

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-218072 **DATE:** February 8, 1985
MATTER OF: Continental Lumber Co., Inc.

DIGEST:

int. 01

Exclusion of defaulted contractor from bidding on resale of defaulted timber sales contract is not improper since such action is specifically permitted by Forest Service regulations which have been upheld by the courts and by GAO.

Continental Lumber Co., Inc. protests its exclusion from bidding on the reoffer of Forest Service Ranger's Sale Contract No. 000021. It appears from the protest, and it has been confirmed by the Forest Service, that Continental had originally been awarded this contract for the sale and removal of timber from the Black Hills National Forest, South Dakota, that Continental had defaulted in its performance, and that Continental is now attempting to bid on the resale offer of the contract.

Forest Service regulations permit of bids in the resale of timber remaining from any uncompleted timber sale contract from a contractor who fails to cut the designated timber by the contract termination date. 36 C.F.R. § 223.87(a) (1984). The Forest Service has advised us that Continental did not complete its original contract.

The courts, and this Office, have upheld the exclusion from bidding on resales of contractors who have failed to complete timber sale contracts. See Siller Brothers, Incorporated v. United States, 655 F.2d 1039 (Ct. Cl. 1981), cert. denied, 456 U.S. 925 (1982); Seaboard Lumber Co., B-213926, March 15, 1984, 84-1 CPD ¶ 311. Therefore, we would have no basis to object to the Forest Service action here.

The protest is dismissed.

Ronald Berger
for the Comptroller General
of the United States