



Independent Procurement Review Report

Why We Did This Review

In accordance with Atlanta City Charter Article 8, Section 8-107, the Independent Procurement Review Division of the Office of the Inspector General must review all solicitations with an aggregate value of \$1,000,000 or greater, seeking approval by the Atlanta City Council, for file completeness, conflicts of interest, and other areas of perceived deficiency.

Solicitation#	IFB-C-1220176
Estimated Dollar Amount:	\$20,000,000.00
Type of Procurement:	Invitation for Bids
Contract Description:	Sewer Group Four (SG4) Small Diameter Rehabilitation - Contract B
Requesting Department:	Department of Watershed
All Bidders:	Granite Inliner, LLC Rockdale Pipeline, Inc./Integral Municipal Services, Corp, a JV Ruby-Collins, Inc.
DOP Responsive Bidders:	Granite Inliner, LLC Rockdale Pipeline, Inc./Integral Municipal Services, Corp, a JV Ruby-Collins, Inc.
Recommended Awardee:	Rockdale Pipeline, Inc./Integral Municipal Services, Corp, a JV

TABLE OF FINDINGS

Review Area	Risk/Criteria	Results	DOP Response
Evaluation Team	DOP procedures require evaluators to possess the necessary and appropriate experience needed to evaluate the proposals or offerors submitted to the city.	No findings identified	N/A
Solicitation	<ul style="list-style-type: none"> Bids shall only be evaluated on requirements and evaluation criteria outlined in the formal solicitation (DOP SOP 4.3.6.(E)(3)). Having selection criteria established in the solicitation can help prevent bid manipulation. Evaluation criteria that are too vague or subjective can allow for manipulation of the scores. 	No findings identified	N/A
Advertisement/ Addenda	<ul style="list-style-type: none"> Changing the solicitation criteria to favor a particular proponent is a red flag of potential bid rigging (International Anti-Corruption Resource Center). Too many addenda could indicate unclear specifications or unclear scope of work, which could also favor a particular proponent. 	No findings identified	N/A

Review Area	Risk/Criteria	Results	DOP Response
Submittal	<p>The city code and DOP policy and procedures provide guidance for the receipt of competitive sealed bids.</p> <ul style="list-style-type: none"> • Bidders must provide sealed bids via the ATLCLOUD electronic procurement system, no later than 2:00 P.M., ET on date specified in the advertisement or addenda. • Bids shall be received without alteration or correction except as authorized by the CPO. (City Code Sec. 2-1188). 	No findings identified	N/A
Responsive Review	<ul style="list-style-type: none"> • DOP procedures require findings to be recorded on a responsive checklist which identifies specific submittal requirements for the project and identifies a bidder's compliance with those required documents. • Unclear or inconsistent responsiveness determinations could be a red flag of bid manipulation. 	No findings identified	N/A
Conflict of Interest	The city's standards of conduct prohibit employees from having financial conflicts of interests. Contracts must be awarded and administered free from improper influence or the appearance of impropriety.	No findings identified	N/A
Evaluation	<ul style="list-style-type: none"> • DOP procedures require procurement staff to compile the evaluation scores, including those from risk management and contract compliance. • Public procurement practice states that any arithmetical errors should be corrected, and scores should be recorded in grids/matrices (NIGP). • According to the International Anti-Corruption Resource Center, bids that are too close together (less than 1%) or too far apart (more than 20%) could be indicators of collusive bidding. 	<p>The bid spread was 37.27% between the high and low bids. A bid spread is the percentage difference between the lowest and highest bids as a percentage of the lowest bid. The bid spread was 30.68% between the low bid and the awarded bid</p> <p>DOP may disqualify bidders for submitting materially unbalanced bids. An engineer's estimate is used to determine if a bid is materially unbalanced; here, DOP provided no estimate. In the absence of an engineer's estimate, the variance between the two offers—both in the ultimate bids and in several line items—suggests that the bidders either under- or overbid to influence the award of this IFB.</p>	N/A

Review Area	Risk/Criteria	Results	DOP Response
Cancellation	<ul style="list-style-type: none"> • The Government Accountability Office states that the use of standard language such as “in the best interest of the city” without a specific justification for cancellation could be a fraud indicator. • Transparency International states that effective record-keeping of decisions and reasons for cancellation promotes accountability and transparency. 	No findings identified	N/A
Award	A contract file should include all project items, to confirm that each phase of the procurement was facilitated appropriately and audit-ready (DOP SOP Sec. 3.18)	The contract was not awarded to the lowest bidder. The user agency cited documented past underperformance by the lowest bidding contractor to allow awarding the contract to the second lowest bidder.	The user agency (DWM) determined that the supplier that offered the lowest bid could not be deemed responsible and the Department of Law concurred that the documentation of past performance maintained by DWM was sufficient to support their recommendation.