Air Force Base (AFB), Delaware. Starlight contends that the agency's past performance evaluation was not in accordance with the solicitation's evaluation criteria and was otherwise unreasonable.

We sustain the protest.

BACKGROUND

On June 30, 2021, the Air Force issued the solicitation as a small business set-aside for tow, wash, de-paneling, lubrication, and cleaning services for C-5 and C-17 aircraft at Dover AFB pursuant to Federal Acquisition Regulation (FAR) part 15 procedures. Agency Report (AR), Tab 1, Contracting Officer's Statement (COS) at 4; AR, Tab 8,

RFP attach. 1, Performance Work Statement (PWS) at 4-15.¹ The solicitation advised that the agency planned to award a single, fixed-price contract with a 1-year base period and four 1-year option periods. AR, Tab 5, RFP at 4, 69. As relevant here, the solicitation provided that among technically acceptable offers, a tradeoff may be made between past performance and price, with past performance significantly more important than price. AR, Tab 13, RFP attach. 5, Evaluation Criteria at 1.

Under past performance, the agency would evaluate the recency, relevance, and quality of past performance information provided in the offeror's proposal and independently obtained from other sources. *Id.* at 1-2. The RFP defined recent past performance as contracts performed in the five years prior to the date the RFP was issued. *Id.* at 2. The solicitation defined relevant past performance "as efforts similar in scope, complexity, dollar value, and extent of subcontracting/teaming" and provided that efforts would be rated as either relevant or not relevant. *Id.* With regard to the quality of the past performance, the agency would gather information on how well the offeror performed past contracts to "determine the quality of the offeror's performance, general trends, and usefulness of the information." *Id.* The agency would incorporate the evaluation of recency, relevance, and quality into a past performance confidence assessment rating.² *Id.*

Four offerors, including Starlight, the incumbent contractor for these services, and Empire, submitted proposals. AR, Tab 59a, Source Selection Evaluation Board (SSEB) Initial Rept. at 5. After evaluating proposals, the Air Force found that only Empire's proposal merited a rating of acceptable for the technical factor. COS at 10. The Air Force also assigned Empire a rating of substantial confidence for past performance and determined that Empire's pricing was fair and reasonable. AR, Tab 60, Initial Source Selection Decision Document (SSDD) at 5. The agency did not find it necessary to conduct discussions and awarded the contract to Empire. *Id.*

On October 8, 2021, Starlight filed a protest with our Office challenging the Air Force's evaluation and award decision. Protest at 2. On October 21, the agency notified our Office that it would take corrective action by reevaluating all proposals and making a new best-value determination. *Id.* Our Office subsequently dismissed Starlight's protests as academic. *Starlight Corp.*, B-420267, B-420267.2, Oct. 21, 2021 (unpublished decision).

In performing its corrective action, the Air Force established a competitive range that included all four offerors and requested proposal revisions. AR, Tab 59b, SSEB Final

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¹ Citations to the record are to the pages of the Adobe PDF documents produced in the agency report. Furthermore, the RFP was amended once to include answers to offeror questions and update solicitation attachments.

² Past performance confidence ratings were as follows: substantial confidence; satisfactory confidence; neutral confidence; limited confidence; and no confidence. *Id.* at 3.

Rept. at 1. Starlight and Empire submitted timely final proposal revisions before the deadline for receipt of proposals. *Id.* The agency evaluated the proposals follows:

	Starlight	Empire
Technical	Acceptable	Acceptable
Past Performance	Satisfactory Confidence	Substantial Confidence
Price	\$2,414,145	\$2,834,531

AR, Tab 61, Final SSDD at 5. The agency concluded that Empire's proposal represented "the best value to the Government with consistent *superior* Past Performance for Aircraft Corrosion Control Services and a [total evaluated price] of 5.5% *below* the [independent government estimate]." *Id.* at 6. After receiving a debriefing, Starlight filed this protest with our Office.

DISCUSSION

Starlight challenges the Air Force's evaluation of the protester's past performance, as well as the agency's evaluation of Empire's past performance, and the best-value determination. In this regard, the protester argues that the agency failed to consider and document its relevancy evaluation of the offerors' past performance information. Comments & Supp. Protest at 15-19. Starlight also alleges that the agency failed to evaluate the quality of Starlight's past performance questionnaires (PPQs) in accordance with the solicitation. *Id.* at 19-22. As explained below, we find that the Air Force's past performance evaluation was unreasonable and therefore sustain the protest on that basis.³

Failure to Consider Relevance in Past Performance Evaluation

The agency rated both offerors' past performance references as relevant. Starlight argues that the Air Force failed to document its relevancy evaluation and the evaluation documents do not demonstrate the agency reasonably found Empire's past performance information was relevant. Comments & Supp. Protest at 15-19. In this regard, Starlight contends there is no evidence in the record that the agency considered the scope, complexity, dollar value, and extent of subcontracting/teaming to determine the relevancy of Empire's past performance as required by the solicitation. *Id.* at 17. Moreover, Starlight asserts that because the agency's relevancy determination is unreasonable, the agency's past performance confidence rating is also unreasonable. *Id.* at 19.

³ Starlight raises other collateral arguments. Although we do not address every argument, we have reviewed them all and find that none provides a basis to sustain the protest except as discussed below.

As an initial matter, the Air Force and Empire both argue that Starlight's challenges to the past performance evaluation are untimely challenges to the solicitation's evaluation criteria that the protester should have raised prior to the deadline for receipt of proposals. Supp. Contracting Officer's Statement/Memorandum of Law (COS/MOL) at 17-18; Empire Comments at 3; Empire Supp. Comments at 11. On the facts here, we disagree with the agency's and Empire's characterization of Starlight's allegations as untimely challenges to the evaluation criteria. Instead, the record shows that the bases for Starlight's protest--*i.e.*, that the past performance evaluation was unreasonable and inadequately documented--were first disclosed to Starlight in the agency report responding to the protest. Because Starlight raised the allegations within 10 days of receiving the report, we consider the challenges to be timely. 4 C.F.R. § 21.2(a)(2).

Turning to the merits of Starlight's argument, where a protester challenges a past performance evaluation, we will review the evaluation to determine if it was reasonable and consistent with the solicitation's evaluation criteria and procurement statutes and regulations, and to ensure that the agency's rationale is adequately documented. See Verdi Consulting, Inc., B-414103.2 et al., Apr. 26, 2017, 2017 CPD ¶ 136 at 9. While, as a general matter, the evaluation of an offeror's past performance is a matter within the discretion of the contracting agency, we will question an agency's evaluation of past performance where it is unreasonable or undocumented. Trident Vantage Sys., LLC; SKER-SGT Eng'g & Sci., LLC, B-415944 et al., May 1, 2018, 2018 CPD ¶ 166 at 10-11; Clean Harbors Envtl. Servs., Inc., B-296176.2, Dec. 9, 2005, 2005 CPD ¶ 222 at 3. The agency's evaluation must be sufficiently documented to allow our Office to review the merits of a protest.⁴ Apptis, Inc., B-299457 et al., May 23, 2007, 2008 CPD ¶ 49 at 10. Where an agency fails to document or retain evaluation materials, it bears the risk that there may not be adequate supporting rationale in the record for us to conclude that the agency had a reasonable basis for its evaluation conclusions. Trident Vantage Sys., LLC; SKER-SGT Eng'g & Sci., LLC, supra at 10-11.

In evaluating relevance, the RFP required offerors to submit a list of up to five past performance references to include a "[d]etailed [d]escription of [w]ork" performed. AR, Tab 12, RFP attach.4, Instructions to Offerors at 1-2; Evaluation Criteria at 2. Offerors were directed to have their customers complete PPQs for the contract references and to submit the completed PPQs directly to the agency. Instructions to Offerors at 2. The RFP indicated that the agency would consider the similarity of scope, complexity, dollar value, and extent of subcontracting/teaming of the past performance information to determine its relevance to the RFP's requirements. AR, Tab 12, RFP attach. 4, Instructions to Offerors at 2; Evaluation Criteria at 2. The solicitation further indicated that, in conducting this evaluation, the agency would independently gather past performance information about offerors, such as Contractor Performance Assessment Reporting System (CPARS) records. See Evaluation Criteria at 2-3. The solicitation

⁴ In this regard, the FAR requires that agencies sufficiently document their judgments supporting their proposal evaluations. FAR 15.305(a)(2)(i), 15.308; *Deloitte Consulting, LLP*, B-412125.2, B-412125.3, Apr. 15, 2016, 2016 CPD ¶ 119 at 15.

then contemplated an assessment of recency, relevance, and quality of performance, to determine the past performance confidence rating. *Id.* at 2.

Here, we find the agency's evaluation was not sufficiently documented to allow GAO to determine whether the agency's conclusions regarding the relevance of Empire's past contract references were reasonable. Essentially, the only place in the contemporaneous record where the relevance of the past performance information is addressed is a table for each offeror in the SSEB report.⁵ AR, Tab 59b, SSEB Final Rept. at 3, 8. In this regard, the SSEB report included a table for each offeror that documented the following five pieces of information for the past efforts considered: (1) project/contract number; (2) whether the information was from a PPQ or a CPARS record; (3) recency rating; (4) relevancy rating; and (5) assigned confidence rating. *Id.* While the SSEB report includes the notation "relevant" for each contract, it makes no mention of the relevance of the contracts in relation to the solicitation requirements; the report also provides no rationale for the relevancy ratings assigned.

In response to the protest, the agency contends that "[n]othing in the FAR prohibits the [g]overnment from assessing relevancy with a simple binary assessment" and the contracting officer "decided that a simple assessment of [past performance information] relevancy would satisfy the source selection requirement." Supp. COS/MOL at 5. The Air Force also asserts in its response to the protest (though the information is not found in the contemporaneous record) that three of Empire's past performance references demonstrate Empire's experience providing aircraft corrosion control services on C-5 aircraft. Id. at 6; see also COS at 25. The agency claims that the SSEB "thoroughly"

Relevant | Not Relevant (Aircraft Corrosion Control).

AR, Tab 52, Starlight Past Performance Evaluation Worksheets at 4-6, 8-9; AR, Tab 57, Empire Past Performance Evaluation Worksheets at 4-7, 9-17. For some contracts, the evaluator underlined the word relevant; for other contracts, the evaluator did not. It is unclear whether the evaluators considered the contracts that underlined the word relevant to be relevant because the contract involved aircraft corrosion control services. If that is the case, the individual evaluator worksheets only provide a limited explanation of the relevancy determination with regard to the RFP requirements and do not address similarity of scope, complexity, and extent of subcontracting/teaming to the RFP requirements. We find that this level of documentation is not sufficient to reach a conclusion about the adequacy of the agency's evaluation.

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⁵ The agency also provided the individual evaluator past performance worksheets for Starlight and Empire. The worksheet for each evaluator included the following information for each past performance reference:

⁶ Empire's past performance proposal included five contract references. AR, Tab 26, Empire Past Performance Proposal at 3-5. As part of its evaluation, the Air Force obtained all of the CPARs for Empire, which included an additional sixth contract reference. AR, Tab 59b, SSEB Final Rept. at 8-10. The agency therefore evaluated six contract references as part of its assessment of Empire's past performance.

documented their evaluation of Empire's [past performance information] and explained why its past performance was found to involve work of a 'similar scope and magnitude of effort and complexities." Supp. COS/MOL at 6.

Although we agree with the Air Force's observation that the FAR does not contain a prohibition on binary assessments of past performance relevance, an agency's evaluation must be sufficiently documented to allow our Office to review the agency's conclusions to decide the merits of the protest. *Apptis, Inc., supra.*

Given the lack of contemporaneous documentation, our Office has insufficient information from which to assess the reasonableness of the agency's past performance evaluation. The solicitation required the agency to consider the relevance of an offeror's past performance references in its past performance evaluation. Simply indicating that the past performance was relevant or not relevant does not provide any basis to assess the evaluation of either offeror's past performance information. Furthermore, the agency's explanation provided in response to this protest addresses the relevancy of only three of Empire's six past performance references and leaves three references without any documented rationale for the relevancy ratings assigned.

In sum, there is insufficient information in the record to assess the reasonableness of the agency's relevancy conclusions and on that basis, we sustain the protest. *Trident Vantage Sys., LLC; SKER-SGT Eng'g & Sci., LLC, supra* (sustaining protest where agency materials consisting solely of a table documenting the relevancy rating was insufficient to permit our Office to review the reasonableness of the past performance relevancy evaluation).⁷

Failure to Evaluate the Quality of PPQs Pursuant to Evaluation Criteria

Starlight also challenges the Air Force's evaluation of the quality of its performance on its past efforts. In this regard, Starlight submitted four PPQs as part of its past performance proposal. In addition, and as explained in greater detail below, while each of the four PPQs identified Starlight's performance as exceptional overall, the agency downgraded the protester's performance on three of the four to merely satisfactory based on the absence of narrative comments supporting the ratings of exceptional. Starlight argues that the agency's "heavy reliance" on narratives and comments was not in accordance with the RFP's evaluation criteria. Comments & Supp. Protest at 19-22. The protester also complains that the agency's downgrading of its PPQ ratings was

⁷ As explained at the conclusion of our decision, we recommend that the agency reevaluate proposals and document the rationale for its ratings. As part of this process, the agency may also wish to review its source selection decision document. In this regard, while the SSA noted that the source selection was made using a tradeoff between price and past performance, AR, Tab 61, Final SSDD at 6, we found no tradeoff analysis in the record. That is, there was no explanation as to why Empire's superior past performance was considered to be worth the price premium associated with its proposal.

improper when the evaluators did not have personal knowledge of Starlight's past efforts. *Id.*

In a negotiated procurement an agency must evaluate proposals based on the solicitation's enumerated evaluation factors. FAR 15.305(a); *DA Def. Logistics HQ*, B-411153.3, Dec. 2, 2015, 2015 CPD ¶ 358 at 4. An agency may properly apply evaluation considerations that are not expressly identified in the RFP if those considerations are reasonably and logically encompassed within the stated evaluation criteria, so long as there is a clear nexus linking them. *Phoenix Air Grp.*, B-412796.2, B-412796.3, Sept. 26, 2016, 2016 CPD ¶ 308 at 11.

Here, the RFP instructed offerors to submit PPQs for their past performance references. Instructions to Offerors at 2. The PPQ, on its face, specifically requested that the person completing the form provide a narrative explanation for ratings of marginal or unsatisfactory. AR, Tab 11, RFP attach. 3, Blank PPQ at 1. The PPQ also sought comments where in performance of the contract, offerors were issued a cure or show cause notice and where the person completing the form would not make another contract award to the firm. *Id.* at 3. Otherwise, however, the PPQ did not instruct raters that they needed to support their assigned ratings with narrative comments.

Both the SSEB report and the source selection decision document stated that the evaluators "relied heavily on comments and narratives provided to determine the final [p]ast [p]erformance [c]onfidence rating." AR, Tab 59b, SSEB Final Rept. at 2, 7; AR, Tab 61, Final SSDD at 3.

The Air Force received four PPQs for Starlight, one for each of the three contracts the protester cited in its past performance proposal, and an additional PPQ for a bridge contract Starlight performed that was related to one of its contract references.⁸ For contract No. FA4464-17-C-0012 (the March PPQ), Starlight received ratings of exceptional and good; the reference did not submit additional remarks about Starlight's performance of the contract.⁹ AR, Tab 21, March PPQ. The SSEB found no "additional narratives/comments were provided to support" the overall exceptional rating for the PPQ and downgraded it to satisfactory. AR, Tab 59b, SSEB Final Rept. at 3.

Likewise, for contract Nos. FA6606-15-C-0001 (the Westover PPQ) and FA6606-21-P-0003 (the Westover Bridge PPQ), for which Starlight received ratings of exceptional, the SSEB determined that the PPQ narrative only showed that Starlight's performance met contractual requirements and did not support a rating of exceptional. *Id.* at 3. In this regard the PPQ contained the following remarks:

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⁸ We only address three of the four references because the agency did not downgrade the PPQ rating for one reference. AR, Tab 59b, SSEB Final Rept. at 3 (finding the PPQ remarks supported the exceptional rating).

⁹ The PPQ identifies this contract as FA4464-17-0003. This appears to be a clerical error.

During this contract period, Starlight provided complete aircraft wash & lubrication services for the entire USAF C-5 fleet, both home-stationed and pre-RISO input C-5 aircraft. Services also included the configuration of the aircraft and operation of flight control surfaces. All services were performed on schedule and within the allotted time frames. In addition, all safety guidelines were met, and services were provided in accordance with the prescribed technical data.[10]

AR, Tab 22, Westover PPQ at 3; AR, Tab 23, Westover Bridge PPQ at 3. The SSEB determined that the remarks indicated that contractual requirements had been met and downgraded the overall PPQ rating to satisfactory.

Even though the RFP did not specifically inform offerors that the Air Force would rely heavily on narratives in PPQs in the agency's evaluation, we think that where there was inconsistency between the ratings assigned and the narrative comments on a PPQ, it was unobjectionable for the agency to give greater weight to the narrative comments. Further, with regard to the Westover PPQ and the Westover Bridge PPQ, we think the Air Force reasonably determined that the remarks described work that met the contractual requirements but did not exceed requirement. We find, therefore, no basis to object to the downgrading of the overall PPQ ratings for these two contract references from exceptional to satisfactory.

The situation is different with regard to the March PPQ. There was no inconsistency between the ratings assigned and the narrative on that PPQ; rather, the agency downgraded the ratings assigned only because of the absence of a supporting narrative. Because the PPQ form, on its face, did not require remarks when ratings of exceptional or good were assessed, we find that the agency improperly downgraded Starlight's rating of exceptional to satisfactory for the March PPQ.

Our Office will not sustain a protest unless the protester demonstrates a reasonable possibility that it was prejudiced by the agency's actions; that is, unless the protester demonstrates that, but for the agency's actions, it would have had a substantial chance of receiving the award. *Raytheon Co.*, B-409651, B-409651.2, July 9, 2014, 2014 CPD ¶ 207 at 17. Here, we have no basis to assess whether a change in the agency's rating for the March PPQ might have resulted in a higher overall past performance confidence rating for Starlight. We also note that a change in Starlight's past performance confidence rating could have resulted in a different best-value tradeoff determination, especially given that Starlight's proposal is the lowest-priced, technically acceptable proposal. In such circumstances, we resolve doubts regarding prejudice in favor of a protester since a reasonable possibility of prejudice is a sufficient basis for sustaining a protest. *See Kellogg, Brown & Root Servs., Inc.--Recon.*, B-309752.8, Dec. 20, 2007, 2008 CPD ¶ 84 at 5. Consequently, we conclude that Starlight has established the requisite competitive prejudice to prevail on this ground of protest, as well.

¹⁰ The PPQ remarks for both contracts were identical.

RECOMMENDATION

We recommend that the agency reevaluate proposals in a manner consistent with the terms of the solicitation and this decision, adequately documenting the rationale for its ratings, and make a new source selection decision based on that reevaluation, or take such other steps permitted by applicable procurement laws and regulations. We also recommend that the agency reimburse Starlight its reasonable costs of filing and pursuing its protest, including reasonable attorneys' fees. 4 C.F.R. § 21.8(d)(1). The protester's certified claim for costs, detailing the time spent and the cost incurred, must be submitted to the agency within 60 days after receipt of this decision. 4 C.F.R. § 21.8(f).

The protest is sustained.

Edda Emmanuelli Perez General Counsel