



Guilford County
STATE of NORTH CAROLINA

Date: 05/23/2019
To: Guilford County Board of Commissioners
From: Cynthia Barnes-Phipps, MWBE Director
Subject: MWBE Good Faith Efforts
Project: Event# 648 High Point Public Health HVAC Renovations

On behalf of the Facilities Department, the firm R. C. Pritchard Engineering Services conducted the bid process for the Guilford County High Point Public Health HVAC Renovations. The Contractor, H. M. Kern Corporation, was the lowest responsible responsive bidder for the prime contract. In accordance with NC General Statutes a review of good faith efforts was conducted to determine whether the contractor followed NC General Statutes to make efforts required by including and engaging Historically Underutilized Businesses (HUBs) in the bidding opportunity.

Good faith efforts made by the Contractor listed on Affidavit A include the following:

- Contacted minority businesses that reasonably could have been expected to submit a quote and that were known to the Contractor, or available on State or Local government-maintained lists, at least 10 days before the bid date and notified them of the nature and scope of the work to be performed.
- Made the construction plans, specifications and requirements available for review by prospective women and minority owned businesses, or provided these documents to them at least 10 days before the bids were due.
- Broke down or combined elements of work into economically feasible units to facilitate MWBE participation.
- Attended pre-bid meetings scheduled by the County.
- Provided quick pay agreement policy to enable minority contractors and suppliers to meet cash flow demands.

Additional efforts made by the Contractor include:

- The Contractor made additional efforts to meet the MWBE participation goals to utilize HUB Certified Subcontractors.
- H. M. Kern contacted 176 MWBE (44 local) subcontractors and suppliers; emailed plans and specifications out to 52 MWBE companies, and made 30 follow-up phone calls to Certified Subcontractors and Suppliers asking about their intent to submit a proposal.
- The total MWBE participation amount is \$255,780 out of the \$1,833,000 recommended contract award. The MWBE participation rate is 12.31%.

- Bid Alternates No. 1 for \$35,000 (add), No. 3 for \$9,000 (deduct), and No. 4 for \$5,000 (deduct) were not recommended and are not included in these amounts. All other alternates are recommended and included.
- The Facilities Department recommends using this H. M. Kern for this project.
- In accordance with Guilford County's 10% MWBE Subcontractor utilization goal, we have determined that H. M. Kern did meet the goal and made good faith efforts to meet the Guilford County 10% MWBE goal in accordance with NC General Statutes requirements.

| High Point Public Health HVAC Renovations MWBE Participation for H. M. Kern Corporation | | | | |
|--|--------------------|--------------|------------------------|------------------|
| Subcontractor | Amount | % | Work to Perform | Diversity |
| GP Supply Company | <u>\$45,000</u> | | HVAC Pipe - supplier | B (Certified) |
| Subtotal Black (B) | \$45,000 | 2.45% | | |
| G&T Insulation Services, Inc. | <u>\$87,000</u> | | HVAC Insulation | H (Certified) |
| Subtotal Hispanic (H) | \$87,000 | 4.74% | | |
| Airflow Experts | \$25,000 | | HVAC T&B | W (Certified) |
| Electrical Technologies, Inc. | <u>\$68,780</u> | | Electrical | W (Certified) |
| Subtotal White Female (W) | \$93,780 | 5.12% | | |
| MWBE Subcontract Total | \$225,780 | | | |
| Contract Award Total | \$1,833,000 | | | |
| MWBE Participation Rate | 12.31% | | | |

In addition to the good faith and follow up efforts made by the recommended Contractor, the MWBE Program Director and Purchasing Buyer completed outreach efforts to HUB Certified Subcontractors and provided an additional list of HUB Certified Subcontractors in North Carolina to meet the 10% goal set by the State, which the County also uses in their MWBE Program to prospective prime contractors. The list is posted on the Guilford County MWBE and Purchasing websites. The bid was posted on the NC Office for Historically Underutilized Businesses website, which sends out statewide notification and was posted in the online Guilford County Strategic Sourcing System, which automatically notified 302 Suppliers registered in the Guilford County Supplier Portal. The Buyer offered Subcontractors access to plans. The MWBE Director reviewed the MWBE requirements and scope opportunities with the prospective prime bidders, MWBE goal expectations and provided an opportunity for Prime Contractors and Subcontractors to network during pre-bid meeting.

If additional information is required, please contact Cynthia Barnes-Phipps, MWBE Director at 336-641-4565 or Shelia Reaves-Willett, Buyer at 336-641-4823.