



Finance and Administration Services Department

PURCHASING DIVISION

115 S. Andrews Avenue, Room 212, Fort Lauderdale, Florida 33301 | 954-357-6066 | FAX 954-357-8535 | broward.org/Purchasing
Hours of Operation: Monday through Friday 8:30 a.m. to 5:00 p.m.

AWARD MEMORANDUM

DATE: August 14, 2018
TO: Brenda Billingsley, Director, Purchasing Division
THRU: Christine Calhoun, Purchasing Manager, Purchasing Division ccalhoun@broward.org
FROM: Jeannette Ferrell, Purchasing Agent, Purchasing Division *Jeannette Ferrell*
SUBJECT: Request to Award Emergency Interim Contract No. BLD2114878BX, Chilled Water Systems Maintenance and Repairs

Using Agency Divisions: Facilities Management Division
Estimated Value: \$565,385.53

THE PURCHASING AGENT AND THE FACILITIES MANAGEMENT DIVISION RECOMMEND THE FOLLOWING:

- 1. AWARD:** Emergency Interim Contract No. BLD2114878BX for Chilled Water Systems Maintenance and Repairs for the Facilities Management Division (FMD) to Daikin Applied Americas, Inc. (Group 1) in the estimated amount of \$375,286.28 and Johnson Controls, Inc. (Group 2) in the estimated amount of \$190,099.25 of which both includes allowances in the amount of \$1,250 for a six-month combined estimated total amount of \$565,385.53; which includes allowances in the combined total amount of \$2,500 for parts and materials not included in the routine maintenance but necessary for repairs (Exhibit 1).
- 2. Why Action is Necessary:** In accordance with the Broward County Procurement Code, Section 21.39.a., "The Director of Purchasing or the Director's designee may make or authorize others to make emergency procurements when there exists a threat to public health, welfare, safety, property, or other substantial loss to the County."
- 3. What Action Accomplishes:** The Interim Contract will provide chilled water systems maintenance and repairs for FMD at various locations throughout the County.

4. Additional Information:

4.1. Current Contract:

On April 26, 2016 (Agenda Item No. 19), open-end Contract No. R1298814B1, Chilled Water System Maintenance, Repairs, Upgrades and Replacement Services for Various Locations, was awarded to Carrier Corporation in the estimated annual amount of \$398,300 for a total estimated amount of \$796,600 for the initial two-year term of the contract and authorized the Director of Purchasing to renew the contract for three one-year periods in the estimated annual amounts of \$410,249; \$422,556 and \$435,233 for a five-year potential estimated amount of \$2,064,638 (Exhibit 2). The contract period began on May 1, 2016 and was scheduled to expire on April 30, 2018.

The renewal provision was not exercised and on April 30, 2018, the Director of Purchasing approved a 90-day contract extension for expiring Contract No. R1298814B1 through July 30, 2018 (Exhibit 3).

4.2. Current Solicitation:

On May 7, 2018, Bid No. BLD2114878B1 was advertised. The bid required a 5% bid bond and a County Business Enterprise (CBE) goal participation of 15% for each of the two groups. The bid opened on May 30, 2018 with three responses and one declination.

Upon review of the bid responses, it was discovered that none of the bidders timely submitted the required original bid bond to the Purchasing Division prior to the bid opening.

In addition, on August 3, 2018, the Purchasing Agent (PA) received the Office of Economic and Small Business Development (OESBD) CBE evaluation which determined bidders, Daikin Applied Americas, Inc. (DAA) and Johnson Controls, Inc. (JCI), both failed to meet the CBE participation goals for this bid. OESBD also determined neither DAA's nor JCI's various Good Faith Efforts (GFEs) met the goals for this project (Exhibit 4).

On August 10, 2018, the Director of Purchasing approved the rejection of all bidders; Carrier Corporation, Daikin Applied Americas, Inc., and Johnson Controls, Inc. (Exhibit 5).

4.3. Additional Reasoning:

An Emergency Interim Contract is needed to ensure continuation of chilled water systems maintenance and repairs for various Broward County facilities to avoid chilled water systems' failures and unsafe conditions for staff and the public. The Emergency Interim Contract will serve these objectives while a new procurement is processed for a replacement contract.

4.4. Vendor Response for Interim Contract:

Carrier Corporation, the awarded vendor for Contract No. R1298814B1, Chilled Water System Maintenance, Repairs, Upgrades and Replacement Services for Various Locations, declined to enter into an interim contract unless the firm was recommended and awarded Bid No. BLD2114878B1 (Exhibit 6).

DAA and JCI have agreed to enter into Interim Contract No. BLD2114878BX under the same terms and conditions of the most recent Solicitation No. BLD2114878B1 with the exception to the Specifications and Requirements, 5. Initial Equipment Inspection which is deleted in its entirety. Thereby, the Contractor(s) shall not be responsible for the cost of repairs as stated therein, and the work shall be done at the hourly rate offered in the Bid Item Response Form (Exhibit 7). Both DAA and JCI offered a voluntary price reduction for Interim Contract No. BLD2114878BX (Exhibit 8).

4.5. Performance Evaluations:

5.5.1. Two (2) Vendor Performance Evaluations have been completed for DAA and its cumulative overall rating is 3.40 out of a possible rating of 5.00.

5.5.2. Four (4) Vendor Performance Evaluations have been completed for JCI and its cumulative overall rating is 4.23 out of a possible rating of 5.00.

5. Fiscal Impact:

Each requirement processed against this Interim Contract will be funded by the appropriate source at the time of the release.

Replacement Contract Award Timeline:

The current Solicitation No. BLD2114878B1, Chilled Water Systems Maintenance and Repairs will be closed out without an award, owing to the rejection of all bidders. FMD will be required to immediately submit a new requisition to begin a new procurement for the replacement contract. The new procurement will be completed and presented for award prior to the expiration of six-month Interim Contract No. BLD2114878BX.

Exhibits:

- Exhibit 1 - Bid No. BLD2114878B1 Bid Tabulation
 - Exhibit 2 - Agenda Item 19 approved April 26, 2016
 - Exhibit 3 - 90-day Contract Extension approved on April 30, 2018
 - Exhibit 4 - OESBD CBE Evaluation Memo dated July 27, 2018
 - Exhibit 5 - Reject Memorandum Checklist approved August 10, 2018
 - Exhibit 6 - Email; Carried declined an interim contract received August 6, 2018
 - Exhibit 7 - Second Interim Contract Letter Responses from DAA and JCI dated August 7, 2018
 - Exhibit 8 Bid Tabulation with 6-month estimated amount including voluntary price reduction.
- Chronology of Events leading to Interim Contract Request

Note for the Record:

Because the Emergency Interim Contract six-month total estimated amount exceeds the Director of Purchasing's award authority, a Note for the Record will be prepared and submitted to the Board.

APPROVAL AUTHORITY

APPROVE DISAPPROVE

Reason/suggested action (if disapproved):

Additional Comments:

BRENDA
BILLINGSLEY

Digitally signed by BRENDA BILLINGSLEY
DN: dc=cty, dc=broward, dc=bc,
ou=Organization, ou=BCC, ou=PU,
ou=Users, cn=BRENDA BILLINGSLEY
Date: 2018.08.14 16:16:57 -04'00'

Signature/ Director of Purchasing

Date