



OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT

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MEMORANDUM

DATE: May 24, 2017

TO: Ian Mitchell, Project Administrator
Facilities Management Division

THRU: Sandy-Michael McDonald, Director *SM*
Office of Economic and Small Business Development

FROM: Christopher L. Atkinson, Assistant Director *CA*
Office of Economic and Small Business Development

SUBJECT: RFP No. R0899203P1 – Contract No. R1226007PX_1
Janitorial Services for Broward County Judicial Complex
CBE Compliance Review for First Amendment to the Agreement

The Office of Economic and Small Business Development (OESBD) has conducted a review of Triangle Services of Florida, Inc.'s CBE participation as of March 30, 2017. The CBE goal for the project is 28%. Triangle Services of Florida, Inc. committed to 28% CBE participation. An overview is provided as follows:

<u>Payment to CBE Firm</u>	<u>Prime Reported</u>	<u>CBE Reported</u>
L & B Janitorial Services, Inc.	\$934,812.99	\$884,680.03*

- Original agreement amount: \$532,162.11
- Proposed month-to-month extension not to exceed six months to begin June 25, 2017, and dollar amount not to exceed \$1,137,279
- Total Amount paid to Prime:\$3,941,243.88
- Total Amount paid to CBE:\$934,812.99 as reported by Prime
CBE Participation: 23.72% - (\$934,812.99/\$3,941,243.88)
- Total Amount Paid to CBE: \$884,680.03 as reported by CBE
Total Participation: 22.45% - (\$884,680.03/\$3,941,243.88)

* Triangle Services of Florida, Inc. (Prime) and L & B Janitorial Services, Inc. (CBE) are still working on the verification of the exact amount paid to the CBE under this agreement.

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Page 2 of 2

Compliance Comments:

Triangle Services of Florida, Inc (TSF) committed to 28% CBE participation and has attained 23.72% participation based on Monthly Utilization Report (MUR) dated May 4, 2017. The subcontractor, L & B Janitorial Services, Inc. (L&B), reported estimated payment of \$884,680.03. Based on the reported amount from the subcontractor, TSF's attainment is 22.45%. TSF (Prime) and L & B (CBE) are still working on the verification of the exact amount paid to the CBE under this agreement. Both calculations are provided on page one.

TSF is not compliant with its committed 28% CBE participation. A Notice to Cure has been issued to TSF due to their CBE participation deficiency on its commitment. TSF reported that they will make a good faith effort over the next few months of the contract extension to improve L&B's participation in the contract. Given the discrepancy noted above, based on payment information submitted by TSF, it would have to allocate 42.84% of the total value of the contract extension to L&B, to meet its committed participation. Based on payment information submitted by L&B, TSF would have to allocate 47.24% of the total value of the contract extension to L&B, to meet its committed participation.

The Facilities Management Division reported it is working with the Purchasing Division for a new solicitation to include the South Regional Courthouse, Main Library and the Government Center East. This new solicitation is not anticipated to be completed prior to the expiration of the existing janitorial contract. A month-to month extension not to exceed six months is needed until the new janitorial contract is awarded.

The goal for this contract remains at 28% CBE participation. OESBD will monitor this agreement closely for CBE compliance to project conclusion.

cc: Freddy Castillo, Small Business Development Manager, OESBD
Oswaldo Casco, Small Business Development Specialist, OESBD