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DECISION



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

FILE: B-212206 **DATE:** August 10, 1983

MATTER OF: The Kerite Company

DIGEST:

A bid is unambiguous and responsive where there is only one reasonable interpretation of a sentence in a letter attached to the bid if the sentence is considered in the context of the bid and the specifications, and the bid unequivocally offers to provide the supplies and services at the stated price.

The Kerite Company protests award of a contract to the Simplex Wire & Cable Company under invitation for bids (IFB) No. 91-A-S&E-83 issued by the Department of Agriculture. The IFB solicited firm fixed-price bids to provide and install electrical submarine power cable to connect the Plum Island Animal Disease Center to commercial power on Long Island. Kerite's bid, which was almost \$143,348 less than that of Simplex, was rejected as non-responsive because the agency found the bid ambiguous.

The protest is sustained.

Under the terms of the solicitation the contractor was to furnish, install and test 10,000 feet of cable; the IFB contained a line item for the price of the cable and another line item for the price of the testing and installation. By an amendment to the IFB, the bidders were required to provide a "minimum of 1,000 feet of surplus cable" to be used for future repairs, a specially designed splice box for the cable, the material for the completion of one set of submarine splices and instructions for performing field splices and field terminations of the supplied cable. A bid bond of 20 percent of the total bid price was also required.

Kerite's bid was \$336,916 for the 10,000 feet of cable and \$186,700 for its testing and installation, bringing its total for the two items to \$523,616. In addition, Kerite bid \$30,956 for the 1,000 feet of spare cable, bringing its total bid price to \$554,572. (Simplex's total bid was

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\$698,120.) Kerite also submitted a technical "proposal" in the form of a multi-page letter, which contains the following sentence:

"We are enclosing a statement of Technical Services Field Charges which will apply should you require assistance in cable installation, termination and/or splicing as well as during the cable laying operation."
(Emphasis supplied.)

The list of charges contain the words "if required"; the charges are for labor, subsistence and travel.

The agency believes that the quoted sentence created an ambiguity in the bid because the sentence can be reasonably interpreted as requiring payment of additional charges for cable installation services which are within the scope of the contract.

Kerite states that the quoted sentence and the enclosed list of field charges were submitted with reference to the solicitation provision requesting detailed instructions for performing field splices which, it argues, clearly implies that the agency might subsequently look to the contractor or others to provide these services, which were beyond the scope of the contract. Kerite asserts that when the bid and the letter are read as a whole, the sentence can only reasonably be interpreted as applicable to future repair services that could include the installation of the spare cable. Kerite contends that the term "if required" on the statement of charges clearly excludes the application of these charges from work that is already required by the solicitation.

Thus, the issue is simply whether the bid, including the letter and the attached list of field charges, reflected an unequivocal offer to provide the product and services called for in the IFB at the offered price in total conformance with the specifications. Edw. Kocharian & Company, Inc., 58 Comp. Gen. 214, 217 (1979), 79-1 CPD 20. If the bid is subject to more than one reasonable interpretation, it is ambiguous and must be rejected as nonresponsive under the rigid rules applicable to procurements made by formal advertising. See Franklin Instruments Co., Inc., B-204311, February 8, 1982, 82-1 CPD 105.

We do not find an ambiguity here because we believe that in the context of the bid the sentence can reasonably be read as not affecting the price bid or the bidder's obligation. For example, under the terms of the solicitation the Government has no role in the cable installation or in the cable laying operation, so that the phrases "should you [the Government] require assistance in cable installation" and "if required" would have no relevance to the work required under the contract. When we consider this interpretation of the quoted sentence in conjunction with the substantial amount Kerite did bid (\$186,700) for the testing and installation of the cable, we think it is too implausible to suggest that the bid did not include all of the personnel costs for laying the cable. Thus while the solicitation provision on which Kerite relies requested only instructions for field splicing and field terminations of the supplied spare cable and a splicing box, and not prices for services, we believe that the charges can only be reasonably read to relate to the use of the spare cables, that is, for field services that the agency may require in the future.

In our opinion, then, Kerite's bid should not have been rejected. We therefore are recommending that the award to Simplex be terminated and the contract be awarded to Kerite.

The protest is sustained.

for 
Comptroller General
of the United States