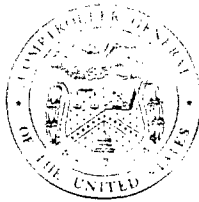


DECISION



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

10,430

FILE: B-194947

DATE: June 12, 1979

MATTER OF: George's Tree Service / DLG 01779

[Protest Alleging Awardee's Bid Was Unreasonably Low]

DIGEST:

1. Where protester alleges that low bidder's bid price is unreasonably low, mere fact that below-cost bid is submitted does not constitute legal basis for precluding award.
2. Whether low bidder has ability to perform contract because it submitted below-cost bid is matter of responsibility not for review by GAO except in circumstances not present here.

George's Tree Service (GTS) protests award of a contract by the Mt. Taylor Ranger District to the Timberline Co. (Timberline) under Forest Service solicitation No. R3-03-74-4. *DLG 01780*

GTS contends that Timberline's bid price is unreasonably low and that Timberline will therefore default on the contract. *Grants, New Mexico*

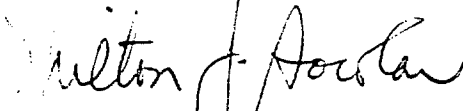
Regarding GTS's contention that Timberline's bid price is unreasonably low, we have held that the mere fact that a bidder may have submitted a below-cost bid does not constitute a legal basis for precluding a contract award. Eastern Brokers Inc. and Jan Pro Corporation, B-193774, January 31, 1979, 79-1 CPD 75.

To reject a bid as being unreasonably low would require a determination that the bidder is not responsible. However, as regards the issue of the ability of a bidder to perform a contract because of a below-cost bid, our Office no longer reviews protests involving a contracting officer's affirmative determination of the bidder's responsibility, unless either fraud is shown on the part of the procuring

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officials or the solicitation contains definitive responsibility criteria which allegedly have not been applied. Eastern Brokers Inc. and Jan Pro Corporation, supra. Since the responsibility of Timberline has not been challenged on either of these basis, we will not review the matter.

Therefore, the protest is dismissed.

A handwritten signature in cursive script, reading "Milton J. Socolar".

Milton J. Socolar
General Counsel