

**DECISION**

**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

**FILE:** B-217268

**DATE:** March 22, 1985

**MATTER OF:** Newport Offshore, Ltd.

**DIGEST:**

1. Agency did not act unreasonably in designating Providence, Rhode Island's airport, 28 miles from protester's shipyard in Newport, Rhode Island, as opposed to Boston's airport, 70 miles away, as the airport serving the Newport area for the purpose of computing the cost of air travel between Norfolk, Virginia, and Newport, despite the fact that airfare to Boston was cheaper.
2. In calculating travel costs to be used in evaluating bids, agency need not use method most advantageous to protester, but must reasonably follow scheme set forth in the solicitation.

Newport Offshore, Ltd. (Offshore), protests the award to Dolphin Ship Repair Corp. of a contract for drydock and repair of the ship Whiting under Department of Commerce/National Oceanic and Atmospheric Administration solicitation No. IFB-EASC-84-39. Offshore, located in Newport, Rhode Island, argues that the agency improperly calculated costs associated with performance of the contract by a shipyard not in the Norfolk, Virginia, vicinity.

The protest is denied.

The solicitation provided that certain foreseeable costs, among them shore leave and travel and per diem costs, would be added to the bids in determining the low bidder. Included among travel costs were round trip airfares for the contracting officer's technical representatives and vessel personnel between Norfolk and an airport "serving the area" where the shipyard performing the work is located. The solicitation stated that no travel costs

would be applied to shipyards within the Norfolk commuting area, and an amendment to the solicitation provided that for calculating travel costs, the "commuting area is 50 miles."

Of the six bids received, Offshore's bid of \$336,470 was low, while that of Dolphin, at \$392,333.60, was second low. The contracting activity calculated Offshore's foreseeable costs because of its location in Newport to be \$58,017.64, which resulted in an evaluated total of \$394,487.64. No foreseeable costs were added to Dolphin's bid since that firm's shipyard is located in Norfolk. Offshore's evaluated bid thus exceeded Dolphin's bid by \$2,154.04 and Dolphin was awarded the contract as the low bidder.

In calculating the travel costs to be added to Offshore's bid, the agency used Providence, Rhode Island's T.F. Green State Airport, located about 28 miles from Newport, as the airport serving the Newport area. Piedmont Airlines, the government contract carrier for Norfolk-Providence service, indicated that the round trip airfare between the two cities was \$198. Using this figure, the agency determined that total travel costs would be \$11,880.

Offshore argues that it is entitled to award of the contract as the actual low bidder because the agency's use of the \$198 ticket cost is both arbitrary and grossly inaccurate. The protester contends that the solicitation establishes a radius of 150 miles as Newport's "commuting area," and that Boston's Logan Airport, which is located approximately 70 miles from Newport, is well within the 150-mile radius. The protester maintains that the travel costs should have been based on the government rate of \$116 for a round trip ticket between Boston and Norfolk. The protester calculates that the travel costs added to its bid would have been \$6,960 rather than \$11,880 if those costs had been calculated using the ticket price of \$116 rather than \$198, and that its bid would have been evaluated as \$389,567.64--\$2,765.96 less than Dolphin's bid.

We disagree. We think the agency acted reasonably in using the Providence airport as the basis for calculating

the travel costs. While it is true, as the protester notes, that the solicitation does refer to a 150-mile radius from Norfolk, that factor is only to be used to determine whether shore leave costs should be added to a bid. That figure has nothing to do with the calculation of travel costs. Travel and per diem costs are treated in a separate paragraph in the solicitation. That paragraph states that "no travel and per diem costs will be applied to yards within the Norfolk commuting area." An amendment to the solicitation further states that the commuting area is 50 miles. The paragraph also provides that travel costs are to be based on airfares quoted by an airline "serving the area" where the shipyard is located.

The pertinent paragraph does not specifically provide that the airport "serving the area" in which the shipyard is located must be within 50 miles. That distance, however, which is used to determine whether travel costs need be added to a bid, would be, in our view, a reasonable gauge for the agency to use in calculating travel costs. We think that it was proper for the agency to base its calculation on flights to the Providence airport, 28 miles from the location of the protester's shipyard, rather than the Boston airport, 70 miles away. We recognize that the airfare to Boston was lower than that to Providence. The agency, however, was not under a duty to ignore the distance between the airport and the shipyard and to calculate travel costs in the manner most beneficial to the protester. We do not think that, under these circumstances, it would be reasonable to consider an airport more than 70 miles from the protester's shipyard as "serving" that location.

The protest is denied.

*for* *Signature* *ef*  
Harry R. Van Cleve  
General Counsel