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

71-0049-21



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B-170980

APR 19 1971

Dear Mr. Chairman:

This is in reply to your letter of September 30, 1970, requesting that we check out the contents of an enclosed anonymous letter concerning the quality of plumbing and heating work performed by Barberio & Sons in Bayonne, New Jersey. D. 1956

As far as we could determine, the firm had done plumbing and/or heating work in the following three projects in Bayonne, New Jersey, which could involve Federal housing programs.

1. Hud-Bay project

The Hud-Bay project, owned and developed by the Hud-Bay Development Corporation, consists of 125 housing units that have been rehabilitated through the use of private funds. Barberio did all the plumbing and heating work for which it received about \$225,000. The developer has placed the rehabilitated housing units in the leased-housing program authorized by section 23 of the National Housing Act. Some of the units have been rented.

2. Midtown urban renewal project

Midtown is an urban renewal project in which the Midtown Development Corporation has constructed town houses through the use of private financing. The plumbing work was done by Barberio. Although no Federal money was provided for construction of the houses, mortgage insurance may be made available to the potential homeowners by the Federal Housing Administration.

3. Concentrated code enforcement project

There were 98 property owners in a concentrated code enforcement project who received Federal financial assistance to rehabilitate their properties. Of these properties, 31 required plumbing and/or heating work. We found only one property where Barberio had done plumbing work. The firm has completed a portion of the work for which it has received \$1,000.

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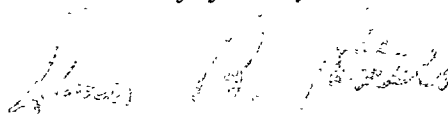
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We reviewed various records available in the Newark area office of the Department of Housing and Urban Development (HUD) and records of the city of Bayonne. We also held meetings with various officials of HUD and the city of Bayonne, including the executive director of the Bayonne Housing Authority; the city engineer, Bayonne; and the city plumbing and health inspectors. We found no evidence that the quality of the work performed by Barberio in the Hud-Bay and Midtown projects had been unsatisfactory. 23

To determine the quality of the firm's work on the one property in the code enforcement project, we held a meeting with the director of the code enforcement program, Bayonne, and the property owner. The director stated that he had been informed by his inspector that the work had been inspected and found to be satisfactory. The city, however, could not provide a written report on the inspection. We were informed by the property owner that he was satisfied with Barberio's work and that, although completion of the work had been delayed, the property owner assumed full responsibility for the delay. He explained that personal problems had caused the delay.

We trust that the above information is responsive to your request.

Sincerely yours,



Comptroller General
of the United States

at R
The Honorable Jack Brooks, Chairman
Government Activities Subcommittee
Committee on Government Operations
House of Representatives

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