



The Comptroller General
of the United States

Washington, D.C. 20548

McGAIL

Decision

Matter of: The Great Lakes Towing Company
File: B-235023
Date: June 16, 1989

DIGEST

Agency decision to procure maintenance and repair services for a vessel on a total package basis is legally unobjectionable where agency reasonably concludes that award of all work items to a single contractor, which will permit tasks not requiring drydocking of the vessel to be performed concurrently with those requiring drydocking, will minimize the number of days that the vessel is out of service.

DECISION

The Great Lakes Towing Company protests invitation for bids (IFB) No. DTCG80-89-B-00073, issued by the United States Coast Guard for maintenance and repair of the cutter BRAMBLE. Great Lakes complains that the solicitation fails to provide for the award of the work not requiring drydocking of the vessel separately from the work that does require drydocking. The protester also objects to the IFB's scheme for adjusting bidders' prices for evaluation purposes based on the distance of their shipyards from the vessel's home port. We deny the protest in part and dismiss it in part.

As the protester points out, the IFB did not divide the tasks to be accomplished into separate lots based on whether or not drydocking of the vessel would be required for their performance, nor did it provide for multiple awards. Instead, it provided for a single award of all work to the low bidder. The IFB also advised bidders that for evaluation purposes their prices would be adjusted to reflect the costs of moving the BRAMBLE from its home port of Port Huron, Michigan to the bidder's shipyard and the costs of transporting the Coast Guard personnel responsible for inspection of the repairs from their headquarters to the shipyard.

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Four bids were received and opened on April 13, 1989. Great Lakes did not submit a bid. The Coast Guard has notified our Office that pursuant to 31 U.S.C. § 3553(c) (Supp. IV 1986), it intends to proceed with contract award despite the pendency of the protest.

Great Lakes contends that the solicitation should have divided the work requiring drydocking of the vessel and the work not requiring drydocking ("topside" work) into separate lots and provided for the possibility of multiple awards. The protester notes that a recent Coast Guard solicitation for similar repair services did just that. The protester argues that by failing to provide for the possibility of separate award of the topside work, the Coast Guard has unduly restricted competition by excluding from participation shipyards that lack drydocking facilities.

The Competition in Contracting Act of 1984 (CICA) requires that solicitations include specifications that permit full and open competition and contain restrictive provisions and conditions only to the extent necessary to satisfy the needs of the agency. 41 U.S.C. § 253a(a)(2) (Supp. IV 1986). We have recognized that procurements conducted on a total package basis can restrict competition. The Caption Center, B-220659, Feb. 19, 1986, 86-1 CPD ¶ 174. The decision whether to procure on a total package basis, rather than by separate procurements or awards for divisible portions of a requirement, is, however, generally a matter within the discretion of the procuring agency. IVAC Corp., 67 Comp. Gen. 531 (1988), 88-2 CPD ¶ 75. Thus, where, as here, the protester contends that acquiring certain services as part of a total package, rather than breaking them out, unduly restricts competition, we will examine the record to determine if the agency's use of a total package approach to meet its minimum needs has a reasonable basis. Canon U.S.A., Inc., B-232262, Nov. 30, 1988, 88-2 CPD ¶ 538.

The Coast Guard explains that subsequent to its issuance of the recent solicitation referred to by the protester, which provided for the possibility of separate awards for the topside and the drydock work,^{1/} it decided that multiple awards for such work were not in its best interest since they prevented the topside work from being performed concurrently with the drydock work, thereby increasing the number of days that the vessel will be out of service. According to the contracting officer, the vessel will be

^{1/} No award was made under the prior IFB as it was canceled.

unusable for 156 days if the work is performed concurrently, whereas it will be out of service for a minimum of 192 days if the work is performed consecutively. Although the protester disagrees with the contracting officer's computations as to the additional time that will be required to complete the work if it is not performed concurrently, it has offered no explanation as to why it believes these figures to be in error or what the correct figures should be; thus, it has provided us with no basis upon which to question the contracting officer's conclusion that the work can be performed more expeditiously by one contractor than by two, a conclusion which we find inherently reasonable. In our view, the fact that the work can be performed significantly more quickly if the entire package is awarded to a single contractor, thereby minimizing the number of days that the vessel is out of service, provides a sufficient basis for selection of a total package approach.

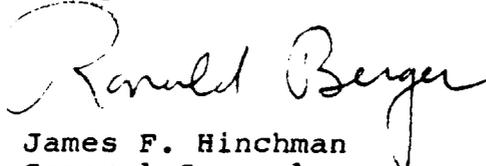
In addition, we note that in any event, the record in this case does not indicate that competition has been unduly restricted by the agency decision not to provide for separate award of the topside work. Four bidders responded to the IFB with prices which, according to the Coast Guard, were fair and reasonable. See A&C Building and Industrial Maintenance Corp., B-230839, July 21, 1988, 88-2 CPD ¶ 67. Furthermore, to the extent that the protester suggests that small businesses have been precluded from competing by the agency's failure to set aside the topside work, we note that the lowest of the four bids received under the current solicitation was from a small business.

Great Lakes also objects to the solicitation clause providing for the adjustment of bidders' prices based on the location of their shipyards. The protester complains that the addition to bidders' prices of \$1.00 per gallon to cover the cost of the fuel and the addition of \$80.00 per nautical mile to cover the estimated cost for labor and related costs to navigate the vessel between its home port and the bidder's shipyard are both excessive. The protester further argues that, as a general matter, the computation of costs based on the distance between the vessel's home port and the bidder's shipyard is arbitrary since the vessel may proceed to the shipyard from a location other than its home port.

We decline to consider these arguments given that it is the protester's position that the solicitation's failure to provide for separate award of the topside work effectively precludes it from competing. Since the protester concedes that it cannot satisfy the solicitation's requirements, we

agree with the agency's argument that it is not an interested party to object to the IFB's evaluation scheme.
Southwestern Bell Telephone Co., B-231822, Sept. 29, 88-2
CPD ¶ 300.

The protest is denied in part and dismissed in part.

for 
James F. Hinchman
General Counsel