



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: John Holtman and Sons, Inc.

File: B-260340

Date: February 24, 1995

DECISION

John Holtman and Sons, Inc. protests the award of a contract to Billy E. Burnett Construction by the Department of the Air Force under solicitation No. F01600-95-E-A004, which contained line items for a base bid (item 1) and three additive items (items 2, 3, and 4). Holtman alleges that the Air Force improperly determined Burnett to be the low bidder.

We dismiss the protest.

The solicitation contained the clause found at Defense Federal Acquisition Regulation Supplement (DFARS) § 252.236-7007, which provides a method for evaluating bids containing additive and deductive items. Pursuant to that clause, the solicitation must identify the priority to be given to the items, and the contracting official, prior to bid opening, must determine the amount of funds available for the project. DFARS § 252.236-7007(a)(2) provides that the low bidder shall be the bidder that:

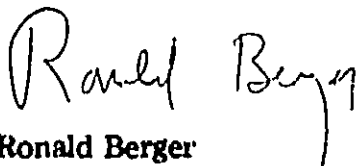
- "(i) Is otherwise eligible for award; and
- (ii) Offers the lowest aggregate amount for the first or base bid items, plus . . . (in the order stated in the list of priorities in the bid schedule) . . . those additive . . . items that provide the most features within the funds determined available."

Based on the amount of funds available, announced prior to the opening of bids as \$2,700,000, and the list of priorities contained in the bid schedule, the agency calculated the bids of Holtman and Burnett as follows:

Bid Schedule Order of Priority	Holtman Item Amount	Holtman Extended Total	Burnett Item Amount	Burnett Extended Total
Base Bid Item 1	\$ 2,356,519	= \$ 2,356,519	\$ 2,332,000	= \$ 2,332,000
Base Bid Item 1 and Add. Item 2	\$ 2,356,519 + 143,152	= \$ 2,499,671	\$ 2,332,000 + 146,000	= \$ 2,478,000
Base Bid Item 1 and Add. Item 2 and Add. Item 3	\$ 2,356,519 + 143,152 + 33,808	= \$ 2,533,479	\$ 2,332,000 + 146,000 + 30,000	= \$ 2,508,000
Base Bid Item 1 and Add. Item 2 and Add. Item 3 and Add. Item 4	\$ 2,356,519 + 143,152 + 33,808 + 323,017	= \$ 2,856,406	\$ 2,332,000 + 146,000 + 30,000 + 384,000	= \$ 2,892,000

Since both bids exceeded the available funds when the last additive item is included, Burnett was determined to be the low bidder based on the base bid and additive items 2 and 3.

Holtman asserts that award should be based on all additive items because in fact the contracting officer did not determine the funds available for this project but instead relied on the government estimate. Holtman also states, however, that the \$2,700,000 was announced as the amount of funds available prior to bid opening and later confirmed as such in writing by the contracting officer. Moreover, the copy of the bid abstract reflects the \$2.7 million as the "funds announced" and reflects a total government estimate of \$3,236,256 and an estimate of \$2,748,734 for the base bid plus the first two additive items. Under the circumstances, we do not understand the basis for Holtman's argument and find that a valid basis for protest is not presented here. Accordingly, the protest is dismissed.


 Ronald Berger
 Associate General Counsel