



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

31034

D-178633

June 12, 1973

Lieutenant General Wallace H. Robinson, Jr.
Director, Defense Supply Agency

Dear General Robinson:

By letter DBAH-G dated May 8, 1973, with enclosures, the Assistant Counsel, Headquarters, Cameron Station, in concurrence with the Defense Property Disposal Service, recommends that item 278 of contract No. 37-3130-029 awarded to the Colton Metals Company for stainless steel scrap under sales invitation for bids No. 37-3130 be deleted on the grounds that bids on scrap metal do not vary greatly and that the sales contracting officer should have requested verification of the bid before award because of the substantial disparity between the bid of \$0.10 per pound and the next high bid of \$0.0177 per pound and the current market appraisal of \$0.005 per pound.

We have reviewed the administrative file, and on the basis of the information contained therein, we agree that the sales contracting officer should have requested verification of the bid prior to award. Accordingly, item 278 of the sales contract may be deleted as recommended.

Sincerely yours,

PAUL G. DUNBLING

For the Comptroller General
of the United States

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