

GSA Bars \$1.7 Million

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The General Services Administration announced yesterday that contrary to normal procedure, it will not award a \$1.7 million design contract to Gaudreau, Inc., a Baltimore architectural firm involved in the federal investigation of kickbacks to Maryland politicians.

Arthur F. Sampson, administrator of the federal agency, said at a press conference: "The widespread publicity surrounding the firm, in my view,

makes the Gaudreau selection for this project inadvisable. Selection of the firm—or any other firm with extensive publicity of this nature—would be detrimental to public faith in the GSA architect-engineer selection system."

Sampson said that because Gaudreau, Inc., was part of a joint venture that did a \$318,000 feasibility study of a planned expansion of the Social Security Administration's facilities in Baltimore, it "normally" also would share in a \$5.1

million design contract—\$1.7 million of which would have gone to Gaudreau—for the project. He said the other two firms are not affected.

Sampson also announced that he shortly will "appoint a high-level special study committee to examine the General Services Administration procedure used for selecting architects and engineers."

Sampson defended GSA's present system of selecting architects and engineers to design federal buildings without competitive bidding

but on the recommendations from regional panels of professional colleagues. However, Sampson added, "There is always a need to discover if we can improve the system."

GSA's awarding of architect and engineering contracts has come under scrutiny and criticism in recent newspaper articles.

They focused on GSA's intended award to Gaudreau of the contract for the Social Security buildings in the Baltimore area—despite three official recommenda-

Contract for Baltimore Firm

tions that Gaudreau not get the job.

Sampson said GSA's action against Gaudreau, Inc., "in no way reflects on the competence of the Gaudreau firm. It in no way impugns Mr. Gaudreau's professional integrity. It in no way implies any judgment concerning the recent investigations in Maryland."

Paul L. Gaudreau, president of Gaudreau, Inc., called Sampson's action "grossly unfair. I'm talking to my lawyers tomorrow. I'm just dumbfounded by the action." Sampson personally informed Gaudreau of GSA's action at a meeting yesterday morning in Washington.

Gaudreau said that though his architectural firm expects to be a government witness in the federal

prosecution of kickbacks by architects and engineering firms to Maryland politicians, no one in the firm has been indicted or named as a coconspirator. Gaudreau said the firm never paid any officials to obtain contracts.

However, Gaudreau, Inc. is one of eight consulting companies named in the federal bribery and extortion indictment against Baltimore County Executive Dale Anderson. The 39-count indictment alleges that between November, 1968, and March, 1972, Gaudreau made eight payments totaling \$23,920 to Anderson in connection with a contract the firm was awarded to design the \$20 million Baltimore County Courts Building, now nearing completion.

Sampson personally had

approved Gaudreau Inc. as one of the three firms to do the \$318,000 feasibility study for the Social Security Administration expansion in Baltimore that was expected to lead to the \$5.1 million design contracts. The selection was made even though both the Social Security Administration and a GSA advisory panel recommended that the job be given to two other firms.

These two firms—Meyer, Ayers, Saint, Stewart Inc. and Richter, Cornbrook, Matthai, Hopkins Inc., both of Baltimore — later were brought into a joint venture-ship by Gaudreau to help it with the expansion design, and shared with Gaudreau Inc. in the contract.

The Meyer firm and a predecessor of the Richter

firm had for the previous 17 years designed virtually every building in the Social Security Administration complex in Woodlawn, just west of Baltimore.

Their joint venture with Gaudreau was known as MGR Associated Architects. Sampson said the two firms "would have a competitive advantage in now seeking the \$5.1 million design contract, but no decision has been reached on who will be selected.

Sampson told the press conference that Vice President Spiro T. Agnew's office had recommended Gaudreau Inc. for a previous \$126,000 contract, which it was awarded, to plan the renovation of the Justice Department building here.