

Item # 45₍₂₎

ADDITIONAL MATERIAL

Regular Meeting

MARCH 5, 2019

SUBMITTED AT THE REQUEST OF

OFFICE OF THE COUNTY

AUDITOR



OFFICE OF THE COUNTY AUDITOR

115 S. Andrews Avenue, Room 520 • Fort Lauderdale, Florida 33301 • 954-357-7590 • FAX 954-357-7592

Date: March 4, 2019 **Advisory No. 121**

To: Honorable Mayor and Members of the Board of County Commissioners

From: Bob Melton, County Auditor 

Re: Agenda Item 45 - Bid No. PNC2117205C1 – Utility Analysis Zone (UAZ)-122

With reference to Agenda Item #45, I have concerns regarding staff's recommendation to award this fixed contract to Man-Con, Incorporated (Man-Con). We believe that Giannetti Contracting Corporation (Giannetti)'s good faith efforts may have met this goal. The award to Man-Con would result in an additional \$400,836 in expenditures of County Funds over Giannetti's bid.

As the awarding authority, The Board of County Commissioners has the authority to make the determination as to the award.

Background and Discussion

For your information, Giannetti, whose bid is \$400,836¹ less than the recommended bidder, Man-Con, was found non-responsible for not meeting the County Business Enterprise (CBE) program requirements. However, Giannetti represented during the selection phases that it could meet the 30% CBE goal, which may warrant consideration of Giannetti as compliant with the CBE program requirements and thus a responsible bidder at a cost savings of \$400,836. Thus, if the award is made to Giannetti, the 30% CBE goal would be met and monies would be saved.

The Purchasing Division determined that Giannetti was non-responsible based on the determination by the Office of Economic and Small Business Development (OESBD) that Giannetti was "not in compliance with the CBE program requirements" as stated in the OESBD CBE Review Memorandum. The Memo stated that Giannetti initially did not meet the CBE Participation goal for this solicitation because they initially submitted a CBE Participation Commitment of 9.14%. The firm was given three (3) days to provide proof of their good faith efforts. Upon review of Giannetti's good faith efforts, OESBD has determined that they did not meet the quality, quantity, and extent in their various efforts to meet the goal for this solicitation in accordance with Section 1-81.5(d)(2) of the Broward County Business Opportunity Act of 2012, as amended. However, considering Giannetti's good faith efforts letter, we question the conclusion reached by OESBD.

¹ Giannetti's bid of \$12,453,492 is \$400,837 less than Man-Con's bid of \$12,854,329, net of allowances.

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We reviewed the Good Faith Effort Letter submitted by Giannetti. Among other efforts, the letter states that “Giannetti decided upon using a former certified CBE, E&N Construction”... “E&N Construction is currently eligible again for CBE status,” and “When E&N Construction gets certified and can be considered as part of the attainment goal, Giannetti will meet the 30% CBE goal.” This representation may meet the requirements of County Ordinance Section 1-81.5 Section D “Determination of Good Faith Efforts” which allows for considerations of “representations made by the Bidder during the bid proposal, or selection phases of the procurement regarding the Bidder’s commitment to attain the CBE goal.” The Director of Purchasing was not aware of Giannetti’s Good Faith Effort Letter received by OESBD within the allotted time.

Our office became aware of this situation during our internal review after the Agenda was published. To enable a more timely review, we have requested the Director of Purchasing notify our office when she receives a recommendation to determine that a low bidder is non-responsive or non-responsible. This would facilitate timely independent review by our office and help ensure the integrity of the procurement process.

I hope you find this information helpful. If you would like to discuss this further, please feel free to contact me.