



September 28, 2017

Mr. Sukhwinder Lamba
Vice President, Sales
OpsHub, Inc.
1000 Elwell Court, Suite 110
Palo Alto, CA 94303-4306

Re: Supplier Disagreement Resolution No. SDR17TI-07-A, Solicitation No. 1B-16-A-0006

Dear Mr. Lamba:

This is the final resolution to the disagreement that you lodged with the Supplier Disagreement Resolution ("SDR") Official on behalf of OpsHub, Inc. ("OpsHub") dated February 1, 2017 (the "Disagreement"). With regard to Solicitation No. 1B-16-A-0006, Lifecycle Management Tool Integration Systems, Testing and Support Solution (the "Solicitation"), the Disagreement requests that either the proposals received by the contracting officer be reevaluated or that the solicitation process be completely redone. OpsHub was one of two offerors, and the contract was awarded to the other offeror TaskTop Technologies, Inc. ("TaskTop"), which was ranked higher in both technical and price. In the Disagreement, OpsHub argues that there were errors in the evaluation of OpsHub's proposal, its proposed price was lower than that of TaskTop, the contracting officer incorrectly performed the best value tradeoff analysis, and the entire process was biased in favor of TaskTop. As explained below, I find that there were no errors in the evaluation of OpsHub's technical and price proposals, that the best value tradeoff analysis was performed correctly, and that there was no bias in favor of TaskTop. My final resolution is to affirm the original contract award of the contracting officer.

I. Background

On August 17, 2016, the contracting officer issued the Solicitation, which was for the purchase of software that automates and synchronizes data exchange between several Lifecycle Management Integration software delivery tools. For the definition of best value, the Solicitation stated that technical was more important than price (see Solicitation, Proposal Evaluation, p.2). The Solicitation set forth the following technical evaluation factors in "a descending order of importance in an exponential downward progression" (see Solicitation, Proposal Evaluation, p.3):

Evaluation Factor 1 – Written technical/management proposal (showing understanding of problem and proposed solution.

Evaluation Factor 2 – Demonstration of key components of User Stories.

Evaluation Factor 3 – Skill sets of the key staff proposed to work on the project.

Evaluation Factor 4 – Corporate capability, including any partners and subcontractors.

Evaluation Factor 5 – Relevant Past Performance.

The Solicitation also set forth in great detail the requirements for each of the five technical evaluation factors (see Solicitation, Instructions, pp.7-8). With regard to the evaluation of price, the Solicitation stated:

For this solicitation, the Postal Service will evaluate proposed “price structure” as a whole. This may include factors for Total Cost of Ownership in relationship parametric analysis to various ranges of expected scalability in quantities ordered, discount factors, escalations, and options over the entire expected period of performance. The Postal Service must be able to determine that the pricing is fair and reasonable through historical, market factors, or competition. Further, USPS will rank pricing amongst offers through a comparative analysis to determine which Offeror provides the most advantageous price (see Solicitation, Proposal Evaluation, p.4).

The contracting officer received proposals from TaskTop and OpsHub. During the evaluation period, the offerors gave an oral presentation and a live demonstration of their proposed solutions. The evaluation of the technical proposals resulted in TaskTop and OpsHub receiving overall technical scores of [REDACTED] and [REDACTED], respectively. The evaluated prices for TaskTop and OpsHub were \$970,082.00 and [REDACTED], respectively. Taking into account that TaskTop had a higher technical score and a lower evaluated price than OpsHub, the contracting officer’s tradeoff analysis determined that TaskTop’s proposal was the best value to the Postal Service.

On October 11, 2016, the contracting officer notified OpsHub that the contract had been awarded to TaskTop, and on December 21, 2016, OpsHub was given a debriefing, which included feedback on its proposal. OpsHub lodged an initial disagreement with the contracting officer on December 26, 2016, and the contracting officer denied the initial disagreement on January 24, 2017. OpsHub’s hardcopy of the Disagreement lodged with the SDR Official on February 7, 2017, was denied as untimely. However, the SDR Official reopened the case on April 26, 2017, after investigating new information provided by OpsHub and confirming that an electronic copy of the Disagreement was timely lodged via email.

In the Disagreement, OpsHub argues that either the proposals should be reevaluated or that the entire solicitation process should be redone because there were errors in the evaluation of OpsHub’s proposal, OpsHub proposed price was lower than that of TaskTop, the contracting officer incorrectly performed the best value tradeoff analysis, and the entire process was biased in favor of TaskTop. I address each of OpsHub’s arguments below.

II. Discussion

A. Alleged Errors in the Evaluation of OpsHub’s Proposal

1. Selenium Integration of Test Results

During the debriefing, the debriefing team shared with OpsHub that its demonstration of the Selenium integration did not include the integration of the test results. OpsHub argues that “the requirement to demo the test results during the live demo is not mentioned anywhere in the RFP ... and if this had been specified in the demo requirements, we would have easily configured and shown the live demo.” However, this view of the way technical proposals should be evaluated is far too narrow. The Technical Evaluation Team (“TET”) did not look at the solutions presented by the proposals in a piecemeal manner, but rather it looked at the whole proposed solution.

In the Disagreement, OpsHub does not dispute that the Statement of Work (“SOW”) and User Stories contained numerous references to Selenium (see Disagreement, p.2). The Solicitation required that:

The technical proposal must be sufficiently detailed and complete so as to demonstrate an understanding of the Supplier’s approach and ability to comply with the requirements of the solicitation, including all attachments and appendices (see Solicitation, Instructions, p.2).

The Solicitation also required that the “Supplier will be expected to make an oral presentation of their proposed solution to the USPS” and that “a substantial portion of the presentation must be devoted to a live demonstration of capability, and must respond to the outline of required features attached to this SOW.” (see Solicitation, Proposal Evaluation, p.2). It was not unreasonable for the TET to expect that the offerors would present in the most positive way possible and demonstrate their solutions and capabilities in a comprehensive manner. I find no error that the rationale in applicable parts of the TET’s scoring were based, in part, on weaknesses in OpsHub’s Selenium integration. This is a stated evaluation factor to which OpsHub’s response was rated lower than the response provided by TaskTop.

2. Unlimited Training and End-User Licenses

The debriefing team also informed OpsHub that its proposal did not offer unlimited training and end-user licenses, which OpsHub argues was not a requirement of the Solicitation. However, in my review of the technical and pricing evaluations of OpsHub’s proposal, I did not find that OpsHub was penalized in any way for not offering unlimited training and licenses. When the debriefing team chose to share with OpsHub this perceived weakness in its proposal, it should have made clear that it did not play a part in the price evaluation or the scoring of the five technical evaluation factors.

3. Support of Oracle 12C

OpsHub asserts that it was penalized for not supporting Oracle 12C, even though its proposal stated that it did support it. Under Technical Evaluation Factor 2 – Demonstration of key user stories, one of the User Stories stated:

As a USPS stakeholder, I want the V1/ALM Integration Tool to be compatible with **Oracle 12C** on Unix servers so the V1/ALM Integration Tool can import/export information to/from HP ALM (see Solicitation, Immediate Need User Story, Row 7, emphasis added).

In response to Technical Evaluation Factor 2, OpsHub merely stated that, “OpsHub can demonstrate all the immediate user stories as requested by USPS in the document ‘1B-16-A-0006-7 Life Management Integration.xls’” (see OpsHub’s Technical Proposal, p.18). This statement is not a responsive written proposal to a technical requirement. The response provides no information to demonstrate that OpsHub can meet the technical requirement.

In fact, the only reference to Oracle in OpsHub’s Technical Proposal was the following: “[OpsHub Integration Manager] comes with an embedded database (hsq), and if needed can be deployed on MySQL, MSSql or Oracle” (see OpsHub’s Technical Proposal, p.10). While OpsHub’s Technical Proposal mentions Oracle’s compatibility, it does not specify Oracle 12C. Again, the response in the OpsHub proposal provides no information to demonstrate that OpsHub can meet the technical requirement. I find no error in this aspect of the technical evaluation.

4. Online Support Portal

OpsHub argues that it should not have been penalized for lacking an online support portal because it does have potential access to an online support portal, but it did not discuss that potential access in its proposal because a portal was not required by the Solicitation. However, the subject of Support was evaluated comprehensively and not in the narrow, binary framework suggested by OpsHub. Section 2.2.1.6 of the SOW states:

Description: The Supplier will have responsibility for providing 24/7 support with guaranteed response time. The support will cover all components of the USPS Lifecycle Management Integration solution to minimize the cost to the USPS and maximize the benefits.

The Supplier will:

- Respond, with resolution, to trouble tickets for the Lifecycle Management Integration solution as outlined in Service Level Agreement;
- Respond to support requests for the Lifecycle Management Integration solution according to the Service Level Agreement;
- Maintain a list of requests, tickets and their respective resolution;
- Make requests, tickets and their respective resolution easily available to USPS personnel (see Solicitation, SOW, p.14).

The TET evaluated responses to this section of the SOW as part of Technical Evaluation Factor 4 – Corporate capability, including any partners and subcontractors. Offerors were supposed to respond to the Support requirement with their best possible solution. Having reviewed the scoring documentation, I find no error in the TET taking into account that the support solution proposed by OpsHub would be handled by email, and not an online support portal, as part of its overall evaluation of the Support requirement. This is a stated evaluation factor to which OpsHub’s response was rated lower than the response provided by TaskTop.

5. Production Customer for Selenium

During the debriefing, the debriefing team also shared with OpsHub that its Selenium integration was not in use by any customer in a production environment. In the Disagreement, OpsHub argues that, “USPS had not mentioned in the entire RFP nor set the expectation in the Excel or terms and conditions document that required a production customer of selenium to issue the award. (If this was the case, we would have chosen not to participate in the RFP, as Selenium is a recent addition to the tools supported).” Again, it was determined that OpsHub’s argument takes a far too narrow view of the evaluation of the Solicitation requirements.

There are several references to the requirement of production users and environments for Selenium and other tools in the SOW:

Section 2.2.1 Task #1 – Integration Tool Implementation

USPS requires an integration tool to implement the following integrations:

- Exchange between VersionOne and ALM (immediate)
- Exchange between ALM and Selenium (immediate)
- Exchange between ServiceNow and VersionOne (future)
- Exchange between EBS and ALM (future)

Supplier will provide Procurement Costs, Install the integration Software, Design/Configure, Test, and Deploy the solution in System Integration Testing (“SIT”), CAT and Production environments. The Supplier will provide the Support. The Supplier will provide Training/Mentoring.

...

Section 2.2.1.3 Test

Description: This task includes the end-to-end and data exchange testing of the VersionOne and ALM, and ALM and Selenium, components of the Lifecycle Management Integration solution in the SIT, CAT and Production environments.

...

Section 2.2.1.4 Deploy

Description: The Supplier will deploy the integration solution in the SIT, CAT and Production environments.

- Participate in defining a deployment strategy and action plan that minimally impacts Production users during normal operating hours; ... (see Solicitation, SOW, pp.11, 13, 14).

Additionally, Selenium was a key technical requirement mentioned multiple times in the User Stories for demonstration of capabilities:

Support for Selenium

As a USPS stakeholder, I want the Integration Tool to be compatible with Selenium IEDriver 2:45, 2:46 and 2:53 so the Integration Tool can export information from Selenium.

Import a test script from Selenium into ALM:

As a user participating in testing, I want an automated integration process that moves a test scrip (code) from Selenium to HP ALM so that I have access to this test script during testing (see Solicitation, Immediate Need User Story, Rows 9, 10).

I do not find it unreasonable that in evaluating OpsHub's overall solutions and capabilities for these requirements, the TET would take into account the concepts of risk, confidence levels, and probabilities of success. In reviewing the technical scoring, I find no error in the TET taking into account the fact that the proposed integration for Selenium was not used in production as part of a comprehensive evaluation. This is a stated evaluation factor to which OpsHub's response was rated lower than the response provided by TaskTop.

B. Alleged Error in the Price Rankings

TaskTop was ranked lowest in price. TaskTop's evaluated price was \$970,082.00, and OpsHub's evaluated price was [REDACTED]. However, in the Disagreement, OpsHub argues that it was lower in price. I reviewed the price evaluation documents, and I find no error in the calculation of the evaluated prices for TaskTop and OpsHub.

On August 1, 2017, I sent a letter to OpsHub to again confirm that the case is under my review and provide a point of clarification regarding the contract value that was stated in the Unsuccessful Offeror Notification Letter dated October 11, 2016. My August 1, 2017 letter stated the following point of clarification:

The Notification Letter stated that the "Contract Value" was \$970,082.00. This contract value of \$970,082.00 includes the one-year base of \$686,315.00 and all three, one-year option periods (total of four years), if the option years are exercised. As clarification, the contract commitment made by the Postal Service on September 29, 2016, was \$686,315.00 for a one-year base period from September 30, 2016 to September 30, 2017.

Your response via email on August 10, 2017, states that OpsHub "submitted 6 years pricing as per the request, but the information stated in the consolidated document breached the contract terms." As your rationale, you cite USPS Supplier Solicitation Question Template, Page 1, Question and Response 2 regarding the SOW:

Question: "Section 1.2 of the SOW states Supplier shall provide associated license and maintenance fees for the current year plus 5 years (6 years total), whereas section 1.4 states the period of performance will be one (year) Base Period with the option of three (3) one year options. Can you confirm the period of performance and clarify the difference between these two?"

USPS Response: "Offerer (sic) should indicate the fees for the first year; provide fees for 5 years out from first year, ie, (sic) in addition to the first year – 6 years total. Ignore Section 1.4 one year with 3 year option."

OpsHub states that it provided six years of pricing in response to USPS Response 2 in the USPS Supplier Solicitation Question Template, noted above, and seems to question the contract period of performance. However, I have reviewed OpsHub's Business Proposal and note that the only proposed fees beyond the one-year base period and three, one-year option periods, was for yearly software maintenance. OpsHub's proposal stated, "included in the perpetual license for the 1st year from 2nd year onwards 20% of the Perpetual license fee will be charged."

C. Alleged Error in the Best Value Tradeoff Analysis

OpsHub argues that the best value basis for award set forth in the Solicitation and in unspecified conversations was "technically strong and lowest price, total cost of ownership" and that the contracting officer did not award the contract on that basis. However, as a threshold matter, OpsHub's description of the Solicitation's definition of best value is incorrect. The Solicitation clearly stated that best value was defined as technical being more important than price:

In this solicitation, **Best Value (Technical Specific)** is defined as – Technical factors are considered more important than price. Although price will be considered in the award decision, the award may not necessarily be made to the supplier submitting the lowest price. The Postal Service will not make an award for a significantly higher priced proposal unless its technical rating indicates a relatively proportionate higher technical performance outcome. As the ratings for the technical factors among Offeror's become more equivalent, then cost or price will become an increasingly significant factor in the best value decision (see Solicitation, Proposal Evaluation, p.2, emphasis in original).

I also questioned the contracting officer and the TET who affirmed that they never stated to anyone that "technically strong and lowest price, total cost of ownership" was the basis for award.

After examining the evaluation records, I find that the contracting officer utilized the correct definition of best value, *i.e.* technical is more important than price. I also find that the contracting officer correctly performed the best value tradeoff analysis, which was straightforward given that TaskTop was ranked higher than OpsHub in both technical and price.

D. Alleged Bias in Favor of TaskTop

OpsHub argues that the Proof of Concept and Solicitation processes were biased in favor of TaskTop. As evidence of the bias, OpsHub argues that the TET evaluated its proposal on whether it demonstrated Selenium integration of test results, offered unlimited training and licenses, had an online support portal, and had any production customers for Selenium, which were allegedly not stated in the Solicitation.

With regard to the Solicitation process, I find that OpsHub's allegations of unstated evaluation factors are premised on a far too narrow view of how its proposed solutions and capabilities should be evaluated (see Part II.A. above). I find that the issues that OpsHub calls unstated evaluation factors are actually smaller, inherent pieces of larger requirements that were stated in the Solicitation.

In addition to the specific issues raised by OpsHub, I also reviewed the entire Solicitation, and I did not find any of the Solicitation requirements or processes to be biased in favor of TaskTop. The Solicitation clearly outlined the evaluation factors and procedures, the importance of each evaluation factor in relation to the others, the role of the technical evaluation team versus the purchase evaluation team, that the technical evaluation factors were more important than price, and that the purchase team would determine which proposal provided the overall "Best Value" using a tradeoff analysis based on the technical and pricing evaluations. I reviewed the Solicitation file, including the TET's scoring documentation, and I find that the TET and contracting officer adhered to what was set forth in the Solicitation and that the TET sufficiently documented the

rationale for its scoring decisions. Based on my review, I find that the Solicitation process was not biased in favor of TaskTop.

OpsHub also alleges that the Proof of Concept, which was a market research initiative that occurred prior to the issuance of the Solicitation, was biased towards TaskTop. In 2015, OpsHub and TaskTop offered the Postal Service a free, trial use of various integration tools to determine if any of the tools would work for the Postal Service. The Proof of Concept agreements incorporated USPS Form 2629 – Free Trial Test Agreement. The Postal Service Solutions Development Support Team managed the initiative and were the only parties who had direct interactions with the various vendors. The Postal Service did not hold any performance reviews with the vendors nor offered any promises of future contracts to the vendors. The integration tools that were part of the Proof of Concept were one of the many requirements covered by the SOW for the August 17, 2016 Solicitation at issue. I find no evidence that the Proof of Concept initiative in 2015 was biased towards TaskTop.

III. Final Resolution

After reviewing and analyzing the Solicitation file, I find that the evaluation factors and processes were clearly stated in the Solicitation and were adhered to by the TET and the contracting officer. After a thorough investigation, I find no evidence to support OpsHub's claims that the evaluation requirements were not followed or that the evaluation was conducted in a biased or unfair manner. I find that the contracting officer's determination that TaskTop's proposal was the best value to the Postal Service was in accordance with the evaluation requirements set forth in the Solicitation. I affirm the original contract award of the contracting officer.

In accordance with 39 C.F.R. § 601.108(g), this is my final resolution of this matter.

Sincerely,



Jennifer Beiro-Réveillé
USPS Supplier Disagreement Resolution Official
Manager,
SM Infrastructure (A)