

Carter



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Shetland Properties of Cook County Limited
Partnership
File: B-225790.2
Date: July 1, 1987

DIGEST

Determination to cancel invitation for bids (IFB) for space for an Army Reserve facility after bid opening was reasonable; IFB's failure to specify that some warehouse space was required or to identify required proportion of warehouse space to office space prejudiced bidders by leading them to believe that only more expensive office space was required.

DECISION

Shetland Properties of Cook County Limited Partnership protests the cancellation of invitation for bids (IFB) No. DACA27-5-87-0625, by the Corps of Engineers. We deny the protest.

The IFB was for the lease of space in the Chicago area for use as an Army Reserve facility. The Corps found Shetland to be the apparent low responsive bidder, with Cicero Joint Venture next low. Cicero, however, protested to our Office that Shetland's bid was based on a combination of office and warehouse space, contrary to the IFB's requirement solely for office space. The Corps determined that the solicitation was ambiguous in that respect, and decided to cancel the solicitation and reissue it with revised specifications. Because this action rendered Cicero's protest academic, we closed the file without issuing a decision.

Shetland contends that the IFB was not ambiguous and asserts that the Corps' corrective action therefore was improper. In support of this contention, Shetland cites drawings incorporated into the solicitation which show a combination of office space and other non-office areas, including assembly and meeting rooms and storage areas, from which, Shetland argues, offerors could tell that both office and warehouse space was required. Shetland also points out that newspaper advertisements for the requirement stated that the government wanted to lease office and warehouse space.

039852

An agency may only cancel an IFB after bid opening and exposure of prices if there is a compelling reason to do so. Emerald Maintenance, Inc., B-219453.2, Dec. 10, 1985, 85-2 C.P.D. ¶ 641. Whether such a cancellation is warranted on the basis of ambiguous or inadequate specifications is for determination by the contracting officer, whose determination will not be disturbed by our Office unless it is arbitrary, capricious or not supported by substantial evidence. Id.

We find that the contracting officer's determination was reasonable. Schedule B of the IFB, we believe, clearly gave the impression that office space was desired, stating under the heading "Type of Building" that "the space shall be in a building either designed for general office activities or shall be capable of being modified to meet the requirements of the solicitation." There was no corresponding reference to warehouse space. The drawings to which Shetland refers, on the other hand, do indicate some requirement for warehouse space, but lack detail and were included only as "typical" site and floor plans for use as "guides." There were no other depictions of or specifications for warehouse-type facilities, and the IFB nowhere advised offerors that some specific amount of the total space was to be warehouse space. In contrast, the IFB contained numerous specific requirements for office space, lighting, cleaning and maintenance, rest rooms facilities, and kitchen and serving areas, all of which pertain to office-type facilities.

In these circumstances, we agree with the Corps that offerors reasonably could have been led to believe that the IFB contemplated more expensive office space, as was alleged by Cicero in its protest. As this prejudiced Cicero and other offerors who could have offered less expensive warehouse space had they not been misled by the IFB, it was reasonable for the Corps to cancel the solicitation.

The protest is denied.

for *Simon S. S. S.*
Harry R. Van Cleve
General Counsel