

## Gomes , Mark

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**From:** Jacob G. Horowitz <JHorowitz@cityatty.com>  
**Sent:** Tuesday, August 28, 2018 10:45 AM  
**To:** Gomes , Mark  
**Cc:** Fernandez, Gabriel; Ian Singer; Kennedy, Karl; Gonzalez, Aner (City Manager's Office); Goren, Sam (Cityatty.com); Dodge, Charles  
**Subject:** RE: Utilities Master Plan - CH2M

Mark,

Good morning. Thanks again for providing the back-up information related to the local vendor preference for the utility master plan procurement. We have examined the information provided and revisited the discussion from the 8/22 commission meeting. After review, we have the following observations and recommendations for the City to consider:

- 1) An award of the contract to CH2MHILL Engineers, Inc., as recommended, does not create an actual, legal conflict given OMI's operation of the utility plant. Both the utility master plan and the plant management were procured through an open and transparent competitive selection process. As you know, the City currently has certain vendors performing multiple services for the City which were procured through similar competitive processes. Additionally, it is our understanding that OMI, as the plant management, will not have any approval or oversight role with regards to the preparation of the master plan. Further, as the city manager previously indicated, there may be some inherent benefit to having an entity with some knowledge of the City working on the master plan.

All of that said, we certainly understand and respect the comments offered by some commission members at the 8/22 meeting, and agreed that there may be an "appearance" issue with CH2MHILL and OMI serving the City in this dual capacity. We clearly appreciate both sides of this argument and have no legal objection to the City Commission sending this matter back to the evaluation committee for further consideration and re-evaluation should it chose to do so.

- 2) Regarding the local vendor preference inquiry, it appears that the City LBTR is issued to Operations Management International, Inc. The County LBTR is issued to CH2MHILL Engineers, Inc. In light of this distinction, it is our recommendation that CH2MHILL Engineers, Inc. would qualify as a county local vendor, but would not qualify as a city local vendor. We would suggest that City staff revisit the evaluation committee's recommendation and determine whether the City local vendor preference awarded to CH2MILL Engineers, Inc. was decisive in their recommendation. If the City preference was decisive, we would recommend that the matter be sent back to the evaluation committee for further consideration of a county preference only. If the City preference was not decisive, the issue may be moot. We would also recommend that the agenda summary include an explanation of how the preference affected the evaluation committee's recommendation, if at all.

Please include this email in the back-up for the agenda item when this matter is reconsidered by the commission. Please also let us know if you have any questions of if there is any additional information that we can provide.

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**From:** Gomes , Mark [mailto:mgomes@ppines.com]

**Sent:** Monday, August 27, 2018 12:27 PM

**To:** Jacob G. Horowitz <JHorowitz@cityatty.com>

**Cc:** Fernandez, Gabriel <gfernandez@ppines.com>; Ian Singer <ISinger@cityatty.com>; Kennedy, Karl <kkennedy@ppines.com>; Gonzalez, Aner (City Manager's Office) <agonzalez@ppines.com>

**Subject:** Utilities Master Plan - CH2M

Jake,

At the last Commission Meeting, the Commission approved to defer the agenda item for the approval of the findings and recommendation of the evaluation committee and to award PSUT-18-03 "Utilities Comprehensive Master Plan Services" to CH2M Hill Engineers, Inc., and to direct the City Manager to negotiate a contract for services. Pursuant to the Action Text from the City Clerk's Office, "A motion was made by Vice Mayor Good, Jr., seconded by Commissioner Siple, to defer the item for further review on issues of conflicts of interest in the procurement evaluation committee process. Commissioner Castillo expressed his support of a deferral. The City Attorney stated he would review the matter promptly."

Per our conversation, I attached the following documents:

- Evaluation Committee Meeting Minutes, Summary Rankings and Score Sheets
- The Bid Tabulation that the Procurement Department puts together.
- The Local Vendor Preference Documents submitted by both:
  - CH2M Hill Engineers, Inc.
  - Carollo Engineers, Inc.
  - Calvin, Giordano & Associates
- Commission Agenda Item from the 8/22/18 meeting.
- Evaluation Committee Signed Conflict of Interest Forms

I didn't attend this Evaluation Committee Meeting, however Gabe mentioned, and I see it mentioned in the minutes that a motion was made by the Evaluation Committee to not award the local vendor points to Calvin, Giordano & Associates, Inc. due to tax receipt not being included in their bid package.

It does not appear that the Evaluation Committee discussed the Local Vendor Preference for the other two vendors.

Carollo Engineers, checked the box stating that they affirm that they do not meet the requirements as a Local Vendor, however they did submit a Local Business Tax Receipt with a Hollywood address.

CH2M Hill Engineers submitted two different Local Vendor Preference Certifications in their bid response.

- One form stated that they were a local Pembroke Pines Vendor and they included a note on the form stating that "Operations Management International, Inc. and CH2M HILL Engineers, Inc. are both wholly owned legal entities of CH2M HILL Companies, Ltd." They also included the City of Pembroke Pines Local Business Tax Receipt under the name of Operations Management International, Inc. with a Pembroke Pines address.
  - Note – On February 4, 2015, the City Commission approved the agreement with Operations Management International, Inc. (OMI) for the Operation, Maintenance, and Management of the City's Utility System. As you know, around the office, this company is commonly referred to as CH2M or JACOBS. Their work trucks under this contract actually stated CH2M at one point and I believe it now states JACOBS.
- The other form stated that they were a local Broward County Vendor. They also included the Broward County Local Business Tax Receipt under the name of CH2M Hill Engineers, Inc. with a Fort Lauderdale address.

I reviewed the Evaluation Committee Score Sheets, and since Carollo stated they did not qualify for Local Preference and since the Committee made a motion to not award the local vendor points to CGA for lack of tax receipts, both vendors

accurately received no local vendor preference points. In regards to CH2M Hill Engineers, all three Evaluation Committee members gave the firm 5 points. Please note if these points were changed from 5 points to 2.5 points it would not have changed the overall scoring or results. In addition, if the points were changed from 5 points to zero points, it would result in a 3 way tie for one Evaluator, Riley Smith, in which he would have to break the tie.

Please advise if you have any problem with the way the Evaluation Committee Scored the Local Vendor Preference and if you saw any conflict with awarding PSUT-18-03 "Utilities Comprehensive Master Plan Services" to CH2M Hill Engineers, Inc. while we already have a contract with Operations Management International, Inc. for the Operation, Maintenance, and Management of the City's Utility System.

Thanks again,

***Mark Gomes***

City of Pembroke Pines

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