

City Council – Action Request Form

Date: March 29, 2017

To: The City Manager

From: Evan Raleigh, Director Office of Business Inclusion & Advancement

Council Action Requested:

Consideration of a Resolution Requesting Final Payment be made to Charles D. Lowder, Inc. for the 28th Street Drainage Improvements and Water & Sewer Rehabilitation Project.

Summary of Information:

The City's M/WBE Advisory Committee met on March 28, 2017 to review the good faith effort of Charles D. Lowder, Inc. on the 28th Street Drainage Improvements and Water & Sewer Rehabilitation Project. The contract in the amount of \$6,399,703 was awarded to Charles D. Lowder, Inc. on December 15, 2014, and the contractor agreed to subcontract 5% with certified minority-owned firms (MBE) and 5% with certified woman-owned firms (WBE). At the end of construction the contractor failed to achieve these goals, obtaining 2.4% MBE and 17% WBE participation.

The M/WBE Advisory Committee reviewed the documentation, and considered the factors submitted by the general contractor to explain their inability to meet the contractual M/WBE participation goals. David Baker, Senior Project Manager, of Charles D. Lowder, Inc. attended the meeting and stated that the MBE subcontractor was unable to deliver materials in a timely manner.

Due to minimal communication between the general contractor and subcontractor, lack of notice and/or negotiation of scheduling, and no correspondence to M/WBE staff prior to the completion of the project, the M/WBE Advisory Committee voted 6 to 2 that a good faith effort was not made on behalf of Charles D. Lowder to meet the M/WBE goals.

It is the recommendation of the M/WBE Advisory Committee that final payment be released once all other conditions have been satisfied. Going forward, staff will implement a formal progressive disciplinary policy up to and including disqualification from bidding on future construction contracts in cases where the contractually established M/WBE goals are not met at project end and the M/WBE Advisory Committee determines that a good faith effort has not been made.

Committee Action:

Committee	Finance 4/10/17	Action	Forward to Council
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For	Unanimous	Against	
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Remarks: