

Timmerman



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Wellco Enterprises, Inc.

File: B-237512

Date: February 20, 1990

Keith L. Baker, Esq., Eckert Seamans Cherin & Mellott, for the protester.
Thomas C. Wheeler, Esq., Pettit & Martin, for Belleville Shoe Manufacturing Company, and Lawrence M. Farrell, Esq., McKenna, Conner & Cuneo, for Altama Delta Corporation, interested parties.
Barry Sax, Esq., Defense Logistics Agency, for the agency.
Barbara Timmerman, Esq., and John Brosnan, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency properly permitted bidder to correct omission of two option prices where the nature and existence of the error was clear and there was a consistent pricing pattern for the options of 2.5 percent more than the base price.

DECISION

Wellco Enterprises, Inc., protests the award of a contract to Altama Delta Corporation under invitation for bids (IFB) No. DLA100-89-B-0171, issued by the Defense Personnel Support Center, Defense Logistics Agency, for a base quantity of 985,524 pairs of combat boots with an option for the same number. Wellco contends that Altama's bid should have been rejected as nonresponsive since the firm failed to bid on the entire option quantity as required by the solicitation. We deny the protest.

The bid schedule requested prices for various quantities of boots to be delivered to five different locations: 35,376 pairs to Mechanicsburg, Pennsylvania; 71,028 pairs to Tracy, California; 365,916 pairs to Memphis, Tennessee; 507,720 pairs to Richmond, Virginia, and 5,484 pairs to Ogden, Utah. The solicitation also contained options for identical

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additional quantities to be delivered to each location. Bidders were required to submit bids for all locations for both base and option quantities.

At opening on May 26, 1989, the agency received four bids. All four bidders submitted block bids, that is, for each location they offered several blocks of quantities at different prices. All four also listed maximum total quantity limitations on the number of boots they would supply. The agency determined that the lowest overall cost to the government would be obtained by making multiple awards. Altama was the low bidder for 400,000 pairs of boots, the maximum quantity it offered. Two other bidders also received awards for their maximum quantities, a total of 550,000 pairs.

Altama's bid for four of the locations contained identical quantity blocks for both the base and option requirement. In each of these four locations the option was priced 2.5 percent higher than its corresponding base price. For the fifth location, Memphis, Altama bid six quantity blocks for the base quantity as follows:

100,000 pairs at \$45.64 per pair
69,916 pairs at \$45.87 per pair
50,000 pairs at \$47.02 per pair
50,000 pairs at \$47.96 per pair
50,000 pairs at \$48.92 per pair
50,000 pairs at \$49.90 per pair

Its option for Memphis was, however, set forth in the following manner:

50,000 pairs at \$48.20 per pair
50,000 pairs at \$49.16 per pair
50,000 pairs at \$50.14 per pair
50,000 pairs at \$51.15 per pair

Thus, while the four option quantity blocks that Altama bid on were 2.5 percent higher than the corresponding base bid quantity blocks, Altama omitted option prices for and references to the two highest quantity blocks included in its base bid; 69,916 and 100,000 pairs.

Despite a claim from Altama that it had omitted the highest two quantity blocks from its option bid for Memphis because of a clerical error and that it intended to bid \$47.20 a pair for a 69,916 pair quantity block and \$46.78 a pair for a 100,000 pair quantity blocks, 2.5 percent higher per pair than its base price, the contracting officer initially decided that Altama's bid was nonresponsive. After further

review, the contracting officer made a final determination that since the intended price for the omitted option quantities could easily be determined, Altama's bid was responsive. Award was then made to Altama for its maximum base quantity of 400,000.

A bid generally must be rejected as nonresponsive if, as submitted, it does not include a price for every item requested by the IFB. Telex Communications, Inc.; Mil-Tech Sys., Inc., B-212385, Jan. 30, 1984, 84-1 CPD ¶ 127. This rule, which applies to option items if, as here, they are evaluated, reflects the principle that a bidder who has failed to submit a price for an item generally cannot be said to be obligated to provide that item. E.H. Morrill Co., 63 Comp. Gen. 348 (1984), 84-1 CPD ¶ 508.

Our Office, however, recognizes a limited exception under which a bidder may be permitted to correct a price omission. This exception, which permits correction where the bid, as submitted, indicates the possibility of error, the exact nature of the error, and the intended bid price, is based on the premise that where there is a consistent pattern of pricing in the bid itself that establishes both the error and the intended price, to hold that bid nonresponsive would be to convert an obvious clerical error of omission to a matter of responsiveness. United Food Servs., Inc., 65 Comp. Gen. 167 (1985), 85-2 CPD ¶ 727. This exception is applicable even where, as is this case, a solicitation provision states that failure to bid on an item will cause the bid to be rejected as nonresponsive. Telex Communications, Inc.; Mil-Tech Sys., Inc., B-212385; B-212385.2, supra.

Here, although Altama omitted option prices for two of its block bidding quantities, our review of the firm's base and option prices for the block quantities it bid at each location confirms the agency's assertion that a pattern of pricing exists. All of Altama's option prices are exactly 2.5 percent more than their corresponding base prices.^{1/}

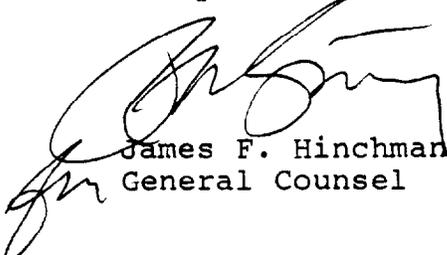
^{1/} In its comments on the agency report Wellco argued that a pattern of pricing was not evident because Altama's bid for Memphis for both option and base quantities was 4,000 pairs more than the agency's requirement for that location. Wellco contended that because of this overage the agency can not determine the exact quantity and price Altama bid, since there is no way of knowing which of the six quantity blocks contain the excess 4,000. We do not see how this affects Altama's established pattern of bidding 2.5 percent higher

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Since Altama submitted base prices of \$45.64 and \$45.87 for the base quantities for Memphis, it appears that its intended prices for the omitted block quantities for this location would be 2.5 percent higher or \$46.78 and \$47.02, respectively. Since the existence and the nature of the error as well as the intended bid price is evident from the face of the bid itself, we think the agency properly permitted the omission to be corrected.

Wellco complains that the agency relied on evidence outside the bid itself to make its responsiveness determination and argues that the evidence, consisting primarily of a previous bid submitted by Altama and affidavits from Altama's employees, is inconsistent and inconclusive. The agency denies that the information played a part in its determination and, in any event, we have found that both the error and the intended bid price were evident from the face of Altama's bid.

The protest is denied.



James F. Hinchman
General Counsel

1/(...continued)

For the option quantities. In any event, we think it is logical that any excess would come from the highest quantity block.