



Audit of Bid Solicitation and Award Process

Project #16-03

Prepared by
Office of the Inspector General

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SOUTH FLORIDA WATER MANAGEMENT DISTRICT

November 10, 2016

Governing Board Members

Re: Audit of Bid Solicitation and
Award Process, *Project No. 16-03*

This audit was performed pursuant to the Inspector General's authority set forth in Chapter 20.055, F.S. Our objective primarily focused on assessing compliance with the District's procurement policies and procedures from Request for Bid solicitations to contract award. Jankie Bhagudas and I prepared this report.

Sincerely,

A handwritten signature in blue ink that reads "J. Timothy Beirnes".

J. Timothy Beirnes, CPA
Inspector General

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BACKGROUND

In accordance with the Office of Inspector General's Fiscal Year 2016 Audit Plan, we conducted an Audit of the Request for Bid Solicitation and Award Process.

A Request for Bids (RFB) is an advertised formal solicitation by the District for sealed competitive bids, which are publicly opened at a specific time and date. RFB solicitations are used when the District can clearly define the scope of work for contractual services or the specifications for commodities.¹ The preparation of a RFB for construction requires the effort of staff assigned to various District resource areas including the Procurement Bureau, Operations, Engineering and Construction Division, Budget Bureau, and Office of Counsel. The Procurement Bureau staff are responsible for ensuring all rules, regulations, policies, and laws are followed before entering into a contract award. In addition, project managers are essential from project's bid solicitation through contract closeout.

RFB solicitations contain instructions and information to potential bidders, including but not limited to the following:

- Award is made to the lowest responsive and responsible bidder.
- Notices regarding requirement for bid bond or cashier's check equivalent to five percent of base bid amount; bid withdrawal; rights to protest provisions of the RFB document and District's intended decision to award; bid availability for public inspections; all bids received become the property of the District and will not be returned even if withdrawn from consideration; Discriminatory Vendor and Suspension Lists; and Non-Collusion; compliance with applicable federal, state, and local laws, regulations, and policies prohibiting discrimination.
- Small Business Enterprise (SBE)² participation requirement.
- Bid forms and other documents.
- Minimum insurance and licensing requirement.

¹ The audit focuses on the RFB process for construction services.

² A SBE is a business certified by the District, whose three year average gross receipts, including affiliates, does not exceed \$13M if the business provides construction, \$5M if the business provides commodities, and \$6M if the business provides services. In addition, the SBE must be licensed to do business in the State of Florida, if the business requires a license.

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- The District reserves the right to reject all bids. Some reasons may include the following:
 - It is in the best interest of the District because the District no longer needs solicited work due to funding issues or legislative changes with respect to project goals.
 - All the bids prices are unreasonable and exceed the project's budget.
 - The specifications / Statement of Work were ambiguous and erroneous.

Contracts are awarded to the lowest responsive and responsible bidder meeting the bid specifications. A responsive bidder meets all material aspects to the RFB and a responsible bidder is reliable and capable of performing the contract requirements. For each RFB solicitation, a bidder must meet specific responsive and responsibility requirements in order to be awarded a contract. Procurement staff and assigned project managers are tasked with determining whether bidders are responsive and responsible and meet solicitation requirements. Specifically, Procurement staff select the three lowest bids and perform the following responsive and responsibility reviews.

Responsive Checks by Procurement Staff

- Ensure bid was submitted timely and signed by bidder.
- Ensure bidders submitted SBE Subcontractor Utilization Plan, bid form, bid bond, and other information (if required).
- Evaluate each of the bidder's SBE plan to ensure their proposed SBE subcontractors' certification are active and that the SBE utilization goal required by the solicitation is met.

Responsibility Checks by Procurement Staff

- Verify that bidders do not appear on the State of Florida Suspended List, State of Florida Convicted Vendor List, State of Florida Discriminatory Vendors List, State of Florida Scrutinized List of Prohibited Companies, and the District's Suspension List.
 - Verify evidence of bonding and all required insurance coverage.
 - Compile bidders' past District performance records, if necessary.
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The results of Procurement's review and relevant bid documents are forwarded to the project manager for additional review and responsibility assessments. The following are the common steps the project manager performs to determine whether the lowest bidder is responsible.

Responsibility Tests by Project Managers

- Verify bidder's required licenses are active, bidder is in good standing with Florida Secretary of the State (for corporations and partnership).
- Review past District performance evaluations if bidder performed similar work for the District, to determine whether performance was acceptable. It should be noted that Procurement staff usually provide the evaluations to project manager. Further, the District can opt to use the internal evaluations and not contact external references.
- Ensure compliance with the project reference requirements and conduct the required reference checks outlined in Article 10 of the *RFB Instruction to Bidders*. The number of required external references required by each RFB solicitation varies; a RFB can require one to three verifiable references. It should be noted that the results of the reference checks are an indication of the bidder's qualifications, experience, integrity, and business ethics.
- Verify that bidder has the following to satisfactory complete the project: qualified team with the expertise to perform work to meet project schedules and deliverables; and available equipment and/or facilities or demonstrated ability to obtain such.

The project manager prepares a memo summarizing the results of the responsiveness and responsibility review to justify the award to the lowest responsive and responsible bidder. The memo and bid documents are then reviewed and approved by program manager's supervisor(s). In addition, a *Notice of Intent to Award* form is approved by various Operations, Engineering, and Construction Division and Procurement Bureau staff. If after reviewing the lowest bid package the project manager concludes that bidder does not meet the responsive and responsibility requirements then the next lowest bid package is reviewed. Bids are reviewed from the competitive bids pool until the lowest responsive and responsible bidder is identified. If all bids are deemed non-responsive and non-responsible, the District can reject all bids and post an approved *Notice of Authorization to Reject all Bids*. It should be noted that in instances when the lowest priced bid is not chosen or when all bids are rejected, the Office of Counsel's review and approval is required.

The Governing Board approves all standard contracts over \$150,000 and all construction contracts over \$500,000. After the Governing Board's approval, Procurement posts the *Notice of Intent to Award* for a period of 72 hours and in the Procurement office. The notice is required by Florida Statute and is posted on the District's web site on Fridays. Based of Florida statutes, bidders have the right to protest District RFB decision if protests are filed within certain mandated timeframes.

The following table provides details regarding the RFBs issued for services and commodities during Fiscal Year 2013 through Fiscal Year 2015.

RFBs Issued During Fiscal Year 2013 to Fiscal Year 2015			
RFB Type	Examples of RFB Solicitations	# of RFBs Issued	Award Amount / Notes
Construction Services	Stormwater treatment areas; reservoirs; pump stations; canal, culvert, structure repairs and replacements, and dredging	43	<i>Awarded 39 contracts totaling approx. \$412M</i> ; 1 project cancelled; 3 bids rejected
Mowing Services	Flat and slope mowing for field station service areas	10	<i>Awarded nine work-order based contracts totaling approx. \$4.5M</i> ; three year contracts with two one-year renewal options. Paid based on acres mowed. Actual cost varies due to several factors; for example, annual fuel adjustment; weather conditions may require more or less mowing; funds may be reallocated for other uses
Miscellaneous Services	Fuel, vehicle leases, herbicides & adjuvants, advertising, data logger maintenance, building maintenance, and equipment purchases	16	<i>Awarded 14 work order based contracts and purchase orders.</i> Primarily work-order based contracts. Did not determine costs.
Total		69	

Our audit focuses on the RFB process for construction services due to dollar amount of the contracts awarded.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective primarily focused on assessing compliance with the District's procurement policies and procedures from RFB solicitations to contract award.

To accomplish our objectives, we obtained an understanding of the RFB and contract award processes by interviewing Procurement Bureau, Engineering and Construction Bureau, and other relevant staff. We reviewed the Procurement Manual and other applicable laws, rules, and regulations. We also reviewed RFBs data maintained on the District's website.

We selected a sample of 16 construction related RFBs issued during Fiscal Year 2013 to Fiscal Year 2015, and conducted various audit tests. Specifically, we determined whether bids were opened publicly and whether the contract specialists verified that bids submitted by the three lowest bidders were responsive to solicitation requirements. In addition, we determined whether the project managers' responsibility reviews met the solicitation requirements and whether review results were adequately documented. Further, we determined RFB solicitations were adequately advertised, approved by Office of Counsel, and the Governing Board, when necessary.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT RESULTS

Executive Summary

Overall, the District has adequate controls in place to ensure that RFBs are awarded to the lowest responsive and responsible bidders in compliance with Florida statutes, District procurement policies and procedures, and other relevant rules and regulations. However, our audit disclosed that improvements are needed in certain areas to further enhance the bid assessment process.

Specifically, based on prior solicitation requirements bids discrepancies between words and figures were resolved in favor of the lowest dollar value. Our audit tests disclosed one instance where the discrepancy between the words and figures was \$621,378; however, staff did not detect the discrepancy and the contract was awarded for the higher amount. It should be noted that solicitation requirements have been revised and bid amounts are only required to be expressed in numbers. Further, as part of the responsibility analysis, contract specialists are required to ensure that the lowest responsible bidder does not appear on certain lists. Our audit disclosed that the contract specialists indicated on the *Responsiveness/Responsibility Checklist* that these verifications were conducted for the 16 solicitations in our sample; however, only one file contained supporting documentation that the lists were verified.

In addition, based on RFB solicitation requirements, if a bidder performed sufficient similar work for the District, the District can use the *Contractor Performance Evaluations* as references. Our audit disclosed several instances where prospective contractors performed work for the District; however, in most cases we could not determine whether the evaluations were for work similar to the current project. Further, in some instances based on the project experience documentation provided by bidders we could not determine whether the experience and project descriptions met the specific bid solicitations requirements. As a result, we met with staff for explanations and in most cases they explained the comparability between the references and the bid requirements.

Further, in instances where project managers contacted external references to verify a bidder's work performance, we could always not determine whether they verified the project scope, dollar amount, or completion date because the information was

not reflected on reference questionnaires. We also found instances where award recommendation memorandums did not accurately reflect the results of the project managers' reference checks and reviews. There were also instances where procurement staff could not determine whether contractors' provided proof of builder's risk insurance/installation floater and environment impairment liability coverages.

Revisions were made in the *RFB Bidding Requirements* for construction related projects, during Fiscal Year 2013 to early Fiscal Year 2016. Specifically, changes were made in bidder's prior project experience and reference requirements; for example, earlier solicitations required that references must be for completed projects. Depending on a project's complexity newer solicitations may require that referenced projects be completed or substantially completed.

Overall Compliance with RFB Solicitation Requirements; Certain Improvements Needed to Strengthen Process

Overall, the District adequately complied with Florida statutes, District policies and procedures, and other relevant rules and regulations when evaluating bids and awarding contracts to the lowest responsive and responsible bidders. However, we found certain areas need improvements to further strengthen the bid solicitation to contract awards process. Specifically, we analyzed bids submitted for 16 sampled construction related RFB solicitations that resulted in the following:

- 14 contract awards totaling over \$350 million.
- One intent to award but the project was cancelled before execution.
- All bids were rejected for the remaining solicitation.

Overall, our audit disclosed that contracts were awarded to the lowest and responsive and responsible bidders based on contract specialists' and program managers' document reviews and analysis. Specifically, Procurement Bureau, Engineering and Construction Bureau, and other relevant staff ensured the following:

- RFB solicitations were adequately advertised. For example, bid solicitations were usually advertised about 30 days before the solicitation response submission date on the District's Procurement website and in local newspaper(s).
- Bids were opened publicly, the bid amounts were recorded, and preliminary bid results, i.e., each respondent's name and bid amount were posted on the District's website.
- *Notice of Intent to Award* and award justification memoranda were properly approved and posted on the District's website.
- Bids were submitted before submission deadline date.
- Bids forms were signed.

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- Bids included SBE Subcontractor Utilization Plan, signed and sealed bid bonds, required licenses, authorization to conduct business in the State of Florida, and completed Trench Safety Act³ form, if necessary.
 - Bidders were in good standing (i.e., active) with the Florida Secretary of State and professional licenses were valid.

However, we found that improvements in certain areas are needed to further enhance the bid assessment process. Areas of improvements are discussed in the following sections.

Bid Amount Discrepancy

We noted an instance where there only two responses to a solicitation. The lowest bidder was determined to be non-responsible because required references were inadequate and information about personnel to be assigned to the project were not provided. As a result, the second bidder was analyzed and deemed the lowest responsive and responsible bidder. However, our review disclosed a discrepancy in the bid amount. Specifically, based on the bid form, the written bid amount was as follows: one million, six hundred twenty two dollars, which in numbers is equivalent to \$1,000,622. The amount in numbers was written as \$1,622,000. This amount was indicated on the District's *Notice of Intent to Award* form and was the contracted amount. However, based on the bid form "discrepancies between words and figures shall be resolved in favor of the lowest dollar value." Thus, based on solicitation guidelines this contract should have been awarded at the lower amount, or \$621,378 lower than the awarded amount. According to the contract specialist, several steps would have been taken if the error was found during the analysis process; for example, the District could have contacted the bidder and discussed the error or rejected the bid and resolicited the project. This discrepancy was not detected during the review process even though the bid documents were reviewed by several staff. Staff explained that due to other instances of

³ Per Florida Statutes, the Trench Safety Act requires contractor to either specify the cost of compliance or certify that the project scope and/or construction means and methods will not require trenching as defined by OSHA (if applicable).

discrepancies between bid amounts, bids are now only required to be expressed in numbers; amount are no longer required to be written in words.

Improve Documentation of Prohibited Lists Reviews

As part of the responsibility analysis, contract specialists are required to ensure that the lowest responsible bidder does not appear on the following lists:

- State of Florida's Convicted Vendor List,
- State of Florida Discriminatory Vendors List,
- State of Florida Scrutinized List of Prohibited Companies,
- State of Florida's Suspended Vendor List, and
- District Suspension List.

Our audit disclosed that the contract specialists indicated on the *Responsiveness / Responsibility Checklist* that these verifications were conducted for the 16 solicitations we sampled; however, only one file contained supporting documentation that the lists were verified. To further substantiate that the verifications are conducted, Procurement should consider requiring that the review results be better documented.

Adequately Justify Using District Contractors' Performance Evaluations as Prior Experience References

A bidder's prior work experience and references are an important component of the responsibility analysis. Reference requirements vary by project. Based on RFB solicitation requirements, if a bidder performed sufficient similar work for the District, the District can use the *Contractor Performance Evaluations* as references. Our review disclosed instances where prospective contractors performed work for the District and their prior satisfactory performance evaluations were used as references; however, in most cases we could not determine whether the evaluations were for work similar to the solicited project.

Specifically, the *Contractor Performance Evaluations* do not contain project descriptions of the relevant work the contractor performed. In these instances, reference questionnaire were not completed; instead, only copies of the performance evaluations were included as part of the reference analysis. Engineering and Construction staff stated

that the project managers would only use the evaluations as references if the projects were similar. To address this issue project managers should be required to include project descriptions so that the project experience comparability is readily apparent. It should be noted that in one instance, a project manager used prior District evaluations as references and contacted the prior project managers and completed the reference checklists.

**Improve Document of Determination Regarding Contractors’
External Project Experiences Satisfying RFB Requirements**

Overall, prospective contractors’ prior project experiences provide evidence that they meet the project experience needed per bid requirements. However, our audit disclosed some instances where, based on project experience documentation, contractors did not meet requirements or we could not determine whether the experience and project descriptions met the specific bid solicitations requirements. Consequently, we met with Engineering and Construction Bureau staff for explanations. In most cases, staff explained the comparability between the references and the bid requirements. For example, in some instances staff used project photographs provided by contractors to explain the similarities. In other cases, staff explained that they considered contractor’s overall experience. As a result, we informed staff that reasons for considering prior projects as acceptable references should be documented and evident in the contract files.

Consistently Verify Referenced Project Size and Completion Status

One of the factors that demonstrates whether a bidder is responsible is prior work experience on projects that are comparable to the District’s bid solicitation. As a result, RFB solicitations require bidders to provide references that are required to be comparable to the work being solicited and completed within specified timeframe from the bid submission date. Reference requirements vary by project. Bidders are generally required to describe the referenced projects in detail and include the following for each project: how the referenced project relates to the District’s solicitation, overall project description, relevant work the contractor completed, and the project total dollar amount.

In instances where project managers contact references, they are required to use a *Reference Checklist*, which contains 17 questions; for example, scope and size of project, whether project was completed on budget, percentage of contractor work performed, whether the contractor was familiar with technical issues, whether the contractor had an appropriate level of resources, and whether they would hire the contractor again to perform the same type of work.

Based on our review of completed *Reference Checklists*, we concluded that program managers asked all questions; however, in some cases, we could not determine whether they verified the dollar amount of the projects or when the projects were completed. These are important aspects of the reference checks.

**Ensure Award Recommendation Memorandums
Accurately Reflect Results of Reference Checks**

Overall, the award recommendation memorandums adequately summarizes the results of the responsive and responsibility analysis; however, we noted a few issues regarding reference verifications.

After the responsive and responsibility analysis is completed, the project manager prepares a recommendation memorandum justifying the reasons for award or non-award (e.g., reject all bids). An award recommendation memo generally includes the following:

- Listing of all respondents and bid amounts.
- Bid amounts compared to the District's engineer estimate.
- Results of responsive and responsibility analysis; for example, contractor is certified as general contractor and there are no complaints with the State, reference verifications were positive, and bid bond and SBE utilization plans are in compliance with solicitation requirements.

After the program manager completes the recommendation memorandum, the bid package; i.e., bid documents, award memorandum, *Notice of Intent to Award*⁴ form (final ranking) is forwarded to the section administrator, bureau chief, and division director for review and approval. The package is also sent to Procurement for approval. It should be noted that approval from the Office of Counsel is required if a contract is awarded to other than the lowest bidder or if all bids are rejected. In addition, Governing Board approval is required if certain threshold amounts are exceeded; for example, construction contracts over \$500,000. It should be noted that the approved *Notice of Intent to Award* or *Notice of Intent to Reject* are posted on the District's external website and in the Procurement office.

Our audit procedures entailed determining whether the representations in the recommendation memos were adequately substantiated. Our review disclosed that in one of the sampled 16 solicitations the project manager noted in the award recommendation memo that the lowest responsible bidder's past District performance evaluations were used as references. The project manager indicated that the performance evaluation sheets were checked and verified, and the contractor indicated that the projects were of the same type, scope and complexity. However, based on our observations, the contract file contained no prior District performance evaluations or reference checklists. The project manager acknowledged that they did not actually review any evaluations. Instead, they spoke with field station staff who were familiar with the contractor's work and they highly recommended the contractor. Further, the referenced work were procured via purchase orders and evaluations are not completed for purchase orders. Procurement staff stated that based on a review of payments to the contractor, the contractor has performed extensive work for the District. In addition, we noted other instances where the award recommendation memo did not accurately reflect the number of reference checks. It is important that recommendation memos accurately reflect the steps taken in determining whether bidders are deemed responsible.

⁴ The *Notice of Intent to Award* is considered the official award notice and is required by Florida Statute to be posted on the District's website which as a general rule is on Fridays. This notice is completed after the responsiveness and responsibility review and required approvals have been obtained. Procurement is required to post the *Notice of Intent to Award* for a period of 72 hours.

**Improve Understanding of Insurance Requirements
to Ensure Contractors' Compliance**

Overall, our audit disclosed that Procurement's contract specialists verified that contractors provided required insurance policies and other documentation reflecting compliance with minimum required coverage amounts. In some instances where builder's risk insurance/installation floater and environment impairment liability coverages were required, staff could not readily determine whether these coverages were submitted and included in the insurance documentation on file (for example, policy must be "broad form" covering all equipment and machinery and valued on a replacement cost basis). Procurement staff explained that in the past the Risk Management Unit verified insurance requirements; however, they are now responsible for this task. Procurement staff may need some training to enhance their understanding of contractor's insurance requirements and policy submittals. Typical contractor insurance requirements are general liability, automobile liability, worker's compensations and employer's liability insurance coverage at specified minimum coverage limits. In some instances contractors are required to obtain builder's risk/installation floater and environmental impairment liability coverages. Within seven days after the receipt of the *Notice of Apparent Low Bidder Letter*, contractors are required to provide insurance certificates and within 30 days after the contract execution date they are required provide an insurance declaration page. It is important that staff responsible for verifying compliance fully understand all insurance requirements and contractors' submittals in order to protect in District's interests.

Enhancements to RFB Solicitation Requirements For Prior Project Experience and References

Our review of *RFB Bidding Requirements* for construction related projects during Fiscal Year 2013 to early Fiscal Year 2016 disclosed changes in the bidder's prior project experience and reference requirements. Prior project experience is a crucial factor in determining whether a prospective contractor or subcontractor has the specialized expertise to successfully complete the solicited project. Specific requirements vary from project to project and are usually determined in solicitation strategy meetings between Engineering and Construction Bureau, Procurement Bureau, Office of Counsel, and other relevant staff.

Based on our review of 16 sampled solicitations for construction projects, we noted that staff ensured that required references were provided at the time of bid submission; however, for the older solicitations it appeared that in a few instances references did not totally satisfy solicitation experience requirements. In addition, contractors did not always provide required references for subcontractors. Bureau of Engineering and Construction staff stated that in the past program managers sometimes used their professional expertise when reviewing references to determine whether contractors met the overall experience requirements to successfully complete projects. Specifically, they assessed the prospective contractor's overall experience. However, this practice has changed. Project managers are now required to ensure that prospective contractors comply with the prior project experience and reference requirements in Article 10 (Bidder's Responsiveness and Responsibility) of the *RFB Bidding Requirements*.

Our audit disclosed that the experience requirements are now more concise and less restrictive. Staff explained that the requirements are regularly reassessed and enhanced based on lessons learned from past projects and questions from bidders. Some recent revisions are as follows:

- Previous solicitations required that references must be for completed projects. However, some recent solicitations require that referenced projects be completed (Certificate of Final Completion received and contractor's obligations have been

completed) or substantially completed (Certificate of Substantial Completion⁵ received and project can be used for its intended purpose).

- Some previous RFB solicitations required bidders to indicate whether subcontractors performed relevant work (i.e., major features of the project) on the projects the bidders provided as prior experience references. If subcontractors performed major work, then the bidders were required to provide the subcontractors' names and references for the subcontractors. Further, if bidders planned to subcontract any relevant work of the solicited project they were required to provide references for the subcontractor and a list of key subcontractor personnel responsible for performing the work. Currently, bidders are required to provide subcontractor references in instances where staff deems it necessary; for example, in instances where the project feature is highly specialized and the prime contractor does not have the expertise. Staff explained that in other instances it is now the prime contractors' responsibility to ensure that their subcontractors are qualified. In addition, based on the *Notice to Apparent Low Bidder Letter* bidders are required to provide a list of their subcontractors. If the District has reasonable objections to any proposed subcontractors, the contractor has to provide acceptable substitutes without increasing the bid price.

⁵ Substantial completion is the point at which work has progressed to the stage that in the District's opinion the work is sufficiently complete, in accordance with the contract, and can be utilized for the purposes for which it is intended.

Recommendations

1. **Ensure that bid amounts are closely reviewed for discrepancies and any discrepancies are resolved in the compliance with the requirements outlined in the RFB solicitation.**

Management Response: Agree. The Bid Form has been revised to eliminate discrepancies between the numbers and the written amount. The section requiring that required a written amount has been eliminated from the Bid Form.

Responsible Division: Procurement Bureau

Estimated Completion: Complete

2. **Consider requiring contract specialists to better document the verification results of the following lists: State of Florida's Convicted Vendor List, State of Florida Discriminatory Vendors List, State of Florida Scrutinized List of Prohibited Companies, and the District Suspension List.**

Management Response: Agree. Contract Specialist will write in the date that the lists are reviewed. The date will appear next to the checkmark or note already included on the responsive and responsible checklist.

Responsible Division: Procurement Bureau

Estimated Completion: Complete

3. **Require project managers to ensure that the similarities between prior District projects and the solicited project are adequately documented, in instances where *District Contractor Performance Evaluations* are used as references.**

Management Response: Agree. Procurement has revised the Contractor Performance Evaluation form to include a description of the work performed. This,

in addition to the response for Recommendation No. 4 below, will ensure the similarities are more visible to compare to solicited work.

Responsible Division: Procurement Bureau

Estimated Completion: Complete

- 4. Consider requiring project managers to complete reference checklists by contacting the prior project managers or other District staff, in instances where *District Contractor Performance Evaluations* are used as references, if necessary.**

Management Response: Agree. Project Managers are required to include a reference questionnaire for any District Contractor Performance Evaluations they rely on as part of the award package.

Responsible Division: Engineering and Construction

Estimated Completion: Complete

- 5. Require project managers to provide detail documentation describing why prospective contractors' prior project experiences satisfy solicitation requirements.**

Management Response: Agree. The template used for the recommendation to award memo has been revised to include the experience requirement language and a listing of the projects that meet the experience requirement.

Responsible Division: Engineering and Construction

Estimated Completion: Complete

- 6. Require project managers to confirm and document project dollar amounts and completion dates when conducting reference checks.**

Management Response: Agree. The reference questionnaire that is used when contacting references has been revised to include a question regarding total contract dollar amount and completion date.

Responsible Division: Procurement Bureau

Estimated Completion: Complete

7. Ensure that award recommendation memos accurately reflect the results of reference verifications.

Management Response: Agree. See response to Recommendation No. 5. Adding the specific experience requirement language and specific projects to the memo will ensure all requirements are addressed.

Responsible Division: Engineering and Construction

Estimated Completion: Complete

8. Require reviewers to carefully review award recommendation memos and supporting documentation to ensure that responsiveness and responsibility conclusions are accurate.

Management Response: Agree. All reviewers shall be more diligent in their review of the recommendation memo. In addition, backup paperwork will be reviewed to confirm the projects meet the experience requirements. This will ensure the memos contain proper documentation of responsiveness and responsibility.

Responsible Division: Procurement Bureau

Estimated Completion: Complete

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- 9. Ensure that Procurement’s contract specialists understand all insurance requirements and are able to determine whether all contract requirements are contained in contractors’ insurance policies.**

Management Response: Agree. Contract Specialist will consult with the District’s Risk Administrator regarding all insurance matters. In addition, review and approval will be requested of any low bidders’ insurance information and certificate of insurance. This will ensure any endorsements or deviation from the standard requirements are acceptable and meet the minimum requirements.

Responsible Division: Procurement Bureau

Estimated Completion: Complete