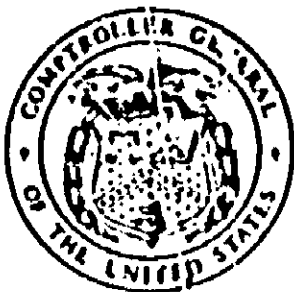


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**DECISION**



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

FILE: B-187556

DATE: October 22, 1976

MATTER OF: Holloway Enterprises, Inc.

**DIGEST:**

Claim for contract price increase because of mistake in bid is denied where contractor, with knowledge of mistake and without protest or reservation of right to request an upward price adjustment, accepted award of contract at original bid price.

The Naval Facilities Engineering Command requests a decision on the claim of Holloway Enterprises, Inc. (Holloway) for an upward price adjustment in contract No. N62477-75-C-1324 because of an alleged mistake in bid.

Holloway submitted a bid of \$507,490.68. In view of the sizeable variance between that bid (three lower bids were rejected) and the Government estimate (\$605,000) for the required janitorial services, Holloway was orally requested to verify its bid. It is reported that Holloway subsequently informed the Navy that a "significant error" was discovered in the bid worksheets and that withdrawal of the bid would be requested. However, instead of requesting withdrawal, Holloway sent the following letter:

" \* \* \* After reviewing our figures as submitted, our Company has decided that we will accept the contract. \* \* \* "

Holloway was awarded the contract at its original bid price on July 1, 1975.

Following completion of the contract, Holloway, by letter dated July 22, 1976, alleged that its original bid price was inadvertently based on the wage rates contained in a superseded wage determination and requested an increase in the contract price in the amount of \$44,197.98.


When, as in this case, a bidder agrees to accept award at its bid price after it is adequately placed on notice of a possible mistake in its bid, the subsequent acceptance of the bid generally

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consummates a valid and binding contract, Park Services, Inc., B-183599, May 8, 1975, 75-1 CPD 287. Holloway, with knowledge of both a mistake in its bid and the feasibility of withdrawing the mistaken bid, and without protesting or reserving its right to request an upward price adjustment, agreed to accept the award of the contract at its original bid price.

Consequently, there is no legal basis for granting the request for an upward price adjustment. Sherkade Construction Corp., B-180681, October 30, 1974, 74-2 CPD 231; B-177281, January 23, 1973.

Deputy

  
Comptroller General  
of the United States