

# City sued over handling of demolition bids

By Sandy Hodson | Staff Writer  
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An Augusta demolition company that was the first local business to legally challenge the way the city buys goods and services has sued again -- this time over a last-minute bid substitution that substantially changed the city's approach to seeking demolition services.

The suit by Thompson Building Wrecking Co. seeks a temporary restraining order and asks the judge to find the city in contempt of court. The company's attorney, Robert Mullins, filed the motions Friday in U.S. District Court.

Thompson contends that the city is trying to give minority-owned businesses preference in direct violation of a November 2007 federal court order that prohibits the city from race-based preferential treatment.

A date for Judge J. Randal Hall to consider the motions has not been set. The city has 20 days to respond to Thompson's complaint.

The newest legal battle is over the city's decision to seek bids for the demolition of three apartment buildings at 910 Wrightsboro Road.

The Augusta Housing and Community Development Department is in charge of the project, which is part of the effort to revitalize the Laney-Walker neighborhood.

The city put the demolition project out for bid on July 15 but withdrew the request on Aug. 28.

The city put the bid out again, but this time it went out as a Request for Qualifications, a process normally restricted to professional services such as architecture and engineering.

In the demolition RFQ, bidders will submit their plans. The city will then judge the bidders' qualifications and develop a short list. Only those on the short list are asked to submit a price for the project.

Thompson took exception to the RFQ's statement that it seeks bidders with "demonstrated commitment to employ and utilize minority businesses in project planning and implementation.

"The more specific the (bidder) can be in describing the above listed responsibilities the higher the response will be scored."

Thompson further contends that the RFQ violates state law and city ordinance requirements that all public works jobs be put out for competitive bidding.

The company also contends the RFQ violates the state's requirements that all contracts must include bid bonds, performance bonds and payment bonds when the project is valued at \$100,000 or more. The city's RFQ for the project doesn't require the mandatory performance or payment bond.

According to the city procurement department's online records, no other demolition project has been submitted as an RFQ since at least January 2007. The use of RFQs has increased every year, however, from 13 in 2007 to 13 so far this year.

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**BACKGROUND:** Thompson Building Wrecking Co., first sued the city of Augusta in 2006 over a demolition project being awarded to another company when Thompson's bid was \$250,000 cheaper.

**THE BATTLE:** It set off a legal battle over access to public documents; the city's use of a materiality clause, which mandates perfect adherence to a bid request in order to be considered; and the city's old Disadvantaged Business Enterprise Program, which gave small businesses and those owned by women or minorities an advantage in bidding.

**COST TO TAXPAYERS:** Litigation has cost taxpayers hundreds of thousands of dollars, and several lawsuits are pending.

### **ORIGINAL LAWSUIT**

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