

DECISION

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

FILE: B-220913

DATE: February 13, 1986

MATTER OF: Professional Carpet Service

DIGEST:

Where evaluation method in solicitation limits evaluation to addition of unit prices without regard to total contract cost, which encourages unbalanced bidding and provides no assurance that award will result in the lowest actual cost to the government, the solicitation is defective.

Professional Carpet Service (PCS) protests the rejection of its low alternate quote as nonresponsive under request for quotations (RFQ) No. SP-24 issued by the Department of Labor for carpet repair and installation services, and the award of a contract to Afghan Carpet Services, Inc. (Afghan), the next low offeror.

We sustain the protest.

The RFQ contained an estimate that 13,000 to 33,000 square yards of carpeting would be required to be installed over the duration of the contract. Offerors were to enter a price per square yard for three different methods of carpet installation and either unit or hourly prices for ancillary services such as carpet removal and repair, carpet tile replacement, and door, telephone and electrical outlet removal and replacement or reinstallation. No estimated quantities or hours were provided for any items. The solicitation contained no detailed evaluation criteria, but merely the statement that "award will be made in the aggregate." This phrase was apparently intended by Labor, and understood by the protester, to mean that award would be made on the basis of the lowest offer calculated by simply adding up all of the unit or hourly amounts entered under the various categories.

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Under this evaluation method, one of PCS's quotes was evaluated at \$35.76 and the other quote at \$423.40. The difference in PCS's quotes was because under the "low" quote, PCS entered a relatively high price per square yard of carpet, but entered "no charge" or low prices for the ancillary services, while under the "high" quote it entered a much lower price per square yard of carpet, but entered relatively high prices for the ancillary services. However, the contracting officer determined that because of the large price disparity between PCS's two quotes, both were nonresponsive. He awarded the contract to Afghan, the next low evaluated offeror at \$70.10.

We need not reach the question of the responsiveness of PCS's quotes because the evaluation formula utilized by Labor is so flawed as to render the price evaluation meaningless and led to the above example of unbalanced bidding. The fact that no estimated quantities were applied to the unit prices which were merely added together as if they were equal in cost impact made it impossible to provide a realistic estimate of the actual costs which would result.

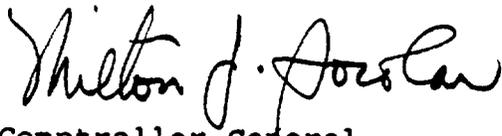
For example, under one of PCS's quotes, a price of \$2.19 per square yard for carpet was not multiplied by an estimated quantity, but was merely treated as a total of \$2.19, and added to other price entries such as \$66.50 for removal and reinstallation of each metal door, and \$28.50 per yard for carpet stretching not associated with new carpet installation. The fact that the price per unit of carpet would be multiplied by a number between 13,000 and 33,000 over the contract life, while the ancillary services would be for significantly smaller quantities, was not considered in Labor's "aggregate" calculation which simply totaled the per unit prices.

We have held that where the evaluation methodology in a solicitation is structured to encourage unbalanced bidding, the solicitation is defective per se, and no bid can properly be evaluated because there is insufficient assurance that any award will result in the lowest cost to the government. T.L. James & Company, Inc., B-219444, Sept. 17, 1985, 64 Comp. Gen. _____, 85-2 C.P.D. ¶ 296; Allied Container Manufacturing Corp., B-201140, Mar. 5, 1981, 81-1 C.P.D. ¶ 175. Similarly, we have held that award must be based on the most favorable cost to the government

measured by the total work to be awarded. A to Z Typewriter Co.--Reconsideration, B-218281.2, Apr. 8, 1985, 85-1 C.P.D. ¶ 404; Square Deal Trucking Co., Inc., B-183695, Oct. 2, 1975, 75-2 C.P.D. ¶ 206. Here, the evaluation methodology utilized under the RFQ was so defective that the aggregate evaluated prices bear no relation to the actual cost to the government. The mere totaling of unit prices without the prices being extended by the estimated quantities does not provide an accurate reflection of the most favorable cost to the government.

Accordingly, the solicitation was defective and we recommend that the award to Afghan be terminated and these requirements resolicited under a revised solicitation containing estimated quantities for each item.

The protest is sustained.

for 
Comptroller General
of the United States