

**DECISION**

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

29015

**FILE:** B-213815.2**DATE:** August 6, 1984**MATTER OF:** Tecom, Inc.**DIGEST:**

Cancellation of an invitation for bids after bid opening was proper where the solicitation did not reflect the minimum needs of the government.

Tecom, Inc., protests the cancellation after bid opening of the Department of the Army's invitation for bids (IFB) No. DABT39-83-B0160 for alert, refueling and aircraft maintenance service at Fort Sill, Oklahoma.

We deny the protest.

The IFB was issued on August 16, 1983. Five amendments were issued. Amendment 3 extended the bid opening date to November 21, 1983. Bids were opened on that date and, of the seven bids received, Tecom's bid was lowest.

On March 26, 1984, the contracting officer notified all bidders that the IFB was canceled because of significant workload changes which, according to the agency report, were of a magnitude that "would require a complete renegotiation of contract pricing if this IFB were amended." In addition, the contracting officer discovered an ambiguity in the procedures relating to contract price deductions for unsatisfactory performance which was believed to be "prejudicial to all bidders."

The cancellation of an invitation for bids after bid prices have been exposed must be based on cogent and compelling reasons. Defense Acquisition Regulation § 2-404.1, reprinted in 32 C.F.R. pts. 1-39 (1983); Chemical Compounding Corporation, B-210317, May 10, 1983, 83-1 C.P.D. ¶ 499. A contracting officer has broad discretion in determining whether a cogent and compelling reason exists and, thus, a determination to cancel a solicitation is not legally objectionable unless there clearly is no reasonable basis for it. Chemical Compounding Corporation, B-210317, id.

029683

The agency report indicates that the workload changes anticipated at the time the IFB was canceled were material. They included a decrease in the workload by a transfer of eight CH-47B helicopters to another base and an increase in the workload due to an increase in other types of aircraft and the addition of a contract refueling/defueling requirement for the 179th Aviation Company.

Tecom contends that instead of canceling the IFB, the Army should have negotiated new prices after award was made. We disagree. While recognizing that contract changes or modifications may be required subsequent to award, we have cautioned that this is not to say that the contracting parties may employ a change in the terms of the contract so as to interfere with or defeat the purpose of competitive procurement. Central Mechanical, Inc., B-206030, Feb. 4, 1982, 82-1 C.P.D. ¶ 91. We have held that awarding a contract with the intention of significantly modifying the contract after award is improper. Central Mechanical, Inc., B-206030, id.

The record indicates that there was a major deficiency in the IFB regarding the quantity of work to be performed. We therefore view the Army's determination to cancel after bid opening to have been proper since the solicitation did not reflect the government's minimum needs. See Central Mechanical, Inc., B-206030, id.

In view of the foregoing, the question of the alleged ambiguities relating to the deduction procedures need not be addressed.

The protest is denied.

for *Milton J. Fowler*  
Comptroller General  
of the United States