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Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Commercial Roofing Co., Inc.

File: B-258787

Date: December 15, 1994

Timothy A. Sullivan, Esq., Starfield & Payne for the protester.
Donald E. Barnhill, Esq., and Joan K. Fiorino, Esq., East & Barnhill for Beldon Roofing USA, Inc., an interested party.
Steven J. Mulligan, Esq., Department of the Air Force, for the agency.
John L. Formica, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that the low bid received by the agency in response to an invitation for bids (IFB) providing for the award of an indefinite delivery/indefinite quantity contract should be rejected as materially unbalanced is untimely when filed after bid opening where the protest is based on an allegation that the estimates set forth in the IFB for some line items were defective because they were inconsistent with other terms of the IFB.

DECISION

Commercial Roofing Company, Inc. (CRC) protests the award of a contract to Beldon Roofing USA, Inc., under invitation for bids (IFB) No. FO8651-94-B-0079, issued by the Department of the Air Force for the repair and replacement of building roofs at Eglin Air Force Base, Florida. CRC contends that Beldon submitted a mathematically and materially unbalanced bid.

We dismiss the protest.

The IFB provided for the award of an indefinite delivery/indefinite quantity (ID/IQ) contract, for a base period of 1-year with two 1-year options. Bidders were required to insert a unit and extended price for each of the 82 contract line items (CLINs), and a total price for all line items. For each CLIN, the IFB provided an estimated quantity of work or materials that the agency anticipated would be required to complete the roofing work contemplated by the IFB. The contract was to be awarded to the bidder who submitted the lowest total bid price, computed by adding the extended price for all CLINs.

The agency received six bids in response to the IFB, with Beldon submitting the low bid of \$3,316,530 and CRC submitting the second low bid of \$3,932,610. The agency awarded a contract to Beldon for the base period only, CRC protests that the Beldon's bid should have been rejected by the agency as unbalanced.

A bid that is mathematically and materially unbalanced may not be accepted for award. Howell Constr., Inc., 66 Comp. Gen. 413 (1987), 87-1 CPD ¶ 455. A bid is mathematically unbalanced where it is based on nominal prices for some of the items and enhanced prices for other items. Sanford Cooling, B-242423, Apr. 15, 1991, 91-1 CPD ¶ 376. Where there is reasonable doubt that acceptance of a mathematically unbalanced bid will result in the lowest overall cost to the government, the bid is materially unbalanced and cannot be accepted. OMSERV Corp., B-237691, Mar. 13, 1990, 90-1 CPD ¶ 271.

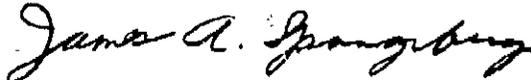
As recognized by the protester, with regard to estimated quantities in requirements-type contracts, consideration of the materiality of unbalancing begins with a determination of the accuracy of the solicitation's estimates of the agency's estimated needs because the unbalanced bid will only become less advantageous than it appears if the government ultimately requires a greater quantity of the overpriced items and/or a lesser quantity of the underpriced items. Allstate Van & Storage, Inc., B-247463, May 22, 1992, 92-1 CPD ¶ 465.

CRC contends that the agency's estimated quantities for roof insulation are severely understated. CRC argues here that because "the specifications call for a minimum of two layers of insulation to be installed with built-up roofing systems," the CLINs for roofing insulation should have totalled 8,300 squares, that is, twice the 4,150 squares estimated for the four CLINs for built-up roofing, rather than 3,800 squares as set forth in the roof insulation CLINs. CRC contends that Beldon took advantage of this defect in the IFB by overpricing the CLINs related to roof insulation, and that the acceptance of its "unbalanced bid" will not result in the lowest overall cost to the government.

If CRC believed that the IFB contained inaccurate estimates such that bidders could devise a pricing approach to take advantage of the allegedly defective estimates, it should have protested this matter prior to bid opening. Capitol Paving of D.C., Inc., B-256896, July 5, 1994, 94-2 CPD ¶ 10. Our Bid Protest Regulations require that protests based upon alleged improprieties in a solicitation which are apparent on the face of a solicitation be filed by the time designated for bid opening. 4 C.F.R. § 21.2(a)(1) (1994).

This requirement is intended to provide parties with a fair opportunity to present their cases and enable the contracting agency to take effective corrective action when it is most practicable and where circumstances warrant. Allstate Van & Storage, Inc., supra. Because the alleged defects concerning the IFB's estimated quantities of built-up roofing and roof insulation were apparent from the face of the IFB, CRC's argument that the awardee's proposal was materially unbalanced due to the defective estimates is untimely. MKB Constructors, J.V., B-255278, Jan. 31, 1994, 94-1 CPD ¶ 55; Allstate Van & Storage, Inc., supra; Sharp Constr. Co., Inc., B-244682, July 12, 1991, 91-2 CPD ¶ 54.

The protest is dismissed.



James A. Spangenberg
Assistant General Counsel