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CITY OF WEST ALLIS  
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October 7, 2009

Re: Press Release

A lawsuit has been filed over a controversial new ordinance that allows the City of Milwaukee to ignore the low bidder in awarding public works contracts, a move that could cost the cash-strapped city hundreds of thousands of dollars each year.

With little fanfare, the Milwaukee Common Council approved the Emerging Business Enterprises ordinance August 8 that gives general contracting firms headquartered in the city a 5% advantage in bidding on public works contracts or up to \$25,000 for each contract.

The first two contracts approved after the ordinance took effect did not go to the lowest bidder and are costing taxpayers more than \$25,000 than they would if the low-bid rule was followed. Milwaukee County Circuit Judge William Pocan signed a temporary injunction preventing the award of the contract until the issues can be resolved.

Opponents of the ordinance say it is unconstitutional, could have an impact on Milwaukee's relationships with its neighbors and opens the door to awards based on patronage rather than performance.

"Mayor Barrett is talking about delaying the purchase of squad cars and reducing the fire and police rolls," said Richard Wanta, executive director of the Wisconsin Underground Contractors, a trade organization not a part of the lawsuit. "The additional cost of these two projects alone would buy a new squad car."

American Sewer Services of Rubicon and Underground Pipeline of New Berlin brought the lawsuit. American bid \$1.167 million or more than \$22,000 less than the winning bid made by M.J. Construction of Milwaukee. Underground bid \$231,645 on another sewer project, only to lose out to M.J.'s bid that was more than \$3,300 higher.

The suit argues that because state, federal and county money is being used for the projects, many of the taxpayers paying for the projects are unjustly being denied access to the benefits of the contract, the opponents say.

Opponents also note that M.J. does not own its office and construction yard located at 8617 W. Kaul Ave. but leases it from Michael Tomasini, the company owner and resident, and his wife, Kathleen.

Proponents of the measure, which passed by a narrow 8-7 vote, say the move will nurture small business in the city, improve the city's economy and provide an edge over suburban contractors.

For further information, contact Richard W. Wanta at 414/778-1050.

*We dig Wisconsin*