



OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT

Governmental Center Annex

115 S. Andrews Avenue, Room A680 • Fort Lauderdale, Florida 33301 • 954-357-6400

MEMORANDUM

DATE: April 9, 2024

TO: Marlyn Mahabeer, Purchasing Agent Senior
Purchasing Division

THRU: Sandy-Michael McDonald, Director
Office of Economic and Small Business Development

SANDY-MICHAEL MCDONALD
Digitally signed by SANDY-MICHAEL MCDONALD
Date: 2024.04.11 14:26:17 -04'00'

FROM: Donna-Ann Knapp, Small Business Development Manager
Office of Economic and Small Business Development

DONNA-ANN KNAPP
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Date: 2024.04.09 16:40:42 -04'00'

RE: Bid BLD2127825C1- T3 Generator Replacement at FLL
Disadvantaged Business Enterprise (DBE) Evaluation

This memorandum supersedes the previous memorandum dated April 8, 2024.

The Office of Economic and Small Business Development (OESBD) has conducted a review of the respondents' compliance with the DBE requirements for this solicitation. Two (2) bids were received and reviewed. An overview is provided as follows:

The DBE Goal for this project: 16%

Met the DBE Goal Requirements:

<u>Firm</u>	<u>Category</u>	<u>Percentage</u>
Hypower, LLC (prime)		
Victoria Electric, Inc.	DBE	18.53%

Contractor's Bid Amount: \$15,918,630.00

DBE Participation Commitment: 18.53%

Did not meet DBE Goal Requirement but submitted an acceptable Good Faith Effort (GFE):

<u>Firm</u>	<u>Category</u>	<u>Percentage</u>
Eau Gallie Electric, Inc. (prime)		
Coakley Mechanical, Inc.	DBE	6.00%
Emenco Corp.	DBE	4.00%
		Total: 10.00%

Contractor's Bid Amount: \$12,800,000.00

DBE Participation Commitment: 10.00%

DBE Bid Evaluation
Bid No. BLD2127825C1- T3 Generator Replacement at FLL

Compliance Comments:

Hypower, LLC, a Non-DBE certified firm, initially did not submit DBE Letters of Intent (LOIs) with its bid package. The firm was given three (3) business days to provide its DBE commitment on the required LOI form and/or provide documentation of its good faith efforts made to meet the goal. Hypower, LLC submitted a Letter of Intent (LOI), executed with a DBE-certified firm that meets the established DBE goal, within the stipulated three-day period. Therefore, Hypower, LLC is compliant with the DBE program requirements of the solicitation.

Eau Gallie Electric, Inc. submitted DBE Letters of Intent (LOIs) totaling 10% DBE participation, which is 6% less than the established 16% goal for this solicitation. The firm was given three (3) business days to provide executed LOIs with DBE firms, which meet the established goal or provide documentation of its good faith efforts to meet the DBE goal.

Per the federal guidance concerning good faith efforts under the DBE Program, Title 49 of the Code of Federal Regulations Part 26, Appendix A, Section IV, D (49 CFR 26, Appendix A, (IV)(D)), *"It is the bidder's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting."*

Eau Gallie Electric, Inc. submitted the following documentation in support of their Good Faith Efforts (GFEs) during the previously mentioned three-day period:

- a. A public bidder's notice was sent to subcontractors listed in the Building Connected website. Building Connected is a construction bid management software platform that helps general contractors, subcontractors and owners streamline the bidding process for construction projects. It allows users to manage project documents, invite subcontractors to bid on projects, receive and compare bids/quotes, and track project progress. The Outreach Campaign lasted from February 14, 2024 to February 29, 2024.
- b. A total of 450 contractors were contacted through Building Connected of whom 80 were listed in the Florida Department of Transportation's (FDOT's) DBE directory. Of the 80 bid invitations sent to the DBE certified firms, 8 of them promised to email their quotes to the prime contractor. Only 2 DBE firms submitted bids, Coakley Mechanical, Inc. and Emenco Corp.

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Compliance Comments (cont.)

- c. Eau Gallie Electric, Inc. has reported that despite initial positive responses from many of the subcontractors contacted, they encountered challenges in obtaining timely quotes. They also mentioned that the availability of DBE firms for the Epoxy Flooring trade was limited. This resulted in fewer DBE subcontractors available to perform some of the requested scopes of work.

OESBD has conducted a verification of Eau Gallie Electric, Inc.'s Good Faith Efforts (GFEs) and determined the following:

- a. OESBD sent an email correspondence to a random sample of the 80 DBE subcontractors and verified if the prime contractor had contacted them, left voice messages, or sent them Invitations to Bid for this contract. Most of the responses were consistent with the status reports that were provided by the prime contractor.
- b. OESBD has contacted DBE-certified firms and verified their responses to Eau Gallie Electric, Inc. in the following categories: Concrete, Flooring, HVAC, Roofing, Site Work, Structural Steel and PC. However, one trade for which the respondent did not list any attempts to contact DBE-certified firms was electrical firms. Electrical services account for a significant portion of the overall contract value.
- c. In addition, OESBD conducted a statewide search of the Florida Department of Transportation's (FDOT's) DBE Directory for electrical firms with generator installation and/or repair service experience and found a total of four (4) DBE firms that provide electrical services.

Upon review of Eau Gallie Electric, Inc.'s good faith efforts, OESBD has determined that the firm did meet the quality, quantity and intensity in their various efforts to meet the goal for this solicitation in accordance with federal regulation (Title 49 CFR 26, Appendix A, (IV)(D), *"It is the bidder's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional Agreements could not be reached for DBEs to perform the work."*

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Compliance Comments (cont.)

Although Eau Gallie Electric, Inc. did not include the 4 Electrical Contractors in their outreach efforts, they did contact 450 contractors of which 80 of them were DBE-certified. After a review of the responses, most of the information is consistent with the prime contractor's account of their correspondence with the DBE firms identified to participate on this project. Therefore, it is determined that Eau Gallie Electric, Inc. did submit acceptable Good Faith Efforts and is in compliance with the DBE requirements of the solicitation. OESBD encourages Eau Gallie Electric, Inc. to continue their outreach efforts and to make good faith efforts to meet the 16% DBE goal requirement, if recommended for contract award.

cc: Maribel Feliciano, Assistant Director, OESBD
Vilmaida Rodriguez, Construction Project Manager, BCAD
James Vose, Jr., Small Business Development Specialist, BCAD/OESBD