

**FAYETTEVILLE PUBLIC WORKS COMMISSION
ANALYSIS OF RECOMMENDATION**

TO: Marion J. Noland, Interim CEO/General Manager

DATE: May 3, 2023

FROM: Water Resources Engineering Department

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PWC advertised the Phase V Annexation Project XII Area 26 Cliffdale West Subdivision Volume I & II (the “Project”) on March 9, 2023. PWC received only two (2) bids for the Project, and so the Project was re-advertised on April 11, 2023, with a bid opening date of April 20, 2023. PWC received bids from Metra Industries, Inc. (“Metra”) and T.A. Loving Company (“TALCO”). It is recommended that the bid submitted by Metra be rejected because Metra is a non-responsible bidder for Project at this time. This recommendation is based on the evaluation of the bid submitted by Metra, reference checks performed of the contractor, and PWC staff’s additional research of Metra. PWC staff recommends that the Commission award the contract for the Project to TALCO as the lowest responsive, responsible bidder.

Metra submitted the lowest apparent bid for the Project, which is a large, complex annexation project. Due to the complexity of the Project and PWC staff’s lack of prior experience with Metra, staff performed reference checks and research of the contractor. In general, the reference checks completed by PWC staff revealed concerns that are unacceptable to PWC when evaluating the responsibility of a bidder. Specifically, Metra listed references for projects completed for the City of Baltimore, Rockland County Sewer District, and Charlottesville, Virginia. While the reference check by Charlottesville, Virginia did not provide specific concerns, the City of Baltimore and Rockland County Sewer District both advised that Metra has been barred from bidding on any projects for the respective entities for a period of time.

The City of Baltimore informed PWC staff that the Metra was specifically banned from bidding on projects for two (2) years due to the contractor’s failure to follow the City’s policies and procedures related to its minority and women owned business program. This issue was well documented in news publications, and some of the related publications are provided with this memo.

Rockland County Sewer District also banned Metra from bidding on projects for two (2) years due to excessive claims and change orders, poor management, issues with subcontractor payments, and failure to

complete projects. These issues were again well documented in news publications, and some of the related publications are provided with memo.

During the review of Metra's bid, PWC staff also learned that Metra had previously completed a project for the City of Raleigh, North Carolina. The City of Raleigh informed PWC staff that Metra had significant safety issues during the project that required contacting OSHA, non-compliance issues with the contract, complaints from City of Raleigh personnel and its customers, and that the project completion was significantly delayed due to Metra's actions. PWC staff was also informed that Metra would not be approved through its current prequalification process for future projects at this time.

Lastly, PWC staff has concerns in view of the foregoing that the bid submitted by Metra may result in significant change orders. Metra submitted a bid of \$ 8,826,688.00 while TALCO submitted a bid of \$10,725,500.00 (a difference of \$1,898,812.00). Based on experience with past annexation projects, PWC staff believes that TALCO's bid more accurately reflects the anticipated final cost of the Project, barring significant issues.

Based on the foregoing, PWC staff has determined that although Metra did present the lowest apparent bid, it is a non-responsible bidder for this Project. Therefore, PWC staff evaluated the only other bid for the Project, which was submitted by TALCO. PWC staff has evaluated prior projects for which PWC has engaged TALCO to complete. Significant to this project, TALCO has completed prior annexation projects of a similar nature for PWC, and those projects were completed timely, consistent with expectations and specifications, and without unreasonable or unjustified delays or issues. PWC staff has evaluated TALCO's prior work for PWC as being favorable. Therefore, PWC staff recommends based on the foregoing and the attachments, and submits that it is in PWC's best interests, that the Commission reject Metra's bid due to the contractor being non-responsible for this project and award this project to the lowest responsive, responsible bidder, TALCO.