

Lawsuit accuses director of fraud

By Johnny Edwards | Staff Writer
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A federal lawsuit against Augusta's procurement director accuses her of running a rigged bidding system, punishing some contractors while playing favorites with others.

Attorney Robert Mullins filed the suit Wednesday on behalf of the Association for Fair Government and three companies who lost out on government jobs. One of the three is Thompson Building Wrecking Co., which sued the city in 2006 after its bid to demolish the Telfair Street candy factory was rejected over a technicality.

The new complaint depicts a procurement department operating on inconsistent, sometimes irrational rules. It characterizes director Geri Sams as "stubbornly litigious," acting with "malice, fraud, wantonness, oppression" and "indifference to consequences."

Ms. Sams could not be reached for comment Wednesday on the lawsuit, which represents only one side of a dispute. She was out of her office and did not return a message left with her staff. She and the city government, also a defendant, have 20 days to respond to the allegations.

A review by The Augusta Chronicle, published Jan. 27, found that her department's rejection of low bidders cost taxpayers \$2 million in 2006 and 2007. Mr. Mullins' suit says she's also violating bidders' civil rights.

In one case, CSRA Testing & Engineering underbid Florida-based MC Squared by more than \$100,000 for a scientific testing job at the Highland Avenue water plant. The local company was rejected because it submitted six copies of its proposal instead of seven. MC Squared got the job, even though "upon information and belief," the Florida company also submitted only six copies, the suit says.

Paperwork requirements, supporting documents, financial statements and other attachments are required of bidders under the "materiality provision" of city code. A review of 100 procurement projects found 87 bids rejected because of incomplete packages, but 97 bids not rejected despite paperwork problems, according to the suit.

Before a federal judge declared the city's program that gave preference to minority contractors unconstitutional, Disadvantaged Business Enterprise papers were also required.

Still, 20 companies that didn't submit the documents got a pass, while 20 others who failed to do so were rejected.

Mr. Mullins said Wednesday he doesn't know why Ms. Sams would operate her department that way.

"That's a very good question," he said. "I certainly hope we all find out at some point."

The suit seeks unspecified punitive damages and attorneys fees, as well as the materiality provision and bid protest rule being declared invalid.

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