

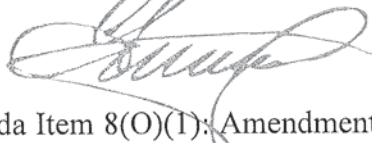
Memorandum



Supplement to
Agenda Item No. 8(O)1

Date: February 22, 2017

To: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

From: Carlos A. Gimenez 
Mayor

Subject: Supplement to Agenda Item 8(O)(1); Amendment Number One for Design-Build Services Replacement of Water Mains and Service Conversions in the Shenandoah Area (Phase A) – Project No. DB13-WASD-03; Contract No. 14RMCF001

This supplemental memorandum serves to provide the Board with the most current information from the Internal Services Department's Small Business Development (SBD) Division regarding the compliance status of the small business measures assigned to this project. Enclosed is a memorandum issued by SBD dated February 3, 2017.

Resolution No. R-1001-15 requires County contracts with small business measures to meet at least 85 percent of the small business goals applicable to the portion(s) of the contract work performed to date before a change order or amendment is considered for Board approval. The small business goals assigned to this project include a 26 percent Small Business Enterprise - Architectural and Engineering (SBE-A/E) goal, and a 20 percent Small Business Enterprise Construction (SBE-Construction) goal. Per the requirements of the Resolution, the prime contractor, Ric-Man Construction of Florida, Inc. (Ric-Man) is in compliance with the 26 percent SBE-A/E goal, however, Ric-Man is not in compliance with the 20 percent SBE-Construction goal, Ric-Man has achieved only 70 percent of the 85 percent goal.

Although Ric-Man has not met the 85 percent goal requirement of Resolution No. R-1001-15, Ric-Man sent a letter dated November 2, 2016 (as attached) to SBD which explains 1) the circumstances as to why the goal was not achieved, 2) the steps taken to meet the goal and 3) the steps taken to meet the SBE goals in Amendment Number One.




Jack Osterholt
Deputy Mayor

Memorandum



Date: February 3, 2017

To: Lester Sola, Director
Miami-Dade Water and Sewer Department

From: Gary T. Hartfield, Director
Small Business Development Division
Internal Services Department 

Subject: Project No. DB13-WASD-03, Design Build Services for the Replacement of Water Mains and Service Conversions in the Shenandoah Area (Phase A) Sic 871 - Amendment No. 1

Amendment Number One to the subject project was reviewed for the application of Small Business Measures and compliance with the 26% Small Business Enterprise- Architectural and Engineering (SBE-A/E) goal, the 20% Small Business Enterprise – Construction Services (SBE-Construction) goal, the 12.4% Community Workforce Program (CWP) goal, and the Responsible Wages and Benefits requirements.

Due to unavailability in all trade areas, the assigned goal has been adjusted to 17.11% Small Business Enterprise – Construction goal and a 2% Small Business Enterprise – Goods & Services goal to the amendment.

The prime contractor, Ric-Man Construction Florida, Inc. (Ric-Man), is in compliance with the 26% SBE-A/E goal equal to \$308,308.00 and has paid the SBE-A/E firms meeting the goal a total of \$274,956.66. Pursuant to the Monthly Utilization Report (MUR) dated January 15, 2017, Ric-Man reported it has performed/requisitioned \$4,951,543.57 for the construction portion of the contract and that SBE-Construction firms have requisitioned \$693,837.46 to date.

Resolution R-1001-15 requires 85% of the SBE-Construction goal applicable to the portion of the contract work performed to date be met before the Board of County Commissioners (BCC) considers a change order/amendment. Items with small business measures which failed to meet this minimum threshold or equivalent percentage must clearly explain (i) the circumstances as to why the goal(s) was not achieved, (ii) steps taken by the prime contractor(s) and the contracting department to meet the goal(s), and (iii) how the small business goal(s) will be achieved in the change order or contract amendment, or the proposed change order or contract amendment cannot be considered by the Board for approval.

Ric-Man has achieved 70% of the SBE goal applicable to the portion of the construction work performed to date and is not in compliance with Resolution R-1001-15. Attached is correspondence from Ric-Man dated November 2, 2016 addressing Items (i) through (iii) above. Specifically, Ric-Man reported that the work for the SBE-Construction firms had recently commenced and the goal will be met prior to contract completion, and committed to meet the goal on the amendment by having a SBE-Construction firm perform Sanitary Sewer lateral installation and restoration work for \$585,014. Total SBE-Construction participation required if Amendment No. 1 is approved is \$2,494,563.18. Ric-Man has committed to \$2,851,366 in SBE-Construction participation that if achieved will exceed the requirement.

Lester Sola, Director
Miami-Dade Water & Sewer Department
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Ric-Man's CWP Plan, accepted on January 27, 2015, included a workforce of 40 which required five (5) CWP positions for compliance with the 12.4% goal. Ric-Man and its subcontractors reported there will be no new hires for this project and none of their current employees reside in the project DTA. The prime and subcontractors are currently in compliance with wage requirements. Ric-Man's compliance with the goal will be determined at project completion. The prime and subcontractors are currently in compliance with wage requirements.

Please do not hesitate to contact Alice Hidalgo-Gato, SBD Section Chief, at 305-375-3153, if you need additional information.

Attachment: Ric-Man correspondence dated November 2, 2016 without attachments

c: Doug Yoder, Deputy Director, WASD
Hardeep Anand, Deputy Director, WASD
Margaret Moss, Chief, Small Business, WASD
Edith Brown, Chief, Contract Compliance, WASD
Patty Palomo, Chief, Intergovernmental Affairs, WASD
Miguel Pichardo, Construction Manager III, WASD
Alice Hidalgo-Gato, SBD Sections Chief, ISD



RIC-MAN CONSTRUCTION, INC.
1001 North America Way Suite 201, Miami, FL 33133
Office: (305)379-4000 | Fax: (305)379-4124

November 2, 2016
Sent via E-mail and U.S. Postal Service Mail

Miami-Dade County
Internal Services Department
Small Business Development
111 NW 1st Street, 19th Floor
Miami, FL 33128

RE: DB 13-WASD-03- Design Build Services for the Replacement of Water Mains and Service Conversions in the Shenandoah Area (Phase A)

Dear Ms. Bravo-Soriano,

In response to your Email Dated November 1, 2016 and referencing Resolution R-1001-15 which in the case of the above referenced project, requires 85% of the SBE - Construction goal to be performed before the Board of Commissioners (BCC) considers the approval of Amendment No. 1, Ric-Man Construction, FL Inc, (RCF) provides the following explanation for your review. The Resolution requires: a) an explanation as to the circumstances why the goal was not achieved, b) steps taken to meet the goals and c) how the SBE goals will be achieved in the Amendment.

a) Why the Goal was not Achieved (yet)

RCF will meet the goals (20%) for SBE participation under the base contract as provided in Mar-B Plumbing and Homestead Concrete and Drainage SOI's (attached) which commit to 18% and 2% of the work, respectively. While it is true these SBE's have not met the 85% of the 20% goal as of yet, they will before the base contract is concluded in October, 2017. Mar-B is performing the rear to front yard conversion work having earned \$238,000 of their \$2,158,957 contract value to date (See attached Redline Payment Request No. 17). Homestead recently commenced restoration work on sidewalks and curbing and will fulfill their SBE requirement in the coming months. The work being performed by Mar-B and Homestead is follow-on work to the initial ROW work performed by RCF. This is consistent with the original schedule. Hence the 85% requirement will not be reached until well into 2017 as the final plumbing hook-ups and restoration work progresses. Please review the email chain (attached) between RCF's Dan LaCross and ISD's Lily Vilaboy in June, 2016 regarding this subject.

b) Steps Taken to meet the Goal

RCF has affirmatively committed to meeting the 20% goal by issuing formal contracts to Mar-B and Homestead (see copies attached). The work has been approved by ISD and we will meet the goals with Mar-B and Homestead within the scope parameters detailed in the approved SOI's.

c) Steps Taken to meet the SBE Goals in Amendment 1

Amendment 1 with a construction value of \$ 4,627,273 for removing and replacing the Gravity Sanitary Sewer Mains and Laterals in the Phase A neighborhood requires 20% SBE participation by SBE firms. RCF submitted an SOI for Camo Consulting LLC (Camo) on May 26, 2016 (copy attached) to ISD committing to 12.64% of Amendment 1 or \$585,014. Camo will be performing sanitary sewer lateral installation and restoration work. The remaining goal balance of \$340,441 will be performed by Mar-B Plumbing. Mar-B Plumbing has a firm sub-contract agreement with RCF in the amount of \$2,158,957, which meets the total goal.



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Overall RCF has committed to \$2,851,366 (see below) in SBE participation, to date. The new construction contract total with Amendment 1 will be \$13,141,460. Consequently, total participation will exceed the 20% SBE goal by 1.7%.

Mar-B	\$ 2,158,957
Homestead	\$ 107,395
Camo	\$ 585,014
<hr/>	
Total	\$ 2,851,366

We trust the explanations provided above meet with your approval and will help in expediting the release of the critical Sanitary Sewer Change Order work thus ensuring a more safe and efficient operation which minimizes impact to the public, by completing the "in- road" work and restoration to permanent pavement in a single pass. A delay to Amendment 1 approval would create the need to remove and replace newly paved roadway for the sanitary sewer main contemplated under Amendment 1.

To that end we, will be happy to meet with you at any time to discuss all elements of the issues revolving around SBE participation in Amendment 1 work and the application of Resolution R-1001-15.

Very Truly Yours,

Michael R. Fischer
Chief Operations Officer

Attachments:

E-mail from Bravo-Yanira dated November 1, 2016
SOI's -- Mar-B and Homestead Concrete and Drainage
Email Chain between Dan LaCross and Lily Vilaboy
Contracts for Mar-B Plumbing and Homestead Concrete and Drainage
SOI for Camo Consulting on May 26, 2016
Payment Request No. 17 (Redline)

CC:

Dan LaCross
Danny Mancini
Patty Palomo
Isadoro Lopez
Alice Hidalgo-Gato
Dayron Perez
Nelson Cespedes