

DECISION

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

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FILE: B-218577 **DATE:** July 25, 1985

MATTER OF: Russell Drilling Company

DIGEST:

Agency improperly permitted awardee to correct unit bid, displacing protester's lower bid, where the awardee's unit bid, extended bid and total bid were in agreement and existence of error was not otherwise discernable from face of bid. GAO recommends that awardee's contract be terminated for convenience and that award be made to protester.

Russell Drilling Company (Russell) protests award of a contract to An-Dee Drilling Company (An-Dee) under invitation for bids (IFB) No. 3123-3-18-85, issued by the Department of Health and Human Services (HHS) for the construction of 11 water wells to serve Indian family home sites on the Fort Berthold Indian Reservation in North Dakota. The protester complains An-Dee improperly was permitted to correct its bid downward, thereby displacing Russell as the low bidder. We sustain the protest.

Russell and An-Dee submitted the only responsive bids. Russell's bid was low at \$66,490, and An-Dee's second low bid was \$86,248. The bid schedule provided for the entering of unit prices for several items as well as extended total prices for each item (the unit bid price multiplied by stated estimated quantities), and a total bid, the sum of the extended totals.

Based on an initial examination of An-Dee's bid, the contracting officer requested verification of An-Dee's unit bid of \$24.00 per linear foot, and extended total of \$24,000 for item No. 13 (no fault well abandonment). In response, An-Dee claimed that the unit price instead should have been \$2.40 per linear foot, and the extended price \$2,400, and submitted its original pricing worksheet in support of a request that it be permitted to correct its bid downward. On the basis of this evidence and personal experience in the subject matter, the contracting officer allowed correction of An-Dee's bid, resulting in a total bid price of \$64,638, and displacement of Russell as low bidder.

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Russell contends that neither the existence of the error nor the bid intended are ascertainable substantially from the IFB and the bid itself, the standard under Federal Acquisition Regulation (FAR), 48 C.F.R. § 14.406-3(a) (1984), for permitting a downward mistake correction which displaces the apparent low bidder. Russell concludes that An-Dee therefore should not have been permitted to correct its bid.

HHS maintains that the error consisted of misplacing a decimal point and entering a unit price of \$24.00 per foot rather than \$2.40 per foot, and that because this error was apparent to the contracting officer based on experience, it is correctable as a clerical error under FAR § 14.406-2. HHS argues alternatively that the error is correctable under the general mistake-in-bid provisions of FAR § 14.406-3(a), since this regulation does not require that the mistake and intended bid be apparent only from the face of the bid, but merely that they be ascertainable "substantially" from the solicitation and the bid itself. It is HHS's position that the contracting officer thus had leeway to rely on the bidder's original worksheet and his prior experience in determining the existence of the mistake and the intended bid.

We need not distinguish between clerical and other mistakes in this case, since two prerequisites for correcting any mistake where the low bidder thereby will be displaced are that the mistake must be apparent on the face of the bid, and the contracting officer must be able to ascertain the intended price from the face of the bid, without benefit of extraneous evidence from the bidder. See Mayrant Constructors, Inc., B-215274, June 11, 1984, 84-1 C.P.D. ¶ 617 (other than clerical error), and Engle Acoustic & Tile, Inc., B-190467, Jan. 27, 1978, 78-1 C.P.D. ¶ 72 (clerical error). We find this was not the case here.

Even assuming that An-Dee's bid for item 13 was so excessive as to place the contracting officer on constructive notice of a mistake, An-Dee's alleged intended bid of \$2.40 per linear foot is evidenced nowhere on the face of An-Dee's bid. An-Dee's unit price for item 13 is \$24.00 per foot, and An-Dee correctly multiplied this price by the estimated 1,000 feet to arrive at its item 13 extended price of \$24,000. The total bid amount of \$86,248 also is the correct sum of the extended bids for the items. Therefore, the bid amounts all are in agreement and no possible alternate intended item 13 bid is apparent on the face of the bid.

We have held that a decimal point error is obvious when the bidder's extended price is either one-tenth or ten times greater than the product that should have resulted from multiplying the unit price by the stated quantity. See Monmouth Painting Co., Inc., B-183422, July 9, 1975, 75-2 C.P.D. ¶ 23. As An-Dee's extended price of \$24,000 for item 13 is the correct product of its \$24.00 unit price multiplied by the stated 1,000 foot quantity, we do not believe there can be said to be an obvious decimal point error in An-Dee's bid for item 13.

While the contracting officer's experience might have led him to believe An-Dee probably misplaced a decimal point, this mere suspicion hardly satisfies the standard that the intended bid be apparent on the face of the bid. Experience and reason play some part in considering whether to permit mistake corrections, but such intangible factors cannot eliminate entirely the need for some indication of the intended price in the bid itself. See Frontier Contracting Co., B-214260.2, July 11, 1984, 84-2 C.P.D. ¶ 40 (contracting officer's experience and logic sufficient basis for deciding which of two clear possible bids was intended); Engle Acoustic & Tile, Inc., B-190467, supra (where there is unit/extended price discrepancy, experience and reason are sufficient to determine that extended price, rather than unit price, was intended).

Again, even if \$24.00 was so excessive a price for item 13 that the contracting officer was on notice of a mistake, the intended price still reasonably could have been any other amount under \$24.00 since nothing in the bid suggested the nature of the mistake. Thus, while the mistake could have been one of misplacing the decimal point, judging solely from the face of the bid, it just as easily could have been typographical in nature, the numbers in the bid therefore giving no clue as to the intended price. The contracting officer's prior experience with other bid mistakes involving misplaced decimals therefore simply is not probative of whether such was the nature of the mistake in this instance.

An-Dee's bid worksheets were not submitted as part of its bid, and thus constitute extraneous evidence upon which the agency could not rely in deciding whether to permit An-Dee to supplant Russell as the low bidder. See Mayrant Constructors, Inc., B-215274, supra.

We conclude that HHS should not have permitted An-Dee to correct its bid so as to displace Russell as the low bidder. Accordingly, we recommend that An-Dee's contract be terminated for convenience, and that a contract for the requirement be awarded to Russell, if found otherwise eligible.

The protest is sustained.

for 
Comptroller General
of the United States