

Section 3 Bid Evaluation Memorandum

CDBG Curb, Gutter & Sidewalk Improvement Project
PROJECT NAME

04/4/19
BID OPENING DATE

REASONABLENESS OF BID

A Section 3 bid preference may be provided to a Section 3 Business concern over a lower bid from a firm that is not responsive or less responsive to Section 3, provided that the bid receiving preference is reasonable. A reasonable bid is a bid that is not more than the value of "X" higher than the lowest bid. To determine the range of bids that may be considered for preference, known as the Zone of Consideration, use the table below to calculate the "X" factor as shown.

Zone of Consideration

If the Lowest Bid is		The "X" FACTOR is the lesser of	
At Least	But Less Than		
\$100,000	N/A	10%	\$9,000
\$100,000	\$200,000	9%	\$16,000
\$200,000	\$300,000	8%	\$21,000
\$300,000	\$400,000	7%	\$24,000
\$400,000	\$500,000	6%	\$25,000
\$500,000	\$1,000,000	5%	\$40,000
\$1,000,000	\$2,000,000	4%	\$60,000
\$2,000,000	\$4,000,000	3%	\$80,000
\$4,000,000	\$7,000,000	2%	\$105,000
\$7,000,000		1.5%	

"X" FACTOR	THE LOWEST BID	\$153,722.00
	PLUS, the lesser of 9 % of low bid (\$13,834.98), or \$16,000.00	\$13,834.98
	EQUALS the maximum acceptable Section 3 "Reasonable Bid"	\$167,556.98

SECTION 3 RESPONSIVENESS

Each of the bids within the Zone of Consideration are then evaluated to determine the level of responsiveness Section 3. To be responsive to Section 3, a bidder must submit a Section 3 Business Certification form:

1. Qualify for preference by documenting that the bidder's firm is a Section 3 Business concern by:
 - Attaching a sufficient number of Section 3 Resident Certification forms to the Section 3 Business Certification form to demonstrate that the bidder is:
 - 51% owned by low-income residents, or
 - That 30% or more of its permanent, full-time employees are Section 3 Residents; or
 - Provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontractors to be awarded to Section 3 Business Concerns that meet the qualifications set forth above.

SUMMARY OF BIDS RECEIVED

Name of Bidder: C-Works Engineering, Inc. (Lowest Bidder within Zone of Consideration)		Bid Amount
MBE/WBE Responsive <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (See notes below)		\$ 153,722.00
Method of Qualification & Responsiveness	<input checked="" type="checkbox"/> Notary Seal <input type="checkbox"/> Own MBE/WBE Status, or <input type="checkbox"/> Award MBE/WBE Subcontracts to Bona-Fide Firms, or <input checked="" type="checkbox"/> Minimum Three (3) firm outreach effort, and <input checked="" type="checkbox"/> Other outreach efforts: Contractor initialed all good faith efforts. However only supplied supporting documentation for proof of publication and solicitation for interested MBE/WBE firms.	
Section 3 Responsive <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (See notes below)		
Method of Qualification	<input type="checkbox"/> Business is 51% Owned by Section 3 Residents <input type="checkbox"/> Business employs 30% Section 3 Residents <input type="checkbox"/> Business to subcontract in excess of 25% of the dollar award of all subcontractors to be awarded to Section 3 Business Concerns	
Method of Responsiveness	<input type="checkbox"/> Resident Certification Form(s) –or- <input type="checkbox"/> Economic Opportunity Plan <input type="checkbox"/> Commits to hire _____ new Section 3 Residents –or- <input type="checkbox"/> Subcontracts _____ percent to Section 3 Businesses	
Comments	<p>Contractors Bid amount of (\$153,722.00) was correctly reported on bid tabulation sheet. Contractor has identified a total of one (1) subcontractor for this project (Sneve Bobcat Service) with a contract amount of \$26,763.00 (17% of total contract). Contractor is not a Bona-Fide MBE/WBE contractor (See MBE/WBE Business Enterprise Tiered Compliance Plan) and contractor has not subcontracted any work to MBE/WBE firms. The Contractor initialed all good faith efforts, however only supplied supporting documentation for advertised plans and specs and for interested potential MBE/WBE contractors were provided plans and specs. Contractor did attach a Notary seal with the Good Faith Effort Evaluation Criteria and Non-Collusion Affidavit, however the "description of the attached document box" located on the Certificate of Acknowledgement does not match the documents being notarized. Contractor did not turn in the following documents with their submitted bid: Section 3 Business Certification, Section 3 Resident certification form, Section 3 Economic Opportunity Plan, and Notice of Section 3 Commitment. Contractor did not complete nor sign the Disclosure of Lobbying Activities that was submitted with their bid.</p>	

Name of Bidder: Hardy & Harper, Inc. (2 nd Lowest Bidder. Outside of the Zone of Consideration)		Bid Amount
MBE/WBE Responsive <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (See notes below)		\$ 176,000.00
Method of Qualification & Responsiveness	<input checked="" type="checkbox"/> Notary Seal <input type="checkbox"/> Own MBE/WBE Status, or <input type="checkbox"/> Award MBE/WBE Subcontracts to Bona-Fide Firms, or <input checked="" type="checkbox"/> Minimum Three (3) firm outreach effort, and <input checked="" type="checkbox"/> Other outreach efforts: <u>Contractor initialed all good faith efforts. However only supplied supporting documentation for proof of publication and solicitation for interested MBE/WBE firms.</u>	
Section 3 Responsive <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (See notes below)		
Method of Qualification	<input type="checkbox"/> Business is 51% Owned by Section 3 Residents <input type="checkbox"/> Business employs 30% Section 3 Residents <input type="checkbox"/> Business to subcontract in excess of 25% of the dollar award of all subcontractors to be awarded to Section 3 Business Concerns	
Method of Responsiveness	<input type="checkbox"/> Resident Certification Form(s) –or– <input type="checkbox"/> Economic Opportunity Plan <input type="checkbox"/> Commits to hire _____ new Section 3 Residents –or– <input type="checkbox"/> Subcontracts _____ percent to Section 3 Businesses	
Comments	<p>Contractors Bid amount of (\$176,000.00) was correctly reported on bid tabulation sheet. Contractor has identified a total of two (2) subcontractors for this project (Case Land Surveying) with a contract amount of (\$7,950.00) and V & E Tree Service with a contract amount of (3,250.00). Contractor did not fully complete the "Past Performance Certification Form" (one check box is not marked). Contractor is not a Bona-Fide MBE/WBE firm. Contractor did not contract with any MBE/WBE subcontractors. Contractor initialed all good faith efforts. However only supplied supporting documentation for proof of publication and solicitation for interested MBE/WBE firms (Contractor did provide email and fax proofs of attempts at hiring qualified MBE/WBE Section 3 businesses). Contractor made written commitment to hiring Section 3 Businesses with a written commitment but did not indicate what dollar amount or %. It was determined during the review, that the subcontractors identified for the project are not bona-fide Section 3 business concerns. Contractor indicated "N/A" and did not fill out the Section 3 Economic Opportunity Plan. Contractor indicated "N/A" on Section 3 Resident Certifications, and on Section 3 Commitment Form.</p>	

Name of Bidder: Onyx Paving Company, Inc. (3rd Lowest Bidder. Outside of the Zone of Consideration)		Bid Amount
MBE/WBE Responsive <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (See notes below)		\$ 296,000.00
Method of Qualification & Responsiveness	<input checked="" type="checkbox"/> Notary Seal <input type="checkbox"/> Own MBE/WBE Status, or <input type="checkbox"/> Award MBE/WBE Subcontracts to Bona-Fide Firms, or <input checked="" type="checkbox"/> Minimum Three (3) firm outreach effort, and <input checked="" type="checkbox"/> Other outreach efforts Contractor initialed all good faith efforts. However only supplied supporting documentation for proof of publication and solicitation for interested MBE/WBE firms.	
Section 3 Responsive <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (See notes below)		
Method of Qualification	<input type="checkbox"/> Business is 51% Owned by Section 3 Residents <input type="checkbox"/> Business employs 30% Section 3 Residents <input type="checkbox"/> Business to subcontract in excess of 25% of the dollar award of all subcontractors to be awarded to Section 3 Business Concerns	
Method of Responsiveness	<input type="checkbox"/> Resident Certification Form(s) -or- <input type="checkbox"/> Economic Opportunity Plan <input type="checkbox"/> Commits to hire _____ new Section 3 Residents -or- <input type="checkbox"/> Subcontracts _____ percent to Section 3 Businesses	
Comments	Contractors Bid amount of (\$296,000.00) was correctly reported on bid tabulation sheet. Contractor has identified a total of one (1) subcontractor for this project (Case Land Surveying). with a contract amount of (\$7,950.00). Contractor is not a Bona-Fide MBE/WBE firm. Contractor did fill out MBE and WBE Subcontracts Awarded form and stated "N/A" in the certifying MBE/WBE section. Contractor initialed all good faith efforts. However only supplied supporting documentation for proof of publication and solicitation for interested MBE/WBE firms (Contractor did provide email and fax proofs of attempts at hiring qualified MBE/WBE Section 3 businesses). Contractor did not complete nor sign the Disclosure of Lobbying Activities that was submitted with their bid. Contractor did commit to hiring a Section 3 Business with a written commitment but stated "N/A" at the top of the page and did not fill out the Section 3 Economic Opportunity Plan or Section 3 Resident Certifications. Contractor did state "TBD" on a Section 3 Commitment Form.	

RECOMMENDATION FOR SECTION 3 CONTRACT AWARD

<input checked="" type="checkbox"/>	One identified bid fell within the applied Zone of Consideration as it pertains to Section 3 Responsiveness (C-Works Engineering Inc.) all other submitted bids fell outside of the Zone of Consideration. None of the three (3) submitted bidders supporting Section 3 documentation identified any contractor of being a Section 3 business concern as defined in the bid document. Therefore, there were no identified Section 3 Business Concerns, and therefore no bid preferences issued for this project. The City is recommending the contract award to the responsible bidder based on the lowest bid amount. Therefore, <u>C-Works Engineering Inc.</u> is being recommended for funding.
-------------------------------------	---


 NAME/SIGNATURE OF PREPARER

4/18/19
 DATE

NAME/SIGNATURE OF CITY APPROVAL

DATE