CHARLOTTE

City Council
Follow-Up Report

March 7, 2012

February 27, 2012 - City Council Business Meeting

Funding Request from Step Group
Staff Resource: Jamie Banks, Neighborhood & Business Services, 704-432-5111, jbanks@charlottenc.gov

During the Citizens' Forum, Ms. Earlene Brown and Ms. Angela Tyson Daughtry shared that the Grier Heights Steppers are looking for funds to develop an afterschool and a summer program and looking for funds to replace uniforms and instruments for the group.

Neighborhood & Business Services (NBS) staff has spoken with Ms. Daughtry. NBS staff has a meeting on Thursday, March 8 with the Keisha Coxe, Director of Community & Recreation Services for the Naomi Drenan Recreation Center. The meeting is to plan structured youth activities for the Grier Heights area. Staff will make sure to identify possible collaborative efforts that would include the Grier Heights Steppers. In addition, staff is exploring whether or not the group would qualify for an Arts and Science Council Cultural Grant.

Bus Maintenance Facility
Staff Resource: David McDonald, CATS, 704-336-6900, dmcdonald@charlottenc.gov

During the Citizens' Forum, Kurt Pugh and Victor Haugen spoke about non-payment of work they completed for the Davidson Bus Maintenance Facility over the past year. Mr. Pugh owns KP Site Development and is a subcontractor to the City's prime contractor, Clancy & Theys. Mr. Haugen owns Haugen Trucking and is a subcontractor to Mr. Pugh. The City Council requested a report on the outcome of the good faith meeting that was held on Thursday, March 1st by City staff between Clancy & Theys, KP Site Development and Haugen Trucking. The purpose of the meeting was to work through any outstanding items and clarify payment timeframes.

During the good faith meeting with Clancy & Theys, CATS staff determined the following:

- Clancy & Theys acknowledged that they owed Mr. Pugh $40,594.06 but, they have not invoiced or received payment for all of this work yet. Part of the work in question is included in pay application #21 and the remainder is in pay application #22. (A pay application is the same as an invoice. The number that applies to the invoice is the number in the series that has been sent under that contract. Thus, pay application #21 is the 21st invoice on this particular contract.)

- Mr. Pugh had filed a claim with the surety company against Clancy & Theys bond to protect his interests.
- Clancy & Theys has received payment from the City for pay application #21. This check was mailed on 2/21/12 and cashed on 2/23/12. Clancy & Theys was holding a $12,000 payment until Mr. Pugh provided a lien release to the surety company.
- Mr. Pugh agreed to send the surety company a letter of release for the $12,000 portion of his claim against Clancy & Theys' bond. Clancy & Theys agreed to pay Mr. Pugh $12,000 of the retainage that he is owed via overnight mail after receipt of the release. Staff believes that this retainage is related to the work performed and billed under pay application #21.
- Mr. Pugh sent a letter to the surety company acknowledging that the issue has been resolved and that he expects to be paid $12,000 the week of March 5, 2012.
- Clancy & Theys submitted pay application #22 to CATS on March 2, 2012. This pay application includes all of the remaining items that Mr. Pugh and Mr. Haugen are owed. The submission of this pay application had been delayed by negotiations on some outstanding changer orders that have recently been resolved. Staff will work to expedite the review of pay application #22 and, barring any issues with the overall pay application, Clancy & Theys should be paid in 3-4 weeks.
- Once Clancy & Theys is paid for pay application #22, they will pay Mr. Pugh the remainder of what he is owed. This should be $28,594.06. Staff will notify Mr. Pugh and Mr. Haugen once the City has paid Clancy & Theys and have asked that Mr. Pugh notify staff when he receives the $12,000 retainage payment and the subsequent final payment of $28,594.06.