

## EXECUTIVE SUMMARY

### Recommendation of \$500,000 or Greater 18-215C – Building Code Supplemental Services

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#### **Introduction**

##### **Responsible: Procurement & Warehousing Services (PWS)**

This request is to approve the recommendation to award Request for Proposals (RFP) 18-215C – Building Code Supplemental Services to MEP Structural, Engineering and Inspections, Inc. and C.A.P. Government, Inc. for three (3) years beginning January 1, 2019 through December 31, 2021 with a renewal option for one (1) additional year. This Request for Proposal replaces the existing RFP 16-053C Building Code Supplemental Services and will be used by the Building Department. This Bid allows the Building Department to hire building officials, building inspectors and plan examiners, if necessary, to supplement the work of this department when the workload exceeds the capability of the internal staff to keep pace with the SMART program demands.

#### **Goods/Services Description**

##### **Responsible: Chief Building Official (CBO)**

Supplemental building code services providers are necessary to be able to supplement the required staff for plan review, inspections and code administration. Currently, the BCPS Building department has twelve (12) inspectors, who are also licensed as Plans Examiners. At the peak of the SMART initiative, there could be a demand for as many as thirty-five (35) to forty (40) total personnel. The decision to rely on 3rd party firms to provide the increase needed for staff was well conceived in that due to economic factors, the labor market is thin, and an attempt to hire twenty-five (25) to thirty (30) qualified staff might have been next to impossible. Further, had we elected to hire twenty-five (25) to thirty (30) more employees, would have meant laying off that many staff when the General Obligation Bond (GOB) concluded. This strategy also means that the District will have a quantity of staff that is commensurate with the workload demand. Both MEP Structural, Engineering and Inspections and C.A.P. Government, Inc. have extremely qualified staffs, who have worked in the south Florida construction industry as inspectors, plans examiners, architects, engineers, and building officials for decades and are familiar with the State Requirements for Educational Facilities (SREF) and are current with their continuing education. The bid values are very competitive with the rates we have paid from the agreement tendered three (3) years ago and below that of the Dade County School District. Thus, there is true added value for the reasons stated above. The importance of having a supplemental provider contract such as this is to be able to keep pace with the ramping up of the projects that CBRE Heery is submitting to the Broward County Public Schools (BCPS) Building Department (approximately forty (40) major project reviews per month for plans examination) and conversely, not having the supplemental staff would mean that the BCPS staff would not be able to meet the demands of plan reviews nor the demands of inspecting the myriad of projects throughout the better portion of the next three (3) years. Thus far the BCPS Building Department has not caused a delay to the program, nor does it intend to do so in the future. The Building Department recommends the use of supplemental services as described herein.

#### **Procurement Method**

##### **Responsible: PWS**

The solicitation for this RFP ran from June 27, 2018 through August 2, 2018, where six hundred and seventy-eight (678) vendors were notified via Demand Star to ensure sufficient vendor participation. Seventeen (17) vendors downloaded the RFP documentation. Several vendors were contacted to determine their reason for not bidding. However, only Bermello Ajamil & Partners, Inc. and Architects International, Inc. responded to the request. Both vendors stated that they could not provide the services being requested due to their workload and limited capacity.

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PWS received two (2) responses. Per RFP 18-215C, 4.2.5., Basis of Award; in order to be considered for the award, proposer(s) shall match the lowest Total Hourly Labor Rate for each of the items listed in the Bid. C.A.P. Government, Inc. submitted the lowest bid and MEP Structural, Engineering and Inspections, Inc., accepted to match the lowest bidder rates. Both vendors met all specifications, terms, and conditions of the RFP and are recommended to award.

None of the awarded vendors are certified Small/Minority/Women Business Enterprise with the District.

**Financial Impact**  
**Responsible: CBO**

The amount of the request at \$6 million was based upon the amount that the District spent on supplemental building code services with external building code supplemental services providers from 2004 through 2008 (the last period of significant construction). At that time, the District had twenty-three (23) in-house staff, and now the District will maintain a smaller staff of twelve (12). In that five (5) year span, the District spent \$4.5 million on supplemental building code vendors to keep pace with the school classroom expansion program that averaged \$200 million annually. In the five (5) year projection for the GOB, the District see Years 2, 3, 4 and 5 producing a comparable expenditure per annum excepting inflationary costs as it had in the previous decade until the bond revenue is exhausted.

From January 2016, only \$750,000 of the \$6 million supplemental services agreement will have been expended through the expiration date of January 20, 2019. The Building Department has managed to perform most of the work since the initiation of the GOB.

Staff counts for BCPS during the last decade in conjunction with the supplemental vendor's staff counts fluctuated between forty (40) to forty-five (45) total people per day (fifty-fifty (50/50) mix). In formulating the \$6 million request, BCPS will experience a one-to-two (1:2) ratio of BCPS vs. supplemental staff. The staff counts should average sixteen (16), which would result in a base expenditure of \$5.0 million after two (2) years. There are a few variables that may influence this value to increase or decrease. One that drives the number up is the number of times a set of documents needs to be reviewed prior to issuing a permit, which speaks directly to the quality of the consultant's work. Another variable is how effective the contractor's work is in the field. Are the contractors passing inspections at a successful rate or are there numerous re-inspections required prior to aspects of the project becoming code compliant? The District would propose signing the base agreement for \$6 million and then evaluate the costs after the first year, to determine if the District is on track or running a deficit or a surplus. Inflation, which has already affected the building cost aspect of the program may also be a consideration over the next three (3) years in terms of a renewal. However, an extension for one (1) year and/or \$1 million, if necessary, has been requested to cover such contingencies in the fourth (4) year. The Building department will make every effort to be as efficient as possible in the allocation of the \$6 million contract, and if there is any way that the work can be accomplished for less than that value, the District will be the beneficiary of those savings.

Funding for this Bid will come from Capital Funding. The amount requested was determined based on the Department's requirements to satisfy the needs of the District. The financial impact amount represents an estimated contract value; however, expenditures for this contract will not exceed the contract award amount. Final hourly rates for this Bid are:

<u>Building Official -</u>	<u>\$87.00/hour</u>
<u>Building Code Inspector -</u>	<u>\$68.00/hour</u>
<u>Plans Examiner -</u>	<u>\$82.00/hour</u>