



**OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT
Governmental Center Annex**

115 S. Andrews Avenue, Room A680 • Fort Lauderdale, Florida 33301 • 954-357-6400 • FAX 954-357-5674

MEMORANDUM

DATE: December 27, 2017

TO: Mark Roberts, Purchasing Agent
Purchasing Division

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

SUBJECT: Bid No. PNC2115060C1 - New Booster Pump Station for System 3A
County Business Enterprise (CBE) Evaluation

The Office of Economic and Small Business Development (OESBD) conducted a review of the respondents' compliance with the CBE Program requirements for the above referenced project. An overview is provided as follows:

The CBE Participation for this contract: 15%

Met the CBE Requirements:

Firms:

Cardinal Contractors, Inc. (Prime)

	<u>Category</u>	<u>Percentage</u>
Palm Construction Services, Inc.	CBE	9.9748%
Tropic Fence, Inc.	CBE	1.1842%
Southland Painting Corporation	CBE	0.1848%
Champions Controls, Inc.	CBE	3.6623%
Total		15.0061%

Contractor's Bid Amount: \$2,381,000.00
CBE Participation Commitment: 15.0061%

Aerex Industries, Inc. (Prime)

Pipecon Corporation, Inc.	CBE	11.00%
Champions Controls, Inc.	CBE	3.43%
Southland Painting Corporation	CBE	0.16%
Triple Nickel Paving, Inc.	CBE	0.80%
Total		15.39%

Contractor's Bid Amount: \$2,696,119.00
CBE Participation Commitment: 15.39%

Did not meet the CBE Requirements:

Firms:

Florida Design Drilling Corp. (Prime)

	<u>Category</u>	<u>Percentage</u>
Champions Controls, Inc.	CBE	4.00%
Southland Painting Corporation	CBE	0.20%
Tropic Fence, Inc.	CBE	1.20%
Total		5.40%

Contractor's Bid Amount: \$2,056,000.00

CBE Participation Commitment: 5.40%

Florida Design Contractors, Inc. (Prime)

Tropic Fence, Inc.	CBE	1.10%
Triple Nickel Paving, Inc.	CBE	0.90%
Southland Painting Corporation	CBE	0.20%
South Florida Utilities, Inc.	CBE	3.70%
Champions Controls, Inc.	CBE	4.00%
Total		9.90%

Contractor's Bid Amount: \$2,272,750.00

CBE Participation Commitment: 9.90%

Compliance Comments

Met the CBE Requirements:

Cardinal Contractors, Inc. is in compliance with the CBE requirements of the solicitation. Cardinal Contractors, Inc. originally submitted Letters of Intent (LOI) with their bid package, which included Letter of Intent (LOI) for Brown & Brown Electric, Inc. (B&B). However, B&B is not a certified County Business Enterprise (CBE). Cardinal was given three (3) business days to correct LOI or provide proof of their good faith efforts. Cardinal submitted a revised LOI with an increased CBE participation for Palm Construction Services, Inc. from 5.2289% to 9.9748% and is in compliance with the CBE requirement of the solicitation.

Aerex Industries, Inc. is in compliance with the CBE requirement of the solicitation. Aerex did not originally meet the CBE Participation goal for this contract based on Letters of Intent (LOI) submitted with their bid package. Aerex was given three (3) business days to provide documentation demonstrating its good faith efforts to meet the CBE goal for the solicitation. Aerex submitted LOI for Champions Controls, Inc., Southland Painting Corporation and Triple Nickel Paving, Inc. and is in compliance with the CBE requirement of the solicitation.

Did not meet the CBE Requirements:

Florida Design Drilling Corp. (FDDC) is not in compliance with the CBE requirements of the solicitation. FDDC initially provided CBE Letters of Intent (LOI) for Champions Controls, Inc. with a 4% CBE participation and Southland Painting Corp. with a 0.2% CBE participation. FDDC was given three (3) business days to provide additional documentation demonstrating its good faith efforts to meet the CBE goal for the solicitation.

Section 1-81.5 (e)(2) of the Broward County Business Opportunity Act of 2012 (the "Act") considers the following to be taken under consideration when determining a bidder's good faith efforts in terms of demonstrating maximum effort to meet the CBE Participation:

- a. Soliciting through activities such as attendance at pre-bid meetings, advertising, or written notices the interest of certified CBEs (or eligible for certification) that have the ability and capacity to perform the contract work.
- b. Identifying the portions of the contract that could be reasonably performed by a CBE in order to increase the likelihood that CBE goals will be achieved.
- c. Providing each interested CBE with adequate information about the plans, specifications and requirements of the contract in a timely manner.
- d. Negotiating in good faith with each interested CBE.

Florida Design Drilling Corp. (FDDC) provided the following information to address the above-mentioned criteria:

- a) Letter of Intent (LOI) with Tropic Fence, Inc. for an additional 1.2% CBE participation.
- b) e-mail to OESBD indicating that the following potential scopes had been identified for CBE vendors: Concrete, Piping & Mechanical, Earthwork, Coatings, Instrumentation & Controls, Chain Link Fences, Electric, Pile Foundations, Pipe & Valve Supplier, Division 11 Supplier and Surveying.
- c) Evidence of quotes received for Scopes 10 and 11 from Brown & Brown Electric, Inc. (Non-CBE), Energy Efficient Electric, Inc. (non-CBE), Douglass Leavy & Associates, Inc. (CBE) and Mathews Consulting (non-CBE).
- d) Unexecuted Letters of Intent (LOI) for Brown & Brown Electric Inc. (non-CBE) and Douglass Leavy & Associates, Inc. (CBE).
- e) e-mail to OESBD indicating that Energy Efficient Electric, Inc. (non-CBE) and Mathews Consulting (non-CBE) submitted lower quotes than Brown & Brown Electric Inc. (non-CBE) and Douglass Leavy & Associates, Inc. (CBE). FDDC stated that if it had used the vendors with higher quotes, then FDDC's bid price would have been higher than what it had officially submitted to the County.

Upon the review of Florida Design Drilling Corp.'s documentation, OESBD has determined that Florida Design Drilling Corp. did not meet the quality, quantity and extent in any of their various efforts to meet the goal in accordance with Section 1-81.5 (e)(2) of the Broward County Business Opportunity Act of 2012 (the "Act"). Additionally, per Section 1-81.5(e)(3) of the "Act", OESBD considered the level of participation proposed by Florida Design Drilling Corp. and the level of participation by the other bidders. Therefore, Florida Design Drilling Corp. is not in compliance with the CBE requirements of the solicitation.

Florida Design Contractors Inc. (FDC) is not in compliance with the CBE requirements of the solicitation. FDC did not meet the CBE Participation goal based on Letters of Intent (LOI) submitted with their bid package. FDC included Letter of Intent (LOI) for Brown & Brown Electric, Inc. (B&B) with a CBE participation of 6.20%; however, B&B is not a certified County Business Enterprise (CBE). FDC was given three (3) business days to correct LOI or provide proof of their good faith efforts. FDC opted to submit Good Faith Effort (GFE) information.

FDC provided the following information to address the Section 1-81.5 (e)(2) of the Broward County Business Opportunity Act of 2012 (the "Act"):

- a. Evidence reflecting that on November 3, FDC sent bid advertisements to the CBE community (\pm 91 CBE Firms) to inform them of the contract opportunities and invited them to submit bids. The bid closing date was December 6.
- b. Evidence that FDC sent bid advertisements to CBE certified contractors for the following disciplines: Electrical, Fence & Gates, Asphalt, Painting, Mechanical and Instrumentation & Controls.
- c. Evidence that FDC received bids from the following CBE subcontractors: Tropic Fence, Inc., Triple Nickel Paving, Inc., Southland Painting Corporation, South Florida Utilities, Inc. Brown & Brown Electric, Inc. and Champions Controls, Inc. Letters of Intent (LOI) were submitted with FDC's bid package.
- d. FDC reported at the time of bid, it was their understanding that Brown & Brown Electric, Inc. (B&B) was a Broward County Certified Business Enterprise (CBE) subcontractor and that it negotiated in good faith with each interested CBE, including B&B. OESBD's records show that B&B has not been certified since November 2016.

Upon review of Florida Design Contractors Inc. (FDC)'s Good Faith Effort (GFE), OESBD has determined that although FDC made substantial efforts to meet the goal, OESBD is not accepting FDC's GFE for failure to resolicit and/or reassign Brown & Brown Electric's CBE participation, when other bidders did so.

- a) Other bidders who also contracted with Brown & Brown Electric, Inc. submitted corrected Letter of Intent (LOI) with a certified CBE.
- b) Other bidders who also contracted with Brown & Brown Electric, Inc. submitted corrected LOI with an increased level of participation to a certified CBE.

Additionally, OESBD identified twenty-three (23) certified firms for electrical services that FDC could have reached out to resolicit or reassign Brown & Brown Electric, Inc.'s CBE participation.

Therefore, and based on the above, it is determined that Florida Design Contractors Inc. is not in compliance with the CBE requirements of the solicitation.

cc: Oswaldo Casco, Small Business Development Specialist, OESBD