



United States Government Accountability Office  
Washington, DC 20548

## Decision

**Matter of:** U.S. Hotel Sourcing, LLC

**File:** B-406726

**Date:** August 13, 2012

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Jon Hansen for the protester.

William H. Butterfield, Esq., Department of Homeland Security, United States Coast Guard, for the agency.

Jonathan M. Kucskar, Esq., Paula J. Haurilesko, Esq., and Guy R. Pietrovito, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### DIGEST

1. GAO will not review a protest that an agency was required to extend the performance of the protester's existing order, rather than soliciting competition for the issuance of a new order.
  2. Protest that an agency did not synopsise its simplified acquisition requirement is denied, where the agency reasonably found that the requirement was too urgent to allow public posting of the solicitation.
  3. Where a request for quotations does not identify any evaluation factors or inform vendors of the basis for the agency's award selection, price is necessarily the only factor considered.
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### DECISION

U.S. Hotel Sourcing, LLC of Newton, Massachusetts, protests the issuance of order No. HSCG85-12-F-P45G34 to Bluewater Management Group, of Norfolk, Virginia, by the Department of Homeland Security, United States Coast Guard, for berthing and messing services.

We deny the protest.

### BACKGROUND

On March 23, 2012, the Coast Guard solicited quotations under the streamlined commercial acquisition procedures of Federal Acquisition Regulation (FAR) subpart

12.6 for the berthing and messing of the 52-person crew of the U.S. Coast Guard Cutter Maple, while in drydock. Agency Report (AR), Tab 11, Combined Synopsis/Solicitation. The Coast Guard issued a \$96,999 order to U.S. Hotel Sourcing for performance of these services from April 2 to May 2. AR, Tab 10, Order No. HSCG85-12-P-P45939. This order contained no provisions for extension of performance.

On April 26, the Coast Guard asked U.S. Hotel Sourcing about extending performance of the order until May 10. U.S. Hotel Sourcing responded that it could extend performance if the Coast Guard permitted the protester to move the crew to a different hotel on May 5. The Coast Guard informed the protester that this arrangement would “not work” and that “a new contract be put in place . . . .” See AR, Tab 9, Emails between Contracting Officer and Protester, April 26-27, 2012, at 2-3.

On April 27, the Coast Guard, pursuant to the simplified acquisition procedures of FAR Part 13, asked that U.S. Hotel Sourcing provide a new quotation for berthing and messing services from May 2 to May 11. AR, Tab 3, Contracting Officer’s Email to Protester, May 2, 2012, at 1; Tab 9, Emails between Contracting Officer and Protester, April 26-27, 2012, at 1. The agency’s email request included minimum specifications, such as using a 2 or 3 diamond-rated hotel within 10 miles of the drydock repair site. Id. The agency’s request for quotations did not identify any evaluation criteria.

The Coast Guard received three quotations, including U.S. Hotel Sourcing’s \$29,385 quotation and Bluewater’s \$27,216 quotation. Contracting Officer’s Statement at 1; AR, Tab 8, U.S. Hotel Sourcing Quotation, at 2. The Coast Guard issued an order to Bluewater, as the vendor with the lowest-priced quotation. Contracting Officer’s Statement at 1; AR, Tab 4, Order No. - P45G34. This protest followed.

## DISCUSSION

U.S. Hotel Sourcing makes a number of arguments challenging the issuance of the order to Bluewater, none of which we find provides a basis for objecting to the Coast Guard’s conduct of this procurement.

U.S. Hotel Sourcing first complains that the Coast Guard should have extended its existing order, rather than seeking quotations for the issuance of a new order. We dismiss this ground of protest because a contractor has no legal right to compel an agency to extend an order, even where the order provides an option for extending performance. Contract options are exercised solely at the discretion of the government, and a contractor cannot compel an agency to exercise an option in its

contract.<sup>1</sup> California Shorthand Reporting, B-236680, Dec. 22, 1989, 89-2 CPD ¶ 584 at 2.

Moreover, the protester's order provided no option for extension; therefore, extension of U.S. Hotel Sourcing's order would essentially be a separate, noncompetitive procurement. See Laidlaw Env'tl. Servs., Inc.; Int'l Tech. Corp.—Claim for Costs, B-249452, B-250377.2, Nov. 23, 1992, 92-2 CPD ¶ 366 at 3-4. Simplified acquisition procedures, which agencies are required to use to the maximum extent practicable for the purchase of supplies and services not exceeding the simplified acquisition threshold, see FAR § 13.003(a), require agencies to obtain competition to the maximum extent practicable. FAR §§ 13.003(h)(1), 13.104. Because the value of these berthing and messing services is below the simplified acquisition threshold, the Coast Guard was required to obtain competition to the maximum extent practicable in satisfying this requirement.

U.S. Hotel Sourcing also complains that the Coast Guard failed to inform the protester that the agency was soliciting quotations from other vendors and, in this regard, failed to synopsise this requirement on the FedBizOpps website.

FAR §§ 5.101, 5.201 and 5.203 contain detailed synopsis and posting requirements that are generally applicable to all procurements, including those subject to the simplified acquisition procedures. FAR § 5.202 lists the exceptions to these requirements. See also FAR § 13.105(a) ("The contracting officer must comply with the public display and synopsis requirements of 5.101 and 5.203 unless an exception in 5.202 applies.") One such exception is where the agency reasonably determines that urgency precludes complying with the public notice requirements. See FAR § 5.202(a)(2); Specialty Marine, Inc., B-296988, Oct. 11, 2005, 2005 CPD ¶ 177 at 3-4. Here, the Coast Guard's determination of urgency was reasonable given the short time (six days) between its request for quotations and the beginning of performance. Although the protester disagrees that the requirement was urgent, this disagreement does not show that the agency acted unreasonably. In any event, the protester was not deprived of an opportunity to compete for this requirement.

With respect to U.S. Hotel Sourcing's complaint that the agency did not explicitly inform the protester that the agency was also obtaining quotations from other vendors, we think that the protester should have assumed that the agency was obtaining competition, given the competition requirements of FAR part 13. In any

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<sup>1</sup> We will not generally question an agency's decision to procure services competitively rather than to obtain them on a sole-source basis since the objective of our bid protest function to ensure competition for government contracts. Mary Jo McDonough, B-270530, B-270530.2, Mar. 13, 1996, 96-1 CPD ¶ 154 at 6.

event, the protester does not state that it would have submitted a lower-priced quotation had it known, or otherwise explain how it was prejudiced.

U.S. Hotel Sourcing also speculates that the only reason it did not receive award was based upon the agency's judgment as to the quality of the service that the protester provided under the prior order. See Protest at 5-6. Here, the record shows that issuance of the order to Bluewater was based upon that firm's low price, and not upon any assessment of past performance. In this regard, where a request for quotations does not identify any evaluation factors or inform vendors of the basis for the agency's award selection, price is necessarily the only factor considered. See Para Scientific Co., B-299046.2, Feb. 13, 2007, 2007 CPD ¶ 37 at 2 n.2.<sup>2</sup>

The protest is denied.

Lynn H. Gibson  
General Counsel

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<sup>2</sup> We recognize that the contracting officer informed the protester after the issuance of the order to Bluewater that the contracting officer's "responsibility was to get the Government the best price and service." AR, Tab 5, Contracting Officer's Email to Protester, Apr. 30, 2012, at 1. As noted above, however, the record shows that the basis for issuance of the order was price alone. In any event, the agency's post-award explanations do not provide a basis here to object to the agency's conduct of the procurement. We review an agency's award based on the evaluation record, not the information it provides to a losing bidder after the award decision. Nippo Corp., B-402363.2, May 5, 2010, 2010 CPD ¶ 112 at 3.