

# Department of Public Works

City Hall  
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Richard M. Jones, P.E.  
Commissioner of Public Works

Thomas M. Eeg, P.E.  
Asst. Comm. of Public Works/Operations

John C. Rooney, P.E.  
Asst. Comm. of Public Works/Engineering

July 14, 2009

Ald. Gregory Holding  
Chairman, Public Works  
and Services Committee  
Racine, Wisconsin

Dear Ald. Holding:

The Common Council, at its meeting of February 18, 2009, approved Resolution No. 09-1237 (attached) regarding a negotiated settlement with John's Concrete, Inc. regarding alleged violations of the Prevailing Wage Law.

The terms of the settlement agreement included:

1. Payment of \$2,096.73 on Contract 14-08 for underpayment of wages.
2. Payment of \$6,772.24 on Contract 16-08 for underpayment of wages.
3. Repair or replacement of 7 concrete slabs.
4. John's Concrete, Inc. agreed not to bid on City of Racine projects for 18 months, or until August 10, 2010.
5. No statutory debarment.
6. City agrees to reopen the wage investigation for Contract 45-07 (K7-053), 2007 Sidewalk Replacement, Phase II.

In regard to the last item, on March 3, 2009, the City received an affidavit stating that John's Concrete, Inc. disputes the wage claims of Mr. Mendoza and Mr. Coronado.

On April 7, 2009, I sent a letter (attached) to Mr. Binger, attorney for John's Concrete Construction, Inc., requesting payroll records.

On April 24, 2009, City Attorney Rob Weber requested payroll reports (attached) from the attorney for John's Concrete, Inc. As of June 19, 2009 no additional information has been received from John's Concrete, Inc. Therefore, a letter was sent with my ruling based on the information which was provided, that John's Concrete, Inc. failed to pay the prevailing wage rate on Contract 45-07 (K7-053), 2007 Sidewalk Replacement Phase II.

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I am, therefore, informing the Council of this action and requesting direction from the Council as it relates to John's Concrete, Inc. The options are:

1. Conduct debarment hearing regarding underpayment of wages on Contract 45-07.
2. Attempt to negotiate a settlement.
3. Do nothing.

I would be pleased to address any questions that you may have.

Sincerely,

Richard M. Jones  
Commissioner of Public Works/City Engineer

RMJ:das

Attachments

cc: Rob Weber