



Construction at Smith Reynolds Airport can be seen from New Walkertown Road. A runway is being extended about 400 feet to provide an emergency runover area. JOURNAL PHOTO BY AMANDA MUSCHLITZ

Airport Work Is Probed

A number of subcontractors say they have not been paid; FAA, DOT begin investigations over contracts

By Wes Young
JOURNAL REPORTER

Federal and state officials are investigating claims that subcontractors — many of them small or owned by minorities — were not fully paid for work on a \$5.8 million expansion project at Smith Reynolds Airport.

Richard Walls, the aviation director for the N.C. Department of Transportation, said that his department's investigators began their work in May after subcontractors began complaining.

The general contractor for the project is Mainline Contracting Inc. of Durham. The work involves creating a 400-foot safety area at the south end of runway 15/33.

The money for the project is coming from a Federal Aviation Administration grant to the state DOT.

"We are working very diligently with the airport authority ... and assisting them to make sure all the subcontractors and vendors are paid," Walls said.

Local airport officials said they're working to investigate the claims as well. But Tom McKim, the chairman of the Airport Commission of Forsyth County, said that the airport has a "limited ability to affect events between Mainline and its subs."

News of the investigations comes days after the departure of Larry Scantlin as airport director. Scantlin left Aug. 20 in what airport officials called a

mutually agreed arrangement.

A spokeswoman for the FAA said that the FAA is investigating a claim of nonpayment filed by RAL Grading and Demolition, a minority-owned subcontractor. Under federal law, a portion of the money spent under federal transportation grants must go to "disadvantaged business enterprises" including those owned by minorities and women.

Mainline subcontracted hauling work to a succession of businesses owned by minorities and women, some of whom in turn subcontracted work to others.

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The businesses claiming non-payment include some that are owned by minorities and women and some that are not.

Nathaniel Davis, the president and owner of RAL, said that his company had a \$1.7 million contract with Mainline to haul dirt to the airport and started work last October.

Davis said that Mainline had paid his company about \$250,000, and then wrongfully terminated his contract April 30, owing him \$500,000 for work completed.

Davis said he owes about \$270,000 to his subcontractors. Davis said he had 18 companies working for him at the site.

William J. Wolf, an attorney for Mainline, denied yesterday that the company had shortchanged subcontractors. Wolf said that Mainline would file suit "no later than Monday" alleging breach of contract by RAL.

"We learned that he had sub-

tractors that Mainline hired to take the place of RAL.

In an Aug. 17 letter to Scanlin, Walls said that the DOT believes that Mainline inaccurately stated last spring that it had paid all amounts it owed.

In a letter to the DOT, airport commission attorney Frank Newton said that the airport commission was not aware that Mainline had altered some language on a form in a way that state officials called an attempt to get around requirements for prompt payments to subcontractors.

Gerard Heller said he's still owed \$47,000 for work his company, Spartan Enterprise Inc., did at the airport site under RAL.

"We don't make a lot of money here so this is a pretty sizable amount to be owed for this much time," Heller said. "We have home-equity loans that are maxed out and if we don't get this money by winter time we will be out of business."

Haulers who in turn subcontracted under Davis and one other hauler say they're waiting for their money, too.

"I have repeatedly called Mainline to no avail," said Carole Oduyoye, a minority business owner who said that her company, F-T Trucking LLC of Kernersville, is still owed \$10,000.

Oduyoye worked under Stewart Hauling and Backhoe of Belwars Creek, a female-owned subcon-

tractor that Mainline hired to take the place of RAL.

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