



OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT

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MEMORANDUM

DATE: May 5, 2022

TO: Curtis Celestine, Expansion Project Administrator
Broward County Aviation Department

THRU: Sandy-Michael McDonald, Director SANDY-MICHAEL MCDONALD
Digitally signed by SANDY-MICHAEL MCDONALD
Date: 2022.05.10 12:16:24 -0400
Office of Economic and Small Business Development

FROM: Maribel Feliciano, Assistant Director MARIBEL FELICIANO
Digitally signed by MARIBEL FELICIANO
Date: 2022.05.10 11:30:40 -0400
Office of Economic and Small Business Development

SUBJECT: RFP No. PNC2116805C1 – Terminal 4 Federal Inspection System (FIS)
Compliance Evaluation – Change Order No. 21

The Office of Economic & Small Business Development (OESBD) has evaluated Tutor Perini Building Corp.'s (prime's) utilization of CBE subcontracted firms. The CBE participation to date is 20.27%. An overview of the evaluation follows:

The CBE Goal for this project was 23.00%.
The Prime has committed to 24.88% CBE participation.

Participation Performance

<u>CBE Subcontractors</u>	<u>Committed Percentage</u>	<u>Revised Committed Percentage</u>	<u>Reported Amount</u>	<u>Verified Paid Amount</u>
Alen Construction Group, Inc.	7.07%	7.07%	\$ 2,052,000.58	\$ 2,052,000.58
Bullnose Construction & Consultants, Inc.	1.31%	1.31%	\$ 470,188.24	\$ 470,188.24
Central Broward Construction, Inc.	0.30%	0.30%	\$ 123,959.80	\$ 123,959.80
Durham Electric, Inc.	3.80%	3.80%	\$ 690,866.00	\$ 696,589.03
Interstate Construction, LLC	1.92%	0.00%	\$ -	\$ -
Low Voltage Systems, Inc.	0.00%	0.81%	\$ 661,301.89	\$ 661,301.89
Palm Construction Services, Inc.	4.23%	4.23%	\$ 1,401,543.68	\$ 1,401,543.68
Professional Flooring Contractors	4.05%	4.05%	\$ 1,361,464.00	\$ 1,361,464.00
Smith Building, Inc.	0.00%	2.33%	\$ 1,136,622.33	\$ 1,136,622.33
Stateline Products of South Florida	0.00%	0.44%	\$ 208,297.95	\$ 208,297.95
Thousand and One Painting Corporation	0.54%	0.54%	\$ 183,668.25	\$ 183,471.60
Total Participation	23.22%	24.88%	\$ 8,289,912.72	\$ 8,295,439.10

RFP No. PNC2116805C1 – Terminal 4 Federal Inspection System (FIS)
Compliance Evaluation – Change Order No. 4

- Original Total Potential Contract Amount: \$42,737,000.00
- Change Order No. 1 – 3 Amount: \$310,967.00
- Change Order No. 4 Amount: \$1,103,444.00
- Change Order No. 5 – 20 Amount: \$1,221,238.00
- Total Revised Contract Amount: \$45,372,649.00
- Total Payments to Prime: \$40,921,034.74 (excludes \$1,805,711.81 for sole source vendors)
- Total Prime Payments to CBE Subcontractors: \$8,295,439.10
- Total CBE Attainment to Date: 20.27% (\$8,295,439.10/ \$40,921,034.74)

Proposed Change Order No. 21 – The Prime's CBE commitment remains 24.88%.

The purpose of the proposed Change Order is to settle costs associated with time, delays and other disputed costs. It will also serve to increase the existing contract allowance accounts.

- Amount of Proposed Change Order No. 21: \$4,800,000.00
- Revised Contract Amount Through Proposed Change Order No. 21: \$50,172,649.00

CBE Compliance Comments:

Tutor Perini Building Corp.'s current CBE participation is 20.27%. Participation was verified through an independent payment verification process. The current level of CBE participation is 4.61% less than Tutor Perini Building Corp.'s committed CBE participation of 24.88%.

Tutor Perini Building Corp. stated that the shortfall is a result, in large part, due to specialized services required by the Using Agency, for which no CBE participation was possible – including elevator services, baggage screening equipment, and engineering and repair services for cracked slabs and beams. The prime states that these services, had the impact of increasing the overall prime payment while not affording any increased payments to CBEs due to a lack of associated subcontracting opportunities. According to Tutor Perini Building Corp., these specialized services amounted to \$443,841.00. Additionally, included among the prime's reported payments to date are reimbursements paid by the Using Agency for Compensable Excusable Delays (CEDs) amounting to \$2,638,512.00, which were not directly associated with work being performed under the project but rather was compensation for time delays and the associated costs to the prime. The Using Agency Project Manager concurs with the reasons, as stated by the prime, which have contributed to the CBE participation shortfall.

To compensate for the participation shortfall, the prime states that it will identify change order and base contract work that can be completed by CBE firms and will work with OESBD to identify other subcontracting opportunities.

OESBD is in the process of evaluating the prime's request to remove the payments received for CEDs and specialized work for which there are no subcontracting opportunities.

OESBD will continue to monitor this project for compliance with the CBE Program.

cc: Donna-Ann Knapp, Small Business Development Manager, OESBD