

DOCUMENT RESUME

02651 - [A1652642]

[Repair Contracts Effected under Chapter 13 of 12 U.S.C.].  
B-188836. June 6, 1977. 2 pp.

Decision re: Philadelphia Building Trades Council: Center City  
Committee; by Paul G. Dembling, General Counsel.

Issue Area: Federal Procurement of Goods and Services (1900).  
Contact: Office of the General Counsel: Procurement Law II.  
Budget Function: General Government: Other General Government  
(806).

Organization Concerned: Albany Remodeling Co.; Department of  
Housing and Urban Development: Philadelphia Area Office, PA.  
Authority: 12 U.S.C. 1710(g). 12 U.S.C. 1702. 31 U.S.C. 71. 31  
U.S.C. 74. B-184866 (1976).

The protester objected to the award of a contract to a competitor for the repair of 50 single-family properties. The repair contracts were effected under 12 U.S.C., Chapter 13, and were not for settlement by GAO. The protest was dismissed since the Secretary of Housing and Urban Development is authorized under 12 U.S.C. 1702 to make such expenditures as are necessary to carry out the provisions of the law without regard to any other provisions of law governing the expenditures of public funds. (Author/SC)

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**DECISION**



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

Ayer  
P.L. II

**FILE: B-188836**

**DATE: June 6, 1977**

**MATTER OF: Center City Committee of the Philadelphia  
Building Trades Council**

**DIGEST:**

Protest involving repair contracts effected under 12 U.S.C., Chapter 13, is not for settlement by GAO and is dismissed since Secretary of HUD is authorized under 12 U.S.C. 1702 to make such expenditures as are necessary to carry out provisions thereof without regard to any other provisions of law governing the expenditures of public funds.

The Center City Committee of the Philadelphia Building Trades Council (CCC) protests the award of a contract to the Albany Remodeling Company under invitation for bids (IFB) No. 26-77-034, issued by the Property Disposition Branch, Philadelphia Area Office, Department of Housing and Urban Development (HUD) for the repair of 50 single-family properties. CCC argues that the contractor "could not possibly perform the work using prevailing wage rates or using HUD's required Catalogue of Specifications" at the contract price.

This Office considers bid protests pursuant to the authority in 31 U.S.C. 71, 74 (1970) to adjust and settle accounts and to certify balances in the accounts of accountable officers. However, upon consideration of the extent of the jurisdiction which Congress has placed in the Federal Housing Administration we have concluded that no useful purpose would be served by a decision of this Office.

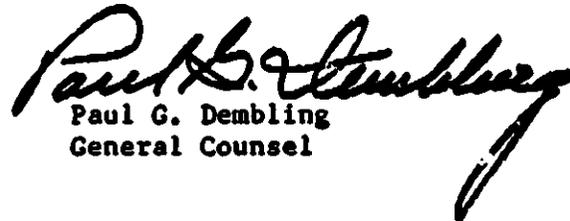
We have been advised by HUD that the properties to be repaired were held under mortgages which had been insured by the Secretary of HUD pursuant to various sections in 12 U.S.C., Chapter 13. Upon default by the mortgagors, the Secretary paid insurance benefits to the mortgagees and acquired the various properties. Under Chapter 13, the Secretary is authorized to dispose of such properties as well as repair and renovate them. (See 12 U.S.C. 1710(g)). In Monarch Wrecking, Inc. and Detroit Demolition Contractors Association, B-184866, April 1, 1976, 76-1 CPD 214, we concluded that this Office

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is without authority to settle matters of this nature primarily because of the power vested in the Secretary of HUD by 12 U.S.C. § 1702 (1970) to make such expenditures as are necessary to carry out his duties under Chapter 13 without regard to any other provisions of law governing the expenditures of public funds.

Regarding CCC's contention that contractors under HUD contracts are not performing their contracts in accordance with the required specification, since this is a matter of contract administration and not for consideration by our Office, we are by letter of today referring this matter to HUD for whatever consideration it deems appropriate.

Accordingly, the protest is dismissed.

  
Paul G. Dembling  
General Counsel