

I would not know how many proposals are involved in the existing situation; but if it appears that there is going to be only a short period of time involved, I would not recommend any changes in the existing procedures.

I do not see any point in trying to make two shifts in procedures.

Mr. CRAMER. It is my understanding, is it not, as contained in the presently existing order, that they have a pilot project in three areas—St. Louis, San Francisco, and Cleveland—that are presently in existence now; is that correct?

Secretary BOYD. Not to my knowledge. The ones I know about are Cleveland and Philadelphia. Now, there may be others.

Mr. CRAMER. Philadelphia may be a more recent one, but I understood that—

Secretary BOYD. Mr. Bridwell is current on this subject.

Mr. CRAMER. Mr. Bridwell?

Mr. BRIDWELL. I think the three areas that you have mentioned, that that is accurate, that there are pilot projects there. There is a fourth one which the Secretary has mentioned, Philadelphia.

The problem that you were referring to as it relates to the highway program has been of significance only as it relates to the Philadelphia and Cleveland areas.

Mr. CRAMER. I understand in the Philadelphia area that at the preaward conference prescribed by OFCC, Peter Kiewitt's representative refused to submit a manning table, which OFCC requires as part of the active program, and he stated the reason for refusal was he had no way of knowing whether the local union would supply him with the number of members required, and because of the refusing to submit the manning table, OFCC did not approve the award.

Secretary BOYD. I am not sure about the reason of this state of refusal. The fact is the gentleman did refuse and the State highway director indicated his support of the representatives of Peter Kiewitt. The Federal Government followed the position of the OFCC and the Governor of Pennsylvania, within a very short period thereafter, expressed his support of the preaward requirement.

Mr. CRAMER. Well, your agency, because of the nonconformity to OFCC requirements, would not concur in the award?

Secretary BOYD. That is correct. That is correct.

Mr. CRAMER. A similar situation developed with regard to the Cleveland Carl M. Gueppel Construction Co.

Secretary BOYD. Yes, I think that is Gueppel. I am not sure that has been resolved yet.

Mr. BRIDWELL. It has not.

Secretary BOYD. No, I think there is negotiation underway on the Gueppel contract. I do not believe that there has been a parting of the ways there.

Mr. CRAMER. Well, the reason I cite it is to indicate under the present procedures there have been at least to our knowledge one contract turned down, low bidder.

Secretary BOYD. Yes, sir.

Mr. CRAMER. Resulting from nonconformance.

Possibly this approach, suggested by the General Accounting Office, will help resolve some of these problems.