

Mike Battenfield
Vice President
Regional Bond Manager - Contract

407-867-4595
mbattenfield@berkleysurety.com

September 27, 2024

Erick Martinez
Senior Procurement Specialist
City of Fort Lauderdale | Procurement Services Division
101 NE 3rd Avenue, Suite 1650 | Fort Lauderdale FL 33301

Re: Solares Electrical / 301 GTL WWTP Generators Phase 1

Dear Mr. Martinez,

On July 30, 2024, our surety account Solares Electrical, bid the 301 GTL WWTP Generators Phase 1. As we discussed, there was a significant bid spread between Solares Electrical and the second bidder RF Environmental of \$5,301,000. To complicate matters, RF Environmental and the 3rd bidder David Mancini and Sons were relatively close to one another. We have concerns any time there is a 10% bid spread, but this takes it to a high level of risk for Solares Electrical, Berkley Surety and the City of Fort Lauderdale. With this significant spread, we are not comfortable writing the Payment & Performance bonds for Solares Electrical for this project.

Solares Electrical is an excellent contractor and we have a great track record of success with them. However, any contractor has the ability to miss something in a bid. There is some belief that the other two bidders included equipment that Solares did not. As this was a lump sum bid, we do not have the ability to investigate and evaluate their bid vs. the other two bidders. If this were a line item bid, it would spell out for the contractors, their sureties and the City of Fort Lauderdale the key bid differences to ensure that the low bidder was the most responsible to deliver the project to the City.

Please feel free to reach out to me with any questions. I appreciated our conference call yesterday and our opportunity to explain our position.

Respectfully,



Mike Battenfield
Vice President
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