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: August 14, 2024

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

Background

The Department of Transportation 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-CON-DOT-2402-1240228
Project Name:	Unpaved Roads Phase 1 Group 2
Estimated Dollar Amount:	$3,140,345.00
Term:	365 calendar days (one year) with two one-year renewal options
Recommended Awardee:	BRTU Construction, Inc.
DOP Responsive Bidders:	BRTU Construction, Inc. Precision 2000 Inc. Summit Construction & Development, LLC
All Bidders:	BRTU Construction, Inc. Precision 2000 Inc. Summit Construction & Development, LLC

Observations and Responses

Responsive Review

Observation 1: In response to Question 1 on Form 2 (Contractor Disclosure and Declaration Form) which asks the vendor to list contracts held with the City, the proposed awardee answered "Yes" but failed to provide the contract name and number on a separate sheet as required. The Responsive Review sheet notes DOP verified the proposed awardee's contracts held with the City through Oracle.

> DOP Response: Upon IPro's findings, DOP verified all contracts held by the awardee through Oracle. The current contract numbers held by the awardee are as follows: (1)

1230389, start date 3/28/2024 through 4/10/2024. (2) 1230108, start date 3/21/2024 through 3/20/2025. (3) 1230247, start date 3/7/2024 through 3/6/2025. DOP will ensure that this information is included in all reviews when further verification is required.

Observation 2: The proposed awardee listed 13.7% FBE and 12.5% MBE participation. This met the OCC goal for 10% FBE participation but not for 25% MBE participation. OCC deemed the proposal responsive.

DOP Response: The "*Responsive*" determination was given by the Office of Contract Compliance based upon the EBO-2 Form for good faith efforts executed.

Evaluation

Observation 3: The bid spread was 42.24% between the high and the low bids.

A bid spread is the percentage 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.

DOP Response: DOP does not review bid spread sheets and determine percentage differences. 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. DOP will continue to coordinate with the User Agency to establish accurate, up-to-date cost estimates.

Observation 4: DOP has communicated evaluators are not required for IFBs due to awards being decided by cost. A Departmental Bid Evaluation from the user agency documents scoring of the submissions although there were no submitted evaluators for this project.

DOP Response: IFBs do not require DOP's facilitation of bid evaluation by the user agency. The user agency conducted the evaluation in good faith and made a recommendation based upon the lowest priced, most responsive, and responsible bid. DOP will continue to coordinate with the user agency to ensure that bid evaluations are fair and meet the criteria for award.

Observation 5: The selected awardee submitted a bid amount that exceeds the estimated dollar amount for this solicitation. Per email records, a user agency project manager cited this as a funding shortfall. However, the project was awarded to the lowest responsive proponent.

DOP Response: DOP does not provide recommendations to the User Agency regarding funding shortfalls for bid amounts submitted. The user agency, based upon engineer estimates, determined the funding shortfall, and will handle accordingly to legislate award the contract. DOP will continue to coordinate with the User Agency to establish accurate, up-to-date cost estimates for the solicitation.

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.