



## REQUEST FOR BOARD ACTION

ITEM NO. 23.

**DATE OF MEETING:** June 20, 2009

**REQUESTED BY:** Eddie King, Emergency Management Director

**SHORT TITLE:** Resolution Approving Post Disaster Debris Removal Contractor Selection

**BACKGROUND:** In preparation for hurricane season and as a portion of the creation of a Pender County Debris Management Plan, the Emergency Management Office, working with Johnson Environmental & Disaster Consulting, prepared and distributed a Request for Proposals to select a primary and an alternate vendor to perform debris removal and disposal site management for both vegetative and construction and demolition debris. Eight companies responded to the RFP and were evaluated by the consultant. A copy of the bid tabulation is attached. After reviewing the cost and evaluating each bid, a deeper, due diligence evaluation was performed on the primary and secondary companies. A copy of the consultant's recommendations and findings is attached. After reviewing the documents, staff concurs with the findings of Johnson Environmental & Disaster Consulting Services.

**SPECIFIC ACTION REQUESTED:** The Board of County Commissioners is requested to award a primary, Post Disaster Debris Site Management and Disposal Contract to DRC Emergency Services of Mobile, Alabama; and a secondary contract to Crowder-Gulf Joint Ventures, LLC of Theodore, Alabama.

**COUNTY MANAGER'S RECOMMENDATION**

Respectfully recommend approval.

MB  
Initial

**RESOLUTION**

**NOW, THEREFORE BE IT RESOLVED** by the Pender County Board of Commissioners that

primary and secondary Debris Site Management and Disposal contracts be awarded to DRC Emergency Services, LLC and Crowder Gulf Joint Ventures, LLC for fiscal year 2009-2010.

**AMENDMENTS:**

MOVED \_\_\_\_\_ SECONDED \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ UNANIMOUS

YEA VOTES: Tate \_\_\_ Brown \_\_\_ Blanchard \_\_\_ Rivenbark \_\_\_ Williams \_\_\_

\_\_\_\_\_  
Jimmy T. Tate, Chairman 7/20/09  
Date

\_\_\_\_\_  
ATTEST 7/20/09  
Date



**JOHNSON ENVIRONMENTAL  
& DISASTER CONSULTING SERVICES**

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June 16, 2009

Mr. Eddie King, Director of Emergency Management  
Pender County  
P O Box 28  
605 E. Fremont St  
Burgaw, NC 28425

RE: **CONTRACTOR RECOMMENDATIONS**

• **2009 – 2010 Debris Site Management and Disposal Contract**

- **Primary Award (1<sup>st</sup> Call) – DRC Emergency Services, LLC of Mobile, AL**
- **Secondary Award (2<sup>nd</sup> Call) – Crowder-Gulf Joint Venture, LLP of Theodore, AL**

Dear Mr. King,

In attempts to meet the objectives of the Pilot Incentive Program and the Debris Management Program requirements for participation from FEMA, it was agreed to award a primary and secondary contract for the Debris Site Management and Disposal Contract 2009. For the 2009/2010 fiscal year the bidding produced eight (8) qualified bids based on the companies attending the pre bid conference. Attached are the bid tabulations and bid evaluations and proposals from the determined 1<sup>st</sup> and 2<sup>nd</sup> place contractor, for this contract, bid opening 3PM, May 21, 2009.

The lowest and next lowest bidder is not easily determined from reviewing the simple bid tabulation. As one of our objectives in preparation of the Debris Management Plan, one section requires local governments to complete debris volume estimations. As Tropical Storms and Hurricanes are the most common disasters that generate debris in quantities that would require the activation of this contract, we have utilized a hybrid of the USACE Debris Model to estimate volumes. Once these volumes have been established, we evaluated each contractor's proposal to determine the final cost for the modeled project.

Under the model evaluation TFR Enterprises is the lowest price contractor through Category 1 hurricanes, which entails only vegetative debris. When Category 2 winds and storm surge are accounted for, C&D (Construction and Demolition) debris becomes an additional part of the overall debris volume. DRC Emergency Services, Inc. is the lowest overall bidder when evaluating Category 2 or greater storms. TFR's total costs for completing a Category 2 Hurricane project are in excess of \$1M greater than DRC's cost for the same project. For this reason, it is recommended to evaluate DRC for 1<sup>st</sup> place award. DRC's rate for hauling C&D, \$10.88/ton was questioned for reasonableness. An

email letter from DRC's chief estimator, Mr. Chuck Prieur confirms that they are comfortable with the pricing for the project.

Second place evaluation is also difficult to establish. TFR because of their more expensive rates for C&D debris remove them from consideration for any storm generating significant C&D debris. Following DRC, the next two contractors are of close comparison between Bamaco, Inc. and Crowder-Gulf. In general if Vegetative Debris reduction is by grinding, Bamaco is the next lowest contractor for any disaster generating debris in quantities equivalent or greater than a Category 2 hurricane with high precipitation. Crowder Gulf would be the next lowest contractor when Vegetative reduction is by burning for the same volume criteria. It is our recommendation that Crowder-Gulf be evaluated as the secondary contractor with the understanding that the 911 Tower Site is of adequate size and location amenable to air curtain burning operations.

Based on price only, DRC Emergency Services, LLC must be considered for primary contract recommendation. Crowder-Gulf has been determined as the next lowest overall contractor for the most likely alternative for vegetative debris reduction by air curtain burning. We have completed due diligence evaluations of each contractor and the results of these can be found in the Recommendation Binder.

The following summarizes the due diligence document:

**Specific Findings for DRC Emergency Services – Primary Contract Recommendation**

DRC appears to be financially stable. They had total revenues for the 9 month period ending September 30, 2008 in excess of \$76M and managed payables in excess of \$64M. DRC submitted a Dunn & Bradstreet Report from 2008, and a call was placed to request a more recent report, at which time DRC explained they have not recently shared information with D&B credit bureau. Therefore, the 2008 report is minimally considered in the determination of financial strength and creditworthiness. However, the Financial Report and confirmation of their bonding experience and bonding program (single bond capacity of \$100M and aggregate of \$150M) indicates significant financial strength. This indicates sufficient cash flow responsibility and ability to obtain short term cash flow from lending institutions for the historical projects for debris related services in Pender County.

In regards to insurance, DRC carries the required limit on Workman's Compensation and does carry General Liability, Vehicle and Umbrella but at less than the contracted limit requirement. DRC's insurance agent, Mrs. Rachel Dickson, with Blackmon Insurance Co., confirms that DRC is a client in good standing, they have had previous policy limits with Excess Liability minimum of \$10M and we should have no problem increasing to this level to make up for any shortfalls in the base line policies.

The Federal Government combined Excluded Parties List Report, located at <http://epls.arnet.gov>, was searched for: **DRC Emergency Services LLC, DRC Inc., DRC and Mark Stafford**, on May 15, 2009, and was not found as an excluded entity from any governmental agency either procurement or non-procurement contracts.

Regarding references, DRC provided a list of 7 debris related contracts, beginning in 2004 through current, 1 of which is presently active. Several references were provided and confirmed as meeting the 100,000 cubic yard minimum prime contractor experience, per Qualification Requirement, 35.01. The results of calls to a sample of these references are attached in Section 4 of the Recommendation Binder. In summary, all references reached would rehire DRC for similar services.

**Specific Findings for Crowder-Gulf Joint Venture, LLP – Secondary Contract Recommendation**

Crowder-Gulf appears to be a financially secure and well financed company. They had total revenues for the 10 month period ending October 31, 2008 in excess of \$57M and managed payables in excess of \$35M. Crowder submitted a Dunn & Bradstreet Report and it confirms Crowder as having "low financial risk and a fair credit appraisal". The D&B lists no records of open suits, bankruptcy or judgments. Their bonding company confirms a bonding program in excess of \$100M for aggregate projects. This indicates sufficient cash flow responsibility and ability to obtain short term cash flow from lending institutions for the historical projects for debris related services in Pender County.

In regards to insurance, Crowder carries the required limit on Workman's Compensation and does carry General Liability, Vehicle and Umbrella but at less than the contracted limit requirement. Crowder's insurance agent, Mr. G.B. Taylor, confirmed that Gulf Equipment (a related company) maintains a \$25M excess liability policy; he said that if Crowder-Gulf requested an increase he could have up to a \$10M policy written within minutes. The increase of Excess Liability to \$10M should make up for any shortfalls in the base line policies.

The Federal Government combined Excluded Parties List Report, located at <http://epls.arnet.gov>, was searched for: **Crowder-Gulf Joint Venture, LLP or Crowder-Gulf or John Ramsay**, on June 16, 2009, and was not found as an excluded entity from any governmental agency either procurement or non-procurement contracts.

Regarding references, Crowder provided an extensive list, with over 20 debris related contracts performed in 2008 to current. Several references were provided and confirmed as meeting the 100,000 cubic yard minimum prime contractor experience, per Qualification Requirement, 35.01. The results of calls to a sample of these references are attached in Section 5 of the Recommendation Binder. In summary, all references reached would rehire Crowder for similar services.

It is our recommendation that **DRC Emergency Services, LLC** be awarded the primary contract and **Crowder-Gulf Joint Venture, LLP** be awarded the secondary contract for

**Debris Site Management and Disposal Contract** for the period July 1, 2009 through June 30, 2010, these contractors being respectively 1<sup>st</sup> and 2<sup>nd</sup> place "*lowest overall*" qualified bidders and responsible as determined through the due diligence evaluation.

Sincerely,



Barry L. Johnson

Enclosures:

DATE: May 21, 2009  
 TIME: 3:00 PM

**Pender County - Proposal Reading and Tabulation**

Company submitting proposal	TOMS Site Management & Disposal			
	1) Veg Debris by Grinding (Accept, stage, reduce and dispose) / cy	2) Veg Debris by Air Curtain (Accept, stage, reduce and dispose) / cy	3) C&D Debris to Waste Industries (Accept, stage, load and haul) / ton	4) White Goods to Southern Metals (Accept, stage, load and haul) / ton
TFR Enterprises	\$3.10	\$2.45	\$58.00	\$58.00
DRC Emergency Services	\$3.92	\$3.24	\$10.88	\$75.00
Bamaco	\$9.20	\$8.77	\$36.60	\$48.60
Disaster Recovery Group (DRG)	\$4.80	\$3.25	\$78.00	\$65.00
Crowder-Gulf	\$12.00	\$4.25	\$43.00	\$40.00
Phillips & Jordan	\$9.75	\$6.00	\$69.00	\$130.00
Storm Reconstruction Services (SRS)	\$4.67	\$4.17	\$78.47	\$167.58
Ceres Environmental	\$11.79	\$8.22	\$55.99	\$29.99