Comptroller General of the United States

Washington, D.C. 20548

Decision

Matter of: Brazos Roofing, Inc.

File: B-275319; B-275319.2

Date: February 7, 1997

Alan M. Grayson, Esq., and Ronald B. Vogt, Esq., Alan M. Grayson & Associates, for the protester.
Neil Lowenstein, Esq., and Howard W. Roth III, Esq., Vandeventer, Black, Meredith & Martin, for States Roofing Corporation, an intervenor.
Diane D. Hayden, Esq., George N. Brezna, Esq., and Patrick J. Coll, Esq., Department of the Navy, for the agency.
Christina Sklarew, Esq., and Michael R. Golden, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Where the bidder correctly added contract line item amounts together to arrive at a total base year price but then used another figure on the next page of its bid schedule as its total base year price when calculating its option year prices, agency reasonably permitted correction of the obvious transcription error as a clerical mistake.

DECISION

Brazos Roofing, Inc. protests the Department of the Navy's award of a contract to States Roofing under invitation for bids (IFB) No. N00187-96-B-6331 for roofing repair and replacement. Brazos protests that the agency improperly changed the amount of States's bid in response to a perceived error, displacing Brazos's own apparent low bid. We deny the protest.

The IFB was issued on May 20, 1996, as a multiple award, requirements solicitation and contemplated the award of separate contracts for a base year and two 1-year options for each of the five different locations in Virginia. Five firms, including Brazos and States, submitted timely bids. When these were opened, it was apparent that States had submitted the low bids for four of the sites, and Brazos's bid was low for the remaining site, which was Little Creek. For this site, Brazos had bid $1,156,925 for the base year and each of the two option years, for a total of $3,470,775, while States's bid was recorded as $1,274,430 for the base year, $1,197,964 for the first option year, and $1,138,066 for the second option year, for a total of $3,610,460. However, during the bid verification process, the Navy discovered a discrepancy in States's bid for that site which it believed to be a clerical error. The agency corrected the error, lowering States's base-year bid to $1,169,780, its first option year bid to $1,099,593.20, its second option year bid to $1,044,613.54, and its total bid to $3,313,968.74 and displacing Brazos's $3,470,775 bid in the process. When the Navy notified bidders that States had been awarded all five contracts, Brazos filed an agency-level protest, alleging that States's bid was "ambiguous and unbalanced." The Navy denied Brazos's protest and awarded the five contracts to States. Brazos then filed a protest with our Office, and the Navy suspended performance of the Little Creek contract pending our decision.

Brazos protests here that it was improper for the agency to allow correction of States's bid because there was no clear and convincing evidence in the bid to support the figures that the agency accepted as the intended bid amount.[1] We agree with the agency that correction of the bid as a clerical mistake was proper.

Federal Acquisition Regulation § 14.407-2(a) permits the contracting officer to correct a clerical mistake "apparent on its face in the bid." This section contemplates correction of minor errors or omissions in a bid, such as transcription errors. Trade-Winds Envtl. Restoration, Inc., B-259091, Mar. 3, 1995, 95-1 CPD ¶ 127; Cf. Pipeline Constr., Inc., 73 Comp. Gen. 228 (1994), 94-2 CPD ¶ 21.

The bid schedule in the IFB included contract line items only for the base year. The first 15 pages of the bid schedule listed all of the contract line items and an estimated quantity; bidders were to insert their unit price and multiply it by the given quantity to arrive at an extended amount for each item. Bidders were to add all of the line item total amounts together, to arrive at a total contract price for the base year, and were to insert this figure in a blank provided for this purpose at the bottom of page 16 of the bid schedule. On pages 17 and 18, bidders were to compute their total option year prices by, for the first option year, copying the total base year bid from page 16 and inserting a percentage figure representing the amount, if any, by which the option year price would increase or decrease from the base year price, and then calculating the actual option year price; for the second option year price, bidders were to apply a percentage figure to the computed first option year price.

States completed its bid on the 15-page base year schedule, accurately calculating the various line item extended prices based on States's unit prices and accurately adding them together to arrive at a total base year bid amount of $1,169,780. However, when calculating its option year prices on page 17, States used the figure

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[1]Brazos initially protested that the agency had failed to make individual awards for the five locations, as the IFB had established, and had alleged that States's bid was unbalanced. However, after receiving the agency report and other documentation, Brazos has withdrawn these bases of protest.

$1,274,430 as its base year price and then calculated both option year prices based on that figure.

Although Brazos argues that there is no evidence to demonstrate which of the two base year figures is the intended one, we think the only reasonable reading of the bid is that the page 16 figure is the intended bid. In this regard, we note that the contract line item totals that are listed on the first 15 pages of the schedule and that represent the insertion and extension of more than 150 unit prices correctly add up to the figure that appears on page 16; there are also no discrepancies in the individual line item totals. Moreover, page 16 was the only place bidders were to enter their total calculated price for the base year--there was no requirement for a recapitulation of that price on page 17 or anywhere else. Page 17 simply consists entirely of line item 15AA, representing the total estimated price for the first option year. On that page bidders were only to calculate the option year price by applying a percentage factor to the already-calculated base year total and then adding or subtracting the result to or from the base year amount. Under the circumstances, it is not reasonable to view the page 17 figure as States's intended base year price and it is not apparent why, in announcing and recording bids, the agency relied on the figure on page 17 for States's base year bid rather than the figure on page 16. In other words, only the page 16 figure could reasonably be considered States's intended base year price and therefore the figure States used to calculate its first year option price on page 17 logically can only be viewed as simply reflecting some kind of transcription error. That being so, we think the agency could reasonably allow correction of the mistake as it did.

The protest is denied.

Comptroller General
of the United States