



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.

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| Solicitation# | 1200560 |
| Estimated Dollar Amount: | \$13,000,000 |
| Type of Procurement: | Request for Proposals |
| Contract Description: | Annual Contract for Sanitary Sewer Repairs |
| Requesting Department: | Department of Watershed Management |
| All Proponents: | Ruby Collins, Inc./S.E. Consortium, JV Rockdale Pipeline Inc./Integral Municipal Services Corp, JV Atlanta Rehabilitation Team (ART) Helix Group, Inc. SEI/Construction 57 a Joint Venture (SEI/JV2) |
| DOP Responsive Proponents: | Ruby Collins, Inc./S.E. Consortium, JV Rockdale Pipeline Inc./Integral Municipal Services Corp , JV Atlanta Rehabilitation Team (ART) |
| Recommended Awardees: | Rockdale Pipeline Inc./Integral Municipal Services Corp , JV Ruby Collins, Inc./S.E. Consortium, JV |

TABLE OF FINDINGS

| Review Area | Risk/Criteria | Results | DOP Response |
|-----------------------------------|--|--|--|
| Evaluation Team | DOP procedures require evaluators to possess the necessary and appropriate experience needed to evaluate the proposals or offerors submitted to the city. | One approved evaluation team member did not submit an Ethics Pledge or Resume. | DOP Response Evaluators that do not submit required forms or attend the required training do not participate in the evaluation. |
| 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. | No findings identified | N/A |

| Review Area | Risk/Criteria | Results | DOP Response |
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| 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). | No findings identified | N/A |
| 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 received five proposals for this solicitation. The CPO deemed three proponents responsive and moved the proposals forward for evaluation.</p> <p>IPRO found the following discrepancies among the responsive proposals:</p> <ul style="list-style-type: none"> Joint venture partners of a proponent recommended for award submitted separate financial disclosures. The financial disclosure form states that joint ventures in existence for three or more years must submit financial disclosures for the joint venture. The joint venture was formed in 2015. A minority partner of a proponent selected for award provided only one of the required two bank or other institutional references. The majority partner of a proponent not recommended for award indicated that audited financial statements would be provided on Form 3, "Contractor Financial Disclosure", but provided reviewed financial statements instead. <p>IPRO also found the following discrepancy among the non-responsive proposals:</p> <ul style="list-style-type: none"> A proponent submitted a blank Form 5 "Reference List," which was not noted in DOP's responsiveness review. | <p>DOP Response</p> <p>This was waived as a minor technicality because although the JV may have been in existence for more than 3 years, it does not mean that the JV has financials as the JV may not be a legal registered entity with an EIN number. The JV met the responsive requirement by submitting separate financials and Risk found them responsible.</p> <p>Financials Content was scored by Risk Management.</p> <p>Financials Content was scored by Risk Management.</p> <p>This was noted on the Manager's copy of the responsiveness checklist.</p> |

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| 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. | Two employees who were not on approved by the CPO as evaluators attended the collaborative scoring session. | DOP Response The two employees in attendance were the Procurement Manager and the User Department's Liaison. Both were in attendance but did not participate in the scoring. |
| 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 |