



**OFFICE OF INSPECTOR GENERAL  
PALM BEACH COUNTY**

**CONTRACT OVERSIGHT NOTIFICATION  
(2011-N-0004)**

Sheryl G. Steckler  
Inspector General

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*"Enhancing Public Trust in Government"*

**Palm Beach Gardens Request for Proposals, 2011- 004, Emergency Debris and Disaster Recovery Services**

**ISSUES**

In June 2011, the City of Palm Beach Gardens (City) solicited proposals for Emergency Debris and Disaster Recovery Services. The City received eight responses to their Request for Proposal (RFP) prior to the deadline. According to the evaluation process as prescribed in the RFP, all timely proposals would be evaluated, scored and ranked by the City. An Evaluation Committee, consisting of five senior City staff persons who have prior selection committee experience, was tasked to review each proposal for compliance with the two minimum requirements: 1) no conflict of interest with the City, and 2) vendor adherence to the instruction in the RFP on preparing and submitting the proposal, followed by the mandatory requirements to ensure the proposals were responsive to the RFP.

On July 5, 2011 the City issued a public notice listing eight proposers and indicating that all eight had been accepted. In addition, the RFP identified the criteria "that will be used by the evaluation committee to evaluate and score responsible and qualified proposals". The selection committee evaluated and scored all eight proposals which indicated that the committee deemed all eight proposals responsive. The committee scored the eight proposals against six evaluation criteria: 1) Proposer Qualifications (Max 25 points), 2) Project Team Qualifications (Max 20 points), 3) Technical Approach (Max 15 points), 4) Financial Stability (Max 15 points), 5) Pricing (Max 10 points) and 6) Technical Reimbursement Assistance (Max 15 points). Four of the five selection committee members assigned points in all six evaluation criteria for all eight proposals. The remaining selection committee member assigned points in all six evaluation criteria for seven of the eight proposals. Although the eighth proposal was deemed responsive, it was assigned zero (0) points in all six evaluation criteria.

During an RFP selection process, committee members are tasked to evaluate each responsive proposal and assign points to each of the evaluation criteria. In an effort to understand why one of the five committee members did not give one proposer any points in any of the six weighted evaluation criteria, the OIG staff reviewed City procurement policy and procedures and spoke with several selection committee members, including the one who assigned zero (0) points to all six evaluation criteria.

The committee member who assigned the proposer zero (0) points, stated that the proposal was non-responsive in their opinion because the proposer submitted "cost

plus" instead of dollar figures in some line items of the Pricing Proposal. The committee member called the proposer "irresponsible" and cited failure to adhere to the instructions in the RFP as the reasoning for not scoring any of the six criteria. The OIG staff noted that two other proposers also submitted "cost plus" in several line items, but did not receive zero (0) points from this selection committee member for any of the six evaluation criteria. It is standard practice for selection committee members to evaluate each of the evaluation criteria on its own merits; thus, a proposer's poor response in one area does not impact a proposer's weighted score in another area.

By assigning zero (0) points in all six evaluation criteria, the committee member essentially treated the eighth proposal as "non-responsive", when in fact, the selection committee had deemed all eight proposals responsive. This could potentially have unfairly penalized this proposer in the scoring process. In this particular selection, based on other committee members' scoring of this eighth proposal, the final outcome was not adversely impacted.

Two selection committee members, who had scored the eighth proposal in all six evaluation criteria, informed us that the selection committee questioned the one committee member who had given the eighth proposal zero (0) scores across the board and asked the committee member to initial those scores. Also, in speaking with the three committee members, they did not appear to have a clear understanding of what is meant by the terms "responsive" and "responsible" and how these should be applied to the RFP process.

In our review of city procurement policies and procedures, we noted that the City's guidelines addressing RFP procedures are limited. The City municipal code, Sec. 2-295, directs the City Manager to prepare rules and regulations pertaining to purchasing procedures in the form of standard operating procedures (SOP) (FIN-95-1-3, Rev 5/16/08). The purpose of the ten-page SOP is "to provide uniform guidelines for the establishment of competitive bidding and economical procurement practices for all City purchases". SOP, Section III, Formal Bid/RFP process is the only section that mentions RFP. It does not include any procedures relating to: 1) the development of RFPs; 2) the development of weighted evaluation factors and/or sub-factors; 3) the formation, duties, responsibilities, and training of selection committee members; or 4) language defining "responsive" and "responsible" bids or proposals.

In summary, our review highlights three issues:

1. The City lacks sufficient procurement policy and procedures related to RFP development and evaluation committee selections.
2. Not all City evaluation selection committee members assigned to this solicitation were fully aware of committee members' roles, duties and responsibilities and were not sufficiently trained on the formal RFP evaluation process.

3. Selection committee members assigned to this solicitation did not appear to understand the concept of “responsive” and “responsible” proposals.

### RECOMMENDATION

The City needs to strengthen their procurement Standard Operating Procedures to include:

- a. Developing and implementing policies and procedures for RFP solicitations and Selection Committee formation, duties, and responsibilities, to include training.
- b. Incorporating and describing what “responsive” and “responsible” mean in regards to a formal bid or a negotiated solicitation.

### RESPONSE FROM MANAGEMENT

Ronald Ferris, City Manager, Palm Beach Gardens, provided the attached response to this Notification, wherein he concurred with further developing the City’s procurement policy and Standard Operating Procedures for RFP solicitations and Selection Committees.


### OIG’s COMMENTS

The proposed actions, when implemented, should adequately address our recommendations. We will be following up to determine if the proposed action is taken.

*The Office of Inspector General’s Contract Oversight Unit is established to review an organization’s procurement and contracting activity. When necessary, reports will be issued to: 1) identify areas and/or instances where activity conflicts with an organization’s established policies and procedures, and; 2) recommend improvements that will result in more effective and consistent contracting practices.*



**CITY OF PALM BEACH GARDENS  
MEMORANDUM**

TO:	Sheryl G. Steckler, Inspector General, Palm Beach County
FROM:	Ronald M. Ferris, City Manager 
CC:	Mayor and City Council
SUBJECT:	Contract Oversight Notification 2011-N-004; Request for Proposal 2011-004-Emergency Debris and Disaster Recovery Services
DATE:	09/30/2011

In response to the Office of the Inspector General's Draft Contract Oversight Notification dated September 28, 2011, I met with the members of the Emergency Debris and Disaster Recovery Services Selection Committee. While the Committee does not agree with all of the points and statements contained within the 'Issues' portion of the Notification, I have reached the following conclusions based upon the Committee's recommendations: The City will address the "policy" of further developing and implementing procedures and/or guidelines for the RFP solicitation process. Additionally, it is our intention to address the procedures and/or guidelines for the Selection Committee assignment, training, and orientation as to their duties and responsibilities, including the definitions of commonly-used terminology.

Should you have any further questions, please do not hesitate to contact my office at 799.4112.