FILE: B-208072.2 DATE: August 23, 1983

MATTER OF: Halco Engineering, Inc.

DIGEST:

Low bid may not be corrected upward where bidder has not presented clear and convincing evidence that its bid price omitted the cost of an item.

The Department of Health & Human Services (HHS) requests an advance decision concerning an alleged mistake in the low bid submitted by Halco Engineering, Inc. (Halco), in response to invitation for bids (IFB) No. 54-82-HHS-OS. The mistake was discovered after bid opening, but prior to a contract award. Since Halco's bid would be low even if correction were permitted, Halco accepted the contract, subject to its right to have the mistake question reviewed. We conclude that the mistake may not be corrected.

The IFB was issued to obtain bids for repair, replacement and new construction at Saint Elizabeth's Hospital, Washington, D.C. Part of the work required was the construction of a 2,000-foot tunnel. The specifications required that the tunnel be supported every 10 feet by either a support, an anchor or a guide. The detail sheets provided with the specifications showed where anchors and guides were to be placed, but did not show where the supports were to be placed. Halco determined that since an anchor, guide or support was needed every 10 feet for 2,000 feet, 200 total anchors, guides and supports were required. Halco states that in computing its bid, it first determined the unit price for a support. However, since these were not shown on the detail sheet, Halco did not know the quantity of supports needed and could not determine the total cost for supports. Therefore, it proceeded to calculate the unit price of an anchor, count the number of anchors on the detail sheet (22) and compute the total cost of anchors by multiplying the unit price by 22. This figure was entered on a cost sheet. The same procedure was repeated for 68 guides. Halco states that at this point, it failed to go back and determine the required number of supports by subtracting the number of anchors and guides (90) from the

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200 required guides, anchors and supports and then multiply this figure by the unit price (\$462) it calculated for supports. Halco therefore submits that its bid price omitted the cost of these 110 supports and requests that the contract price be increased by \$50,820 to reflect this amount.

A low bid may be corrected upward if it will remain low after correction and the bidder submits clear and convincing evidence which demonstrates that a mistake was made, the nature of the mistake and the bid price which was intended. Specialty Systems, Inc., B-204577, February 9, 1982, 82-1 CPD 114. To support its mistake claim, Halco has submitted statements by its president, worksheets, a cost sheet, computer printouts and quotations from suppliers.

The documents submitted show the unit price computation for supports and the unit and total cost computations for anchors and guides. The cost sheet also shows entries for the anchors and guides. The adjustment column of the cost sheet contains an unlabeled entry for \$25,000. This entry is on the same line as the entries for the guides and anchors. Halco explains this entry by stating that it reflects the cost of pipe attachments, which were not included in the costs for structural supports. To bolster this explanation, Halco references quotations submitted by two suppliers and a note which Halco wrote on one of the quotations.

We have reviewed the quotes and we do not find that they adequately demonstrate that the \$25,000 figure in the adjustment column is derived from them. The \$25,000 figure is stated as the sum of \$14,500 and \$10,500 in the column of one of the quotations. However, there is no indication as to how the figures of \$14,500 and \$10,500 were derived. While there is a notation "slides" from Elcin next to the \$10,500 figure, our addition of the Elcin quotation for slides is \$12,512.60. Next to the \$14,500 figure there is an arrow down from the \$16,069 supplier quotation for pipe guides and Halco's bid clearly includes a price for pipe guides. Therefore, we have no way to ascertain that this \$14,500 figure was not included in computing the cost of pipe guides. Given these factors, we cannot conclude that the \$25,000 figure in the adjustment column did not refer to the cost of the 110 supports. While Halco submits that the total for 110 supports is \$50,820, we do not find this In a number of places throughout its bid, controlling. Halco has rounded off or reduced figures which it used for its final price calculation.

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Given these circumstances, we do not find that the evidence clearly and convincingly establishes that Halco excluded the cost of 110 supports from its bid. Since the evidentiary standard has not been complied with, we conclude that correction should not be permitted. See John Amentas Decorators, Inc., B-190691, April 17, 1978, 78-1 CPD 294.

for Comptroller General of the United States