



Independent Procurement Review Report

Why We Did This Review

In accordance with Atlanta City Charter Chapter 6, Section 2.603, our office is authorized to 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.

FC#	1190431
Estimated Dollar Amount:	\$2,053,000
Type of Procurement:	Invitation to Bid
Contract Description:	SR 260 Glenwood Avenue at US 23 SR Moreland Avenue Intersection Improvements
Requesting Department:	Department of Public Works
All Proponents:	Astra Group Services, Precision 2000 Inc.
DOP Responsive Proponents:	Astra Group Services, Precision 2000 Inc.
Recommended Award:	Precision 2000 Inc.

TABLE OF FINDINGS

Review Area	Risk/Criteria	Results	Resolved/ Remaining
Evaluation Team	DOP procedures require evaluators to possess the necessary and appropriate experience needed to evaluate the 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 	DOP failed to include the Georgia Department of Transportation's DBE goals in the solicitation package. Federal funds are being used for the project, so procurement of construction services must be in accordance with FHWA/GDOT requirements.	Resolved External Agency DBE goals were inadvertently left out. However, the City DBE Goals were completed. External Agency elected to waive and use the City forms as the same information was valid, but in a different format.
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. 	No findings identified	N/A
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).	Only two submittals were received for the solicitation.	No response needed

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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. 	<p>DOP determined both submittals to be responsive and moved them forward for evaluation; however, IPRO identified the following potential problems in the bid recommended for award:</p> <ul style="list-style-type: none"> Bidder stated they had no prior direct or indirect business relationship with the city (Form 2), however, the contractor has done prior work with the city Bidders failed to include the notary and corporate secretary seal on the bid bond (Form 3) 	<p>Resolved</p> <ul style="list-style-type: none"> DOP is holding a meeting to review the mandatory Procurement forms for clarity in instructions. We are also reviewing our processes to ensure consistency. DOP is working to revise instructions on the Bid Form asking that documents with raised seals be delivered in hard copy as well as electronically by the bid due date, since raised seals are not visible in scanned documents.
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 for this solicitation was 21.70%. According to our criteria, bid spreads less than 1% and greater than 20% could indicate collusive bidding between the recommended awardee and the losing proponent; specifically, complementary bidding.</p> <p>The user agency (DPW) also identified miscalculations in the recommended awardee's bid form. The tallied total bid was \$329.83 lower than the amount submitted by the bidder. The original bid amount was \$2,620,336.00. The user agency calculated the bid to be \$2,620,006.17.</p>	<p>Resolved</p> <p>DOP is not aware of any collusive bidding.</p> <p>Code Section 2-1188 (i) allows for correction of bids to the extent that a mistake of a non-judgmental character was made. The bid contained a calculation error which when corrected, still had them as the lowest bidder thus the recommended awardee.</p>

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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)	No findings identified	N/A