

*L-Cont***DECISION**

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

*82-2 cpd 124*

FILE: B-207043

DATE: August 10, 1982

MATTER OF: Milum Textile Services

**DIGEST:**

1. Protest filed with our Office more than 10 days after basis of protest was known or should have been known is untimely under our Bid Protest Procedures and will not be considered. 4 C.F.R. § 21.2(b)(2) (1982).
2. Determination concerning price reasonableness is a matter of administrative discretion which will not be questioned unless determination is unreasonable or there is a showing of bad faith or fraud.

Milum Textile Services (MTS) protests the award of a contract to Industrial Towel and Laundry (Industrial) under invitation for bids (IFB) No. N0429A-82-B-0209, issued by Contracting Division, Naval Air Station, Point Mugu, California.

The IFB called for laundry and dry cleaning services for the period from May 1, 1982, through July 30, 1983. MTS's bid was rejected because amendment 0001, incorporating a new wage determination under the Service Contract Act, was not acknowledged and submitted before the bid opening. MTS objects to rejection of its bid and also contends that the solicitation should be canceled because the only other bid received was unreasonably high.

For reasons stated below, we dismiss the protest in part as untimely and deny the remainder.

On February 26, 1982, the IFB was issued and advised bidders that an updated Service Contract Act wage determination had been requested and would be issued as an amendment. Amendment 0001 was sent to

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MTS and Industrial on March 3, 1982. While Industrial made a timely acknowledgement of amendment 0001, MTS did not, but it admits receipt of the amendment on March 6, 1982. Following bid opening on March 11, 1982, the contracting division received a signed copy of amendment 0001 from MTS on March 15, 1982. On March 23, 1982, the contracting division informed MTS that its bid had been rejected as nonresponsive because "the amendment was a material part of the bid and it was received after the due date."

Our Bid Protest Procedures require that protests be received no later than 10 working days after the basis for protest is known or should have been known, whichever is earlier. 4 C.F.R. § 21.2(b)(2) (1982). MTS learned of its basis for protest on March 23, 1982, when it was informed by the contracting division that its bid was nonresponsive because the amendment was received after the bid opening date. Our Office did not receive MTS's protest letter until April 7, 1982. Since the protest was filed more than 10 days after March 23, 1982, this basis is untimely and will not be considered on the merits. Roehl Construction Company, B-207354, June 7, 1982, 82-1 CPD \_\_\_\_\_.

MTS further contends that the solicitation should be canceled and the requirement resolicited because of unreasonable price since the only remaining responsive bid (Industrial's) is 6 percent higher in price than MTS's bid and 10 percent above the Government estimate.

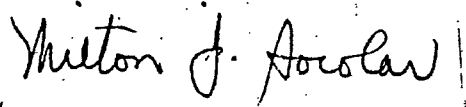
The authority vested in the contracting officer to decide whether or not to cancel an invitation and readvertise is extremely broad. Scott Graphics, Inc., et al., 54 Comp. Gen. 973 (1975), 75-1 CPD 302. The Defense Acquisition Regulations (DAR) § 2-404.1(b) ASPR (Defense Acquisition Circular 76-17, September 1, 1978), authorizes cancellation for compelling reasons, where "all otherwise acceptable bids received are at unreasonable prices." DAR § 2-404.1(b)(vi), supra. This ASPR Office has stated that a determination concerning price unreasonableness is a matter of administrative discretion which our Office will not question unless the determination is unreasonable or there is a showing of bad faith or fraud. Culligan Incorporated, Cincinnati, Ohio--Reconsideration, B-189307, November 7, 1977, 77-2 CPD 345.

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In the past, our Office has not objected to a contracting officer's decision that a bid which exceeded the Government estimate by more than 20 percent was not unreasonable as to price. Fowler's Refrigeration and Appliance, Inc.--Reconsideration, B-201389.2, May 11, 1981, 81-1 CPD 368. Therefore, in the circumstances here we find no basis to conclude that the low bid was unreasonably high.

The protest is dismissed in part and denied in part.

*for*   
Comptroller General  
of the United States