

CLIENT ALERT

Agency Reasonably Distrusts Its Own Estimates

Apr. 27, 2004

In *Burney & Burney Constr. Co.* (Mar. 19, 2004), GAO upheld an agency's rejection of a low bid as unbalanced because some of the line items were significantly overstated and, if the agency had ordered more than the estimated quantities for those line items under this requirements contract, the agency would end up paying more under the low bid than under the next-to-low bid. GAO upheld this approach even though the agency used different estimated quantities for the unbalanced bidding analysis than it did for the price determination of the low bid, reasoning that using different estimates for different purposes was reasonable.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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