



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: N.V. Heathorn, Inc.

File: B-245847

Date: January 2, 1992

Norman T. R. Heathorn for the protester.
Lester Edelman, Esq., Department of the Army, for the agency.
Herbert I. Dunn, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that firm should have been awarded contract because its price for basic requirement was low is denied where, in accordance with solicitation terms, the agency made award on basis of total price including options.

DECISION

N.V. Heathorn, Inc. (Heathorn) protests the award of a contract to J&S Mechanical Contractors, Inc. (J&S) under invitation for bids (IFB) No. DACA05-91-B-0067, issued by the Department of the Army, Army Engineer District, Sacramento, California, for the renovation of heating systems in various buildings at Camp Parks, Presidio of San Francisco, and San Pablo, California. Heathorn contends that it should have received the award because it submitted the low bid for the basic contract work. Heathorn also contends that J&S's bid was unbalanced.

We deny the protest in part and dismiss it in part.

The IFB requested bids for the base item and seven option items. Heathorn alleges that the award to J&S was improper because the Army considered J&S's option prices in the award decision even though the contract award was only for the base item. Heathorn's price would have been low if the option prices had not been evaluated. Heathorn points out that in awarding the contract to J&S, the Army did not commit itself to exercising any of the option items. In its

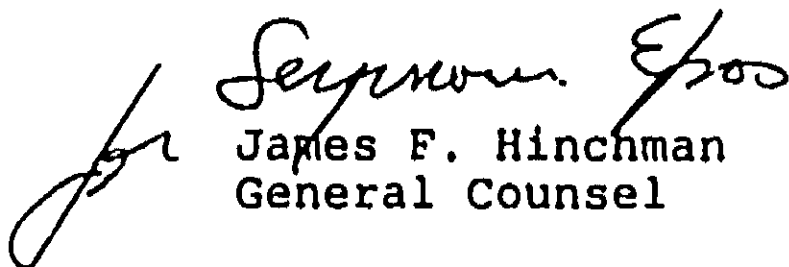
administrative report on the protest, the Army states that it does intend to exercise all of the option items.

A solicitation that calls for bidders to submit option prices must state whether the evaluation will include or exclude option prices. Federal Acquisition Regulation (FAR), § 17.203(b). In response to this requirement, the standard "Evaluation of Options" clause, set out at FAR § 52.217-5, was included in the IFB. This clause states in part that the government will evaluate bids for award purposes by adding the total price for all options to the total price for the basic requirement. The clause further provides that evaluation of options will not obligate the government to exercise the options.

The evaluation method the Army used in this case was consistent with the IFB. The low bidder was determined by adding the prices for the basic item and all seven option items, and award then was made to the low bidder for the base item, as specifically provided for in the solicitation. Since the solicitation provided for evaluation of both the base item and all options as authorized by FAR, award in accordance with that evaluation was proper. Williamson County Ambulance Service, Inc., B-239017, June 22, 1990, 90-1 CPD ¶ 583; EG&G International, Inc., B-233108, Oct. 27, 1988, 88-2 CPD ¶ 400.

In its comments on the agency report Heathorn contends, for the first time, that J&S's bid was unbalanced because its quotations for options 2 and 4 were substantially below Heathorn's costs for these options. We dismiss this aspect of the protest. Comparison to a protester's own prices is insufficient to show that another bidder's prices are unbalanced, and, in any event, Heathorn has not alleged that any of J&S prices were overstated. Virginia Manufacturing Company, Inc., B-241404, Feb. 4, 1991, 91-1 CPD ¶ 113.

Accordingly, the protest is denied in part and dismissed in part.


James F. Hinchman
General Counsel