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**The Comptroller General  
of the United States**

Washington, D.C. 20548

**Decision**

**Matter of:** HEC Electrical Construction  
**File:** B-233111  
**Date:** February 13, 1989

**DIGEST**

1. Rejection of bid that was inordinately low based on bidder's mistaken interpretation of specifications was proper despite bidder's assertion that no error was made, where bid was substantially below the government estimate and agency properly determined that the bidder's proposed method of performance did not conform to the solicitation specifications.
2. Specification language requiring that cables be concealed in walls "where practicable" and that conduits be similarly concealed "wherever possible" clearly indicates that agency desired concealment, with reasonable exceptions; protester's interpretation that contractor had discretion to decide that none of the cable or conduit would be concealed is unreasonable since it gives no effect to agency's clear intent.

**DECISION**

HEC Electrical Construction protests the rejection of its bid, and award of a contract to Albert Electric Co., under invitation for bids (IFB) No. N62474-88-B-8274, issued by the Department of the Navy for replacement of electrical panels and cables in housing series 1100, 1200 and 1300, at the Treasure Island Naval Station in San Francisco, California.

Bids were opened on September 9, 1988, and HEC submitted the apparent low bid of \$329,360. Because HEC's bid was approximately 55 percent below the government estimate of \$711,637, the Navy contacted HEC and requested verification of its bid, which was received on September 20. On September 23, the Navy again requested that HEC verify the accuracy of its bid, this time by meeting with the Engineer-In-Charge. A meeting was held on September 23, at which an issue arose as to HEC's interpretation of paragraphs 3.1.5 and 3.2 of section 16402 of the solicitation, regarding

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installation of the electrical cables and conduits. Paragraph 3.1.5 provided:

"Nonmetallic Sheathed Cable Installation: Install cables concealed behind ceiling or wall finish where practicable (emphasis added). Thread cables through holes bored on the approximate centerline of wood members; notching of end surfaces will not be permitted. Provide sleeves through concrete or masonry for threading cables. Install exposed cables parallel or at right angles to walls or structural members. Protect exposed nonmetallic sheathed cables less than four feet above floors from mechanical injury by installation in conduit or tubing. When cable is used in metal stud construction, insert plastic stud grommets in the studs at each point through which the cable passes."

Paragraph 3.2 provided:

"CONDUIT: Provide rigid metal PVC coated conduit. Install PVC conduit only where specifically indicated. Conceal conduit within finished walls, ceilings and floors wherever possible (emphasis added). Install exposed conduit and conduit above suspended ceilings with removable panels, parallel with or at right angles to the building structural members. Provide an equipment grounding conductor within all runs containing PVC or any flexible conduit."

HEC advised the Navy engineer it planned to mount the cable and conduit on the outside of the wall in the 1100 and 1200 series as opposed to concealing them in the walls. HEC stated that it felt it was not practical to try to conceal the cables and conduits in structural walls when no details were known as to how the walls were constructed or as to whether it was structurally safe to cut a hole in the framing. Furthermore, HEC claimed it was concerned about the practicality of trying to bring a cable down inside the same wall as the one in which the wires from the subpanel might be running. HEC planned to install the exposed conduits in a closet to satisfy the concealment requirements in paragraph 3.2.

It was the Navy's position that the IFB generally required concealment and that the cited paragraphs allowed for deviations only in limited instances. The Navy specifically determined that the walls in question generally were not structural, and could be used to conceal cables,

and also noted that the closet in which HEC proposed to to conceal the conduit did not exist. On September 30, the contracting officer determined that HEC had erroneously interpreted the concealment requirements of the solicitation, and that its bid, which did not include labor or materials for wall restoration or repair, therefore should be rejected in fairness to both HEC and other bidders. By letter of October 7, HEC was notified of the award to Albert in the amount of \$598,600.

HEC claims that its proposed method of installation satisfies its reading of specification paragraph 3.1.5 as requiring concealment of cables "where practicable." HEC claims that it carefully considered the placement of cable, and that its conclusion that concealment was impracticable was reasonable based on the arguments previously made to the Navy engineer, and its view that: (1) external wall installation would be safer because, in case of an electrical fire, detection and extinguishment would be simpler; and (2) external wall installation would avoid the possible problem of asbestos in the wall, which HEC claims is a constant problem in military installations. HEC concedes that the "wherever possible" language in paragraph 3.2 does tend to support the Navy's view that concealment generally was required, but argues that since the term still is indefinite and the Navy used the broader "practicable" language in paragraph 3.1.5, it reasonably concluded that its reading of "practicable" should be the standard for all of the work. HEC concludes that its low bid based on this interpretation should have been accepted for award.

While we would agree that the IFB could have more clearly indicated what the Navy meant by requiring concealment of cable and conduit in walls "where practicable" and "wherever possible," we think the Navy's intent was sufficiently clear, and do not agree with HEC that its interpretation of the language as giving the contractor the option of running all cable and conduit outside the walls was reasonable; the two terms may indeed be susceptible of somewhat varied interpretations, as HEC contends, but in the context of this solicitation we see no basis for HEC's interpretation.

In this regard, contrary to HEC's broad interpretation, we think a solicitation statement that work should be performed in a certain way if practicable, feasible, or possible reasonably can mean only that there is a desire by the contracting agency that the work be performed in that way, with reasonable exceptions based on such considerations as custom and professional standards. It follows that we think the plain import of the specifications here, read as a whole, was that the Navy generally preferred the cable and

conduit to be run inside, rather than outside the walls; even if it was not clear precisely where the Navy did not consider concealment feasible, it should have been clear to HEC that the Navy did not want the contractor automatically to install all of the cable and conduit on the outside of the walls. This is particularly the case considering that the buildings here were residences; although HEC claims to have performed a similar job for the Army where the cable and conduit were installed on the outside of the walls, we find merit in the view that concealment is more customary in these circumstances.

HEC's interpretation that the specification language allowed the contractor to decide on its own that concealment was not a good idea in light of safety and other concerns gave absolutely no effect to the Navy's obvious intent, and would have the effect of eliminating any common basis the Navy would have for comparing bids. Thus, while, again, the IFB might have been more specific, HEC's interpretation was unwarranted, and therefore was not a reasonable reading of the IFB.

To the extent HEC is arguing that its interpretation was necessitated by a lack of detail in the IFB as to exactly where the Navy considered concealment practicable or possible, the protest is untimely; our Bid Protest Regulations provide that such alleged solicitation deficiencies must be protested prior to bid opening. 4 C.F.R. § 21.2(a)(1) (1988). We note, furthermore, that the IFB provided for a site visit to allow bidders to examine the premises, and also contained specific instructions for seeking clarification of the requirements. There thus was no apparent reason for HEC to rely on its unsubstantiated assumptions in interpreting the IFB.

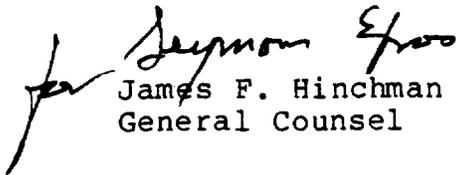
In the alternative, HEC argues that if it has in fact misinterpreted the concealment requirements, the specifications were ambiguous, and the solicitation should be canceled and the procurement resolicited so it will have an opportunity to bid as the Navy intended. HEC also argues alternatively that if its reading of the specifications was in fact erroneous it should be allowed to correct its bid based on the Navy's interpretation. HEC asserts that it stands ready to perform the contract as interpreted by the Navy for \$568,486, still \$30,114 below the award price.

HEC's alternative arguments are without merit. First, an ambiguity exists in specifications only if they are subject to more than one reasonable interpretation. Malkin Electronics International, Ltd., B-228886, Dec. 14, 1987, 87-2 CPD ¶ 586. As we have found that the only reasonable

interpretation here was that the Navy did not intend that all cable and conduit be exposed, and that HEC's interpretation was not reasonable, the specifications were not fatally ambiguous. Similarly, bid correction is not available where a bidder bases its bid on an erroneous interpretation of the specifications. Central Builders, Inc., B-229744, Feb. 25, 1988, 88-1 CPD ¶ 195. This was the case here.

HEC has requested reimbursement of its protest and bid preparation costs. However, as we have found the protest to be without merit, there is no basis to allow recovery of these costs. 4 C.F.R. § 21.6(d) (1988); American Technical Communications, B-230827, Jul. 15, 1988, 88-2 CPD ¶ 56.

The protest is denied.

  
James F. Hinchman  
General Counsel