

DECISION

501227
**THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548**

FILE: B-211704

DATE: May 26, 1983

MATTER OF: Association of Citizens from Alpine, Texas

DIGEST:

GAO will not consider complaint by citizens association questioning award of contract funded by Federal agency grant where legitimate, recognizable interests in award are adequately protected by limiting parties eligible to request GAO review under public notice at 40 Fed. Reg. 42406, September 12, 1975, to firms that submitted bids.

An Association of Citizens from Alpine, Texas (Association), complains of the Alpine Housing Authority's award of a contract to Hunt Building Corporation (Hunt) to build low income housing in Alpine under a Department of Housing and Urban Development grant. The Association complains that Hunt was awarded the contract although its initial bid was \$300,000 higher than the other bidder, that because of zoning problems the project was resolicited and Hunt, the sole bidder under the resolicitation, was again awarded the contract, but at a higher price, and that the project may have to be resolicited which could result in an even higher priced contract. The Association asks that this Office review the propriety of the award to Hunt and the rebidding which has permitted Hunt to raise its bid price above its original price which was \$300,000 above the other bidder.

We will not consider this complaint because the Association is not an interested party.

In Public Notice entitled "Review of Complaints Concerning Contracts Under Federal Grant," 40 Fed. Reg. 42406, September 12, 1975, our Office issued the standards and procedures under which we will consider such complaints. The notice states that:

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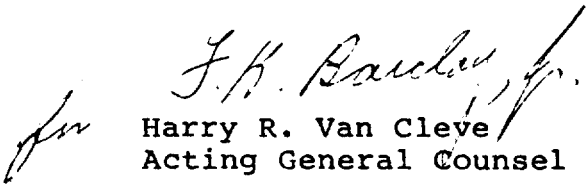
"* * * we will undertake reviews concerning the propriety of contract awards made by grantees in furtherance of grant purposes upon request of prospective contractors." (Emphasis added.)

By that language, we intended to limit the parties that can initiate our review to those with direct and recognizable interests, i.e., generally bidders under the grantee's solicitation.) Hydro-Clear Corporation, B-189486, February 7, 1978, 78-1 CPD 103.

Here, the Association's interest would appear too tenuous for it to be considered an interested party to question the bidding procedures followed. The Association is not a prospective contractor and, as it points out, there was at least one other bidder and, in our view, bidders have the more direct interest in ensuring that proper award procedures were followed. We note that to date the other bidder has not complained. Cf. Kenneth R. Bland, Consultant, B-184852, October 17, 1975, 75-2 CPD 242.

The Association's actual complaint appears to be against the decision by the Alpine Housing Authority to locate the Alpine low income housing project in a particular neighborhood of Alpine. In our view, this type of complaint is not a procurement issue for our review.) GAO review of contract awards under Federal grants is intended to determine whether or not a contract award by grantees under Federal grants is consistent with grant terms and with statutory and regulatory requirements. GAO Public Notice 40 Fed. Reg. 42406 (1975).

We dismiss the complaint.


Harry R. Van Cleave
Acting General Counsel