

FITZMAURICE
PL 1

DECISION



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

120238

FILE: B-208469

DATE: December 28, 1982

MATTER OF: DaNeal Construction, Inc.

DIGEST:

Where the protester's bid contained an apparent mistake in one line item and the unit price was clearly out-of-line with both the Government estimate and the prices offered by the other bidders, the agency should have relied on the protester's extended price, which was the only reasonable alternative, in correcting the bid rather than the clearly erroneous unit price.

DaNeal Construction, Inc. (DaNeal), protests the manner in which the Forest Service, Department of Agriculture (Forest Service) corrected an apparent mistake in DaNeal's bid which had been submitted in response to invitation for bids (IFB) No. R6-3-82-67C.

We sustain the protest.

The IFB solicited bids for the construction of a 50,000 gallon concrete water tank in Chelatchie Prairie, Washington. Six bids were received. Reddy, Inc.'s (Reddy) bid and evaluated total bid were both \$50,027.50. DaNeal's bid was \$47,343; however, its evaluated total bid was \$60,025.55 after the Forest Service corrected what it considered to be an obvious error in DaNeal's bid for line item No. 15251-1. This item required a unit price and an extended price for 35 linear feet of 4-inch waterline. DaNeal's bid was as follows:

<u>Item No.</u>	<u>Description</u>	<u>Est. Quantity</u>	<u>Unit</u>	<u>Unit Bid Price</u>	<u>Total Amount Bid</u>
15251-1	4"	35	Lin. Ft.	\$396.33	\$1,189

(The other total bids for this item ranged from \$157.50 to \$922.25.)

When evaluating the bids, the Forest Service contracting officer noticed that DaNeal's unit price and extended price were not harmonious. In the contracting officer's opinion, DaNeal's bid was to be properly evaluated by applying an IFB provision which stated that in case of a discrepancy between a unit price and an extended price, the unit price "will be presumed to be correct." She therefore multiplied the unit price of \$396.33 by the estimated quantity of 35 linear feet and changed DaNeal's extended price from \$1,189 to \$13,871.55, resulting in a higher evaluated bid. Therefore, the Forest Service considered Reddy the apparent low bidder on the basis of its lower evaluated bid. Subsequently, the Forest Service awarded the contract to Reddy.

DaNeal maintains that its extended price is correct and that the mistake was made in the unit price. According to DaNeal, it had first determined the extended price (\$1,189) for line item No. 15251-1 and then proceeded to determine the unit price. Somehow in making this calculation, DaNeal picked up the number three rather than the number 35 from its worksheets. Thus, instead of dividing \$1,189 by 35, DaNeal divided the number by three and obtained its incorrect unit price of \$396.33. Therefore, DaNeal insists its evaluated bid should have been \$47,343 based on the extended price it bid and that it, rather than Reddy, should have been found to be the lowest evaluated bidder.

The general rule is that a bidder should not be permitted to correct its bid, where the correction would result in displacement of the low evaluated bidder, "except where its original bid is responsive and the intended bid can be ascertained substantially from the invitation and the bid itself." 49 Comp. Gen. 48, 50 (1969).

Reddy was properly found to be the lowest evaluated bidder given the IFB presumption in favor of the accuracy of unit prices. Thus, contrary to DaNeal's position, it is irrelevant that the Forest Service did not request verification of DaNeal's bid. Any extraneous information (such as worksheets) that might have subsequently been furnished by DaNeal could not have been considered in determining whether Reddy's low, evaluated bid should be displaced.

In deciding questions involving bid corrections which would result in the displacement of a low evaluated bidder, we generally have examined the degree to which the asserted correct bid is the only reasonable interpretation ascertainable substantially from the bid itself of the apparent ambiguity or claimed mistake. Ideker, Inc., B-194293, May 25, 1979, 79-1 CPD 379. As we said in that case:

* * * * we have denied correction where there was no way to tell from the bid whether a unit price or its discrepant extended total was correct and either would have been reasonable. Broken Lance Enterprises, Inc., 57 Comp. Gen. 410 (1978), 78-1 CPD 279.

* * * * [W]e have permitted correction where the alleged ambiguity in a bid admits of only one reasonable interpretation substantially ascertainable from the bid. * * * The basis for determining whether the asserted correct price is reasonable is not confined to the face of the bid itself, but may include reference to Government estimates and the range of other bids as well as logic and experience. * * * We have also permitted correction of a unit price to correspond to an extended total price where the total price represented the only reasonable alternative, even though such correction was contrary to a solicitation provision that in the event of a discrepancy between unit and extended prices, the unit price would govern. * * *"

We find that DaNeal's unit price of \$396.33 for line item No. 15251-1 was clearly erroneous. We reach this conclusion because the Government's estimate for this unit was only \$11.04, and the other bidders offered prices ranging from a low of \$4.50 to a high of \$26.35. Thus, it should have been clear to the contracting officer that DaNeal's bid of \$396.33 was totally out-of-line not only with the Government estimate but with the other bids as well.

By contrast, DaNeal's extended price was only 30 percent higher than the next highest extended bid for the item. Although DaNeal's extended price was about three times higher than the Government estimate (\$386.40), we note that for several other items the company's bid varied significantly from the Government estimate for those other items--although not nearly as variant as the discrepancy between the estimate and DaNeal's unit price for this item. Consequently, we do not consider that the variation between the extended price for this item and the Government estimate is significant. Under the circumstances, therefore, we consider that DaNeal's extended price was the only reasonable alternative and that the Forest Service should have allowed the displacement of Reddy's bid in favor of DaNeal based on this extended price.

Although we sustain the protest, we note that the record indicates that the contract has already been completed. Nevertheless, by separate letter of today, we are bringing this matter to the attention of the Secretary of Agriculture.

Protest sustained.

for *Milton J. Fowler*
Comptroller General
of the United States