



OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT

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MEMORANDUM

DATE: January 13, 2021

TO: Gasser Douge, Engineering Unit Supervisor
Aviation Department

THRU: Sandy-Michael McDonald, Director SANDY-MICHAEL MCDONALD Digitally signed by SANDY-MICHAEL MCDONALD Date: 2021.01.14 16:25:47 -0500
Office of Economic and Small Business Development

FROM: Maribel Feliciano, Assistant Director MARIBEL FELICIANO Digitally signed by MARIBEL FELICIANO Date: 2021.01.13 17:10:47 -0500
Office of Economic and Small Business Development

SUBJECT: Bid No. PNC2117690C1, Rehabilitation of North Airfield Pavements and EMAS at Fort Lauderdale-Hollywood International Airport (FLL)
Compliance Evaluation – Final Payment and Release of Retainage

The Office of Economic & Small Business Development (OESBD) has evaluated General Asphalt Co., Inc.'s (prime's) utilization of Disadvantaged Business Enterprise (DBE) firms. An overview of the evaluation follows:

The Prime committed to 24.03% DBE participation.

Participation Performance

<u>DBE Subcontractors</u>	<u>Committed Percentage</u>	<u>Reported Amount</u>	<u>Verified Paid Amount</u>
Stanford & Sons Trucking Corporation d/b/a Stanford Construction Co.	3.60%	\$ 2,053,112.16	\$ 2,053,112.16
Chin Diesel, Inc.	1.40%	\$ 934,557.72	\$ 934,557.72
Landrieu Concrete and Cement Industries	10.90%	\$ 7,877,123.36	\$ 7,877,123.36
Interstate Sealant & Concrete, Inc.	0.53%	\$ 350,918.32	\$ 350,918.32
Roberts Traffic Marking Corp.	4.36%	\$ 2,294,422.38	\$ 2,294,422.38
Solid Network Solutions, LLC	2.70%	\$ 1,886,364.93	\$ 1,886,364.93
Blue Native of the Florida Keys, Inc.	<u>0.54%</u>	<u>\$ 371,383.46</u>	<u>\$ 371,383.46</u>
Total Participation	24.03%	\$ 15,767,882.33	\$ 15,767,882.33

- Contract Amount: \$68,444,430.00 (includes \$175,000.00 in allowances)
- Change Orders No. 1-3: \$3,810,140.00
- Revised Contract Amount: \$72,254,570.00
- Unused Contract Amount: \$768,216.71
- Total Payments to Prime: \$69,698,320.45

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- Total Prime Payments to DBE Subcontractors: \$15,767,882.33
- Total DBE Participation to Date: 22.62% (\$15,767,882.33/ \$69,698,320.45)
- Final Payment/ Retainage Owed to Prime: \$1,788,032.84
- Final Payment/ Retainage Prime Owes to DBE subcontractors: \$148,722.34
- DBE Attainment after Final Payment/ Retainage: 22.27% (\$15,916,604.67/ \$71,486,353.29)

DBE Compliance Comments:

General Asphalt Co., Inc.'s (General Asphalt's) current DBE participation is 22.62%, which represents a shortfall of 1.41%. Participation was verified through an independent payment verification process. After the release of retainage, General Asphalt Co., Inc.'s final DBE participation will be 22.27%, which represents a participation shortfall of 1.76%.

General Asphalt states that the participation shortfall is due to scope reductions made by Broward County after the contract was awarded. Of the total "*painted pavement marking removal services*" called for in the solicitation documents, per the prime contractor, only forty-nine percent (49%) was actually used by the County. Additionally, the County opted not to procure a water blasting vehicle, which was a line item in the bid. Both the painted pavement marking removal services and the water blasting vehicle were services that were subcontracted to Roberts Traffic Marking, Corp. General Asphalt states that these two items amount to nine hundred sixty-seven thousand nine hundred fifty-two dollars and seventy cents (\$967,952.70) in lost revenue for the DBE-certified firm. Another factor that contributed to the DBE participation shortfall, per General Asphalt, was a design change, made by the County, to not recycle the milled asphalt on-site. This resulted in less trucking services being utilized. Stanford & Sons Trucking Corporation d/b/a Stanford Construction Co., a DBE-certified firm, was subcontracted to provide the trucking services related to this task.

The Broward County Aviation Department (BCAD) Project Manager agrees with General Asphalt's stated reasons for the DBE participation shortfall. The Project Manager added that another contributing factor was that most of the change orders under this contract were for electrical and civil engineering services. These services were subcontracted to non-DBE-certified firms prior to the start of the contract. The change orders for these services, per the Project Manager, amounted to approximately three million one hundred sixty thousand one hundred forty dollars (\$3,160,140.00).

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