



OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT
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MEMORANDUM

DATE: June 3, 2021

TO: Staci Montefusco, Expansion Project Administrator
 Aviation Department

THRU: Sandy-Michael McDonald, Director SANDY-MICHAEL MCDONALD Digitally signed by SANDY-MICHAEL MCDONALD Date: 2021.06.03 09:28:47 -0400
 Office of Economic and Small Business Development (OESBD)

FROM: Maribel Feliciano, Assistant Director MARIBEL FELICIANO Digitally signed by MARIBEL FELICIANO Date: 2021.06.03 09:24:16 -0400
 Office of Economic and Small Business Development (OESBD)

SUBJECT: Terminal 2 Modernization (Delta Airlines)
CBE Compliance Review – Second Amendment to the Second Addendum to the Signatory Terminal Building Lease Agreement

This memorandum supersedes the memorandum dated June 2, 2021.

The Office of Economic and Small Business Development conducted a review of the Delta Air Lines, Inc.'s (Delta's) County Business Enterprise (CBE) participation. An overview is provided as follows:

The CBE Goal for this project is 15%.

Delta has committed to 15% CBE participation for this project.

Participation Performance

<u>Subcontractor Name</u>	<u>CBE Percentage</u>	<u>Reported Amount</u>	<u>Verified Paid Amount</u>
• A&W Electric of Hollywood, Inc. (lower tier to Ion Electric)	1.748%	\$ 2,605,512.42	\$ 2,605,512.42
• A. Herrmann Associates, Inc. d/b/a Associates Roofing & Waterproofing	0.001%	\$ 2,910.00	\$ 2,910.00
• Aaron Construction, Inc. (lower tier to TWS Fabricators, Inc.)	0.237%	\$ 726,456.32	\$ 726,456.32
• Advance Case Parts Refrigeration, LLC (lower tier to McGilvray Mechanical, LLC)	0.463%	\$ -	\$ -
• Advanced Modular Structures, Inc.	0.014%	\$ 31,018.58	\$ 31,018.58

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Participation Performance (continued):

<u>Subcontractor Name</u>	<u>CBE Percentage</u>	<u>Reported Amount</u>	<u>Verified Paid Amount</u>
• Alen Construction Group, Inc.	0.286%	\$ 594,531.17	\$ 594,531.17
• Alliedbean Demolition, Inc.	1.239%	\$ 1,922,233.34	\$ 1,922,233.34
• Amos Supply, Inc. (lower tier to National Fire Protection, LLC)	0.082%	\$ 74,150.25	\$ 74,150.25
• Asset Builders, LLC d/b/a Messam Construction	0.546%	\$ 998,959.12	\$ 1,323,223.05
• Big Dog Construction, Inc. (lower tier to Alliedbean Demolition, Inc.)	0.004%	\$ 9,894.51	\$ 9,894.51
• Big Dog Construction, Inc. (lower tier to Dash Door & Closer Service, Inc.)	0.009%	\$ -	\$ -
• Big Dog Construction, Inc. (lower tier to HJ Foundation)	0.007%	\$ 2,184.55	\$ 2,184.55
• Bottomley Aviation, Inc. d/b/a Smith Aerial Photos	0.002%	\$ 2,346.50	\$ 2,346.50
• Braben, LLC (lower tier to Walker Commercial Interiors)	0.182%	\$ 188,111.59	\$ 188,111.59
• Central Broward Construction, Inc. (lower tier to Baker Concrete)	0.915%	\$ 1,680,217.23	\$ 1,680,217.23
• Chin Diesel Inc. (lower tier to HJ Foundation)	0.001%	\$ 1,524.00	\$ 1,524.00
• Commercial Diver Services Corporation 1990 (lower-tier to Solution Construction)	0.003%	\$ 5,700.00	\$ 5,700.00
• CWJ Universal Enterprises, Inc. (lower tier to Walker Commercial Interiors)	0.017%	\$ 37,864.40	\$ 37,864.40
• Dato Electric, Inc.	0.025%	\$ 52,994.77	\$ 52,994.77
• Edge Electric, Inc. (lower tier to McGilvray Mechanical, LLC)	0.150%	\$ 218,916.78	\$ 218,916.76
• Expressions For You, Corp.	0.361%	\$ 637,182.22	\$ 637,182.22
• Florida Metro Construction Company	0.013%	\$ -	\$ -
• Furniture Installation Solution (lower-tier to Corporate Design Choice-Withers)	0.010%	\$ -	\$ -
• Gump Termite and Pest Control, Inc.	0.007%	\$ 12,283.00	\$ 12,283.00

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Participation Performance (continued):

<u>Subcontractor Name</u>	<u>CBE Percentage</u>	<u>Reported Amount</u>	<u>Verified Paid Amount</u>
• Heavyweight Metal, Inc. (lower tier to Walker Commercial Interiors)	0.128%	\$ 282,059.60	\$ 282,059.60
• Hejar Distribution, Inc. d/b/a EDP Supply	0.003%	\$ 6,350.34	\$ 6,350.34
• JRB Services of SFL, LLC (lower tier to Crawford Tracey Corp.)	0.048%	\$ 35,085.00	\$ 35,085.00
• MCJ Professional Cleaning Services	0.020%	\$ 51,612.14	\$ 51,612.14
• MGM General Contracting, Inc.	0.008%	\$ 18,176.23	\$ 18,176.23
• Nikon Contracting & Engineering, Inc. (lower-tier to Therma Seal)	0.341%	\$ -	\$ -
• Palm Construction Services, Inc. (lower tier to McGilvray Mechanical, LLC)	1.127%	\$ 1,626,759.69	\$ 1,626,759.69
• Palm Construction Services, Inc. (lower tier to McGilvray Mechanical, LLC)	0.175%	\$ 300,873.91	\$ 300,873.91
• Primus Construction Services, Inc.	0.135%	\$ 214,676.59	\$ 297,075.51
• Roberts Traffic Marking Corp. (lower tier to Aero BridgeWorks, Inc.)	0.005%	\$ 11,600.00	\$ 11,600.00
• Roberts Traffic Marking Corp. (lower tier to Solution Construction, Inc.)	0.031%	\$ -	\$ -
• S&D Engineering & Construction (lower tier to Walker Commercial Interiors)	0.009%	\$ 17,500.00	\$ 17,500.00
• S&D Engineering & Construction (lower tier to Walker Commercial Interiors)	0.085%	\$ 61,470.00	\$ 61,470.00
• S&D Engineering & Construction (lower tier to Walker Commercial Interiors)	0.010%	\$ 182,894.82	\$ 182,894.82
• S&D Engineering & Construction (lower tier to Walker Commercial Interiors)	0.002%	\$ 4,750.00	\$ 4,750.00
• State-Line Products of South Florida, Inc.	0.262%	\$ 454,505.27	\$ 454,505.27
• Steve's Lawn Care	0.014%	\$ 19,110.00	\$ 19,110.00

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Participation Performance (continued):

<u>Subcontractor Name</u>	<u>CBE Percentage</u>	<u>Reported Amount</u>	<u>Verified Paid Amount</u>
• Trade Solutions, LLC d/b/a Pronto Construction Developers	0.191%	\$ 382,543.15	\$ 382,543.15
Total		\$ 13,474,957.49	\$ 13,881,620.32

- Original Contract Amount: \$110,000,000.00
- First Amendment Amount: \$110,000,000.00
- Total Revised Contract Amount: \$220,000,000.00
- Total Payments to Prime: \$106,419,324.20 (excludes sole source vendor payments)
- Total Prime Payments to CBE Subcontractors: \$13,881,620.32
- Total CBE Participation to Date: 13.04% (\$13,881,620.32/ \$106,419,324.20)

Proposed Second Amendment: The CBE commitment remains 15%.

The purpose of the second amendment to the second addendum to the Signatory Terminal Building Lease Agreement (TBLA) is to decrease the contract term by 212 days and the second Addendum amount by \$67,000,000.00.

- Amount of Proposed Second Amendment: (\$67,000,000.00)
- Revised Contract Amount through Proposed Second Amendment to the Second addendum: \$153,000,000.00

CBE Compliance Comments:

Delta committed to utilizing CBE firms to perform 15% of the overall project. The current level of CBE participation under the agreement is 13.04%. This represents a participation shortfall of 1.96%. The shortfall is attributed to the prime vendor not being able to count the participation of one of its CBE-certified vendors, which was deemed by OESBD to not have been performing a commercially useful function. Additionally, the prime vendor terminated one of its non-CBE-certified subcontractors, which was anticipated to have a lower-tiered CBE-certified subcontractor working under it, for non-performance. The lower-tier CBE firm was terminated by default when the non-CBE upper-tier subcontractor was terminated by the prime vendor. The combined subcontract amounts of these two CBE vendors was one million seven hundred sixty-eight thousand six hundred dollars (\$1,768,600.00).

OESBD confirmed with the prime vendor that, of the remaining scope under the contract, there are required services estimated at eight million dollars (\$8 million) that can be subcontracted. Additionally, the prime vendor states that there is remaining change order work, which has not

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yet been priced, which it intends to directly subcontract to CBE subcontractors to ensure that the fifteen percent (15%) participation commitment is realized at the time of project completion. OESBD will continue to monitor this contract for compliance with the CBE Program and monitor the good faith efforts being made to meet the participation commitment.

cc: Donna-Ann Knapp, Small Business Development Specialist, BCAD/OESBD