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## **Attorney General Martha Coakley**

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October	15. 2008 -	For immediate	elease:			

## Former Boston Housing Authority Employee Arraigned for Allegedly Rigging the Bidding Process on Projects at the Boston Housing Authority

**BOSTON** – Today, a former Boston Housing Authority (BHA) employee was arraigned in Suffolk Superior Court for allegedly rigging the bidding process for public projects handled by the Boston Housing Authority, and for also causing damage to a BHA apartment he was living in. Mark Collins, age 37, of Jamaica Plain, is charged with Procurement Fraud (10 counts), Conflict of Interest by a Municipal Employee, and Wanton Destruction of Property over \$250. He was arraigned before Magistrate Gary Wilson, at which time he entered a plea of not guilty and was released on personal recognizance.

Two other co-defendants are scheduled to be arraigned on October 22, 2008, in connection with this case. Collins's wife and former Boston Housing Authority employee, Gisela Collins, age 38, also of Jamaica Plain, is charged with Conflict of Interest by a Municipal Employee. Jayson Tracey, age 38, of Brockton, is charged with Procurement Fraud (7 counts).

After an initial investigation by the Inspector General's Office (IG), the Attorney General's Office began an investigation in March 2007, focusing on the owners of two flooring companies who fraudulently won contracts at the Boston Housing Authority (BHA) from May 2006 through October 2007. Authorities allege the owners and their companies rigged the bidding process, and in some instances submitted fake bids, in order to win these contracts.

The company, Flooring Designs, Inc., based in West Bridgewater and owned by Jayson Tracey, won a total of 18 BHA contracts between May 2006 and March 2007. Investigators discovered that Tracey was able to win seven of these jobs by allegedly submitting fake bids in the name of a friend's business. Investigators discovered that because of this fraudulent scheme Tracey won contracts to install flooring in BHA buildings worth approximately \$75,000.

After reviewing BHA documents, investigators also discovered that a company named Citypoint Construction Inc. (Citypoint), based in Jamaica Plain, was owned by BHA employee Mark Collins. Between July 2007 and October 2007, Citypoint submitted bids and won 15 flooring jobs at the BHA worth a total of over \$47,000. Although Collins participated as a BHA employee in soliciting bids from vendors and submitting bids to his BHA managers, he did not disclose his ownership interest in Citypoint. Investigators discovered that in addition to improperly using inside information to help Citypoint win flooring contracts, Collins allegedly created and submitted fake bids for several of these jobs. Authorities also allege that Collins's wife, Gisela, improperly used her position as a manager at the BHA to help her husband's company win a contract.

The BHA later fired Mark and Gisela Collins for the alleged misconduct. They were then ordered to move out of the BHA apartment in which they had been living. Authorities allege that while leaving the property, Mark Collins recklessly caused over \$250 in damage to the apartment.

A Suffolk County Grand Jury returned indictments against all three individuals on October 7, 2008. Today, Mark Collins was arraigned in Suffolk Superior Court where he pled not guilty and was released on personal recognizance. He is scheduled to appear in court on January 9, 2009, for a pretrial conference. Two other co-defendants are scheduled to be arraigned in Suffolk Superior Court on

October 22, 2008.

This case is being prosecuted by Assistant Attorney General David Waterfall, of Attorney General Martha Coakley's Corruption and Fraud Division, with assistance from Massachusetts State Police assigned to the Attorney General's Office. Investigator Dan O'Neil of the Inspector General's Office assisted with the investigation.

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