

The Honorable President and Members of the Board of Estimates (cont'd)

Group No. 2 under said contract in the total amount of \$2,250.00, subject to a 5% discount (\$112.50) leaving a net bid of \$2,137.50. Mr. Strohmeyer further indicates that there is no time limit specified as to payment, other than that specified in the specifications. Inasmuch as this discount of 5% appears on the original bid made by Mayer Brothers, and which was tabulated by the Bureau of Water Supply, you request an opinion from this office whether or not "the discount is applicable" so that you may consider the net bid of Mayer Brothers as the low bid of \$2,137.50. Mr. Strohmeyer further indicates that if the "discount" cannot be considered, then the bid of Gray Concrete Pipe Company, Inc. is lowest at \$2,144.00.

We have obtained the bid of Mayer Brothers for furnishing and delivering concrete vaults, and note that under Group No. 2 of said bid no mention is made of "a discount". The unit prices under Group No. 2 of this bid are set forth and total in the amount of \$2,250.00. Beneath the total of this bid there appears an item "less 5% - \$112.50" which sum when deducted from the sum of \$2,250.00 leaves a net bid total of \$2,137.50.

We are of the opinion that the notice of letting, specifications, proposal, contract and bond for furnishing and delivering concrete vaults sufficiently and specifically set forth the essentials that the City of Baltimore desired in connection with the proposed bids. Under Paragraph 12 of the specifications it was provided that the bidders may submit proposals on one or more of the several groups, and that the contract, or contracts, will be awarded by groups on the basis of the "bid total" for each group. In this Paragraph, it was further provided that the "bid total for each group shall be the sum of the item totals (products of the approximate quantities and unit-prices) named therefor. Bidders shall submit prices on all items in each group on which he bids."

Competitive bids were received on this contract and proposals, and were tabulated by the Bureau of Water Supply. If the "less 5%" is taken into consideration it is noted that the Mayer Brothers bid is lower than the next lowest bidder. There is nothing in the bid submitted by Mayer Brothers to indicate any action to be taken by the City of Baltimore to obtain the benefit of this 5% allowance or deduction. Our interpretation of this 5% deduction from the item total bid is that it is not, in our opinion, to be construed as a discount requiring the City of Baltimore to make payment under the contract within a certain specified time, and we feel that the sum of \$2,137.50 represents