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W. W. Withington
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DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-190310

DATE: January 23, 1978

MATTER OF: Broken Lance Enterprises, Inc.

DIGEST:

Protest by incumbent contractor alleging that agency should have extended its contract to cover interim period between expiration of its contract and commencement of performance under new contract, rather than procuring services by competitive negotiation, is denied where old contract had no option to extend, and only way of "extending" contract was by sole-source negotiation which was not justified in view of available competition.

Broken Lance Enterprises, Inc. (Broken Lance), the incumbent contractor, protests the method of contracting used by the Department of the Air Force, McGuire Air Force Base, New Jersey, to fill its needs for custodial services for a 1-month period between expiration of the previous contract and award of a new 1-year contract.

The Air Force issued invitation for bids (IFB) No. F30635-77-B-9052 for custodial services for a 1-year period, with performance to begin on October 1, 1977. After bid opening it became clear that due to delays encountered in making award, contract performance could not begin as scheduled. The Air Force determined that, for sanitary reasons, continued service was imperative. A request for proposals (RFP) was issued for the 1-month period, three offerors responded, including the protester, and award was made to the protester, Broken Lance.

Broken Lance argues that the Air Force should have extended its contract instead of issuing the RFP for the desired services. The Air Force responded by pointing out that Broken Lance's contract did not contain an option clause, and to extend its contract would have required negotiation of a new sole-source contract with it.

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The Air Force argues that negotiation on a sole-source basis is not proper where competition is possible, and that competition was possible, and was in fact achieved here, as evidenced by the offers received from three firms. Further, the Air Force determined that an extension of Broken Lance's contract was not feasible because the requirements had changed and the Army Procurement Division that awarded Broken Lance's contract for the Air Force reported that it was not in a position to extend the contract.

We are in agreement with the Air Force. Armed Services Procurement Regulation (ASPR) § 1-300.1 (1976 ed.) provides that:

"All procurements, whether by formal advertising or by negotiation, shall be made on a competitive basis to the maximum practicable extent."

Since the Air Force did receive three offers in response to the RFP, it is clear that sole-source negotiation would not have been justified here since the procurement would not have been "made on a competitive basis to the maximum practicable extent." In view thereof, we do not believe it is necessary to consider the other reason advanced for not extending the contract.

Accordingly, the protest is denied.


Deputy Comptroller General
of the United States