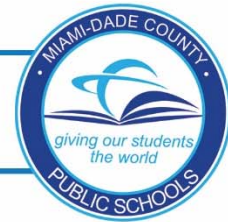





Miami-Dade County
OFFICE OF THE INSPECTOR GENERAL
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To: Honorable Chairman Dr. Lawrence S. Feldman
and Members, Miami-Dade County School Board

Alberto Carvalho, Superintendent, Miami-Dade County Public Schools

From: Mary T. Cagle, Inspector General 

Date: June 15, 2017

Subject: OIG Final Report of Inspection of Selected Contracts' S/MBE Utilization Goals; GOBIG-0013

Attached please find a copy of the Miami-Dade County Public Schools (M-DCPS) Office of the Inspector General's (OIG) Final Report of Inspection. This inspection was initiated to validate selected Small/Micro Business Enterprises (S/MBE) construction utilization goal percentages reported to the 21st Century Bond Advisory Committee at its November 29, 2016 meeting. The S/MBE construction utilization goals reported in the School Board items approving the project's final Guaranteed Maximum Price (GMP) were, in some cases, significantly higher than the original goals established by the M-DCPS Goal Setting Committee.

Our inspection found no exceptions to how the goals amounts were reported to the School Board and to the Bond Advisory Committee. We did find, however, some discrepancies that were clarified by staff and/or the contractors that we contacted; these instances did not have a material impact on the overall projects' goals and are further explained in our report.

This report, as a draft, was provided to Mr. Jaime G. Torrens, Chief Facilities Officer, for his review and comment. A copy of his response is attached. The OIG appreciates the cooperation of the Office of School Facilities and the Office of Capital Improvement Projects (OCIP) during this inspection. The OIG will continue in our contract oversight efforts to provide this Board and the Bond Advisory Committee with relevant and timely results of our investigations, inspections, and reviews.

Attachment

cc: Jaime G. Torrens, Chief Facilities Officer
Raul Perez, Asst. Superintendent, Construction Mgmt., OCIP
Jose Montes de Oca, Chief Auditor, Office of Management & Compliance Audits
Walter J. Harvey, School Board Attorney
Roberto Martinez, Chairman
and Members, 21st Century Schools Bond Advisory Committee

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
OIG FINAL REPORT
Inspection of Selected Contracts' S/MBE Utilization Goals

I. INTRODUCTION & SYNOPSIS

At the November 29, 2016 21st Century Schools Bond Advisory Committee meeting, Miami-Dade County Public Schools (M-DCPS) staff gave a presentation on the status of the General Obligation Bond (GOB) Program. As part of the presentation, the Office of School Facilities provided handouts, compiled into a multi-page briefing packet, and an oral report on the status of current and past projects. The Office of School Facilities reiterated its commitment to establishing economic opportunities for Small and Micro Business Enterprise (S/MBE) firms and increasing diversity within subconsulting and subcontracting teams.

Such accomplishments were further supported in the briefing packet where eight current GOB projects were identified as having S/MBE construction utilization goals well above the amounts originally established by the M-DCPS Goal Setting Committee (GSC). These newly established S/MBE construction goals (resulting from the awarding of subcontracts through the guaranteed maximum price [GMP] bid process) ranged from 29% to 89% of the construction value¹ – compared to the 15% to 25% range originally established by the GSC.²

The OIG initiated this inspection to validate some of the S/MBE percentages reported to the Bond Advisory Committee. From the eight projects highlighted in the packet, the OIG selected four Construction Manager At-Risk (CMR) projects for further inspection and testing. We sought to obtain independent assurances that the identified S/MBE firms actually have agreements with the CMR prime firm, and that those agreements contain an identified scope of work for an identified and mutually agreed to dollar amount. The four projects selected by the OIG are listed in Table 1 below.

TABLE 1: OIG Selected GOB Projects for Review
Comparison of the GSC-established S/MBE Goals vs. CMR-contracted S/MBE Goals

No.	Project Description	Project No.	Contractor	GMP \$ Amount	GSC-est S/MBE Goal	CMR-contr'd S/MBE Goal
1	Henry H. Filer Middle School	01433700	Stobs Bros. Construction Co.	\$2,210,882	20%	79.25%

¹ A project's construction value is the total of all the construction scopes of work (whether they be contracted to a subcontractor or self-performed by the prime). It does not include General Conditions, insurance, bond premiums, the CMR firm's fee, and the owner's contingency account.

² See pages 18 through 25 of the briefing package titled *21st Century Schools Bond Committee November 29, 2016 Meeting*.

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No.	Project Description	Project No.	Contractor	GMP \$ Amount	GSC-est S/MBE Goal	CMR-contr'd S/MBE Goal
2	Madie Ives Elementary School	01337500	Munilla Construction Management LLC	\$13,123,902	25%	29.53%
3	Norland Elementary School	01439500	D. Stephenson Construction, Inc.	\$2,492,886	20%	59.39%
4	Springview Elementary School	01435400	Link Construction Group, Inc.	\$3,265,058	20%	89.50%

Our inspection of the contracted S/MBE utilization goals did not find any exceptions to how these goal amounts were reported in the handout presented during the November 26, 2016 BAC meeting. In other words, we recognize that, through the GMP bid process, the CMR firms have done a good job to increase the amounts awarded to S/MBE contractors over the amounts originally established by the GSC. We did find, however, 11 instances where the subcontractor's bid amounts did not match the final GMP amount, and five instances where the S/MBE's subcontract agreement amount did not match the final GMP amount. While these differences did not have a material impact on the overall project goals, we did, during the course of our inspection, bring these instances to the attention of the Office of Capital Improvement Projects (OCIP); and as such, they are being reported herein. Throughout this inspection, OCIP staff has timely responded to our requests for clarifications and supporting documentation. Additionally, this report, as a draft, was provided to Mr. Jaime G. Torrens, Chief Facilities Officer, for his review and comment. Mr. Torrens concurred with our observations. A copy of his response is attached as Appendix A. The OIG appreciates the cooperation of OCIP staff and the Office of School Facilities during this inspection and throughout the OIG's oversight and monitoring efforts.

II. OIG JURISDICTIONAL AUTHORITY

The OIG provides inspector general services to M-DCPS pursuant to an Interlocal Agreement (ILA) between Miami-Dade County and the Miami-Dade County School Board. The ILA governs the scope and jurisdiction of the OIG's activities. Among the authority, jurisdiction, responsibilities and functions conferred upon the OIG through the ILA is the authority and jurisdiction to investigate M-DCPS affairs, including the power to review past, present, and proposed programs, accounts, records, contracts and transactions. The OIG shall have the power to require reports and the production of records from the M-DCPS Superintendent, School Board members, School District

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departments and allied organizations, and School District officers and employees, regarding any matter within the jurisdiction of the OIG.

III. SELECTION, OBJECTIVES, SCOPE & INSPECTIONAL ACTIVITIES

The four projects selected had S/MBE construction goals ranging from 29% to a high of 89% of the construction value. These four projects were selected because they all shared the same attributes of being an open competition award (as opposed to a sheltered market award) for a CMR firm,³ and where the project cost is established by a GMP. Our inspectional objective was to obtain an independent assurance that the actual subcontracted amounts with the S/MBE firms did total the amounts reported by M-DCPS – in other words, that the new higher utilization goals being reported were not illusory. By contacting several S/MBE subcontractors, we verified that actual agreements (with mutually agreed to scopes of work and payment amounts) were in place, and that the S/MBEs were on board to do the work. It is important to note that this OIG inspection involved verifying subcontracted bid amounts and contract agreement amounts. Our inspection did not verify actual construction work and payments, as the projects were incomplete at the time. This will be the objective of later audits, inspections and reviews conducted by the Office of Economic Opportunity (OEO), the Office of Management and Compliance Audits (OMCA), and/or by the OIG.

OIG staff met with staff from OCIP and requested supporting documentation for the four projects that were selected for further testing. We reviewed and verified key aspects of each project's GMP process, including subcontractor-submitted bids, the CMR's bid tabulations, the subcontractor participation Letters of Intent (LOIs), and the final GMP amounts. Additionally, OIG staff reviewed related School Board agenda items for CMR commissioning and GMP awards, verified S/MBEs' certification status through the OEO vendor certification directory, as well as verified each S/MBEs' corporate status through the Florida Division of Corporation's website.

We also contacted (either by telephone or in person) several S/MBE subcontractors from each of the four projects.⁴ We asked each of them a series of questions relating to their firm, including ownership interests and number of employees; their bid on the project; their contract or other written agreement with the CMR firm; their monetary expectations, and the genuineness of their signature on the supplied LOIs. The subcontractors that we selected for further testing included the following scopes of work

³ Two of the selected four firms, D. Stephenson Construction and Link Construction Group, are minority-owned business enterprises; however their resulting contract awards (for the identified construction projects) were through an open, non-restricted competitive process.

⁴ We did not contact every S/MBE subcontractor on each project. The subcontractors were judgmentally selected. Collectively, for four projects selected, there were 25 different S/MBE firms, as some firms were listed on more than one project's GMP listing. By contacting 15 of the 25 S/MBE subcontractors, we reached 60% of them.

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and construction trades: acoustic ceiling, dry wall, fencing, concrete, electrical, HVAC, masonry, painting, plumbing, and general site work. OIG Exhibits 1 through 4 (attached) provide detailed information for each project, including the GMP breakdown, each subcontractor's scope, its GMP amount, and its S/MBE percentage goal. The exhibits also identify the S/MBE subcontractors that we contacted as part of our inspectional verification work.

IV. OIG OBSERVATIONS

As stated in our *Introduction & Synopsis*, this review did not find any exception to M-DCPS' reporting of the CMR-contracted constructional utilization goals, which – for three of the four projects selected – far exceeded the GSC-established utilization goals. That being said, our inspection did yield some discrepancies, which did not affect our overall assessment. These discrepancies were brought to the attention of OCIP staff, and they, in conjunction with the CMR contractors, were able to provide sufficient documentation to explain the discrepancies. The sections that follow provide our observations and include further detail and information.

Bids, Bid Tabulations, and GMP Amounts

For the four projects reviewed, 11 instances were noted where the subcontractor's bid amounts did not match the final GMP amount. According to supporting documentation provided by OCIP, eight instances were the result of "reduction per Alternate No. 1 and addition of the ADA bathrooms" for the Henry H. Filer Middle School project. For the remaining three instances (all related to the Madie Ives Elementary School project) the differences were a combination of the following: added scope per revision requirements, increased amount due to error on the subcontractor bid, and the subcontractor voluntarily reducing its price due to budget issues. No instances relating to this observation were noted for Norland Elementary School and Springview Elementary.

Subcontractor LOIs, Contract Agreements and GMP Amounts.

The OIG contacted 15 S/MBE subcontractors, in person and via telephone. Each subcontractor was asked to confirm whether it provided a bid, received notification of award, signed and submitted an LOI, had a contract or other written agreement with the CMR stating an agreed to scope and compensation terms, and whether it was already working on the project. The subcontractors were also requested to provide copies of their signed LOIs and contract agreements.

Four subcontractors were contacted from each of the Springview Elementary, Henry Filer H. Middle, and Norland Elementary school projects. Three subcontractors were contacted from the Madie Ives Elementary project. (See OIG Exhibits 1-4 for

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identification of the subcontractors that were contacted.) As of March 30, 2017, 11 of the 15 subcontractors were currently working on their respective projects; while four subcontractors have yet to start working.

All subcontractors confirmed that they provided a bid, received confirmation of award and received and signed an LOI. The subcontractors also provided copies of their LOIs and contract agreements. As for the LOIs provided, there were minor differences noted on some of the stated percentages and dollar amounts when compared to the amounts shown on the School Board agenda items. As mentioned, however, these were minor differences and do not affect our overall assessment.⁵

All 15 S/MBEs contacted by the OIG provided copies of their agreements to us. Of the 15 S/MBE agreements, nine contract agreement amounts matched the subcontractors' amounts noted in the GMPs. The contract agreement amounts for the remaining five subcontractors differed from the GMP amounts.

According to supporting documentation provided by OCIP, two differences were the result of a reduction in scope after the GMP was finalized. These two occurred on the Norland Elementary and Henry Filer Middle School projects. For the Henry Filer project, the reduction was not material to the overall S/MBE goal percentage. For the Norland Elementary project, the subcontractor selected for acoustic ceiling work had its scope significantly decreased as post-GMP inspections determined that a portion of the ceiling work was in good order and did not need to be replaced. Even with this reduction, the overall project's S/MBE goal was not materially affected.⁶

For the other three of the five instances where the subcontractor's agreement amount did not match the GMP, these were due to the transferring of scope from one subcontractor to another. In one case (Henry Filer Middle School project), the transfer was from a non-S/MBE to an S/MBE in order to consolidate the work scopes to a fewer number of subcontractors due to work space constraints.⁷ This actually increased that

⁵ This may have been due to the fact that the LOIs were issued and signed by the subcontractors prior to the GMP amount being finalized.

⁶ The S/MBE's original bid amount was \$5,879 based on the original scope of work. During the bid process, the scope was increased to include additional work and proposers revised their bids. This S/MBE's bid increased to \$20,349 and they were found to be the lowest, responsive bid, and the GMP was finalized using this bid amount. Subsequently, inspections revealed that a large section of ceiling acoustical tiles were in good order and did not need to be replaced. The S/MBE's contract amount was reduced back to the original bid amount of \$5,879. While this by itself was a 71% reduction to this firm, it did not adversely impact the overall S/MBE percentage, as the total construction value for this project was \$1.8 million. The deleted value of \$14,470 will be processed as a deduct change order, which will credit this amount back to M-DCPS. The deduct change order will also result in a decrease of the project's GMP.

⁷ OIG staff contacted the non-S/MBE subcontractor who confirmed that he submitted a bid, but he never was contacted and told that his bid won.

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S/MBE's contracted amount from 2.82% to 6.71% of the GMP, and will have another upward effect of increasing the project's overall goal. For the other two instances (one at Henry Filer and one at Norland Elementary), both involved a transfer from one S/MBE to another S/MBE. These were both small dollar amounts that did not materially affect each S/MBE subcontractor's percentage goal. No instances relating to this observation were noted for Madie Ives Elementary or for Springview Elementary.

Last, no discrepancies were noted when comparing the firm's information in OEO's vendor certification directory and on the Florida Division of Corporation's website. Each firm's corporate information was also confirmed with the subcontractors when we contacted them.

V. CONTINUING OIG OVERSIGHT ACTIVITIES

As previously mentioned, the OIG did not find any exceptions with the S/MBE goals as noted in the *November 26, 2016 BAC* presentation. It is important to note that this OIG inspection was to verify pre-construction activities. Our inspection did not verify actual construction work and payments. These latter activities will be the core focus of future inspections and audits by the Office of Economic Opportunity (OEO) and the Office of Management and Compliance Audits (OMCA). The OIG will also conduct future inspections and provide continuous oversight, in conjunction with OEO and OCMA. Working independently, yet collaborating with other stakeholders, the OIG strives to improve transparency and strengthen accountability for the overall construction program.

The OIG appreciates the cooperation of the Office of School Facilities and OCIP staff during this review, and throughout our monitoring and oversight endeavors.

Exhibit 1 – Henry Filer Middle School – Project # #01433700
Guaranteed Maximum Price (GMP) Award for Sub-contractor Firms

Division Code	Description	Subcontractor	GMP Amount	Certification ¹	Percentage of Construction Value	Percent of S/MBE goal per Board Agenda Item
2.070000	Selective Demolition	Jampro Demolitions	\$44,058.00	SBE-AA	2.61%	2.61%
2.900000	Landscaping	SBCC	\$34,750.00	-	2.06%	-
2.001000	Site Contractor	Marks Brothers, Inc.	\$36,180.00	-	2.15%	-
3.150000	Structural Shell	Alta Home Remodeling	\$47,586.00	MBE-SDV	2.82%	2.82%
5.120000	Structural Misc. Steel	Miami Grandstand	\$14,919.00	-	0.89%	-
6.400000	Architectural Woodwork	Closet by Carlos	\$7,500.00	-	0.45%	-
7.525000	Roofing	Precad Inc., dba Purdents Roofing	\$31,500.00	-	1.87%	-
8.110000	Hollow Metal Doors and Frames	JJAS Doors	\$13,735.00	MBE-HA	0.82%	0.81%
8.800000	Aluminum Storefront and Entrances	Ocean Doors & Windows	\$531,136.00	SBE-HA	31.52%	31.52%
9.220100	Drywall and Stucco	RMC Construction	\$96,100.00	-	5.70%	-
9.220100	Allowance Patching Stucco/Media Blasting	BSBC	\$75,000.00	-	4.45%	-
9.300000	Tile	Casino's Flooring	\$49,857.00	-	2.96%	-
9.500000	Acoustical Ceiling	Bergolia, Inc.	\$9,500.00	SBE-HA	0.56%	0.56%
9.900000	Paint	Curtis Painting	\$108,800.00	SBE-AA	6.46%	6.46%
10.700000	Toilet Partitions & Accessories	SDI Mardale	\$7,046.00	-	0.42%	-
10.400000	Identification Devices	A&J Sign, Inc.	\$15,780.00	-	0.94%	-
12.100000	Window Treatment	Ford Shutters Shade	\$20,394.00	-	1.21%	-
12.360000	Metal Library Shelving	Mark Products	\$12,780.00	-	0.76%	-
15.400000	Plumbing Sub Contractors	All Hill Plumbing	\$59,350.00	SBE-HA	3.52%	3.52%
15.500000	HVAC Sub Contract	FXP Corporation	\$272,000.00	SBE-HA	16.14%	16.14%
16.000000	Electrical Contractor	Super America Electric, Inc.	\$249,500.00	SBE-HA	14.81%	14.81%
	DPO (estimated)		(\$52,364.00)		-3.11%	
	Total Construction Value		\$1,685,107.00		100.00%	79.25%
				Total S/MBE Dollars		\$1,335,655.00
	General Conditions		\$220,080.00			
	General Liability		\$19,052.00			
	Payment & Performance Bond		\$19,242.00			
	Contractors Overhead & Profit		\$155,479.00			
	Contingency		\$111,922.00			

Total GMP

\$2,210,882.00

The highlighted S/MBE subcontractors were randomly selected for review of S/MBE goals and contract agreement amounts.

AA – African American

SDV – Service-Disabled

Exhibit 2 – Madie Ives Elementary School - Project #01337500
Guaranteed Maximum Price (GMP) Award with Sub-contractor Firms

CMR: Munilla Construction Management, LLC. (non-S/MBE per OEO directory)
GMP: \$13,123,902
GMP Award Date: April 13, 2016
Expected Substantial Completion Date: October 16, 2017

Division Code	Description	Subcontractor	GMP Amount	Certification ¹	Percentage of Construction Value	Percent of S/MBE goal per Board Agenda Item
1700	Final Cleaning	J Hernandez	\$69,000.00	-	0.65%	-
2050	Demolition-Portable/Building	N&P Construction	\$50,779.00	-	0.48%	-
2200	Selective Demolition	Demcon	\$94,682.00	-	0.89%	-
2545	Hard Court/Running Construction	Choppers Construction	\$48,267.00	-	0.45%	-
2600	Water, Sewer & Drainage	GPE	\$1,545,847.00	-	14.49%	-
2831	Chain-link Fences & Gates	Gomez & Son	\$99,397.00	SBE-HF	0.93%	0.93%
2860	Primary Play Equipment & Playground	Choppers/Playtech	\$84,254.00	-	0.79%	-
2900	Landscaping & Irrigation & Sodding	Allowance	\$256,424.00	-	2.40%	-
3300	Cast-in-Place Concrete - Miscellaneous	TSG	\$267,581.00	-	2.51%	-
3470	Tilt-Up Concrete	Master Gun	\$873,499.00	-	8.19%	-
5120	Structural Steel	Suncor	\$394,615.00	-	3.70%	-
6100	Rough Carpentry	MCM Budget Estimate	\$52,980.00	-	0.5%	-
6400	Architectural Woodwork	Star Quality	\$92,511.00	-	0.87%	-
7255	Spray Applied Fire Resistive Materials	Safeway Surfaces	\$37,142.00	-	0.35%	-
7270	Firestopping & Smoke Barrier Caulking	By Trade	\$0.00	-	0.00%	-
7525	SBS Modified Bitumin Roofing	A1 Duran	\$313,227.00	-	2.94%	-
7900	Joint Sealers & Fluid Applied Waterproofing	A-1 All Florida	\$21,648.00	-	0.20%	-
8110	Steel/HM Doors & Frames/Hardware	QEP	\$168,161.00	-	1.58%	-
8305	Access Panels	By Trade	\$0.00	-	0.00%	-
8520	Aluminum Windows/Entrances & Storefronts	Mr. Glass Door	\$386,119.00	SBE-HA	3.62%	3.62%
8711	Installation of Doors & Hardware	HRC	\$20,000.00	-	0.19%	-
9200	Ext Stucco, Hard Ceilings, Metal Framing, Drywall & Finish	BEC Construction	\$823,590.00	-	7.72%	-
9310	Ceramic Tile	Allowance	\$155,831.00	-	1.46%	-
9510	Acoustical Ceilings	Amion Enterprises	\$119,493.00	SBE-AA	1.12%	1.12%
9660	Resilient Tile Flooring	Allowance	\$120,000.00	-	1.12%	-
9730	Epoxy Flooring	Trident Surfacing	\$20,220.00	-	0.19%	-
9900	Painting	Curtis Painting	\$204,262.00	SBE-AA	1.91%	1.91%
10100	Marker Boards, Tack Boards, Flag, Lockers, Benches, Bike Rack, Shelving, Corner Guards	Allowance	\$127,328.00	-	1.19%	-

Exhibit 2 – Madie Ives Elementary School - Project #01337500
Guaranteed Maximum Price (GMP) Award with Sub-contractor Firms

Division Code	Description	Subcontractor	GMP Amount	Certification ¹	Percentage of Construction Value	Percent of S/MBE goal per Board Agenda Item
10170	Toilet Partitions	Allowance	\$60,000.00	-	0.56%	-
10200	Wall Louvers	Construction Specialties	\$12,314.00	-	0.12%	-
10400	Internal Signage	Allowance	\$40,000.00		0.37%	
10522	Fire Extinguishers	Triangle Fire	\$4,000.00	-	0.04%	-
10532	Walkway Covers	Allowance	\$60,000.00	-	0.56%	-
10625	Operable Partitions	Acousti Doors	\$10,300.00	-	0.10%	-
11400	Food Service Equipment	Lace Food	\$166,926.00	-	1.56%	-
11600	Laboratory Casework & Equipment	Mark Products	\$65,780.00	-	0.62%	-
12510	Window Treatment	National Stage	\$20,865.00	-	0.20%	-
14200	Conveying Systems/Elevators	Allowance	\$78,000.00	-	0.73%	-
14420	Wheelchair Lifts	Garaventa	\$16,486.00	-	0.15%	-
15300	Fire Protection	Arfran, Inc.	\$85,170.00	MBE-HA	0.80%	0.80%
15400	Plumbing	David's Plumber	\$619,500.00	MBE-AA	5.81%	5.81%
15500	HVAC	Hyvac	\$1,487,730.00	-	13.94%	-
16000	Electrical, Lightening Protection, Low Voltage	Kendall Electric	\$1,636,732.00	SBE-HA	15.34%	15.34%
ALLOWANCE	Pre-Existing Code Violations	-	\$25,000.00		0.23%	
ALLOWANCE	Chiller Room OH Coiling Door for Chiller Upgrade	-	\$7,500.00		0.07%	
	DPO (Based on Total Direct Cost		(\$173,491.00)		(1.63%)	
	Total Construction Value		\$10,669,669.00		100.00%	29.53%
				Total S/MBE Dollars		\$3,150,673.00
	GL Insurance		\$119,134.00			
	P&P Bond		\$120,325.00			
	CM Fee		\$595,487.00			
	General Requirements		\$1,070,175.00			
	Owner's Construction Contingency		\$549,112.00			

Total GMP **\$13,123,902.00**

The highlighted S/MBE subcontractors were randomly selected for review of S/MBE goals and contract agreement amounts.

¹ S/MBE – Small/Micro Business Enterprise

AA – African American

HA – Hispanic American

HF – Hispanic Female

**Exhibit 3 – Norland Elementary School Project #01439500
Guaranteed Maximum Price (GMP) Award for Sub-contractor Firms**

CMR: D. Stephenson Construction Inc. (M/WBE - African-American; not a certified S/MBE per OEO directory)
GMP: \$2,492,886
GMP Award Date: May 11, 2016
Expected Substantial Completion Date: July 14, 2017

Division Code	Description	Subcontractor	GMP Amount	Certification ¹	Percentage of Construction Value	Percent of S/MBE goal per Board Agenda Item
02-4150-S	Surveying/As-Builts	D. Stephens Const.	\$5,500.00	MWBE-AA	0.30%	-
02-1000-S	Site work	Varoarda	\$106,180.00	MBE-HA	5.84%	5.84%
02-1100-S	Demolition	Varoarda	\$53,500.00	MBE-HA	2.94%	2.94%
02-4500-S	New Driveway	Varoarda	\$89,500.00	MBE-HA	4.92%	4.92%
03-3000-S	Concrete	Varoarda	\$342,081.00	MBE-HA	18.82%	18.82%
04-2000-S	Masonry	Varoarda	\$52,359.00	MBE-HA	2.88%	2.88%
04-2700-S	Glazed Block Alternate	Varoarda	\$14,500.00	MBE-HA	0.80%	0.80%
02-7100-S	Fencing	Gomez & Son	\$8,760.00	SBE-HA	0.48%	0.48%
02-1001-S	Playcourt Resurface	Robertson	\$35,334.00	-	1.94%	-
02-1001-S	Playground Turf	Playmore	\$27,000.00	-	1.49%	-
06-4100-S	Cabinets/Vanities	Star Quality	\$35,300.00	-	1.94%	-
06-6600-S	Misc. Carpentry	D. Stephens Const	\$2,100.00	MWBE-AA	0.12%	-
07-2200-S	Fireproofing	D. Stephens Const	\$3,000.00	MWBE-AA	0.17%	-
07-5100-S	Roofing	A1Duran	\$103,700.00	-	5.71%	-
07-9100-S	Caulking	D. Stephens Const	\$2,500.00	MWBE-AA	0.14%	-
08-3600-S	Aluminum Windows	Ocean Door	\$34,375.00	SBE-HA	1.89%	1.89%
08-3800-S	Replace Windows Alternate 2	Ocean Door	\$46,583.00	SBE-HA	2.56%	2.57%
08-4000-S	Window Shades	Ocean Door	\$14,350.00	SBE-HA	0.79%	0.79%
08-7000-S	Doors, Frames, Hardware	Next Door	\$36,470.00	-	2.01%	-
09-1000-S	Stucco	Grelite	\$72,100.00	-	3.97%	-
09-2600-S	Drywall/Metal Framing	CL Elias	\$65,171.00	SBE-W	3.59%	3.59%
09-3100-S	Flooring Package - VCT	Supreme	\$12,060.00	SBE-AA	0.66%	0.66%
09-3100-S	Flooring Package - Ceramic	Vassel Tile	\$12,733.00	MBE-AA	0.70%	0.70%
09-5100-S	Acoustical Ceiling	Amion	\$20,349.00	SBE-AA	1.12%	1.12%

**Exhibit 3 – Norland Elementary School Project #01439500
Guaranteed Maximum Price (GMP) Award for Sub-contractor Firms**

Division Code	Description	Subcontractor	GMP Amount	Certification ¹	Percentage of Construction Value	Percent of S/MBE goal per Board Agenda Item
09-9000-S	Painting	Grelite	\$66,426.00	-	3.66%	-
10-4010-S	ADA Signage	All Specialty	\$1,296.00	-	0.07%	-
10-5000-S	Marker Boards, Tack Boards	FL VDP	\$8,190.00	-	0.45%	-
10-8000-S	Toilet Partitions/Bath Accessories	All Specialty	\$5,680.00	-	0.31%	-
11-1000-S	Playground	Playmore	\$63,050.00	-	3.47%	-
15-4000-S	Plumbing	G&L Plumbing	\$41,900.00	-	2.31%	2.31%
15-8000-S	HVAC	Apex	\$165,000.00	SBE-HA	9.08%	9.08%
16-1000-S	Electrical	State Building	\$285,800.00	-	15.73%	-
	Subcontractor Bonds		\$12,558.00		0.69%	
	DPO Sales Tax Savings		(\$28,029.00)		(1.54%)	
	Total Construction Value		\$1,817,376.00		100.00%	59.39%
				Total S/MBE Dollars		\$1,079,401.00
	General Liability & Umbrella		\$27,279.00			
	Payment/Performance Bond		\$24,036.00			
	General Conditions		\$336,897.00			
	CM Fee		\$178,689.00			
	Owner Contingency		\$108,609.00			
Total GMP			<u>\$2,492,886.00</u>			

The highlighted S/MBE subcontractors were randomly selected for review of S/MBE goals and contract agreement amounts.

¹ S/MBE – Small/Micro Business Enterprise
M/WBE – Minority/Women Business Enterprise
AA – African American
HA – Hispanic American
W – Woman-owned

Exhibit 4 - Springview Elementary School – Project #01435400
Guaranteed Maximum Price (GMP) Award with Sub-contractor Firms

CMR: Link Construction Group, Inc. (M/WBE - Hispanic-American; not a certified S/MBE per OEO directory)
 GMP: \$3,265,058
 GMP Award Date: November 23, 2016
 Expected Substantial Completion Date: March 18, 2018

Division Code	Description	Subcontractor	GMP Amount	Certification ¹	Percentage of Construction Value	Percent of S/MBE goal per Board Agenda Item
02-050	Demolition	Allowance	\$39,915.00	-	1.63%	-
02-100	Site work	Allowance	\$0.00	-	0.00%	-
02-830	Fencing	Allowance	\$0.00	-	0.00%	-
02-900	Landscape	CA South Fl Palms	\$20,000.00	-	0.81%	-
03-100	Concrete	Jireh Concrete	\$183,500.00	MBE-HA	7.48%	7.47%
06-100	Carpentry & Millwork	Mark Products	\$65,307.00	-	2.66%	-
07-500	Roofing	Allowance	\$15,000.00	-	0.61%	-
08-100	Doors and Frames	JJAS Doors	\$72,622.00	MBE-HA	2.96%	2.96%
08-500	Glass and Glazing	Arso Enterprises	\$348,357.00	SBE-HA	14.19%	14.19%
09-250	Painting	Curtis Painting	\$169,000.00	SBE-AA	6.89%	6.88%
09-260	Flooring	Zaharions Flooring	\$88,222.00	-	3.59%	-
09-510	Acoustical Ceilings	Bergolia	\$22,285.00	SBE-HA	0.91%	0.91%
09-900	Drywall/Stucco	Eastern Plastering	\$182,952.00	SBE-HA	7.45%	7.45%
10-800	Specialties	Fl Chalkboard	\$48,400.00	-	1.97%	-
10-800	Specialties	SDI	\$16,126.00		0.66%	
10-800	Specialties	Signarama	\$4,159.00		0.17%	
12-100	Window Shades	-	\$20,000.00	-	0.81%	-
15-400	Plumbing	David's Plumber	\$284,596.00	MBE-AA	11.59%	11.59%
15-500	Mechanical	Rapid ACT	\$640,000.00	SBE-HA	26.07%	26.07%
16-100	Electrical	Superior Electric	\$294,100.00	SBE-HA	11.98%	11.98%
	Tax Savings		(\$60,000.00)		(2.44%)	
	Total Construction Value		\$2,454,541.00		100.00%	89.50%
				Total S/MBE Dollars		\$2,197,412.00
	P&P Bonds		\$28,354.00			
	General Liability		\$28,637.00			
	General Conditions	-	\$380,814.00			
	Overhead and Profit		\$260,311.00			
	Owner/Contractor Contingency		\$112,401.00			
Total GMP			<u>\$3,265,058.00</u>			

The highlighted S/MBE subcontractors were randomly selected for review of S/MBE goals and contract agreement amounts.

¹ S/MBE – Small/Micro Business Enterprise
 M/WBE – Minority/Women Business Enterprise
 AA – African American
 HA – Hispanic American

Miami-Dade County Public Schools Office of the Inspector General

Appendix A

Response from Chief Facilities Officer Jaime G. Torrens

**OIG Final Report of Inspection
GOBIG - 0013**



Miami-Dade County Public Schools

giving our students the world

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June 13, 2017

Ms. Mary T. Cagle, Inspector General
Office of Inspector General Miami-Dade County
19 W. Flagler Street, Suite 220
Miami, Florida 33130

SUBJECT: DRAFT REPORT – OIG INSPECTION OF SELECTED CONTRACTS' S/MBE UTILIZATION GOALS - GOBIG-0013

Dear Ms. Cagle:

We have reviewed the above subject report dated May 31, 2017, prepared by your office and concur with the observations and inspection results presented therein.

The ongoing oversight of the General Obligation Bond (GOB) by the Office of the Inspector General is crucial to ensuring the program's accountability, as promised to Miami-Dade taxpayers. As you requested, a presentation by your office will be included in the agenda for the GOB Advisory Committee meeting of June 20, 2017.

If you have any questions or require additional information, please contact me, at 305-995-1607.

Sincerely,



Jaime G. Torrens
Chief Facilities Officer

JGT:cb
L313

cc: Mr. Alberto M. Carvalho
Mr. Walter Harvey
Mr. Jose Montes de Oca
Ms. Ana Rijo-conde
Mr. Raul F. Perez
Ms. Teresa A. Comesana-Alfau

Office of School Facilities

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