



Independent Procurement Review Report

Why We Did This Review

In accordance with Atlanta City Charter Article 8, Section 8-107, the Independent Procurement Review Division of the Office of the Inspector General must review all solicitations with an aggregate value of \$1,000,000 or greater, seeking approval by the Atlanta City Council, for file completeness, conflicts of interest, and other areas of perceived deficiency.

| | |
|----------------------------|---|
| Solicitation# | IFB-DOA-1230188 |
| Estimated Dollar Amount: | \$9,200,000 for a term of 185 days |
| Type of Procurement: | Invitation for Bid |
| Contract Description: | NLVR Pavement Replacement-Priority 1 |
| Requesting Department: | Department of Aviation |
| All Proponents: | C.W. Matthews Contracting Co Inc Kiewit Infrastructure South Co Precision 2000 Inc. |
| DOP Responsive Proponents: | C.W. Matthews Contracting Co Inc Kiewit Infrastructure South Co Precision 2000 Inc. |
| Recommended Awardee: | Precision 2000 Inc. |

TABLE OF FINDINGS

| Review Area | Risk/Criteria | Results | DOP Response |
|-------------------------------|---|--|--|
| Evaluation Team | DOP procedures require evaluators to possess the necessary and appropriate experience to evaluate proposals or offerors submitted to the city. | No findings identified | N/A |
| Solicitation | <ul style="list-style-type: none"> Bids shall only be evaluated on requirements and evaluation criteria outlined in the formal solicitation (DOP SOP 4.3.6.(E)(3)). Having selection criteria established in the solicitation can help prevent bid manipulation. Evaluation criteria that are too vague or subjective can allow for manipulation of the scores. | No findings identified | N/A |
| Advertisement/ Addenda | <ul style="list-style-type: none"> Changing the solicitation criteria to favor a particular proponent is a red flag of potential bid rigging (International Anti-Corruption Resource Center). Too many addenda could indicate unclear specifications or unclear scope of work, which could also favor a particular proponent. | Three addenda were issued for this solicitation to revise project and question due dates, revise several exhibits, revise minimum qualifications, and answer 28 questions. | No response required |
| Submittal | The city code provides that the city shall select no less than three submittals solicited from an RFP that it deems as the most responsible and responsive; provided, however, that if three or fewer offerors respond, the requirement shall not apply (City Code Sec. 2-1189). | Several subcontractors submitted Letters of Intent on competing bids. This could be an indication of collusive bidding. | The process does not restrict subcontractors to being included in only one proposal. Outreach by prime contractors may cross the same subcontractors. There is language in the instructions to bidders that outlines ethics and integrity in the bidding process. If evaluation of bids determines that ethics were violated, it will be investigated accordingly. |

| Review Area | Risk/Criteria | Results | DOP Response |
|-----------------------------|---|--|--|
| Responsive Review | <ul style="list-style-type: none"> • DOP procedures require findings to be recorded on a responsive checklist which identifies specific submittal requirements for the project and identifies a bidder's compliance with those required documents. • Unclear or inconsistent responsiveness determinations could be a red flag of bid manipulation. | No findings identified | N/A |
| Conflict of Interest | The city's standards of conduct prohibit employees from having financial conflicts of interests. Contracts must be awarded and administered free from improper influence or the appearance of impropriety. | No findings identified | N/A |
| Evaluation | <ul style="list-style-type: none"> • DOP procedures require procurement staff to compile the evaluation scores, including those from risk management and contract compliance. • Public procurement practice states that any arithmetical errors should be corrected, and scores should be recorded in grids/matrices (NIGP). • According to the International Anti-Corruption Resource Center, bids that are too close together (less than 1%) or too far apart (more than 20%) could be indicators of collusive bidding. Not applicable for RFPs. | <p>The bid spread was 76.5% between the high and the low bids.</p> <p>A bid spread is the percentage difference between the lowest and highest bids as a percentage of the lowest bid.</p> <p>Bids more than 20% apart could be an indication of collusive bidding.</p> | Each bid is submitted individually and reviewed/evaluated on its own merit. Based upon the individual business decisions of suppliers, it is expected that they submit a competitive bid, and the user agency makes an informed decision for all factors of evaluation. |
| Cancellation | <ul style="list-style-type: none"> • The Government Accountability Office states that the use of standard language such as "in the best interest of the city" without a specific justification for cancellation could be a fraud indicator. • Transparency International states that effective record-keeping of decisions and reasons for cancellation promotes accountability and transparency. | No findings identified | N/A |
| Award | A contract file should include all project items, to confirm that each phase of the procurement was facilitated appropriately and audit-ready (DOP SOP Sec. 3.18) | <p>The user agency originally recommended the second lowest bidder as the awardee and cited the lowest bidder as being non-responsive.</p> <p>The user agency then recommended the lowest bidder as the awardee; it cited this bidder as the lowest responsive and responsible bid.</p> <p>DOP sent letters to both these proponents citing non-award and award based on the initial user agency recommendations, then sent updated letters upon receipt</p> | The lowest bidder, Precision 2K, submitted the Exhibit C-Work Plan, which included a disclaimer, the city could not agree to. After requesting clarification from Precision 2K, to explain the disclaimer, the supplier advised that the inclusion of the disclaimer was an administrative error. The disclaimer was removed, and the vendor was found to be responsive. Award and non-award letters were then sent out to each proponent. |

| Review Area | Risk/Criteria | Results | DOP Response |
|-------------|---------------|--|--------------|
| | | of the new user agency recommendation. | |