CITY OF ATLANTA
OFFICE OF THE INSPECTOR GENERAL
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INDEPENDENT PROCUREMENT REVIEW DIVISION

Independent Procurement Review Report

TO: Atlanta City Council

DATE: October 16, 2024

The purpose of this report is to communicate the results of the following solicitation.

Background

The Department of Aviation requested an Invitation for Bids for the project and scope shown below. Invitations for Bids are to be awarded to the lowest responsive or responsible bidder. This project was not previously cancelled.

Solicitation#	IFB/REF/DOA/2401-1240218
Project Name:	Central Passenger Terminal Complex (CPTC) Restroom Enhancements- Phase 1 at H-JAIA
Estimated Dollar Amount:	$27,954,000
Term:	365 days
Recommended Awardee:	Swinerton Builders, Inc.
DOP Responsive Bidders:	Carroll Daniel/ Sovereign, A Joint Venture Skanska USA Building, Inc. Swinerton Builders, Inc.
All Bidders:	Carroll Daniel/ Sovereign, A Joint Venture Skanska USA Building, Inc. Swinerton Builders, Inc.

Observations and Responses

Evaluation

Observation 1: According to Exhibit J, the FAA-required contract provisions set a 28.65% minority participation goal. The Office of Contract Compliance (OCC) deemed all three proponents responsive although none of the proponents met the 28.65% minimum DBE participation goals.

> DOP Response: The city of Atlanta diversity and inclusion programs, Equal Business Opportunity program (EBO), Small Business Opportunity program (SBO) along with the federal disadvantage business enterprise (DBE) program are all good faith based outreach

effort programs. Proponents/ bidders must submit good non-discriminatory outreach efforts towards the set goal in a contract. If a proponent/ bidder submits a lowered percentage participation plan than the required goal, the proponent /bidder must submit good non-discriminatory outreach efforts to justify the lower commitment goal. In this case all proponents/bidders provided a list of good faith outreach efforts to the DBE certified community.

Observation 2: According to Exhibit J, the FAA-required contract provisions set a 6.9% female participation goal. This goal was not observed to have been met by any of the three proponents.

DOP Response: The specific FAA exhibit, (Exhibit J), requires a female 6.9% employment participation goal for this contract. This requirement is not a diversity participation goal to be included in OCC Appendix A DBE participation requirements.

Award

Observation 3: A bid spread is the difference between the lowest and highest bids as a percentage of the lowest bid. Bids more than 20% apart could be an indication of collusive bidding. The initial bid spread between the highest and lowest bidder was 23.84%.

DOP sent the proposed awardee an award recommendation letter on June 4, 2024.

In its revised award recommendation letter dated September 16, 2024, the UA cites the bid amount from the recommended awardee was valid for 180 days from the receipt date of April 4, 2024. The letter states the bid amount would expire October 1, 2024.

The UA cites the proposed awardee submitted an updated bid amount since the contract would not be executed within the 180 days. The bid amount increased by approximately $1.28 million. The UA stated it reviewed and approved the revised cost and attached the updated cost sheet for DOP's reference. The contract file did not contain evidence the other bidders were contacted for updated costs.

According to DOP guidance, this communication regarding the updated bid amount would violate the blackout period. The UA stated it engaged in communications with the vendor, then shared the information with DOP. DOP guidance and communications indicate the blackout period ends after the first public vote on an active solicitation.

DOP has stated violating the blackout period could result in supplier disqualification.

DOP Response: The Department of Procurement (DOP) confirms that no evidence of collusive bidding was found in the preparation or submission of any bids for this project. All bids were submitted independently through Oracle.

On June 4, 2024, the DOP sent an award recommendation letter to the proposed awardee. Subsequently, the User Agency (UA) requested DOP to contact the awardee to extend their

bid price due to the bid's expiration on October 1, 2024. The delay in the award process was caused by the FAA Grant Application timeline.

The DOP Category Specialist (CS) reached out to the awarded bidder to request an updated cost. The bidder submitted a revised cost sheet; however, it lacked sufficient detail. To clarify FAA requirements for the updated price, the DOP CS scheduled a meeting with the bidder and the UA. Following this meeting, the bidder provided a more detailed cost sheet, which the DOP CS forwarded to the UA. As a result, the Blackout Period was not violated by either the bidder or the UA.

A revised award recommendation letter was issued on September 16, 2024. There was no need to contact other bidders, as the lowest bidder, even with the revised price, remained the same (Swinerton).

The review yielded no additional findings.

Methodology

The Independent Procurement Division reviews the following stages of the procurement process:

- Initiation
- Solicitation
- Responsive Review
- Evaluation
- Award

In accordance with Atlanta City Charter Article 8, Section 8-107, and Section 2-1604 of the Atlanta Code of Ordinances, 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; must review all cooperative purchase agreements and piggyback contracts with an aggregate value greater than $1,000,000; and may conduct discretionary reviews of any value.