

CE MAGUIRE, INC.

ARCHITECTS • ENGINEERS • PLANNERS

31 CANAL STREET, PROVIDENCE, RHODE ISLAND 02903 401/272-6000

OFFICE OF THE PRESIDENT

May 18, 1976

IN CITY COUNCIL
JUN 17 1976

READ:

WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.*Robert J. Haxton*
CLERK

Mr. Robert J. Haxton
President, City Council
City of Providence
City Hall - Dorrance Street
Providence, Rhode Island 02903

MAY 19 9 30 AM '76
DEPT. OF CITY CLERK
PROVIDENCE, R.I.

Dear Mr. Haxton:

The recent article in the Providence Evening Bulletin and Providence Journal by Mr. Robert Frederiksen on the selection of CE Maguire as a high bidder and least qualified is distorted, untruthful and a gross misinterpretation of the entire facts.

Many facts by their language in the articles tend to mislead the reader. This includes not stating clearly the important point that on the basis of the interviews with CE Maguire and at subsequent meetings where details of the assignment were more specifically outlined, the price proposal of CE Maguire had been reduced to \$175,000 prior to the publication of the Journal/Bulletin articles.

Several important items were never even included in the article even though they were told to Mr. Frederiksen by Dan Varin and Carl Boardman of the Statewide Planning Agency. We have asked the newspaper to print a retraction or at least present all the facts. Fearful that they will not, we are writing to you in the interest of fair play to give you the true story as we know it and as confirmed by Messrs. Varin and Boardman.

The attached enclosure is a summation of facts that we feel are important for you to know. We hope you will take time to read this communication. We believe the press has the responsibility for a truthful and complete reporting of a story to its readers. Otherwise, the reader cannot formulate opinions and come to rational conclusions on any items of interest and concern to the citizenry. We further believe CE Maguire, Inc. has been unjustly criticized by the Providence Journal/Bulletin and the only way we can actually get the true story across is to write you this personal letter.

CE MAGUIRE, INC.

Mr. Robert J. Haxton

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May 18, 1976

If you have any questions concerning this matter, I would appreciate a telephone call or letter. We would welcome the opportunity to discuss this matter with you personally.

Very truly yours,

CE MAGUIRE, INC.

A handwritten signature in cursive script, reading "Harold Bateson".

Harold Bateson
President

HB/cwg

Enclosure

RELEVANT FACTS DEALING WITH
PROVIDENCE JOURNAL/BULLETIN ARTICLES
MAY 13th AND 14th - RE: CE MAGUIRE

On May 14th CE MAGUIRE forwarded to Mr. Metcalf, President, Providence Journal Company, a letter in which we stated that the articles in the Evening Bulletin and Providence Journal May 13 and 14 were misleading, inaccurate and incomplete.

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As a result of the above referenced newspaper articles, a meeting was held with Mr. Daniel W. Varin, Chief of Statewide Planning Program and Mr. Carleton D. Boardman, Program Manager, on Friday, May 14, 1976. At that meeting Mr. Varin informed us of some facts given to Mr. Frederiksen by him that were not included in the newspaper articles. WITHOUT THE FOLLOWING FACTS PRESENTED IN PROPER SEQUENCE THE ARTICLES ARE MISLEADING AND MALICIOUS.

MAGUIRE'S PROPOSAL WAS NOT THE HIGHEST

1. CE Maguire, Inc. price proposal was not the highest. The highest price proposal quoted was \$500,000.

MAGUIRE'S FINAL PROPOSAL \$175,000

2. CE Maguire's initial proposal was \$372,400. At the interview with the Statewide Planning Board and at subsequent meetings with the Board, a further clarification of the scope of the work required was defined, resulting in a reduction in the services required. Accordingly, the price was tentatively reduced to \$248,000 and upon further clarification of the scope of work required, the price was subsequently reduced to \$175,000.

CONTRACT NOT YET AWARDED

3. The contract with CE Maguire has NOT yet been awarded pending final review and approval by the Environmental Protection Agency.

OTHER 208 HIGHER PRICE CONSULTANT SELECTIONS

4. The wide range of prices submitted for this proposal is no different than the range of prices received on other 208 projects tentatively to be awarded by the Statewide Planning Board.

For example, on another RI 208 project, the prices ranged from \$55,000 to \$375,000. The tentatively accepted proposal was

\$375,000.

As an additional example, on a third RI 208 project, the prices ranged from \$62,842 to \$429,600. The tentatively accepted proposal was for \$333,873.

PRICE NOT INTENDED TO BE THE TOTAL BASIS FOR SELECTION

5. In reference to the above examples as well as for CE Maguire's proposal, price was NOT the total consideration for selection of the engineering firm by the Statewide Planning Board. Each engineering firm offered a varied scope of services and prices depending upon their interpretation of the Request for Proposal.

MAGUIRE CONSIDERED QUALIFIED BY RI DEPARTMENT OF HEALTH

6. During the review process of all the 208 proposals submitted, recommendations were made by the Department of Health of the State of Rhode Island which considered three firms as qualified for this project. CE Maguire was one of the three qualified for this project.

CITIZEN'S POLICY COMMITTEE NOT PRESENT AT INTERVIEW/MEETINGS

7. Unfortunately, no member of the Citizen's Policy Committee was present at the interview or at subsequent meetings of CE Maguire with the Statewide Planning Board. At the interview and these meetings, many questions were answered with reference to the qualifications of Maguire, the scope of services required, and the costs.

MAGUIRE A LOCAL FIRM

8. Local office identification is one of the prime considerations in awarding consulting engineering projects in all local, federal and state projects throughout the country. This indicates that a preference for qualified local firms employing local professionals is not a unique situation to Rhode Island.

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ATTACHMENTS

Letter of May 12, 1976 from the Providence Engineering Society to the Managing Editor of the Providence Journal Company.

Letter of May 17, 1976 from the RI Society of Professional Engineers to the Managing Editor of the Providence Journal Company.



RISPE

RHODE ISLAND SOCIETY OF PROFESSIONAL ENGINEERS • 615 TURKS HEAD BUILDING, PROVIDENCE, RHODE ISLAND 02903 • 751-3200

May 17, 1976

The Managing Editor
Providence Journal Co.
75 Fountain Street
Providence, R. I. 02902

Dear Sir:

It is our opinion that the articles in your newspapers (the Evening Bulletin of 5/13 and the Providence Journal of 5/14) together with the editorial in the May 15th newspapers concerning the selection of CE Maguire, Inc. to perform the Statewide Planning agencies 208 study of state water pollution is a mass of distortions, half truths, omissions and a lack of understanding of professional selection processes which renders a grave disservice to all of the professional engineers in Rhode Island.

We are at a loss to understand the logic of an editorial which advocates the hiring of out-of-state consultants to perform professional services when one of the largest, most reputable and capable consulting engineering firms in the United States is headquartered in Providence. It is even the more incomprehensible in a state which suffers the highest unemployment rate in the nation.

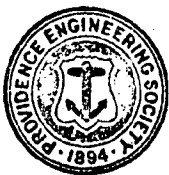
This is to request that you immediately conduct a thorough study of all of the complex elements which have entered into the matter of selection of consultants by the Statewide Planning Agency and publish these additional findings in the objective manner for which your newspapers have established an enviable reputation.

Sincerely,

Edward Vigliotti

Edward Vigliotti, Jr., P.E.
President
Rhode Island Society of Professional Engineers

EV/m



PROVIDENCE ENGINEERING SOCIETY

615 TURKS HEAD BUILDING • PROVIDENCE, R. I. 02903

May 17, 1976

The Managing Editor
Providence Journal Co.
75 Fountain Street
Providence, R. I. 02902

Dear Sir:

The Thursday article in the Journal-Bulletin titled "Top bidder chosen for water study" and the editorial of Saturday's Journal-Bulletin, titled, "Contract needs Noel's Attention" would lead all but a very few readers with special knowledge to believe that an unqualified local engineering firm was to be paid twice what a highly qualified out-of-state engineer would be paid. The article and editorial does not say that, but that is the impression left.

The Providence Engineering Society objects strenuously to the inference created by the article and editorial.

The facts are, that each firm who submitted a priced proposal (not a bid), based their concept of the work to be accomplished on a very broad statement of need. The fact that one firm submitted \$64,437 and one \$372,000 shows how divergent were the assessments of the work requirements and perhaps how inadequate was the needs statement.

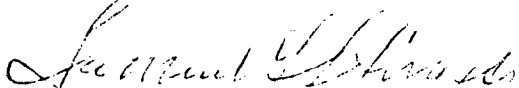
The Maguire firm will be paid the 160 to 170 thousand dollars that Mr. Boardman's staff considers to be the proper amount for the work the staff contemplated. Maguire will have to reduce the scope of their work to fit the more closely defined work requirements.

The citizens advisory subcommittee that acts as an advisory group to Mr. Boardman may or may not be qualified to judge technical expertise, certainly Mr. Boardman is, and he admitted that Maguire is qualified, yet both the article and the editorial repeat the phrase "the firm was least qualified." Yet the Maguire firm must have been better qualified than the other 10 firms not selected for final consideration.

The Maguire firm is a competent R. I. Engineering Firm hiring Rhode Islanders. To infer that Mr. Jerue should not take the economic welfare of R. I. into consideration in the award of contracts because he is not director of economic development is fallacious.

The news media has a duty to perform to inform the public of the actions and lack of action of public officials but in this case the good reputation of both a competent engineering firm and an important state official has been damaged by relating only part of the story. We believe that Mr. Bateson, President of CE Maguire, could have been reached to set the record straight if anyone had really tried.

Very truly yours,



Samuel G. Stiness, Executive Secretary
Board of Directors
Providence Engineering Society

SGS/m