

DECISION



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

FILE: B-216024

DATE: October 22, 1984

MATTER OF: Tri-States Service Company

DIGEST:

Protest against price ceiling imposed by agency for one item in a multi-item IFB is without merit since determination of what will satisfy government's needs is primarily within the discretion of procuring officials and GAO will not interpose its judgment for that of the contracting agency where it is not shown that the agency's judgment was erroneous and that award under solicitation will unduly restrict competition.

Tri-States Service Company (Tri-States) protests the price ceiling for the laundering and drycleaning of Battle Dress Uniforms (BDU) imposed by the Department of the Army (Army) under invitation for bids (IFB) No. DAKF19-84-B-0002.

We deny the protest.

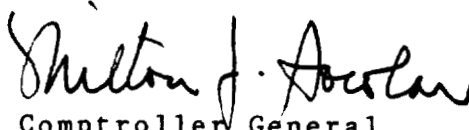
The IFB was issued to provide laundry and drycleaning services to all individuals and organizations stationed at Fort Riley, Kansas. Technical exhibit 14 of the IFB placed a maximum dollar limitation on the price that could be charged for the laundering and drycleaning of the BDU's. The BDU is the duty uniform worn by approximately 95 percent of the military personnel at Fort Riley. The Army states that unreasonably high prices for laundering or drycleaning this item would place a financial burden on the military personnel at the base. The Army indicates that since a single award was contemplated, a price ceiling on this particular item was considered necessary in order to protect against the possibility that the bidder could submit an unduly high price for this item. The Army contends that it is essential that the BDU's be properly maintained not only for appearance purposes but also to insure against early replacement and that the price ceiling was necessary to protect the soldiers from a potential financial hardship.

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Tri-States argues that the price ceiling is unduly restrictive of competition. Tri-States contends that ceiling prices should not be included in a solicitation where market forces are relied upon to secure the lowest possible price for the government.

We have held that the determination of what will satisfy the government's needs is primarily within the discretion of the procuring officials. We will not interpose our judgment for that of the contracting agency unless the protester shows that the agency's judgment is in error and that a contract awarded on the basis of such requirements would be in violation of law by unduly restricting competition. See Knoll International, B-210256, Mar. 28, 1983, 83-1 C.P.D. ¶ 317; Chrysler Corporation, B-206943, Sept. 24, 1982, 82-1 C.P.D. ¶ 271. Here, we cannot find that the Army's determination to impose a ceiling for the laundering and drycleaning of BDU's is clearly unreasonable. The imposition of a price ceiling for a particular item, where reasonably related to the government's needs, is not unduly restrictive. See Knoll International, B-210256, *supra*, at 2. The record indicates that there was more than adequate competition, and while Tri-States does not agree with the Army's determination concerning its minimum needs, such difference of opinion is not sufficient to upset the Army's determination in this regard. Integrated Forest Management, Inc., B-204106, B-204382, Jan. 4, 1982, 82-1 C.P.D. ¶ 6.

The protest is denied.


Acting Comptroller General
 of the United States