

INTERNAL AUDIT REPORT

**Current Status Update of the Audit of Termite Extermination
Contracts No. 15-109T and No. 28-137T**

August 2017



To be presented to the:

**Audit Committee on
September 7, 2017**

**The School Board of Broward County, Florida on
October 3, 2017**

By

The Office of the Chief Auditor



The School Board of Broward County, Florida

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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Office of the Chief Auditor
Patrick Reilly, Chief Auditor
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The School Board of
Broward County, Florida

ABBY M FREEDMAN, *Chair*
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August 31, 2017

Members of the School Board of Broward County, Florida
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DR. ROSALIND OSGOOD

ROBERT W. RUNCIE
Superintendent of Schools

Ladies and Gentlemen:

This Current Status Update of the Audit of Termite Extermination Contracts No. 15-109T and No. 28-137T was performed in accordance with the 2017-2018 Audit Plan. The original audit dated March 2016 contained one finding and one recommendation. This report consists of a review of the original report response from management and analysis of the supporting documentation associated with their reported actions to date.

The objectives of this audit were to review the response from the PPO Department and report the results and actions to the Audit Committee and the School Board; review and analyze actions taken to address the finding and recommendation in the original audit; review and report on procedural internal control weaknesses identified in the original audit report; document organizational or procedural changes associated with the previously identified items and report recommendations to the administration, if needed.

The Office of the Chief Auditor (OCA) has identified that the status of the finding/recommendation from the original audit report remains open due to the following: Termite Extermination Contract No. 15-109T was never amended to reflect the PPO and vendor renegotiated rate of \$425.00 per portable fumigation; the vendor continued to invoice at the original contract rates through July 2017; and the PPO Department continued paying the invoices at the original contract rate through July 2017.

We recommend that PPO amend Termite Extermination Contract No. 15-109T to reflect the agreed upon changes and pursue a refund for invoices paid in excess of the renegotiated rate.

We would like to thank the Office of Facilities and Construction who aided in the completion of this report.

This report will be presented to the Audit Committee at its September 7, 2017 meeting and will be presented to the School Board at its October 3, 2017 meeting.

Sincerely,

Patrick Reilly, CPA

Chief Auditor

Office of the Chief Auditor

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EXECUTIVE SUMMARY

Scope and Methodology

This Current Status Update of the Audit of Termite Extermination Contracts No. 15-109T and No. 28-137T was performed in accordance with the 2017-2018 Audit Plan. The original audit dated March 2016 contained one finding and one recommendation. This report consists of a review of the original report response from management and analysis of the supporting documentation associated with their reported actions to date.

The objectives of this audit were to:

- Review the response from the PPO Department and report the results and actions to the Audit Committee and the School Board;
- Review and analyze actions taken to address the finding and recommendation in the original audit;
- Review and report on procedural internal control weaknesses identified in the original audit report;
- Document organizational or procedural changes associated with the previously identified items;
- Report recommendations to the administration, if needed.

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The aforementioned standards require that we plan and perform the audit to ensure a reasonable basis for our judgments and conclusions regarding the function under audit. An audit includes assessments of applicable controls and compliance with the requirements of laws, rules and regulations when necessary to satisfy the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

It is our responsibility to perform the review under generally accepted auditing standards and Government Auditing Standards, as well as provide recommendations to improve operations, strengthen internal controls and ensure compliance with the requirements of laws, rules and regulations in matters selected for review. It is the administration's responsibility to implement recommendations, to maintain an internal control environment conducive to the safeguarding of District assets and to preserve the District's resources, and to comply with applicable laws, regulations and School Board policies.

The procedures used to satisfy our objectives in this audit included the following:

- Request and review Current Status Update responses from management;
- Interview staff, correspond electronically to request specific documentation required to verify actions and document rationale for the same;
- Review paid invoices;
- Perform other auditing procedures as deemed necessary.

Chronology of Related Events

- | | |
|---------------|--|
| April 5, 2016 | The Audit of Termite Extermination Contracts No. 15-109T and No. 28-137T was received by the School Board. |
| July 20, 2017 | A Current Status Engagement Memo was emailed to the Office of Facilities & Construction requesting Current Status responses. |

August 2, 2017 A request for documents was emailed to the Physical Plant Operations Department. We requested documentation to support that the vendor agreed to the revised price, an approved SBBC Agenda Request Form for this amendment to the contract, and all invoices from the vendor that showed the revised price for portables fumigation.

Opinion and Summary of Results

The Office of the Chief Auditor (OCA) has identified the following:

1. Termite Extermination Contract No. 15-109T was never amended to reflect the PPO and vendor renegotiated rate of \$425.00 per portable fumigation;
2. The vendor continued to invoice at the original contract rates through July 2017;
3. The PPO Department continued paying the invoices at the original contract rate through July 2017.

We recommend that PPO amend Termite Extermination Contract No. 15-109T to reflect the agreed upon changes and pursue a refund for invoices paid in excess of the renegotiated rate.

We would like to thank the Office of Facilities and Construction who aided in the completion of this report.

Audit performed by:

Gerardo Usallan

Submitted by:

Patrick Reilly, CPA
Chief Auditor
Office of the Chief Auditor

SECTION I
CURRENT STATUS MATRIX

**Current Status Update of the Audit of Termite Extermination Contracts No. 15-109T and No. 28-137T
prepared by the Office of the Chief Auditor**

Finding No. 1	Recommendation No. 1	Original OF&C Response and OCA Follow Up	Current Status
<p>The Invitations to Bid for Contracts No. 15-109T and No. 28-137T were Structured Using Quantity Discounts; However, the Contracts Do Not Specify the Method for Calculating the Total Price</p>	<p>We recommend that the District rebid the termite fumigation services contract to include a specific written procedure outlining the pricing of work that would allow the District to receive quantity price discounts on total cubic feet for termite fumigations, rather than the current undocumented method of pricing each building and/or portable's cubic feet individually. The current contract does not specify whether the pricing is based on the cubic feet of each portable individually, or the cumulative sum total of all cubic feet for the project and then applying the applicable prices per the contract. The cumulative method would be the most advantageous for the District.</p>	<p>March 2016 Original OF&C Response Custodial/Grounds has been able to secure average pricing on portable fumigation work at a flat four hundred and twenty five dollars (\$425.00) per portable still maintaining all existing contract requirements. The flat rate pricing is based on the average of 98 portables completed in the past 12 months based on the attached spreadsheet from Beach Environmental Extermination.</p> <p>In response to finding Number 1 -The invitation's bid for contracts No. 15-109T and No. 28-137T were structured using quantity discounts, however the contracts do not specify the method for calculating the total price. The PPO Custodial/Grounds Department will add additional language to the bid specifications defining the method to be used when calculating the total price for fumigation jobs at a specific location. The means of calculating cubic feet pricing for Drywood termites fumigation will be based on each individual structure requiring tenting. In the case where there are multiple portables on site that require fumigation and exceed the 49,999 cubic feet pricing structure in Group 1 Item A the pricing structure will still be based on each individual units total cubic foot measurement. The labor and material cost is higher to tent each individual portable vs. one large structure that would equal the equivalent cubic feet of multiple portables that exceed 49,999 cubic feet thus reflected in the higher cost per cubic foot in the Bid Tabulation sheet between item Group IA and Group 11. The economy of scale does not apply in this condition.</p> <p>In response to the comparison of pricing utilizing the Palm Beach County School Districts contract which is awarded to Beach vs The School Board of Broward County contract the bid requirements are not the same for drywood termite tent fumigation work. The School Board of Broward County Termite Extermination Contract # 15-109T requires the following additional services:</p>	<p>August 2017 OCA Follow-up Response Status – Open The Office of the Chief Auditor (OCA) has identified the following:</p> <ol style="list-style-type: none"> 1. Termite Extermination Contract No. 15-109T was never amended to reflect the PPO and vendor renegotiated rate of \$425.00 per portable fumigation; 2. The vendor continued to invoice at the original contract rates through July 2017; 3. The PPO Department continued paying the invoices at the original contract rate through July 2017. <p>We recommend that PPO amend the contract to reflect the agreed upon changes to Termite Extermination Contract No. 15-109T and pursue a refund for invoices paid in excess of the renegotiated rate.</p> <p>August 2017 OF&C Management Response As we researched the Termite Extermination Bid we discovered that the vendor, Beach Environmental, had failed to implement the flat rate of \$425 per portable classroom which that company had proposed in response to the original audit in February of 2016. Since discovering the oversight, Physical Plant Operations (PPO), has worked closely with Procurement & Warehousing Services (PWS), to do the following: 1) ensure that Beach provides full credit for all portables treated since February of last year, 2) ensure that all necessary steps are taken to codify the change to the current bid, 15-109T, and 3) ensure full compliance with the amended bid through the end of the bid, June 30, 2018.</p> <p>The final summary of all portables treated for termites since February of last year, and subject to the price adjustment is attached to this response. It reflects that a total of 196 portables have been treated during the period and that Beach Environmental will be returning \$9,724.11 to SBBC.</p>

• The awardee shall supply all labor, supervision, tents, equipment, chemicals and supplies necessary to seal and fumigate all buildings requiring drywood termite extermination treatment. The awardee must be able to provide equipment and tenting materials to treat at least 1,000,000 cubic feet per location. A guard must be provided by awardee and must be present during the 24 hour treatment period.

• Vikane fumigation shall be performed in accordance with manufacturer's recommended method of application. All prices shall be based upon a 24 hour fumigation period. All fumigants shall be introduced outside of the structure. To ensure reliability, gas readings from two separate fumiscopes must be recorded. There shall be at least three sets of readings taken at 4-hour intervals during treatment. The first reading shall be taken one hour after the introduction of the fumigant and the second reading will be taken one hour after the first reading. There shall be one monitoring hose introduced into the building per every 100,000 cubic feet with a minimum of two monitoring hoses per fumigation per building. Awardee shall supply an energized grounded power cord at each monitoring line site. Contractor shall provide a scale graph drawing of the building requiring fumigation indicating the position of all the shooting lines, fans and monitoring hoses. The contractor must submit the fumiscope readings in writing upon building being cleared for occupancy. Fax paperwork to 754-321-4349. Payment will not be made until acceptable fumiscope readings are reach.

• Awardee shall provide specific preparation instructions to school principals or center administrators one week prior to service and shall fax to SBBC's CPCO at 754-321-4349, a copy of the signed approval preparation sheet prior to service.

• Awardee shall place warning signs in front of all entrances indicating the nature of the work underway and the dangers involved. These signs shall be printed in English and Spanish and readable from a distance of 100 feet during normal daylight conditions, with accurate notations as to fumigant introduction time.

• At the conclusion of the fumigation treatment, the awardee shall use a Toxic Gas Detector to determine if building is free of all toxic and poisonous gases.

The director of Procurement & Warehousing Services, has provided the attached letter signed by an officer of Beach Environmental, confirming the reduction in price and the amount due to SBBC. She further advises that since the foundational agreement is based upon an Invitation to Bid, negotiation with the vendor is permissible and that a reduction in price can be offered by the vendor and accepted by the District without any further action by the Board, upon the issuance of a standard purchase order (PO).

As part of our commitment to continuous improvement, in the future, PWS will be involved up-front in any negotiations with a vendor on matters of bid price adjustment and PWS will help to memorialize the outcome.

And finally, we have established a Financial Management Department in PPO. This small group, headed by PPO's Financial Manager, also brings greater insight into all our business operations. And in the future, we will add staff to this team with the specific responsibility to work with PWS on all contractual issues. Please contact Sam Bays at 754-321-4634, should you require additional information on this response.

Contractor shall post signs at all entrances to each building stating the time and date the building was determined to be clear of poisonous gases and the time and date that building can be re-occupied.

- A representative of the company shall be present at the site on the day the structure is reoccupied. The representative will be onsite at a time determined by the CPCO, usually the time the site/school opens.

These additional service requirements will increase the cubic foot price for drywood termite fumigation compared to the Palm Beach County School Board Bid. The current bid pricing with Beach Environmental Exterminating has not changed for 8 years from past Bid #28-13 7T to current Bid # 15-109T for tent drywood termite fumigation with crawl space.

March 2016 Original OCA Follow Up

We still recommend that the District rebid the termite fumigation services contract to include a specific written procedure outlining the pricing of work that would allow the District to receive quantity price discounts on total cubic feet for termite fumigations at a specific location, rather than using the individual building and/or portable's cubic feet. The cumulative method would offer quantity price discounts, thereby making it more advantageous for the District. As noted on page seven, for the termite fumigation of 27 portables (408,128 cubic feet) at Pioneer Middle the District did not receive any quantity price discounts and paid \$38 per 1000 cubic feet (highest unit price in the Bid Tabulation Sheet). We agree that The Palm Beach County School Board's contract requirements are not exactly the same, however it does provide more advantageous pricing to the District while still achieving the primary goal of termite eradication.

With respect to two of the six bullet points offered by PPO as contract differences, we offer the following:

Bullet No. 4: Awardee shall place warning signs in front of all entrances indicating the nature of the work underway and the dangers involved. These signs shall be printed in English and Spanish and readable from a distance of 100 feet during normal daylight conditions, with accurate notations as to fumigant introduction time.

		<p>OCA's Response to Bullet No. 4: The placing of warning signs on all doors and entrances is a requirement of the Florida Administrative Code SE-14.112, Florida Statute 482.051(6), Dow AgroSciences Vikane Fumigant Fact Sheet, Vikane Fumigation Manual, and Vikane Fumigant Label. The vendor must comply with this requirement whether it is in the contract or not.</p> <p>Bullet No. 5: At the conclusion of the fumigation treatment, the awardee shall use a Toxic Gas Detector to determine if building is free of all toxic and poisonous gases. Contractor shall post signs at all entrances to each building stating the time and date the building was determined to be clear of poisonous gases and the time and date that building can be re-occupied.</p> <p>OCA's Response to Bullet No. 5: The requirement that the structure be cleared for reentry by the use of an approved detection device is contained in the Vikane Fumigant Label, Vikane Fumigation Manual, and Florida Administrative Code 5E-14.113. The vendor must comply with this requirement whether it is in the contract or not.</p>	
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SECTION II
FULL TEXT OF MANAGEMENT'S RESPONSES

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Office of the Chief of Facilities

Leo Bobadilla
Chief Facilities Officer

August 30, 2017

Signatures on File

TO: Patrick Reilly, Chief Auditor
Office of the Chief Auditor

FROM: Sam R. Bays, Director
Physical Plant Operations

VIA: Leo Bobadilla, Chief of Facilities
Office of the Chief Facilities Officer

SUBJECT: **RESPONSE TO CURRENT STATUS UPDATE OF THE AUDIT OF
TERMITE EXTERMINATION CONTRACTS 15-109T AND NO. 28-137T**

As we researched the Termite Extermination Bid we discovered that the vendor, Beach Environmental, had failed to implement the flat rate of \$425 per portable classroom which that company had proposed in response to the original audit in February of 2016. Since discovering the oversight, Physical Plant Operations (PPO), has worked closely with Procurement & Warehousing Services (PWS), to do the following: 1) ensure that Beach provides full credit for all portables treated since February of last year, 2) ensure that all necessary steps are taken to codify the change to the current bid, 15-109T, and 3) ensure full compliance with the amended bid through the end of the bid, June 30, 2018.

The final summary of all portables treated for termites since February of last year, and subject to the price adjustment is attached to this response. It reflects that a total of 196 portables have been treated during the period and that Beach Environmental will be returning \$9,724.11 to SBBC.

The director of Procurement & Warehousing Services, has provided the attached letter signed by an officer of Beach Environmental, confirming the reduction in price and the amount due to SBBC. She further advises that since the foundational agreement is based upon an Invitation to Bid, negotiation with the vendor is permissible and that a reduction in price can be offered by the vendor and accepted by the District without any further action by the Board, upon the issuance of a standard purchase order (PO).

As part of our commitment to continuous improvement, in the future, PWS will be involved up-front in any negotiations with a vendor on matters of bid price adjustment and PWS will help to memorialize the outcome.


And finally, we have established a Financial Management Department in PPO. This small group, headed by PPO's Financial Manager, also brings greater insight into all our business operations. And in the future, we will add staff to this team with the specific responsibility to work with PWS on all contractual issues. Please **contact Sam Bays at 754-321-4634, should you require additional information on this response.**

LB/SB:jp
Attachments

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
MARY C. COKER
DIRECTOR, PROCUREMENT & WAREHOUSING SERVICES
Phone: 754-321-0501

August 28, 2017

TO: Lori Beriau
Controller, Beach Environmental

FROM: Mary C. Coker 
Director, Procurement & Warehousing Services

SUBJECT: Portable Fumigations Price Amendment

This correspondence is to acknowledge the receipt of your letter addressing the price adjustment for Bid 15-109T. We accept the new price noted in your August 25, 2017, letter which will be backdated to February 5, 2016.

The letter will be added to the bid documentation for future reference.

If you have any questions, please call Deanna Martin at 754-321-0518.

Thank you.

MCC:dm

Cc: Sam Bays, Director Physical Plan Operations



ENVIRONMENTAL EXTERMINATING, INC.

PROFESSIONAL EXTERMINATORS

August 25, 2017

Broward County School District
Procurement & Warehousing Services
Attn: Luis Perez
7720 W Oakland Park Blvd, Suite 323
Sunrise, FL 33351

Re: Portable Fumigations

Luis,

Due to the fact that we have become much more efficient in tent fumigating Broward School portables by having tarps that fit, cranes on our trucks and eliminating the trip to measure each portable we feel that one set price of \$425.00 on all portables would benefit both the School Board and Beach Environmental.

We would like to amend the current bid #15-109T to reflect the price change of all portables to a set price of \$425.00 with an effective date of February 5, 2016. With this change, Beach owes BCSD the difference of \$9,724.00. Please let me know if you would prefer a credit to your account with us or a check.

Regards,

A handwritten signature in black ink, appearing to read "L. Beriau", with a long horizontal flourish extending to the right.

Lori Beriau
Controller
Beach Environmental
561-841-0077
lorib@beach-environmental.com

5490 Dexter Way • Mangonia Park, FL 33407
(561) 841-0077 • Fax (561) 841-0070

School Name	Portable Numbers	Amount	Date Completed	Proposed \$425 Per Portable
Hallandale Elem (Gulfstream Academy of Hallandale)	473C	\$ 439.58	2/5/2016	\$ 425.00
	596C	\$ 454.06	2/13/2016	\$ 425.00
Ramblewood MS	243CX	\$ 549.71		\$ 425.00
	63N	\$ 454.06		\$ 425.00
	1287	\$ 373.58		\$ 425.00
	749CXD	\$ 549.71		\$ 425.00
	319	\$ 412.07		\$ 425.00
	155N	\$ 454.06		\$ 425.00
	77L	\$ 549.71		\$ 425.00
	497C	\$ 454.06		\$ 425.00
	34	\$ 373.58		\$ 425.00
	343	\$ 412.07		\$ 425.00
	27N	\$ 454.06		\$ 425.00
	82C	\$ 454.06		\$ 425.00
	498C	\$ 454.06		\$ 425.00
	80C	\$ 454.06		\$ 425.00
	83C	\$ 454.06		\$ 425.00
	85C	\$ 454.06		\$ 425.00
	81C	\$ 454.06		\$ 425.00
84C	\$ 454.06		\$ 425.00	
	267	\$ 412.07		\$ 425.00
Croissant Park Elem	611p(joined port)	\$ 1,096.76	2/19/2016	\$ 850.00
South Area Transportation	1286con	\$ 643.78	4/29/2017	\$ 425.00
	1285con	\$ 643.78		\$ 425.00
	1283con	\$ 643.78		\$ 425.00
	1282con	\$ 643.78		\$ 425.00
	1284con	\$ 643.78		\$ 425.00
Margate MS	1019phc	\$ 503.27	5/13/2016	\$ 425.00
South Plantation High	394c	\$ 430.08	6/13/2016	\$ 425.00
	921c	\$ 430.08		\$ 425.00
	482c	\$ 430.08		\$ 425.00
	144	\$ 418.61		\$ 425.00
	778c	\$ 439.58		\$ 425.00
	255cx	\$ 559.97		\$ 425.00
	739c	\$ 439.58		\$ 425.00
	659c	\$ 439.58		\$ 425.00
	911c	\$ 439.58		\$ 425.00
	912c	\$ 439.58		\$ 425.00
	24	\$ 411.77		\$ 425.00
	758c	\$ 430.08		\$ 425.00
	757c	\$ 430.08		\$ 425.00
	759c	\$ 430.08		\$ 425.00
	201	\$ 418.61		\$ 425.00
	76	\$ 418.61		\$ 425.00
	402p	\$ 559.97		\$ 425.00
	219	\$ 418.61		\$ 425.00
	254	\$ 418.61		\$ 425.00
Broward Halfway House (Gene Whiddon Sr Adult Center)	183N	\$ 448.09	7/8/2016	\$ 425.00
	23n	\$ 491.87		\$ 425.00
	184N	\$ 448.09		\$ 425.00
	35n	\$ 491.87		\$ 425.00

Deerfield Beach High	465C	\$ 455.77	7/18/2016	\$	425.00
	55	\$ 415.49		\$	425.00
	44	\$ 415.49		\$	425.00
	864c	\$ 455.77		\$	425.00
	203	\$ 415.49		\$	425.00
	751cxd	\$ 565.21		\$	425.00
	269cv(connected to 270)	\$ 1,122.82		\$	850.00
	483c	\$ 455.77		\$	425.00
	150t	\$ 415.49		\$	425.00
	484c	\$ 455.77		\$	425.00
	855c	\$ 455.77		\$	425.00
	471c	\$ 455.77		\$	425.00
	Sanders Park Elem	667c	\$ 463.37	7/15/2016	\$
414p		\$ 572.81		\$	425.00
351ve		\$ 463.37		\$	425.00
1561p		\$ 523.49		\$	425.00
32		\$ 424.99		\$	425.00
Pompano Beach HS	121n	\$ 451.97	7/27/2016	\$	425.00
	363	\$ 419.67		\$	425.00
	357	\$ 419.67		\$	425.00
	109c	\$ 451.97		\$	425.00
Pioneer MS	815c	\$ 496.70	8/5/2016	\$	425.00
	908c	\$ 496.70		\$	425.00
	410p	\$ 633.88		\$	425.00
West Glades MS	672c	\$ 458.51	8/9/2016	\$	425.00
	617c	\$ 458.51		\$	425.00
	22n	\$ 458.51		\$	425.00
Markham Elem	4m	\$ 461.47	8/12/2016	\$	425.00
	3m	\$ 461.47		\$	425.00
	771c	\$ 461.47		\$	425.00
	48p	\$ 572.81		\$	425.00
Drew Resource Center (Dave Thomas Ed Center East)	557c	\$ 457.67	8/19/2016	\$	425.00
	590c	\$ 457.67		\$	425.00
	156	\$ 531.39		\$	425.00
	390c	\$ 457.67		\$	425.00
	550c	\$ 457.67		\$	425.00
	97	\$ 372.06		\$	425.00
	180c	\$ 457.67		\$	425.00
	181c	\$ 457.67		\$	425.00
	369	\$ 372.06		\$	425.00
	1841ct	\$ 372.06		\$	425.00
	179c	\$ 457.67		\$	425.00
	5	\$ 372.06		\$	425.00
	118n	\$ 457.67		\$	425.00
	140n	\$ 457.67		\$	425.00
	141n	\$ 457.67		\$	425.00
649c & 678c (connected)	\$ 976.90		\$	850.00	
1044 & 1045 (connected)	\$ 1,105.84		\$	850.00	
Gulfstream Academy (Henry D Perry Ed Ctr)	527	\$ 437.68		\$	425.00
	896	\$ 437.68		\$	425.00
	422	\$ 437.68		\$	425.00
	897	\$ 437.68		\$	425.00
	898	\$ 437.68		\$	425.00
	128	\$ 437.68		\$	425.00
	395	\$ 437.68		\$	425.00
	967	\$ 437.68		\$	425.00
	368	\$ 399.91		\$	425.00
	port 1	\$ 630.38		\$	425.00

Stirling Elem	43	\$ 456.08	10/14/2016	\$	425.00
	177	\$ 456.08		\$	425.00
	159	\$ 589.08		\$	425.00
	163	\$ 589.08		\$	425.00
Apollo MS	260cx	\$ 589.08	11/18/2016	\$	425.00
	245cx	\$ 589.08		\$	425.00
	58	\$ 622.29		\$	425.00
	116c	\$ 444.90		\$	425.00
	699c	\$ 444.90		\$	425.00
	996c	\$ 444.90		\$	425.00
	47n	\$ 496.13		\$	425.00
	38n	\$ 496.13		\$	425.00
	38c	\$ 462.92		\$	425.00
	587c	\$ 462.92		\$	425.00
	9n	\$ 462.92		\$	425.00
	88n	\$ 462.92		\$	425.00
	60n	\$ 462.92		\$	425.00
	313	\$ 471.43		\$	425.00
	316	\$ 471.43		\$	425.00
Davie Elem	391	\$ 483.32	11/25/2016	\$	425.00
	311	\$ 483.32		\$	425.00
	310	\$ 483.32		\$	425.00
	7	\$ 483.32		\$	425.00
	211	\$ 591.93		\$	425.00
Sea Gull Ctr	235-236	\$ 844.02	12/9/2016	\$	850.00
	958-959	\$ 844.02		\$	850.00
	190-191	\$ 844.02		\$	850.00
	924	\$ 548.07		\$	425.00
	984	\$ 548.07		\$	425.00
	983	\$ 548.07		\$	425.00
	201	\$ 548.07		\$	425.00
	203	\$ 548.07		\$	425.00
	200	\$ 548.07		\$	425.00
	199	\$ 548.07		\$	425.00
	198	\$ 548.07		\$	425.00
	528	\$ 548.07		\$	425.00
	529	\$ 437.68		\$	425.00
	961	\$ 437.68		\$	425.00
	362	\$ 437.68		\$	425.00
	957	\$ 437.68		\$	425.00
	980	\$ 437.68		\$	425.00
	922	\$ 437.68		\$	425.00
	979	\$ 437.68		\$	425.00
	923	\$ 437.68		\$	425.00
	18	\$ 447.79		\$	425.00
	344	\$ 447.79		\$	425.00
	242	\$ 479.14		\$	425.00

Hollywoods Hills HS	913	\$ 451.97	4/10/2017	\$	425.00
	146	\$ 451.97		\$	425.00
	586	\$ 451.97		\$	425.00
	588	\$ 451.97		\$	425.00
	37	\$ 451.97		\$	425.00
	135	\$ 451.97		\$	425.00
	90	\$ 451.97		\$	425.00
	26	\$ 430.08		\$	425.00
	342	\$ 430.08		\$	425.00
	430	\$ 430.08		\$	425.00
	353	\$ 430.08		\$	425.00
	421	\$ 430.08		\$	425.00
	102	\$ 430.08		\$	425.00
	241	\$ 447.11		\$	425.00
	100	\$ 447.11		\$	425.00
	399	\$ 447.11		\$	425.00
	406	\$ 447.11		\$	425.00
	165	\$ 561.41		\$	425.00
	164	\$ 561.41		\$	425.00
	933	\$ 561.41		\$	425.00
Country Isles Elem	123n	\$ 446.73	9/23/2016	\$	425.00
	172n	\$ 446.73		\$	425.00
	220c	\$ 446.73		\$	425.00
	353ve	\$ 446.73		\$	425.00
	543c	\$ 446.73		\$	425.00
	840c	\$ 446.73		\$	425.00
Mirror Lake Elem	1017phc and 1018pk	\$ 1,229.15	12/16/2016	\$	850.00
	1108	\$ 604.77		\$	425.00
	360ve	\$ 470.52		\$	425.00
	361ve	\$ 470.52		\$	425.00
	762ve	\$ 470.52		\$	425.00
	765ve	\$ 470.52		\$	425.00
196 Total Portables		\$ 93,024.11		\$	83,300.00
		Proposed Owed to Broward		\$	9,724.11

SECTION III
ORIGINAL AUDIT REPORT DATED MARCH 2016

INTERNAL AUDIT REPORT

Audit of Termite Extermination Contracts No. 15-109T and No. 28-137T

March 2016



To be presented to the:

**Audit Committee on
March 10, 2016**

**The School Board of Broward County, Florida on
April 5, 2016**

By

The Office of the Chief Auditor



Broward County Public Schools

The School Board of Broward County, Florida

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Superintendent of Schools

March 3, 2016

Members of The School Board of Broward County, Florida
Members of The School Board Audit Committee
Mr. Robert W. Runcie, Superintendent of Schools

Ladies and Gentlemen:

In accordance with the 2015-2016 Audit Plan, the Office of the Chief Auditor (OCA) audited the School Board of Broward County (District) approved Termite Extermination Contracts No. 15-109T and No. 28-137T for compliance with contract terms and conditions.

The primary objectives of this audit were to determine whether the Physical Plant Operations Department and the vendor complied with contract terms and conditions, to identify opportunities for greater efficiencies and improvement to the process, and to determine if documentation supporting termite fumigation services is adequate to identify quantities, types and prices. We noted that the vendor complied with the contract terms and conditions in the performance of the work.

It is the opinion of the Office of the Chief Auditor that the Invitations to Bid for Termite Extermination Contracts No. 15-109T and No. 28-137T were structured using quantity discounts; however, the contracts did not specify the method for calculating the total price.

We recommend that the District rebid the termite fumigation services contract to include a specific written procedure outlining the pricing of work that would allow the District to receive quantity price discounts on total cubic feet for termite fumigations, rather than the current undocumented method of pricing each building and/or portable's cubic feet individually. The current contract does not specify whether the pricing is based on the cubic feet of each portable individually, or the cumulative sum total of all cubic feet for the project and then applying the applicable prices per the contract. The cumulative method would be the most advantageous for the District.

This report will be presented to the Audit Committee at its March 10, 2016 meeting and will be presented to the School Board at its April 5, 2016 meeting.

Sincerely,
Patrick Reilly
Patrick Reilly, CPA
Chief Auditor
Office of the Chief Auditor

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EXECUTIVE SUMMARY

In accordance with the 2015-2016 Audit Plan, the Office of the Chief Auditor (OCA) audited the School Board of Broward County (District) approved Termite Extermination Contracts No. 15-109T and No. 28-137T for compliance with contract terms and conditions.

Objectives

The primary objectives of this audit were:

- to determine whether the Physical Plant Operations Department and the vendor complied with contract terms and conditions;
- to identify opportunities for greater efficiencies and improvement to the process;
- to determine if documentation supporting termite fumigation services is adequate to identify quantities, types and prices;
- to report recommendations to the administration, if needed.

Scope and Methodology

This audit of Termite Extermination Contracts No. 15-109T and No. 28-137T (Contracts) included an examination of invoices between the dates of July 27, 2009 and March 23, 2015 for contract No. 28-137T and invoices between the dates of May 29, 2015 and September 10, 2015 for contract No. 15-109T. The OCA staff visited three (3) facilities while termite fumigations were being performed in order to observe the termite fumigation process.

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The aforementioned standards require that we plan and perform the audit to ensure a reasonable basis for our judgments and conclusions regarding the function under audit. An audit includes an assessment of applicable controls and compliance with the requirements of laws, rules and regulations when necessary to satisfy the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

It is our responsibility to perform the review under generally accepted auditing standards and Government Auditing Standards, as well as provide recommendations to improve operations, strengthen internal controls and ensure compliance with the requirements of laws, rules and regulations in matters selected for review. It is the administration's responsibility to implement recommendations, to maintain an internal control environment conducive to the safeguarding of District assets and to preserve the District's resources, and to comply with applicable laws, regulations and School Board policies.

The procedures used to satisfy our objectives in this audit were:

- to review Invitation to Bid No. 15-109T and Bid No. 28-137T, including the Bid Tabulations, Addendums, Special Conditions, Bid Summary Sheets, and Bid Specifications;
- to review the vendor's estimates and calculations for work performed;
- to review vendor invoices;
- to interview parties related to the termite fumigation contracts;
- to visit three facilities to observe the termite fumigation process;
- to perform other auditing procedures as deemed necessary.

Background

On March 18, 2008, the District entered into a Contract with Beach Environmental Exterminating, Inc. (Vendor) for the purpose of Drywood and Subterranean Termite eradication on District buildings and portables. The original Contract term was April 1, 2008 through March 31, 2013. The Contract contained a provision for extension for two (2) additional years and if needed another ninety (90) days beyond the expiration date of the final renewal. The Contract was extended once from April 1, 2013 through March 31, 2014, then again from April 1, 2014 through March 31, 2015. An additional forty nine (49) days extension was needed before a new Contract No. 15-109T was approved by the District on May 19, 2015. This new Contract is also with Beach Environmental Exterminating, Inc. with an awarded amount of \$1,010,000. The term of the contract is from May 20, 2015 through June 30, 2018. This Contract also contains a provision for extension for two (2) additional years and if needed another ninety (90) days beyond the expiration date of the final renewal. For fiscal year 2014-15, the District spent approximately \$458,000 for termite exterminations.

Currently, the termite extermination contracts are administered by Physical Plant Operations (PPO). The Custodial Grounds Service Department within PPO manages the day-to-day operations of the termite extermination contracts. The District has a Certified Pest Control Operator, who administers all transactions relating to the services provided by the vendor for termite extermination services.

Review of Termite Extermination Contracts No. 15-109T and No. 28-137T and Bid Tabulation Sheets

We reviewed the Contracts and Bid Tabulation Sheets and found the following:

Bid No. 28-137T contains line items with Unit Price variations by Beach Environmental Exterminating, Inc. ranging from \$00.01 to \$90.00 (see Exhibit A). Bid No. 15-109T contains line items with Unit Price variations ranging from \$00.01 to \$150.00 (see Exhibit B). During a meeting with Procurement & Warehousing Services staff, we questioned if the \$00.01 Unit Price used by several bidders might be an error. Staff told us that this was a bidding strategy used by vendors and that the vendor awarded the contract would be held to the Unit Prices in the Bid Tabulation Sheets.

Method of Calculating Total Job Price

Our review of both Contracts found that they do not contain a clear method for calculating the Total Job Price for any particular job. A detailed example of this is included in Finding No. 1.

Contract Compliance Clauses and Observations

The following contract clauses reviewed are in both Contracts.

1. Section 4, Special Conditions, 12 - Price Adjustments: (Contract No. 28-137T)

Unit prices offered shall remain firm through December 31, 2010. A request for unit price adjustment with proper documentation, justifying the adjustment, shall be submitted, in writing, to the Supply Management and Logistics Department one month prior to the anniversary date of the contract. Any unit price adjustments, for the following year, shall have

written approval from SBBC prior to invoicing. Any unit price adjustments invoiced without prior written approval from SBBC shall not be paid and the invoice returned to the awardee for correction. Unit price adjustments shall take *effect* only when awarded vendor has received written approval from SBBC or on the anniversary date of the contract, whichever is later. Any unit price adjustments, if allowed by SBBC, shall be negotiated in good faith with the awarded vendor(s). SBBC reserves the right to reject any unit price adjustments and to cancel the renewal of any contract with an increase in prices. Contract No. 15-109T also contained a similar price adjustment clause.

Observation: PPO staff stated that the vendor did not request a price adjustment.

2. Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 1 - General Requirements F:

Florida Statute 482.051(4) requires that a licensee notify in writing the Department of Agriculture and Consumer Services at least 24 hours before a fumigation is performed.

Observation: We requested that the Department of Agriculture and Consumer Services confirm that Beach Environmental Exterminating, Inc. complied with this 24 hour notice requirement for 10 OCA selected fumigations. The Department confirmed that the requirement was met and provided copies of the notices. Exhibit C is the Notice of Fumigation form for the fourteen (14) portables fumigated at Pioneer MS on June 12, 2014.

3. Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 1 - General Requirements H:

After approval of the proposed schedule, awardee must give a minimum five days' notice to the School Principal or location Administrator requiring service and to the Certified Pest Control Operator (CPCO) of the scheduled day of service.

Observation: We confirmed that this requirement was met for termite fumigations performed at Seminole MS, Palmview ES, and Meadowbrook ES.

4. Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination A:

The awardee shall supply all labor, supervision, tents, equipment, chemicals and supplies necessary to seal and fumigate all buildings requiring drywood termite extermination treatment. A guard must be provided by awardee and must be present during the 24 hour treatment period.

Observation: This requirement was verified by observing the guard assigned at the termite fumigations performed at Seminole MS, Palmview ES, and Meadowbrook ES.

5. Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination C:

The fumigant used shall be Sulfuryl Fluoride (Vikane) ONLY, and the ratio of chemical used shall be determined by the licensed fumigator, in accordance with manufacturer's specifications (See Exhibit D).

Observation: The requirement that only Vikane fumigant be used was verified by observing the fumigations performed at Seminole MS, Palmview ES, and Meadowbrook ES.

6. **Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination D:**

All fumigants shall be introduced outside of the structure. To ensure reliability, gas readings from two separate fumiscopes must be recorded. There shall be at least three sets of readings taken at 4-hour intervals during treatment. The first reading shall be taken one hour after the introduction of the fumigant and the second reading will be taken one hour after the first reading. Awardee shall supply an energized grounded power cord at each monitoring line site. Contractor shall provide a scale graph drawing of the building requiring fumigation indicating the position of all shooting lines, fans and monitoring hoses. The contractor must submit the fumiscope readings in writing upon building being cleared for occupancy. Fax paperwork to 754-321-4349. Payment will not be made until acceptable fumiscope readings are reached.

Observation: The OCA requested from the contractor the graph drawings and fumiscope readings for eleven (11) facility termite fumigations. The contractor provided the drawings and readings as requested, thereby complying with this requirement.

7. **Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination F:**

Awardee shall provide specific preparation instructions to school principals or center administrators one week prior to service and shall fax to SBBC's CPCO at 754-321-4349, a copy of the signed approval preparation sheet prior to service.

Observation: The OCA requested from the contractor copies of the signed approval preparation sheets for the termite fumigations performed at Seminole MS, Palmview ES, and Meadowbrook ES. The contractor provided the signed forms, thereby complying with this requirement (See Exhibit E).

8. **Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination G:**

In accordance with manufacturer's specifications for the use of Vikane in all areas and for assurance that the buildings needing treatment are completely vacated, prior to the application of the fumigant, contractor shall place a handful of cotton in a shallow dish and pour the chemical Chloropicrin over the cotton balls and set the dish in the air stream of a fan.

Observation: The requirement that the chemical Chloropicrin is used prior to the application of the fumigant was verified by observing the fumigations performed at Seminole MS, Palmview ES, and Meadowbrook ES (See Exhibit F).

9. **Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination H:**

Awardee shall place warning signs in front of all entrances indicating the nature of the work underway and the dangers involved. These signs shall be printed in English and Spanish and readable from a distance of 100 feet during normal daylight conditions, with accurate notations as to fumigant introduction time.

Observation: The requirement that warning signs are placed in front of all entrances was verified by OCA while observing the termite fumigations performed at Seminole MS, Palmview ES, and Meadowbrook ES (See Exhibit G).

10. Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 2 - Drywood Termite Extermination I:

At the conclusion of the fumigation treatment, the awardee shall use a Toxic Gas Detector to determine if building is free of all toxic and poisonous gases. Contractor shall post signs at all entrances to each building stating the time and date the building was determined to be clear of poisonous gases and the time and date that building can be re-occupied.

Observation: The requirement that a Toxic Gas Detector be used to determine if a building is free of all toxic and poisonous gases and that signs be posted at all entrances to each building stating the date and time that it can be re-occupied was verified by the OCA while observing the clearing procedure for the Pompano Beach Gymnasium (See Exhibit H).

11. Contracts No. 28-137T and 15-109T, Section 6, Bid Specifications, 3 - Subterranean Termite Control G:

The awardee shall provide a detailed drawing or graph showing the location and identification of each Sentricon™ station at each SBBC facility or building.

Observation: PPO has not requested this service from the vendor. OCA verified that PPO is using an alternative method for subterranean termites.

Opinion and Summary of Results

We audited the Termite Extermination Contracts No. 15-109T and No. 28-137T, as well as an examination of paid invoices for both contracts during the period from July 27, 2009 through September 10, 2015. We also visited three (3) facilities while termite fumigations were being performed, in order to test compliance with contract terms. We noted that the vendor complied with the contract terms and conditions in the performance of the work.

It is the opinion of the Office of the Chief Auditor that the Invitations to Bid for Termite Extermination Contracts No. 15-109T and No. 28-137T were structured using quantity discounts; however, the contracts did not specify the method for calculating the total price. We summarized our finding/recommendation below:

We recommend that the District rebid the termite fumigation services contract to include a specific written procedure outlining the pricing of work that would allow the District to receive quantity price discounts on total cubic feet for termite fumigations, rather than the current undocumented method of pricing each building and/or portable's cubic feet individually. The current contract does not specify whether the pricing is based on the cubic feet of each portable individually, or the cumulative sum total of all cubic feet for the project and then applying the applicable prices per the contract. The cumulative method would be the most advantageous for the District.

We would like to thank Physical Plant Operations and the Custodial Grounds Departments and all District personnel who aided in the completion of this report.

Audit performed by:

Gerardo Usallan, Jr
Robert Goode

Submitted by:

Patrick Reilly, CPA
Chief Auditor
Office of the Chief Auditor

**SECTION I
FINDINGS**

FINDING No. 1 – The Invitations to Bid for Contracts No. 15-109T and No. 28-137T were Structured Using Quantity Discounts; However, the Contracts Do Not Specify the Method for Calculating the Total Price

Condition

Our review of both contracts disclosed that they do not contain a specific method for calculating the total price for termite fumigation jobs. For example, the spreadsheet on the following page illustrates the vendor's invoice No. 74394627, dated January 31, 2014, which is for the crawl space construction drywood termite fumigation of twenty seven (27) portables at Pioneer Middle School. The total cubic feet for the 27 portables totaled 408,128 cubic feet. The discounted price for quantities of drywood termite fumigation for 100,000 cubic feet and above is \$28 per 1,000 cubic feet. However, the unit price used on the invoice was \$38 per 1,000 cubic feet (see excerpt of Bid Tabulation Sheet below). The \$38 unit price is based on the price for drywood termite fumigation for quantities ranging from 0-49,999 cubic feet. The higher prices used were due to the vendor's pricing each portable individually. Each portable ranged between 13,250 and 15,878 cubic feet individually, which matched up with quantities billable at \$38, rather than using the price scale for a cumulative total of 408,128 cubic feet and applying the \$28 price for quantities ranging from 100,000 cubic feet and above. The difference in methods identified a cost differential of \$4,081.28. In our sample, there were no instances where the District benefited from the \$00.01 pricing for quantities ranging between 50,000 and 99,999 cubic feet.

Excerpt of Bid Tabulation Sheet

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA					Besch Environmental Exterminating, Inc.	
BID TABULATION SHEET						
Item	Description	Quantity	Unit		Bid Unit Price	Bid Price Extension
Group 1 Drywood Termites: (from 0-49,999 cubic feet)						
TENT						
A	Crawl Space	5,470,100	1000 cu ft		\$ 38.00	\$ 207,883.80
B	Monolithic Slab	5,002,500	1000 cu ft		\$ 12.00	\$ 60,030.00
SEAL						
C	Crawl Space	970,100	1000 cu ft		\$ 0.01	\$ 9.70
D	Monolithic Slab	5,502,500	1000 cu ft		\$ 0.01	\$ 55.03
Drywood Termites: (from 50,000 to 99,999 cubic feet)						
TENT						
E	Crawl Space	9,680,230	1000 cu ft		\$ 0.01	\$ 96.80
F	Monolithic Slab	5,000,000	1000 cu ft		\$ 0.01	\$ 50.00
SEAL						
G	Crawl Space	5,680,230	1000 cu ft		\$ 0.01	\$ 56.80
H	Monolithic Slab	1,000,000	1000 cu ft		\$ 0.01	\$ 10.00
Drywood Termites: (from 100,000 cubic feet and above)						
TENT						
I	Crawl Space	3,059,360	1000 cu ft		\$ 28.00	\$ 85,662.08
J	Monolithic Slab	500,000	1000 cu ft		\$ 25.00	\$ 12,500.00
SEAL						
K	Crawl Space	2,959,360	1000 cu ft		\$ 0.01	\$ 29.59
L	Monolithic Slab	2,500,000	1000 cu ft		\$ 15.00	\$ 37,500.00
M	Nylofume Bags-Used to store food during drywood fumigation	27	27 cs		\$ 0.01	\$ 0.27
N	Crane and operator	50	50 hrs		\$ 0.01	\$ 0.50
TOTAL BID GROUP 1 (A-N inclusive)						\$ 403,864.57

**Beach Environmental Exterminating, Inc. Invoice No. 74394627,
dated January 31, 2014 for Pioneer Middle (See Exhibit I)**

No.	Portable #	Cubic Feet (A)	Unit Price per 1000 cubic feet (B)	Total (A ÷ 1000 × B)
1	1046P	14,724	\$38.00	\$559.51
2	1047P	14,724	\$38.00	\$559.51
3	1048P	14,724	\$38.00	\$559.51
4	1049P	14,724	\$38.00	\$559.51
5	1050P	14,724	\$38.00	\$559.51
6	1051P	15,878	\$38.00	\$603.36
7	1052P	14,724	\$38.00	\$559.51
8	1053P	15,878	\$38.00	\$603.36
9	1054P	15,878	\$38.00	\$603.36
10	1055P	15,878	\$38.00	\$603.36
11	1056P	15,878	\$38.00	\$603.36
12	1057P	14,724	\$38.00	\$559.51
13	1058P	14,724	\$38.00	\$559.51
14	1059P	15,878	\$38.00	\$603.36
15	1060PD	13,250	\$38.00	\$503.50
16	1061PD	14,724	\$38.00	\$559.51
17	1062CT	14,724	\$38.00	\$559.51
18	1063CA	14,724	\$38.00	\$559.51
19	1065CX	15,878	\$38.00	\$603.37
20	1066CX	15,878	\$38.00	\$603.37
21	1067CX	15,878	\$38.00	\$603.37
22	1068CX	15,878	\$38.00	\$603.37
23	1069CX	15,878	\$38.00	\$603.37
24	1070CX	15,878	\$38.00	\$603.37
25	447CX	15,878	\$38.00	\$603.37
26	452C	13,250	\$38.00	\$503.50
27	453C	13,250	\$38.00	\$503.50
TOTAL		408,128		\$15,508.86

Method	Cubic Feet (A)	Unit Price per 1000 cubic feet (B)	Total (A ÷ 1000 × B)
Method 1: Priced by individual portables cubic feet and applying Bid Tabulation Sheet price for projects from 0 to 49,999 cubic feet	408,128	\$38	\$15,508.86
Method 2: Priced by sum total cubic feet of all portables and applying Bid Tabulation Sheet price for projects over 100,000 cubic feet	408,128	\$28	\$11,427.58
Savings by using Method 2:			\$4,081.28

The alternate method of calculating the total price for the example above using the Bid Tabulation Sheet, Line Item I (see page 6) for quantities over 100,000 cu. ft. would have been as follows:

The total cubic feet of 408,128 for all 27 portables, divided by 1,000, then multiplied by \$28 per 1,000 cubic feet would have resulted in a total job price of \$11,427.58, a savings of \$4,081.28.

Criteria

The criteria for the contracts include the Invitations to Bid for Contracts 15-109T and 28-137T, the Bid Tabulation Sheets, Addendums, Special Conditions, Bid Summary and Bid Specifications (contracts).

Cause

A review of the Bid Tabulation Sheet (price list) shows Beach Environmental Exterminating, Inc. was the winning bidder on both contracts 15-109T and 28-137T (see Exhibits A and B). The Bid Tabulation Sheet (price list) is basically set up, based upon quantity ranges and discounted quantity prices. Per contract, for crawl space construction, drywood termite fumigation is priced at \$38 per 1,000 cubic feet for quantities ranging between 0-49,999 cubic feet. Drywood termite fumigation is priced at \$00.01 per 1,000 cubic feet for quantities ranging between 50,000 – 99,999 cubic feet. Lastly, drywood termite fumigation for quantities ranging from 100,000 cubic feet and above is \$28 per 1,000 cubic feet. The \$00.01 unit price was questioned and OCA auditors were told that it was not an error; rather, it was a bidding strategy used by the vendors. Management stated that the vendor awarded the contract would be held to the unit prices in the Bid Tabulation Sheets. As noted in the finding, the District never benefited from the \$00.01 rate for quantities ranging between 50,000 and 99,999 cubic feet.

In comparison, the Palm Beach County School District's contract offers more advantageous prices and uses the same vendor. Specifically, the current Palm Beach County contract rate is \$299 for the first 10,000 cubic feet and \$28 for each additional 1,000 cubic feet, in excess of the first 10,000 cubic feet for crawl space construction, drywood termite fumigation. This is a more favorable contract than the Broward School District's contract for crawl space construction, drywood termite fumigations. We noted that Palm Beach County also used the method of pricing each portable unit's cubic feet individually. For comparison purposes, we calculated the invoice for Pioneer Middle, using the Palm Beach County pricing method. The total invoice would have been \$11,940.58, a savings of \$3,568.28; however, as recommended, using the total cumulative cubic feet for all buildings and/or portables for the project would have cost the District \$11,427.58, resulting in a higher savings of \$4,081.28 (see Exhibit J).

Impact

The District did not benefit from discount pricing per the Bid Tabulation Sheet, since they did not use the cumulative cubic feet for the entire project to calculate costs. The District paid \$38 per 1,000 cubic feet, rather than \$00.01 or \$28 per 1,000 cubic feet, when large quantity purchases of over the 50,000 or 100,000 cubic foot threshold were met.

Recommendation

We recommend that the District rebid the termite fumigation services contract to include a specific written procedure outlining the pricing of work that would allow the District to receive quantity price discounts on total cubic feet for termite fumigations, rather than the current undocumented method of pricing each building and/or portable's cubic feet individually. The current contract does not specify whether the pricing is based on the cubic feet of each portable individually, or the cumulative sum total of all cubic feet for the project and then applying the applicable prices per the contract. The cumulative method would be the most advantageous for the District.

Management Responses

Custodial/Grounds has been able to secure average pricing on portable fumigation work at a flat four hundred and twenty five dollars (\$425.00) per portable still maintaining all existing contract requirements. The flat rate pricing is based on the average of 98 portables completed in the past 12 months based on the attached spreadsheet from Beach Environmental Extermination.

In response to finding Number 1 – The invitation's to Bid for contracts No. 15-109T and No. 28-137T were structured using quantity discounts, however the contracts do not specify the method for calculating the total price.

The PPO Custodial/Grounds Department will add additional language to the bid specifications defining the method to be used when calculating the total price for fumigation jobs at a specific location. The means of calculating cubic feet pricing for Drywood termites fumigation will be based on each individual structure requiring tenting. In the case where there are multiple portables on site that require fumigation and exceed the 49,999 cubic feet pricing structure in Group 1 Item A the pricing structure will still be based on each individual units total cubic foot measurement. The labor and material cost is higher to tent each individual portable vs. one large structure that would equal the equivalent cubic feet of multiple portables that exceed 49,999 cubic feet thus reflected in the higher cost per cubic foot in the Bid Tabulation sheet between item Group 1A and Group 1I. The economy of scale does not apply in this condition.

In response to the comparison of pricing utilizing the Palm Beach County School Districts contract which is awarded to Beach vs The School Board of Broward County contract the bid requirements are not the same for drywood termite tent fumigation work. The School Board of Broward County Termite Extermination Contract #15-109T requires the following additional services:

- The awardee shall supply all labor, supervision, tents, equipment, chemicals and supplies necessary to seal and fumigate all buildings requiring drywood termite extermination treatment. The awardee must be able to provide equipment and tenting materials to treat at least 1,000,000 cubic feet per location. A guard must be provided by awardee and must be present during the 24 hour treatment period.
- Vikane fumigation shall be performed in accordance with manufacturer's recommended method of application. All prices shall be based upon a 24 hour fumigation period. All fumigants shall be introduced outside of the structure. To ensure reliability, gas readings from two separate fumiscopes must be recorded. There shall be at least three sets of readings taken at 4-hour intervals during treatment. The first reading shall be taken one hour after the introduction of the fumigant and the second reading will be taken one hour after the first reading. There shall be one monitoring hose introduced into the building per every 100,000 cubic feet with a minimum of two monitoring hoses per fumigation per building. Awardee shall supply an energized grounded power cord at each monitoring line site. Contractor shall provide a scale graph drawing of the building requiring fumigation indicating the position of all the shooting lines, fans and monitoring hoses. The contractor must submit the fumiscope readings in writing upon building being cleared for occupancy. Fax paperwork to 754-321-4349. Payment will not be made until acceptable fumiscope readings are reach.

- Awardee shall provide specific preparation instructions to school principals or center administrators one week prior to service and shall fax to SBBC's CPCO at 754-321-4349, a copy of the signed approval preparation sheet prior to service.
- Awardee shall place warning signs in front of all entrances indicating the nature of the work underway and the dangers involved. These signs shall be printed in English and Spanish and readable from a distance of 100 feet during normal daylight conditions, with accurate notations as to fumigant introduction time.
- At the conclusion of the fumigation treatment, the awardee shall use a Toxic Gas Detector to determine if building is free of all toxic and poisonous gases. Contractor shall post signs at all entrances to each building stating the time and date the building was determined to be clear of poisonous gases and the time and date that building can be re-occupied.
- A representative of the company shall be present at the site on the day the structure is reoccupied. The representative will be onsite at a time determined by the CPCO, usually the time the site/school opens.

These additional service requirements will increase the cubic foot price for drywood termite fumigation compared to the Palm Beach County School Board Bid.

The current bid pricing with Beach Environmental Exterminating has not changed for 8 years from past Bid #28-137T to current Bid #15-109T for tent drywood termite fumigation with crawl space.

Broward School Portables

School	Portable#	Cubic Ft.	\$/Per CF	Price	Proposed	Proposed p/1000 CF
Hollywood Cen.	755-P	14,714	\$38.00	\$559.13	\$425.00	\$28.88
Ramblewood Middle	27-n	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	63-n	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	497	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	498	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	8c	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	82b	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	155n	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	27 N	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	80 C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	81C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	83C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	84C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	QP 343	10,844	\$38.00	\$412.07	\$425.00	\$39.19
Ramblewood Middle	QP267	10,844	\$38.00	\$412.07	\$425.00	\$39.19
Ramblewood Middle	QP319	10,844	\$38.00	\$412.07	\$425.00	\$39.19
Ramblewood Middle	OR-34	9,831	\$38.00	\$373.58	\$425.00	\$43.23
Ramblewood Middle	1287	9,831	\$38.00	\$373.58	\$425.00	\$43.23
Ramblewood Middle	749	14,466	\$38.00	\$549.71	\$425.00	\$29.38
Ramblewood Middle	243	14,466	\$38.00	\$549.71	\$425.00	\$29.38
Ramblewood Middle	77L	14,466	\$38.00	\$549.71	\$425.00	\$29.38
Atlantic Vocational	284	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	317	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	13	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	69N	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	400	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	116	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	88	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	137	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	197	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	348	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	263	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Lauderhill Stem Mag	173-G	10,762	\$38.00	\$408.96	\$425.00	\$39.49
Lauderhill Stem Mag	167N	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	917C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	501C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	801C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	227C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	804e	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	222C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	81	11,009	\$38.00	\$418.34	\$425.00	\$48.60
Atlantic Voc.	284	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	317	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	13	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	69	11,316	\$38.00	\$430.01	\$425.00	\$37.56
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Atlantic Voc.	197	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	348	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	263	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Hollywood Central	755P	14,724	\$38.00	\$559.51	\$425.00	\$28.86
Croissant Park Elem.	611P	14,431	\$38.00	\$548.38	\$425.00	\$29.45
Croissant Park Elem.	612P	14,431	\$38.00	\$548.38	\$425.00	\$29.45
Hallandale Elementary	?	11,568	\$38.00	\$439.58	\$425.00	\$36.71
Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.55
Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.55

Broward School Portables

Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.55
Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.55
Oakridge Elementary		12,572	\$38.00	\$477.74	\$425.00	\$39.81
Lake Forest Elementary	105	11,805	\$38.00	\$448.59	\$425.00	\$36.00
Lake Forest Elementary	224	11,805	\$38.00	\$448.59	\$425.00	\$36.00
Lake Forest Elementary	987	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	512	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	833	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	703	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	1013	16,566	\$38.00	\$629.51	\$425.00	\$25.65
Lake Forest Elementary	1014	16,566	\$38.00	\$629.51	\$425.00	\$25.65
Castlehill Elementary	364	15,202	\$38.00	\$577.68	\$425.00	\$27.96
Castlehill Elementary	365	15,202	\$38.00	\$577.68	\$425.00	\$27.96
Castlehill Elementary	2	16,026	\$38.00	\$608.99	\$425.00	\$26.52
Castlehill Elementary	6	16,026	\$38.00	\$608.99	\$425.00	\$26.52
Castlehill Elementary	564	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	552	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	553	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	575	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	597	16,000	\$38.00	\$608.00	\$425.00	\$26.56
Castlehill Elementary	20	12,494	\$38.00	\$474.77	\$425.00	\$34.02
PalmView Elementary	1291 PK	13,775	\$38.00	\$523.45	\$425.00	\$30.85
PalmView Elementary	1097 PHC	14,841	\$38.00	\$563.96	\$425.00	\$28.04
PalmView Elementary	1098 PHC	13,971	\$38.00	\$530.90	\$425.00	\$30.42
Nova Middle	817	11,656	\$38.00	\$442.93	\$425.00	\$36.46
Nova Middle	304	10,694	\$38.00	\$406.37	\$425.00	\$39.74
Nova Middle	810	14,627	\$38.00	\$555.83	\$425.00	\$29.06
Nova Middle	805	11,611	\$38.00	\$441.22	\$425.00	\$36.60
Nova Middle	306	11,611	\$38.00	\$441.22	\$425.00	\$36.60
Nova Middle	816	11,760	\$38.00	\$446.88	\$425.00	\$36.44
Nova Middle	939	14,320	\$38.00	\$544.16	\$425.00	\$29.68
Silver Ridge Elementary	404.P	14,223	\$38.00	\$540.47	\$425.00	\$29.88
Silver Ridge Elementary	202.P	14,223	\$38.00	\$540.47	\$425.00	\$29.88
Silver Ridge Elementary	1202	11,686	\$38.00	\$444.07	\$425.00	\$36.37
Silver Ridge Elementary	602	11,794	\$38.00	\$448.17	\$425.00	\$36.04
Silver Ridge Elementary	128	11,794	\$38.00	\$448.17	\$425.00	\$36.04
Silver Ridge Elementary	145	11,794	\$38.00	\$448.17	\$425.00	\$36.04
Silver Ridge Elementary	138	10,834	\$38.00	\$411.69	\$425.00	\$39.23
Silver Ridge Elementary	116	9,584	\$38.00	\$364.19	\$425.00	\$44.34
Totals		1,192,560		\$45,317.28	\$41,225.00	\$3,400.20
Average Price			\$38.00	\$462.42	\$425.00	\$34.70

Office of the Chief Auditor's Follow Up to Management's Response

We still recommend that the District rebid the termite fumigation services contract to include a specific written procedure outlining the pricing of work that would allow the District to receive quantity price discounts on total cubic feet for termite fumigations at a specific location, rather than using the individual building and/or portable's cubic feet. The cumulative method would offer quantity price discounts, thereby making it more advantageous for the District. As noted on page seven, for the termite fumigation of 27 portables (408,128 cubic feet) at Pioneer Middle the District did not receive any quantity price discounts and paid \$38 per 1000 cubic feet (highest unit price in the Bid Tabulation Sheet). We agree that The Palm Beach County School Board's contract requirements are not exactly the same, however it does provide more advantageous pricing to the District while still achieving the primary goal of termite eradication.

With respect to two of the six bullet points offered by PPO as contract differences, we offer the following:

Bullet No. 4: Awardee shall place warning signs in front of all entrances indicating the nature of the work underway and the dangers involved. These signs shall be printed in English and Spanish and readable from a distance of 100 feet during normal daylight conditions, with accurate notations as to fumigant introduction time.

OCA's Response to Bullet No. 4: The placing of warning signs on all doors and entrances is a requirement of the Florida Administrative Code 5E-14.112, Florida Statute 482.051(6), Dow AgroSciences Vikane Fumigant Fact Sheet, Vikane Fumigation Manual, and Vikane Fumigant Label. The vendor must comply with this requirement whether it is in the contract or not.

Bullet No. 5: At the conclusion of the fumigation treatment, the awardee shall use a Toxic Gas Detector to determine if building is free of all toxic and poisonous gases. Contractor shall post signs at all entrances to each building stating the time and date the building was determined to be clear of poisonous gases and the time and date that building can be re-occupied.

OCA's Response to Bullet No. 5: The requirement that the structure be cleared for reentry by the use of an approved detection device is contained in the Vikane Fumigant Label, Vikane Fumigation Manual, and Florida Administrative Code 5E-14.113. The vendor must comply with this requirement whether it is in the contract or not.

**SECTION II
EXHIBITS**

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA											
BID TABULATION SHEET											
Item	Description	Quantity	Unit	BEACH ENVIRONMENTAL		DEAD BUG EDWARDS		HELETT ENVIRONMENTAL		TERMINEX	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
GROUP 1 Drywood Termites: (from 0-49,999 cubic feet)											
TENT											
A	Crawl Space	5,470,100	cu ft	\$ 38.00	\$ 207,863.80	\$ 48.00	\$ 262,564.80	\$ 39.00	\$ 213,333.90	\$ 33.00	\$ 180,513.30
B	Monolithic Slab	5,002,500	cu ft	\$ 15.00	\$ 75,037.30	0.00	0.00	\$ 16.00	\$ 80,040.00	\$ 21.00	\$ 105,052.50
SEAL											
C	Crawl Space	970,100	cu ft	\$ 0.01	\$ 9.70	0.00	0.00	\$ 1.00	\$ 970.10	\$ 33.00	\$ 32,013.30
D	Monolithic Slab	5,502,500	cu ft	\$ 0.01	\$ 55.03	0.00	0.00	\$ 1.00	\$ 5,502.50	\$ 21.00	\$ 115,552.50
Drywood Termites: (from 50,000 to 99,999 cubic feet)											
TENT											
E	Crawl Space	9,680,230	cu ft	\$ 0.01	\$ 96.80	0.00	0.00	\$ 1.00	\$ 9,680.23	\$ 30.00	\$ 290,406.90
F	Monolithic Slab	5,000,000	cu ft	\$ 0.01	\$ 50.00	0.00	0.00	\$ 1.00	\$ 5,000.00	\$ 24.00	\$ 120,000.00
SEAL											
G	Crawl Space	5,680,230	cu ft	\$ 0.01	\$ 56.80	0.00	0.00	\$ 1.00	\$ 5,680.23	\$ 30.00	\$ 170,406.90
H	Monolithic Slab	1,000,000	cu ft	\$ 0.01	\$ 10.00	0.00	0.00	\$ 1.00	\$ 1,000.00	\$ 24.00	\$ 24,000.00
Drywood Termites: (100,000 cu ft and above)											
TENT											
I	Crawl Space	3,059,360	cu ft	\$ 28.00	\$ 85,662.80	\$ 30.00	\$ 91,780.00	\$ 27.50	\$ 84,132.40	\$ 33.00	\$ 100,958.88
J	Monolithic Slab	500,000	cu ft	\$ 25.00	\$ 12,500.00	\$ 30.00	\$ 15,000.00	\$ 24.50	\$ 12,250.00	\$ 22.50	\$ 11,250.00
SEAL											
K	Crawl Space	2,959,360	cu ft	\$ 0.01	\$ 29.59	0.00	0.00	\$ 1.00	\$ 2,959.36	\$ 22.50	\$ 66,585.60
L	Monolithic Slab	2,500,000	cu ft	\$ 18.00	\$ 45,000.00	\$ 25.00	\$ 62,500.00	\$ 16.00	\$ 40,000.00	\$ 35.00	\$ 87,500.00
M	Nylofume Bags-Used to store during drywood fumigation	27	cs	\$ 0.01	\$ 0.27	\$ 35.00	\$ 945.00	\$ 27.00	\$ 729.00	\$ 35.00	\$ 945.00
N	Crane and operator	50	per hour	\$ 90.00	\$ 4,500.00	\$ 85.00	\$ 4,250.00	\$ 90.00	\$ 4,500.00	\$ 100.00	\$ 5,000.00
TOTAL					\$ 430,872.09		\$ 437,040.60		\$ 460,275.22		\$ 1,310,184.88
GROUP 2 Subterranean Termites, to include Formosan and other varieties											
A	Crawl Space	27,000	linear ft	\$ 2.00	\$ 54,000.00	\$ 6.50	\$ 175,500.00	\$ 3.95	\$ 106,650.00	\$ 4.00	\$ 108,000.00
B	Monolithic Slab	61,370	linear ft	\$ 3.00	\$ 184,110.00	\$ 3.00	\$ 184,110.00	\$ 3.95	\$ 242,411.50	\$ 4.00	\$ 245,480.00
C	Floating Slab	27,000	linear ft	\$ 5.25	\$ 141,750.00	\$ 8.00	\$ 216,000.00	\$ 5.00	\$ 135,000.00	\$ 4.00	\$ 108,000.00
D	Sentircoon System	62,000	linear ft	\$ 8.00	\$ 496,000.00	\$ 5.00	\$ 310,000.00	\$ 7.50	\$ 465,000.00	\$ 10.00	\$ 620,000.00
TENT											
E	Crawl Space	1,500,000	cu ft	\$ 0.01	\$ 15.00	0.00	0.00	\$ 39.00	\$ 58,500.00	\$ 64.50	\$ 96,750.00
F	Monolithic Slab	1,525,000	cu ft	\$ 0.01	\$ 15.25	0.00	0.00	\$ 16.00	\$ 24,400.00	\$ 48.00	\$ 73,200.00
Pretreat (prevent subterranean termite infestation)											
G	Set up charge for pretreat services	10	each	\$ 1.00	\$ 10.00	\$ 50.00	\$ 500.00	0.00	0.00	0.00	0.00
H	Horizontal barriers (Including pipes etc.)	50,000	sq ft	\$ 0.15	\$ 7,500.00	\$ 10.00	\$ 500,000.00	\$ 0.06	\$ 3,000.00	\$ 0.20	\$ 10,000.00
I	Vertical barriers	1,200	linear ft	\$ 0.22	\$ 264.00	\$ 10.00	\$ 12,000.00	\$ 0.06	\$ 72.00	\$ 0.20	\$ 240.00
TOTAL					\$ 883,664.25		\$ 1,398,110.00		\$ 1,035,033.50		\$ 1,251,000.00

REMARKS:

BID DRAFT WAS APPROVED BY: RANDY STEBBINS, SUPERVISOR II, CUSTODIAL/GROUNDS SERVICES, PPO, AND KAY LLOYD, C.P.M., PURCHASING AGENT, SUPPLY MANAGEMENT AND LOGISTICS.
 BIDS RECEIVED WERE EVALUATED BY: RANDY STEBBINS, SUPERVISOR II, CUSTODIAL/GROUNDS SERVICES, PPO, AND KAY LLOYD, C.P.M., PURCHASING AGENT, SUPPLY MANAGEMENT AND LOGISTICS.
 RECOMMEND THE AWARD BE MADE TO THE ABOVE LOW BIDDER(S) MEETING SPECIFICATIONS TERMS AND CONDITIONS.

EXHIBIT A

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA				Beach Environmental Exterminating, Inc.				Hulett Environmental Services		Lukes Landscaping, DBA All Florida Pest Control	
BID TABULATION SHEET											
Item	Description	Quantity	Unit	Bid Unit Price	Bid Price Extension	Bid Unit Price	Bid Price Extension	Bid Unit Price	Bid Price Extension	Bid Unit Price	Bid Price Extension
Group 1	Drywood Termites: (from 0-49,999 cubic feet)										
	TENT										
A	Crawl Space	5,470,100	1000 cu ft	\$ 38.00	\$ 207,863.80	\$ 37.00	\$ 202,393.70	\$ 55.00	\$ 300,855.50		
B	Monolithic Slab	5,002,500	1000 cu ft	\$ 12.00	\$ 60,030.00	\$ 14.00	\$ 70,035.00	\$ 43.00	\$ 215,107.50		
	SEAL										
C	Crawl Space	970,100	1000 cu ft	\$ 0.01	\$ 9.70	\$ 0.01	\$ 9.70	\$ 55.00	\$ 53,355.50		
D	Monolithic Slab	5,502,500	1000 cu ft	\$ 0.01	\$ 55.03	\$ 0.01	\$ 55.03	\$ 43.00	\$ 236,607.50		
	Drywood Termites: (from 50,000 to 99,000 cubic feet)										
	TENT										
E	Crawl Space	9,680,230	1000 cu ft	\$ 0.01	\$ 96.80	\$ 0.01	\$ 48.40	\$ 35.00	\$ 338,808.05		
F	Monolithic Slab	5,000,000	1000 cu ft	\$ 0.01	\$ 50.00	\$ 0.01	\$ 25.00	\$ 26.00	\$ 130,000.00		
	SEAL										
G	Crawl Space	5,680,230	1000 cu ft	\$ 0.01	\$ 56.80	\$ 0.01	\$ 28.40	\$ 35.00	\$ 198,808.05		
H	Monolithic Slab	1,000,000	1000 cu ft	\$ 0.01	\$ 10.00	\$ 0.01	\$ 5.00	\$ 26.00	\$ 26,000.00		
	Drywood Termites: (from 100,000 cubic feet and above)										
	TENT										
I	Crawl Space	3,059,360	1000 cu ft	\$ 28.00	\$ 85,662.08	\$ 27.00	\$ 82,602.72	\$ 25.00	\$ 76,484.00		
J	Monolithic Slab	500,000	1000 cu ft	\$ 25.00	\$ 12,500.00	\$ 24.00	\$ 12,000.00	\$ 22.00	\$ 11,000.00		
	SEAL										
K	Crawl Space	2,959,360	1000 cu ft	\$ 0.01	\$ 29.59	\$ 0.01	\$ 14.80	\$ 25.00	\$ 73,984.00		
L	Monolithic Slab	2,500,000	1000 cu ft	\$ 15.00	\$ 37,500.00	\$ 16.00	\$ 40,000.00	\$ 22.00	\$ 55,000.00		
M	Nyolotume Bags-Used to store food during drywood fumigation	27	27 cs	\$ 0.01	\$ 0.27	\$ 42.00	\$ 1,134.00	\$ 58.00	\$ 1,566.00		
N	Crane and operator	50	50 hrs	\$ 0.01	\$ 0.50	\$ 90.00	\$ 4,500.00	\$ 150.00	\$ 7,500.00		
	TOTAL BID GROUP 1 (A-N Inclusive)					\$ 403,864.57		\$ 412,851.75		\$ 1,725,076.10	
GROUP 2	Subterranean Termites, to Include Formosan and other varieties										
A	Crawl Space	27,000	27000 liner ft	\$ 2.00	\$ 54,000.00	\$ 2.00	\$ 54,000.00	\$ 3.95	\$ 106,650.00		
B	Monolithic Slab	61,370	61370 liner ft	\$ 3.00	\$ 184,110.00	\$ 2.00	\$ 122,740.00	\$ 3.95	\$ 242,411.50		
C	Floating Slab	27,000	27000 liner ft	\$ 5.25	\$ 141,750.00	\$ 4.95	\$ 133,650.00	\$ 4.50	\$ 121,500.00		
D	Sentricon System or equal	62,000	62000 liner ft	\$ 5.00	\$ 310,000.00	\$ 7.50	\$ 465,000.00	\$ 5.00	\$ 310,000.00		
	TENT										
E	Crawl Space	1,500,000	1000 cu ft	\$ 0.01	\$ 15.00	\$ 0.005	\$ 7.50	\$ 70.00	\$ 105,000.00		
F	Monolithic Slab	1,525,000	1000 cu ft	\$ 0.01	\$ 15.25	\$ 0.005	\$ 7.63	\$ 42.00	\$ 64,050.00		
	Pretreat (prevent subterranean termite infestation)										
G	Set-up charge for pretreat services	10	10 ea	\$ 0.01	\$ 0.10	\$ 0.005	\$ 0.05	\$ 150.00	\$ 1,500.00		
H	Horizontal barriers (including pipes etc.)	50,000	50 sq ft	\$ 0.01	\$ 500.00	\$ 0.06	\$ 3,000.00	\$ 0.25	\$ 12,500.00		
I	Vertical barriers	1,200	1200 liner ft	\$ 0.01	\$ 12.00	\$ 0.06	\$ 72.00	\$ 10.00	\$ 12,000.00		
	TOTAL BID GROUP 2 (A-I Inclusive)					\$ 690,402.35		\$ 778,477.18		\$ 975,611.50	
REMARKS:											
BID DRAFT WAS APPROVED BY: BERNADETTE GREEN, MPA, PURCHASING AGENT I, PROCUREMENT & WAREHOUSING SERVICES											
BIDS RECEIVED WERE EVALUATED BY: BERNADETTE GREEN, MPA, PURCHASING AGENT I, PROCUREMENT & WAREHOUSING SERVICES											
RECOMMEND THE AWARD BE MADE TO THE ABOVE LOW BIDDER(S) MEETING SPECIFICATIONS TERMS AND CONDITIONS.											

15

EXHIBIT B

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA				The XAREUCH						
BID TABULATION SHEET										
Item	Description	Quantity	Unit		Bid Unit Price	Bid Price Extension	Bid Unit Price	Bid Price Extension	Bid Unit Price	Bid Price Extension
Group 1	Drywood Termites: (from 0-49,999 cubic feet)									
	TENT									
A	Crawl Space	5,470,100	1000	cu ft	\$ 33.00	\$ 180,513.30				
B	Monolithic Slab	5,002,500	1000	cu ft	\$ 10.00	\$ 50,025.00				
	SEAL									
C	Crawl Space	970,100	1000	cu ft	\$ 0.01	\$ 9.70				
D	Monolithic Slab	5,502,500	1000	cu ft	\$ 0.01	\$ 55.03				
	Drywood Termites: (from 50,000 to 99,000 cubic feet)									
	TENT									
E	Crawl Space	9,580,230	1000	cu ft	\$ 0.01	\$ 96.80				
F	Monolithic Slab	5,000,000	1000	cu ft	\$ 0.01	\$ 50.00				
	SEAL									
G	Crawl Space	5,680,230	1000	cu ft	\$ 0.01	\$ 56.80				
H	Monolithic Slab	1,000,000	1000	cu ft	\$ 0.01	\$ 10.00				
	Drywood Termites: (from 100,000 cubic feet and above)									
	TENT									
I	Crawl Space	3,059,360	1000	cu ft	\$ 27.50	\$ 84,132.40				
J	Monolithic Slab	500,000	1000	cu ft	\$ 22.50	\$ 11,250.00				
	SEAL									
K	Crawl Space	2,959,360	1000	cu ft	\$ 0.01	\$ 29.59				
L	Monolithic Slab	2,500,000	1000	cu ft	\$ 16.00	\$ 40,000.00				
M	Nyfolume Bags-Used to store food during drywood fumigation	27	27	cs	\$ 0.01	\$ 0.27				
N	Crane and operator	50	50	hrs	\$ 85.00	\$ 4,250.00				
	TOTAL BID GROUP 1 (A-N inclusive)									
						\$ 370,478.89				
GROUP 2	Subterranean Termites, to include Formosan and other varieties									
A	Crawl Space	27,000	1000	liner ft	\$ 2.00	\$ 54,000.00				
B	Monolithic Slab	61,370	1000	liner ft	\$ 2.90	\$ 177,973.00				
C	Floating Slab	27,000	1000	liner ft	\$ 5.00	\$ 135,000.00				
D	Sentricon System or equal	62,000	1000	liner ft	\$ 7.50	\$ 465,000.00				
	TENT									
E	Crawl Space	1,500,000	1000	cu ft	\$ 0.01	\$ 15.00				
F	Monolithic Slab	1,525,000	1000	cu ft	\$ 0.01	\$ 15.25				
	Pretreat (prevent subterranean termite infestation)									
G	Set up charge for pretreat services	10	10	ea	\$ 0.01	\$ 0.10				
H	Horizontal barriers (including pipes etc.)	50,000	sq ft	sq ft	\$ 0.10	\$ 5,000.00				
I	Vertical barriers	1,200	liner ft	liner ft	\$ 0.20	\$ 240.00				
	TOTAL BID GROUP 2 (A-I inclusive)									
						\$ 837,243.35				
REMARKS:										
BID DRAFT WAS APPROVED BY: BERNADETTE GREEN, MPA, PURCHASING AGENT I, PROCUREMENT & WAREHOUSING SERVICES										
RECOMMEND THE AWARD BE MADE TO THE ABOVE LOW BIDDER(S) MEETING SPECIFICATIONS TERMS AND CONDITIONS.										

16

EXHIBIT B

EXHIBIT C



Florida Department of Agriculture and Consumer Services
Division of Agricultural Environmental Services

NOTIFICATION OF FUMIGATION

Section 482.051(4), F.S. and Rule 5E-14.110, F.A.C.
Telephone:(850) 617-7997 Fax:(850) 617-7988

Respond to:

Bureau of Entomology and Pest Control
3125 Conner Blvd. Suite N,
MS C-41
Tallahassee, FL 32399-1650

In accordance with regulations, each licensee shall notify, in writing, the department inspector having jurisdiction over the general fumigation site at least 24 hours in advance of the general fumigation operation.

Department Inspector:

Fax No: 850-617-7988

Company performing the fumigation:

JB (License) Number: JB118760

License Name:

BEACH ENVIRONMENTAL SOUTH LLC

Licensee Business Location:

5490 DEXTER WAY , MANGONIA PARK, FL, 33407

Trade name of fumigant:

VIKANE (DOW)

Active Ingredients of Fumigant:

SULFURYL FLUORIDE 99.8%

Name of Certified Operator in Charge, or designated certified operator or special fumigation identification cardholder of Fumigation:

DANIEL GREGG

Day Phone Number: 561-721-1300

Night/Emergency Phone Number: 561-246-7463

Site/Description of Fumigation:

Property Address (include zip Code):

5350 SW 90TH AVENUE, COOPER CITY, FL, 33328

Type of Structure:

Single Family Multi-Family Commercial Mobile Home Other

Description: SCHOOL

Number of Structures to be fumigated: 14

Date of Fumigation:

06/12/2014

County where the fumigation is located:

BROWARD

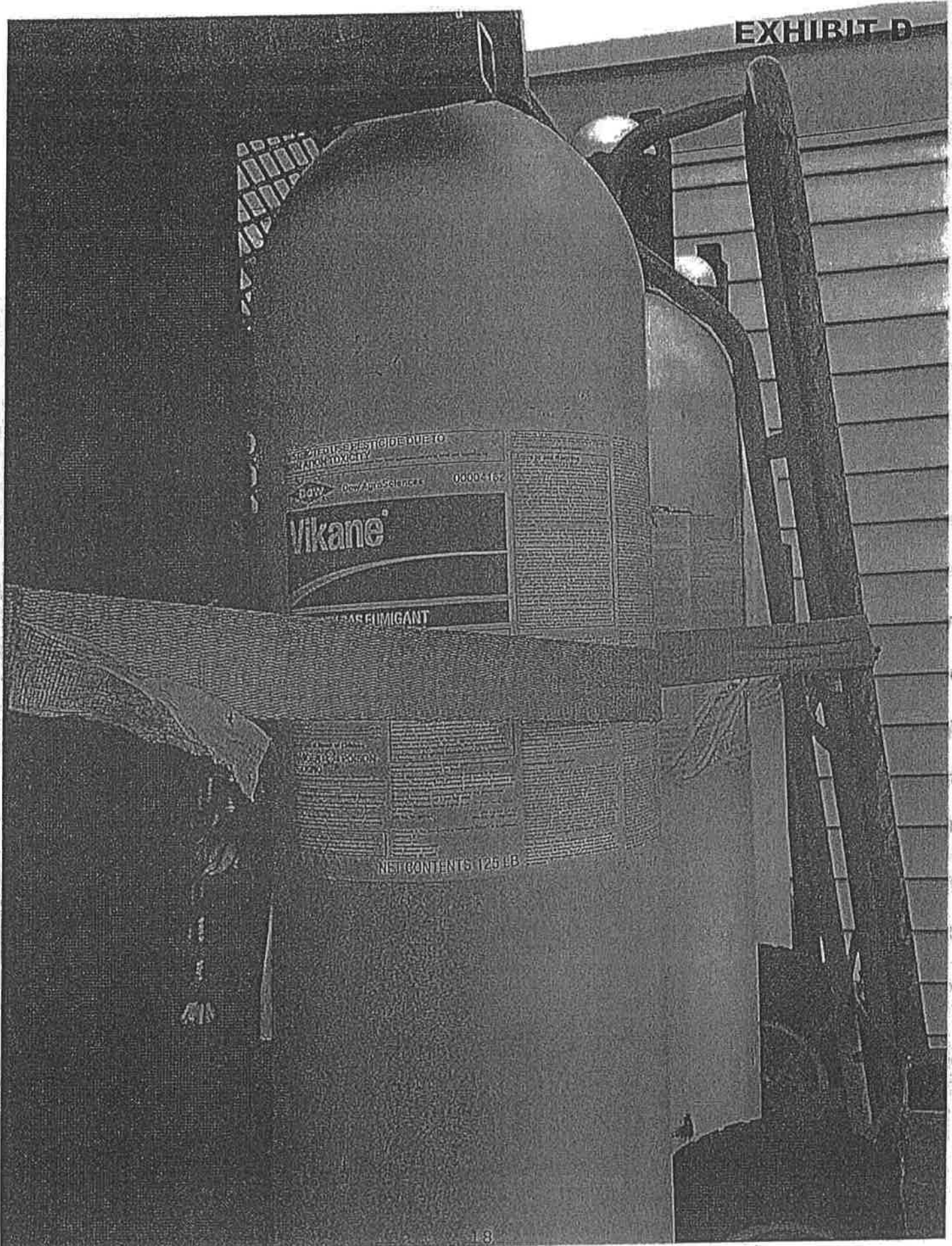
Approximate duration of fumigation:

20

Emergency Fumigation:

NO

Emergency Reason:



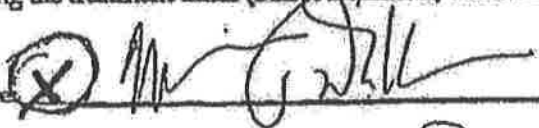
SPECIAL PESTICIDE DUE TO HIGH TOXICITY
DOW AgroSciences 00004162
Vikane
BASEMIGANT

NET CONTENTS 125 LB

B

Beach Environmental Exterminating
Fumigation Department Preparation List.

1. All food in kitchens & classrooms (including items in the refrigerators & freezers) must be removed from the structure or placed in special fumigation bags supplied by Beach Environmental. Unopened cans & glass jars may remain. Remove food products from snack vending machines. Remove all medications.
2. The gas leaves no residual. There is No Need to wipe down or clean any surface following the tenting. Crawling insects may re-enter the structure post fumigation & ants are commonly drawn to the dead insects in the old galleries of the wood.
3. All living things must be removed such as plants, animals, fish etc.,.
4. Gas must be turned off. Pilot lights for water heaters, stoves & ovens must be extinguished. Please contact proper district dept to prep & restore pilot light items.
5. All cabinets, drawers & windows must be open at least a couple of inches (3 or 4 inches) for the proper aeration of the gas. All file cabinets & closets must be unlocked.
6. Although caution is used, due to the type of work involved, it is necessary to work on roof areas. Beach Environmental is not responsible for damages to roof, cracked tiles, broken tiles, solar heaters or gutters. Tar should not be applied to roof at least 3 wks. Prior to the fumigation to allow adequate drying.
7. State law requires that all buildings be locked during the fumigation and the licensed operator must have a building & gate key in his possession during the fumigation and aeration period. It is extremely important that you make arrangements with Beach Environmental to have access to the building during this time. All classroom padlocks on closets must be unlocked. Those remaining locked with padlocks will be cut open.
8. We use fans during the fumigation process. Please secure all loose papers in classrooms. Please turn off all A/C units.
9. All roof top vent fans must be turned off.
10. Grass may die up to 18" from structure due to the exposure to the gas. There is no known remedy to prevent this from occurring. Watering prior may help the recovery.
11. In some cases masking tape & spray glue use is necessary. We cannot assume responsibility for paint lifting off when tape is removed or glue residue.
12. The structure will be secured with a secondary locking system. Beach will not be responsible for damage locks removed before the fumigation is cleared.
13. All Exterior flood lights must be turned off at the breakers.
14. Please make Beach Environmental aware of any scheduled events at the campus during the treatment dates (Ball tournaments, church services etc.)

Signature:  Title: AP

School name: Seminole Middle School Date: 7/27/15

Emergency # (954) 554-7489 (Bill)
7400

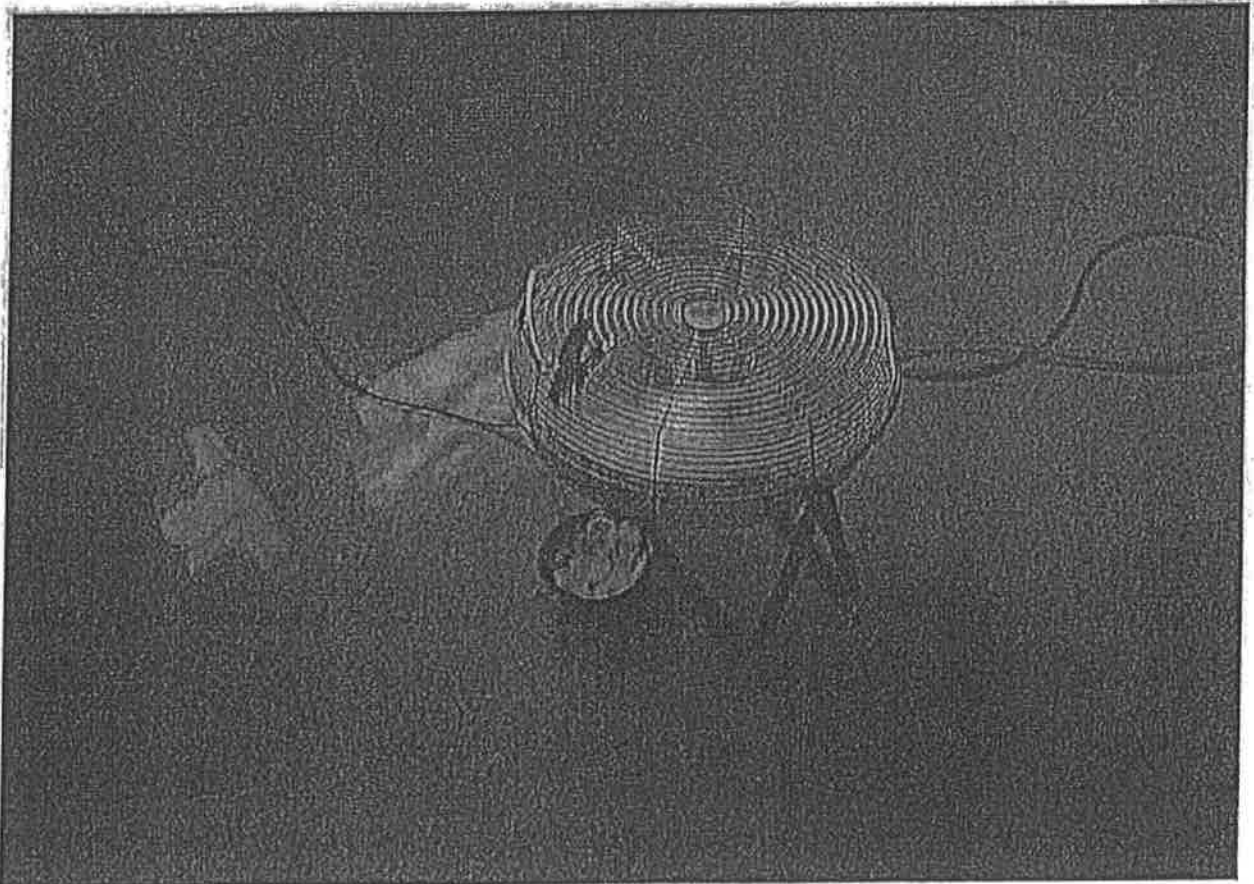
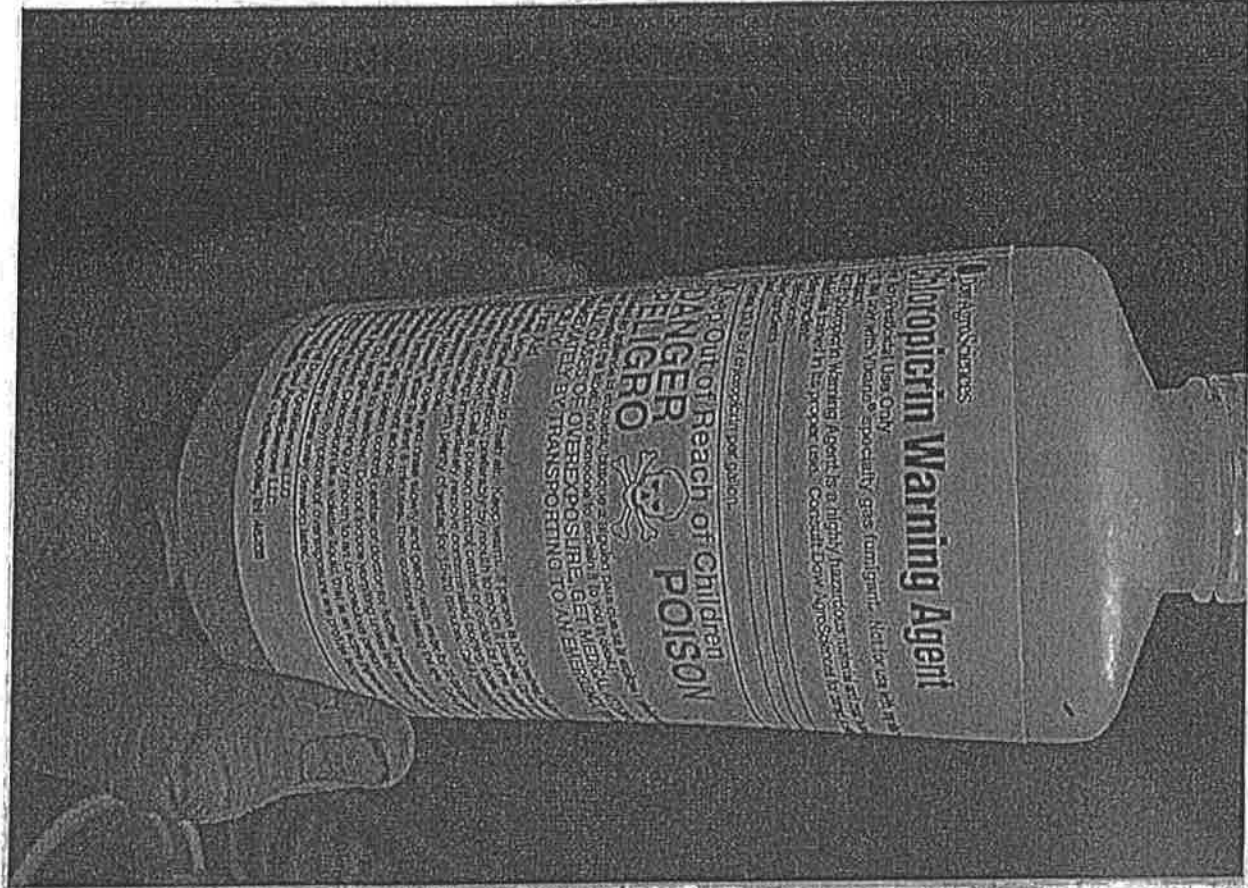


EXHIBIT G

FIRE ALARM
PULL STATION
INSIDE

DANGER

/PELIGRO

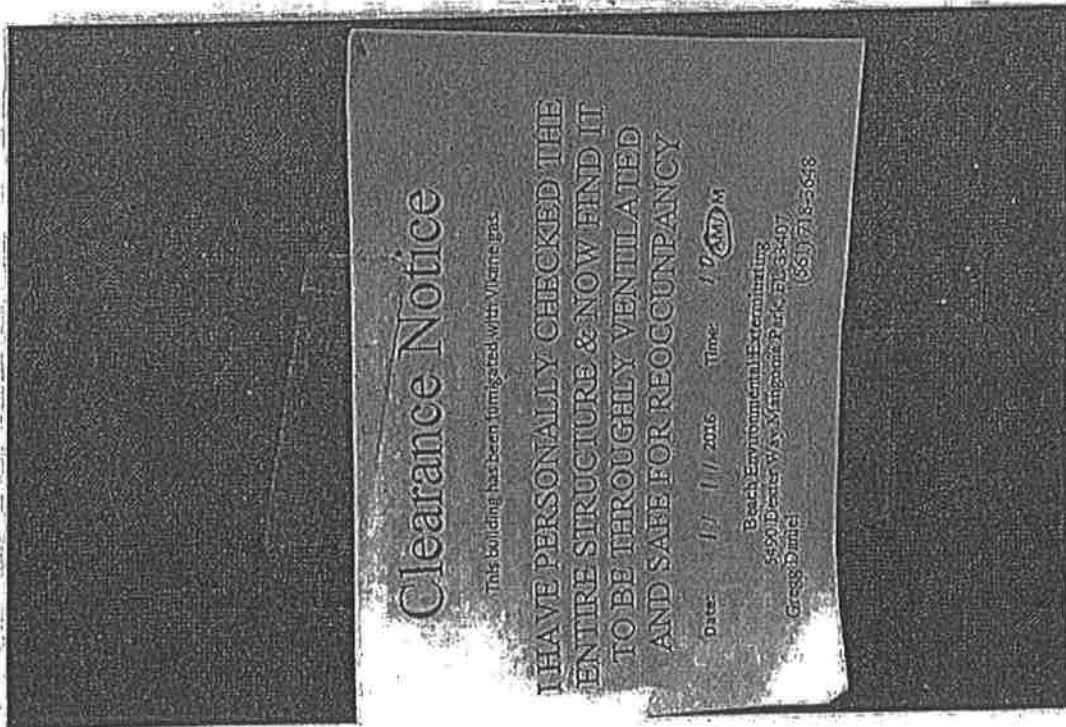
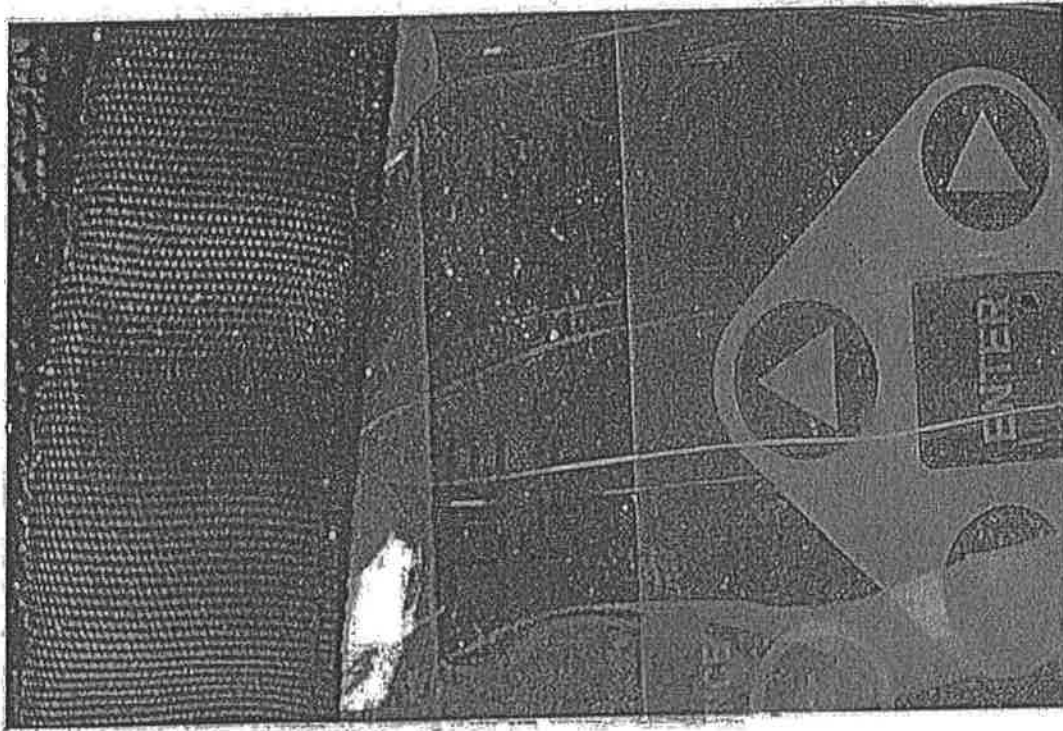
AREA UNDER FUMIGATION
DO NOT ENTER / NO ENTRAR

FUMIGATING WITH
VIKANE (SULFURYL FLUORIDE)

**DEADLY
POISON**

ALL PERSONS ARE WARNED TO
KEEP AWAY

DATE OF FUMIGATION: 9/18/84
COMPANY NAME: B&K Environmental Control
COMPANY ADDRESS: 5200 Wilshire Blvd, Suite 2000
DESIGNED OPERATOR: J. J. [unclear]
FUMIGANT PROVIDED BY: [unclear]
CONTACT PHONE: 514-101-1288
NIGHT TELEPHONE: 514-671-2075



5461210761

EXHIBIT I

BEACH ENVIRONMENTAL EXTERMINATING, INC. INVOICE: 74394627
 P.O. Box 10684 DATE: 01/31/14
 Riviera Beach, FL 33419-0684 ACCOUNT: 10269
 www.theantguys.com ROUTE: 1
 561-841-0077 LAST: / /

RECEIVED
 ACCOUNTING & FINANCE
 REPORTING DEPARTMENT

002014 MAR -4 AM 9:53

THE SCHOOL BOARD OF
 BROWARD COUNTY, FLORIDA

BILL TO
 William Swartz, C.P.C.O.
 Custodial Grounds Department
 3897 N.W. 10th Avenue
 Fort Lauderdale, FL 33309-4645

SERVICE TO
 Pioneer Middle School
 5350 SW 90th Avenue
 Cooper City, FL 33328

TERMS: 30 Days .PO. #: ~~7513009173~~ 754-323-4100

Description	Qty	Price	Amount
DRYWOOD TERMITE FUMIGATION	1	15,508.84	15,508.84 ✓
		SUBTOTAL	15,508.84 ✓
		PREVIOUS BALANCE	0.00 ✓
		TOTAL DUE	15,508.84 ✓

7514001083

2-25-2014
 WOB

Fumigate 27 Portables PO #7513009173 Control #CG-215163 Port/Work Order:
 1060pd/J626488, 452C/J626505, 453c/J626507 (13,250 CF x \$38 \$503.50 x 3=
 \$1510.50) 1061pd/J626490, 1046p/J626491, 1047p/J626492, 1048p/J626493, 1049p/J626494,
 1050p/J626496, 1052p/J626501, 1063ca/J626508, 1062ct/J626516, 1057p/J5626522, 1058p/J
 626525 (14,724 CF x \$38 \$559.51 x 11= \$6154.61)
 1051p/J626498, 447cx/J626500, 1053p/J626511, 1054p/J626512, 1055p/J626517,
 1056p/J626519, 1059p/J626527, 1065cx/J626528, 1066cx/J626531, 1067cx/J626533,
 1068cx/J626536, 1069cx/J626538 & 1070cx/J626543
 (15,878 CF x \$38 \$603.36 x 13= \$7843.73) ***Total: \$15,508.84***

Control # CG 215163
 WOB J626488 Proj # 3
 PO# 7514001083 Lot# 9608
 Form # [Signature] Date 2-25-2014
 Supervisor [Signature] Date 2/26/2014
 Client [Signature] Date 2/27/14
 Director/Manager [Signature] Date 2/27/14

2014 FEB 25 AM 9:02

	A	B	C	D	E	F	G	H	I	J	K	L
1	OCA Comparative Analysis of Pricing between SBBC and SDPBC Termite Fumigation Contracts											
2	Beach Environmental Exterminating, Inc. Invoice No. 74394627 for Pioneer Middle (See Exhibit I) Billed to SBBC					School District of Palm Beach County (SDPBC) ITB No. 16C-23W Prices Applied to SBBC Invoice No. 74394627						
3	No.	Building/Portable No.	Cubic Feet	Cost per 1000 Cubic Feet	Total (C + 1000 × D)	Cubic Feet	Minus first 10,000 CF	First 10,000 CF Cost	F - G	Cost per 1,000 over first 10,000 CF	I/1000*J	H + K
4	1	Portable 1046P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
5	2	Portable 1047P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
6	3	Portable 1048P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
7	4	Portable 1049P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
8	5	Portable 1050P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
9	6	Portable 1051P	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
10	7	Portable 1052P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
11	8	Portable 1053P	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
12	9	Portable 1054P	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
13	10	Portable 1055P	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
14	11	Portable 1056P	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
15	12	Portable 1057P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
16	13	Portable 1058P	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
17	14	Portable 1059P	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
18	15	Portable 1060PD	13,250	\$ 38.00	\$ 503.50	13,250	10,000	\$ 299.00	3,250	\$ 28.00	\$ 91.00	\$ 390.00
19	16	Portable 1061PD	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
20	17	Portable 1062CT	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
21	18	Portable 1063CA	14,724	\$ 38.00	\$ 559.51	14,724	10,000	\$ 299.00	4,724	\$ 28.00	\$ 132.27	\$ 431.27
22	19	Portable 1065CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
23	20	Portable 1066CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
24	21	Portable 1067CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
25	22	Portable 1068CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
26	23	Portable 1069CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
27	24	Portable 1070CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
28	25	Portable 447CX	15,878	\$ 38.00	\$ 603.36	15,878	10,000	\$ 299.00	5,878	\$ 28.00	\$ 164.58	\$ 463.58
29	26	Portable 452C	13,250	\$ 38.00	\$ 503.50	13,250	10,000	\$ 299.00	3,250	\$ 28.00	\$ 91.00	\$ 390.00
30	27	Portable 453C	13,250	\$ 38.00	\$ 503.50	13,250	10,000	\$ 299.00	3,250	\$ 28.00	\$ 91.00	\$ 390.00
31			<u>408,128</u>		<u>\$ 15,508.86</u>	<u>408,128</u>		<u>\$ 8,073.00</u>			<u>\$ 3,867.58</u>	<u>\$ 11,940.58</u>
32												
33												
34												
35												
36												
37	As noted on page 7, using the total cumulative cubic feet, the cost of invoice No. 74394627 would have been \$11,427.58, resulting in a savings of \$4,081.28.											

EXHIBIT J

SECTION III
FULL TEXT OF MANAGEMENT RESPONSES

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
PHYSICAL PLANT OPERATIONS DIVISION
CUSTODIAL/GROUNDS DEPARTMENT**

February 29, 2016

TO: Patrick Reilly, Chief Auditor
Office of the Chief Auditor

FROM: Roy A. Norton, Manager I
Custodial/Grounds Services

VIA: Sam R. Bays, Director
Physical Plant Operations

**SUBJECT: AUDIT RESPONSE TO TERMITE EXTERMINATION CONTRACTS
#15-109T AND #28-137T**

Custodial/Grounds has been able to secure average pricing on portable fumigation work at a flat four hundred and twenty five dollars (\$425.00) per portable still maintaining all existing contract requirements. The flat rate pricing is based on the average of 98 portables completed in the past 12 months based on the attached spreadsheet from Beach Environmental Extermination.

In response to finding Number 1 – The invitation's to Bid for contracts No. 15-109T and No. 28-137T were structured using quantity discounts, however the contracts do not specify the method for calculating the total price.

The PPO Custodial/Grounds Department will add additional language to the bid specifications defining the method to be used when calculating the total price for fumigation jobs at a specific location. The means of calculating cubic feet pricing for Drywood termites fumigation will be based on each individual structure requiring tenting. In the case where there are multiple portables on site that require fumigation and exceed the 49,999 cubic feet pricing structure in Group 1 Item A the pricing structure will still be based on each individual units total cubic foot measurement. The labor and material cost is higher to tent each individual portable vs. one large structure that would equal the equivalent cubic feet of multiple portables that exceed 49,999 cubic feet thus reflected in the higher cost per cubic foot in the Bid Tabulation sheet between item Group 1A and Group 1I. The economy of scale does not apply in this condition.

Roy A. Norton, Manager I, Custodial/Grounds Department
Physical Plant Operations Division – "Maintaining Excellence"
Phone: 754-321-4316 Fax: 754-321-4511

In response to the comparison of pricing utilizing the Palm Beach County School Districts contract which is awarded to Beach vs The School Board of Broward County contract the bid requirements are not the same for drywood termite tent fumigation work. The School Board of Broward County Termite Extermination Contract #15-109T requires the following additional services:

- The awardee shall supply all labor, supervision, tents, equipment, chemicals and supplies necessary to seal and fumigate all buildings requiring drywood termite extermination treatment. The awardee must be able to provide equipment and tenting materials to treat at least 1,000,000 cubic feet per location. A guard must be provided by awardee and must be present during the 24 hour treatment period.
- Vikane fumigation shall be performed in accordance with manufacturer's recommended method of application. All prices shall be based upon a 24 hour fumigation period. All fumigants shall be introduced outside of the structure. To ensure reliability, gas readings from two separate fumiscopes must be recorded. There shall be at least three sets of readings taken at 4-hour intervals during treatment. The first reading shall be taken one hour after the introduction of the fumigant and the second reading will be taken one hour after the first reading. There shall be one monitoring hose introduced into the building per every 100,000 cubic feet with a minimum of two monitoring hoses per fumigation per building. Awardee shall supply an energized grounded power cord at each monitoring line site. Contractor shall provide a scale graph drawing of the building requiring fumigation indicating the position of all the shooting lines, fans and monitoring hoses. The contractor must submit the fumiscope readings in writing upon building being cleared for occupancy. Fax paperwork to 754-321-4349. Payment will not be made until acceptable fumiscope readings are reach.
- Awardee shall provide specific preparation instructions to school principals or center administrators one week prior to service and shall fax to SBBC's CPCO at 754-321-4349, a copy of the signed approval preparation sheet prior to service.
- Awardee shall place warning signs in front of all entrances indicating the nature of the work underway and the dangers involved. These signs shall be printed in English and Spanish and readable from a distance of 100 feet during normal daylight conditions, with accurate notations as to fumigant introduction time.
- At the conclusion of the fumigation treatment, the awardee shall use a Toxic Gas Detector to determine if building is free of all toxic and poisonous gases. Contractor shall post signs at all entrances to each building stating the time and date the building was determined to be clear of poisonous gases and the time and date that building can be re-occupied.

Roy A. Norton, Manager I, Custodial/Grounds Department
Physical Plant Operations Division - "Maintaining Excellence"
Phone: 754-321-4316 Fax: 754-321-4511

Audit Response to Termite Extermination Contracts #15-109T and #28-137T

February 29, 2016

Page 3

- A representative of the company shall be present at the site on the day the structure is reoccupied. The representative will be onsite at a time determined by the CPCO, usually the time the site/school opens.

These additional service requirements will increase the cubic foot price for drywood termite fumigation compared to the Palm Beach County School Board Bid.

The current bid pricing with Beach Environmental Exterminating has not changed for 8 years from past Bid #28-137T to current Bid #15-109T for tent drywood termite fumigation with crawl space.

RN:js
attachment

c: Ron Eggenberger, Grounds Manager, Custodial/Grounds Services
Rich Ellis, Supervisor II Grounds, Custodial/Grounds Services

Roy A. Norton, Manager I, Custodial/Grounds Department
Physical Plant Operations Division – "Maintaining Excellence"
Phone: 754-321-4316 Fax: 754-321-4511

Broward School Portables

School	Portable#	Cubic.Ft.	\$/Per.CF	Price	Proposed	Proposed p/1000 CF
Hollywood Cen.	755-P	14,714	\$38.00	\$559.13	\$425.00	\$28.88
Ramblewood Middle	27-n	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	63-n	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	497	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	498	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	8c	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	82c	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	155n	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	27 N	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	80 C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	81C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	83C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	84C	11,949	\$38.00	\$454.06	\$425.00	\$35.57
Ramblewood Middle	CP 343	10,844	\$38.00	\$412.07	\$425.00	\$39.19
Ramblewood Middle	QR267	10,844	\$38.00	\$412.07	\$425.00	\$39.19
Ramblewood Middle	QP319	10,844	\$38.00	\$412.07	\$425.00	\$39.19
Ramblewood Middle	OP 34	9,831	\$38.00	\$373.58	\$425.00	\$43.28
Ramblewood Middle	1287	9,831	\$38.00	\$373.58	\$425.00	\$43.28
Ramblewood Middle	749	14,466	\$38.00	\$549.71	\$425.00	\$29.38
Ramblewood Middle	243	14,466	\$38.00	\$549.71	\$425.00	\$29.38
Ramblewood Middle	77L	14,466	\$38.00	\$549.71	\$425.00	\$29.38
Atlantic Vocational	284	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	317	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	13	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	69N	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	400	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	116	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	88	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	137	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	197	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	348	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Vocational	263	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Lauderhill Stem Mag	178-c	10,762	\$38.00	\$408.96	\$425.00	\$39.49
Lauderhill Stem Mag	167N	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	917C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	501C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	801C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	227C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	804c	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	222C	11,393	\$38.00	\$432.93	\$425.00	\$37.30
Lauderhill Stem Mag	81	11,009	\$38.00	\$418.34	\$425.00	\$38.60
Atlantic Voc.	284	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	317	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	13	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	69	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	400	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	116	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	88	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	137	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	197	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	348	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Atlantic Voc.	263	11,316	\$38.00	\$430.01	\$425.00	\$37.56
Hollywood Central	755P	14,724	\$38.00	\$559.51	\$425.00	\$28.86
Croissant Park Elem.	611P	14,431	\$38.00	\$548.38	\$425.00	\$29.45
Croissant Park Elem.	612P	14,431	\$38.00	\$548.38	\$425.00	\$29.45
Hallandale Elementary	?	11,568	\$38.00	\$439.58	\$425.00	\$36.74
Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.51
Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.51

Broward School Portables

Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.55
Oakridge Elementary		13,056	\$38.00	\$496.13	\$425.00	\$32.55
Oakridge Elementary		12,572	\$38.00	\$477.74	\$425.00	\$33.81
Lake Forest Elementary	105	11,805	\$38.00	\$448.59	\$425.00	\$36.00
Lake Forest Elementary	224	11,805	\$38.00	\$448.59	\$425.00	\$36.00
Lake Forest Elementary	987	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	512	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	833	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	703	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Lake Forest Elementary	1013	16,566	\$38.00	\$629.51	\$425.00	\$25.65
Lake Forest Elementary	1014	16,566	\$38.00	\$629.51	\$425.00	\$25.65
Castlehill Elementary	964	15,202	\$38.00	\$577.68	\$425.00	\$27.96
Castlehill Elementary	965	15,202	\$38.00	\$577.68	\$425.00	\$27.96
Castlehill Elementary	2	16,026	\$38.00	\$608.99	\$425.00	\$26.52
Castlehill Elementary	5	16,026	\$38.00	\$608.99	\$425.00	\$26.52
Castlehill Elementary	554	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	852	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	553	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	525	11,994	\$38.00	\$455.77	\$425.00	\$35.43
Castlehill Elementary	597	16,000	\$38.00	\$608.00	\$425.00	\$26.56
Castlehill Elementary	20	12,494	\$38.00	\$474.72	\$425.00	\$34.02
PalmView Elementary	1291 PK	18,775	\$38.00	\$523.45	\$425.00	\$30.85
PalmView Elementary	1097 PHC	14,841	\$38.00	\$563.96	\$425.00	\$28.64
PalmView Elementary	1098 PHC	13,971	\$38.00	\$530.90	\$425.00	\$30.32
Nova Middle	817	11,656	\$38.00	\$442.93	\$425.00	\$36.46
Nova Middle	804	10,694	\$38.00	\$406.37	\$425.00	\$39.74
Nova Middle	810	14,627	\$38.00	\$555.83	\$425.00	\$29.06
Nova Middle	805	11,611	\$38.00	\$441.22	\$425.00	\$36.60
Nova Middle	306	11,611	\$38.00	\$441.22	\$425.00	\$36.60
Nova Middle	816	11,760	\$38.00	\$446.88	\$425.00	\$36.19
Nova Middle	939	14,320	\$38.00	\$544.16	\$425.00	\$29.68
Silver Ridge Elementary	404.P	14,223	\$38.00	\$540.47	\$425.00	\$29.88
Silver Ridge Elementary	202.P	14,223	\$38.00	\$540.47	\$425.00	\$29.88
Silver Ridge Elementary	1202	11,685	\$38.00	\$444.07	\$425.00	\$36.37
Silver Ridge Elementary	602	11,794	\$38.00	\$448.17	\$425.00	\$36.04
Silver Ridge Elementary	128	11,794	\$38.00	\$448.17	\$425.00	\$36.04
Silver Ridge Elementary	145	11,794	\$38.00	\$448.17	\$425.00	\$36.04
Silver Ridge Elementary	138	10,834	\$38.00	\$411.69	\$425.00	\$39.23
Silver Ridge Elementary	116	9,584	\$38.00	\$364.19	\$425.00	\$44.34
Totals		1,192,560		\$45,317.28	\$41,225.00	\$3,400.20
Average Price			\$38.00	\$462.42	\$425.00	\$34.70

**SECTION IV
APPENDIX**

ABBREVIATIONS

A/E	Architect/Engineers
AFP	Application for Payment
CCD	Construction Change Directive
CCNA	Consultant's Competitive Negotiations Act
CD	Construction Documents
CM	Construction Manager
CO	Change Order
COI	Change Order Item
CPCO	Certified Pest Control Operator
DOE	Department Of Education
DOP	Direct Owner Purchase
ECD	Estimated Completion Date
E/O	Errors and/or Omissions
FDACS	Florida Department of Agriculture and Consumer Services
F.S.	Florida Statutes
FBC	Florida Building Code
FCM	Facilities and Construction Management Division
FHSAA	Florida High School Athletic Association
FLCC	Fixed Limit Cost of Construction
GMP	Guaranteed Maximum Price
HVAC	Heating, Ventilation and Air Conditioning
LSC	Life Safety Code
N/A	Not Applicable
NFPA	National Fire Protection Association
OCA	Office of the Chief Auditor
OFC	Office of Facilities & Construction
OR	Owner's Request
PM	Project Manager
PO	Purchase Order
PPO	Physical Plant Operations
PSA	Professional Services Agreement
RAF	Regional Athletic Facility
SBBC	School Board of Broward County or the Board
SREF	State Requirements for Educational Facilities
UBCI	Uniform Building Code Inspector
UC	Unforeseen Condition

**SECTION IV
ABBREVIATIONS**

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CCD	Construction Change Directive
CCNA	Consultant's Competitive Negotiations Act
CDs	Construction Documents
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COI	Change Order Item
DOE	Department Of Education
DOP	Direct Owner Purchase
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FBC	Florida Building Code
F&CM	Facilities and Construction Management Division
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GMP	Guaranteed Maximum Price
HVAC	Heating, Ventilation and Air Conditioning
OCA	Office of the Chief Auditor
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