



Finance and Administrative Services Department

ENTERPRISE TECHNOLOGY SERVICES

1 North University Drive, Suite 4003A • Plantation, Florida 33324-2019 • 954-357-6512 • FAX 954-357-5601

Date: 08/08/2018

To: Brenda Billingsley, Director
Purchasing Division

Thru: John Bruno, Chief Information Officer
Enterprise Technology Services

From: Keith A. Wolf, Information Systems Administrator
Enterprise Technology Services

 KEITH WOLF
2018.08.08 13:49:32
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Re: Request Concurrence to Terminate for Convenience, BLD2114202B1, Inside Plant Cable

Summary Background

Enterprise Technology Services Division (ETS) seeks concurrence from the Purchasing Director to take necessary steps in executing a Termination for Convenience regarding BLD2114202B1, Group One, Inside Plant Cable. Contained within the General Terms, Article 12(c), *the awarding authority may terminate the contract for convenience upon no less than thirty (30) days written notice*. The awarded vendor, Advanced Data Cabling and Consulting Inc. (ADCC) has provided written notice indicating their concurrence and request to terminate services with Broward County under this contract.

On March 20, 2018, the Finance and Administrative Services Department, Purchasing Division, Agenda item No. 29 requested action by the Board of County Commissioners with a Motion to Award Advanced Data Cabling and Consulting Inc. (ADCC), Group one, for inside cabling in the estimated annual amount of \$1,093,988. ADCC, as a reserve CBE, agreed to a voluntary price reduction of \$131,156 to align with market pricing (*ADCC declined to bid on group two, outside plant cable*). Two other bidders, ASE Telecom and Data Inc. and, Precision Contracting Services Inc. were both non-compliant to CBE Reserve Program Requirements and subsequently rejected for Group one.

On January 9, 2018, (Agenda No. 15), the Board of County Commissioners (Board) approved the award to ASE Telecom & Data Inc for Group Two, Outside Cabling.

Current State

On April 4, 2018, Broward County submitted requests for quotations related to various cabling work. ADCC staff began the work requested in various locations. David Butler, owner of ADCC stated that upon further inspection, ADCC staff allegedly found various deficiencies in pre-existing cabling and believed these items violated the National Electrical Code (NEC). Mr. Butler refrained from having ADCC complete work in areas where he believed legal liability related to previous work may exist. Mr. Butler told County staff that he cannot perform work in any area where a violation of NEC code may place his State license at risk. Mr. James B. Lyon, attorney for ADCC, sent notice via certified letter on June 22, 2018 requesting further clarifications on the contract terms and conditions. In this correspondence, Mr. Lyon requested a change to the contract terms with the addition of an Indemnification and Hold Harmless Agreement.

Following Mr. Butler's alleged claims and request to change the contract terms, ETS requested an inspector from the County's Building Code Services Division to perform site inspections and verify the claims of ADCC. On July 23, 2018, a building code inspector visited three sites and verified violations exist and, subsequently reported to Facilities Maintenance staff for remediation. On July 25, 2018, Building Code Services delivered reports identifying several items in detail.

With the different complexities and age of the various buildings throughout the County, Mr. Butler stated that under the bid specifications, contractual quotations provided at no cost become problematic to the profitability of ADCC. Shortly after the inception of this contract, ADCC voiced concern regarding the no-cost labor required to properly quote cable installations. ADCC explained that to capture the entire cost for the quotation, the labor required to examine the entire pathway for new cabling is a time-consuming and prohibitive process. ADCC currently performs a cursory review of the site for quotation purposes and cannot possibly include the unseen additional costs required to properly install the cabling until after work has started. Additionally, ADCC quotes additional labor hours for work requested, allegedly to recoup losses related to additional installation time, and travel of ADCC staff. The labor hours contemplated in this contract allocate hours only for projects outside of the "flat rate" fee for cable installation. ADCC claims they cannot generate a profit based on this flat rate model.

ADCC is the contracted cabling vendor for Z1106602B1, exclusive to the Aviation Division. For requested work on Airport property, the process granted to ADCC by the Building and Permitting Division allows ADCC to efficiently perform multiple cable installations in parallel with the permitting process. The County's permitting Division then performs a bulk inspection of all completed work. In contrast, the County's cabling contract requires ADCC to interact with the 32 city building departments and thus, they must apply for a permit on each individual request with the subsequent individual inspection. ADCC informed County staff that it did not have the resources to apply for the required permits across the geographical area of the entire County. BLD2114202B1 solicited with a pass-thru payment on permit fees only, and the County does not reimburse for administrative costs such as expedite and "runner" fees associated with the application of the permits and does not reimburse for labor hours of ADCC staff during the final inspections for those permits. ADCC explained to County staff that the inordinate amount of labor dedicated to this process severely impacts the profitability on every cable installation and extends the duration of completing the work for the County.

With the projection of increased costs to the County, extended durations to complete the work requested, and the almost total stoppage of work by ADCC, ETS concurs with Mr. Butler's request to terminate this contract for convenience. ETS is recommending Board action to terminate for convenience under the opinion of the Contract Administrator that ADCC as a small business (five employees), does not operate under a business model conducive to the large geographic scope of the County, or the widely dispersed requests for cable needs by multiple work crews. There is no default of the contract and work performed complies with all applicable law however, Mr. Butler is gravely concerned that he is not profitable under the terms and conditions and thus, feels a termination for convenience is in the best interest of both parties.

ASE Telecom and Data Inc. (ASE) was the non-CBE Reserve low bid of Group One, Inside Cabling for this solicitation, and currently services Group Two, Outside Cabling. ETS is requesting Board level award of Group One to this vendor. Freddy Castillo, Small Business Development Manager with the Office of Economic and Small Business Development agrees that if ADCC (reserve CBE) can no longer fulfill this contract, an award to ASE Telecom and Data Inc. is proper.

For any further questions, please contact Keith A. Wolf at kawolf@broward.org or via phone at (954) 357-5918.



State of Florida Certified Contractor License # ES12000252

Broward County CBE/SBE


Installation – Voice, Data, Video Cabling * Project Management * Fiber Optics * Outside Plant
* Design – Voice, Data, Video * Consulting * Administration * DAS Systems

July 19, 2018

Enterprise Technology Services
Infrastructure Services
1 North University Drive, Suite 4003A
Plantation, Fl. 33324

To Keith A. Wolf:

This letter is to inform the Broward County Commission that Advanced Data Cabling & Consulting, Inc. stands in Mutual agreement to terminate contract BLD2114202B1 as stated on page 68, 12 C "For Convenience" per previously referenced contract number.



Sincerely,
William D. Butler, RCDD
President
754-224-9676