



Miami-Dade Board of County Commissioners
Office of the Commission Auditor

**Economic Development & Tourism
Committee (EDTC) Meeting**

October 12, 2017
1:30 P.M.
Commission Chambers

Office of the Commission Auditor
111 N.W. First Street, Suite 1030
Miami, FL 33128
(305) 375-2524

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Research Notes**

**Item No. 3A
File No. 172054**

Researcher: PGE

RESOLUTION AUTHORIZING APPROVAL OF LEGACY CONTRACT X027A FOR THE BUILDING MANAGEMENT SYSTEM FOR THE MIAMI-DADE AVIATION DEPARTMENT BETWEEN MIAMI-DADE COUNTY AND HONEYWELL INTERNATIONAL, INC. IN THE AMOUNT OF \$143,562,981.22 FOR AN INITIAL TERM OF TEN YEARS AND OPTION TO RENEW TERM OF FIVE YEARS; AND AUTHORIZING THE COUNTY MAYOR OR HIS DESIGNEE TO EXECUTE THE AGREEMENT AND TO EXERCISE RENEWAL AND TERMINATION PROVISIONS CONTAINED HEREIN

ISSUE/REQUESTED ACTION

Whether the Board should approve a legacy contract award to Honeywell International, Inc. for maintenance of the Building Management System (BMS) for the Aviation Department for a cumulative 15-year term in the amount of \$143,562,981.22.

APPLICABLE LEGISLATION/POLICY

Section 2-8.1(b)(2) of the County Code governs legacy purchases; such purchases shall mean the purchase of goods and services where competition is unavailable, impractical or constrained as a result of the need to continue to operate an existing County system which may not be replaced without substantial expenditure. Unlike other noncompetitive purchases which require a two-thirds vote of the Board members present, a legacy purchase may be awarded by the Board upon a majority vote of the members present.

Resolution No. R-187-12 directed the County Mayor to include due diligence information in memoranda recommending certain contract awards.

Ordinance 08-27 relates to fire prevention and safety, including installation, operation, maintenance, testing and supervision of fire alarm systems; the ordinance also applies to the installation, operation, maintenance, testing and supervision of sprinkler systems, fire pumps and other fire extinguishing systems.

PROCEDURAL HISTORY

The item has no procedural history.

FISCAL IMPACT

The total contract value is \$143,562,981.22, i.e., \$93,353,140.84 for the initial 10-year term and \$50,209,840.38 for the five-year option to renew term.

ANALYSIS

The item proposes awarding Honeywell International, Inc. a legacy contract for a 10-year initial term plus a five-year optional renewal term for a total award value of \$143,562,981.22 for the delivery of maintenance, testing and inspection services for the BMS for the Aviation Department. This is a fixed-price contract that includes Inspector General Fees. The item is framed as a legacy purchase because the BMS and fire alarm systems to be maintained are proprietary to Honeywell. As indicated in the mayoral item, the BMS is a computer-based system installed in buildings to control and monitor mechanical and electric equipment, such as heating, ventilation and air conditioning systems and other mechanical, safety and security systems, including fire alarm systems and smoke evacuation

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systems. Honeywell International, a foreign for-profit corporation, invents and manufactures technologies that address energy, safety, security and global urbanization challenges.

The MDAD facilities serviced by Honeywell include Miami International Airport, General Aviation Airports and remote MDAD buildings. Honeywell first contracted with the Aviation Department to deliver BMS services in 2003 via a competitive procurement process. In February 2009, the Board approved the award of a BMS successor contract to Honeywell for a 10-year contract term. Although 18 months remain in the current contract's term, accelerated depletion of the allocation occurred due to Honeywell's completion of various construction projects. The current contract is valued at \$71,056,042.

The new contract will be utilized by the Aviation Department to support future and additional work, system upgrades or expansion, as needed. The contract includes the provision of materials, tools, labor, new equipment, hardware, firmware, software and the design, development, delivery, configuration completion, installation, testing, commissioning, training, warranty, operation and maintenance, and tenant support of a fully operational BMS.

There are 10 CSBE subcontractors and one SBE subcontractor under the contract; the CSBE goal is 15.75 percent and the CWP goal is 10 percent. The contract also includes a Responsible Wage and Benefits provision, requiring the minimum wage rates for laborers, mechanics and apprentices to be in accordance with the County's Responsible Wages Ordinance.

The Aviation Department suggests that replacing the BMS through award to another vendor would be cost-prohibitive. The department hired a cost estimator that concluded such replacement would total \$516 million dollars and require a phase-in period. The cost estimator – RIB U.S. Cost – noted that the cost estimate for replacement of the existing fire alarm and BMS systems is highly conceptual since the scope of work was assumed and provided by the Aviation Department; no detailed drawings were provided for quantification.

Additional Findings

See Resolution No. R-627-16, adopted by the Board on July 6, 2016, authorizing contract renewals to Advanced Control Corporation, Inc. through September 2025 for BMS services for the Internal Services and Corrections and Rehabilitation Departments.

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**Item No. 3B
File No. 171819**

Researcher: PGE

RESOLUTION APPROVING THE FUNDING OF TWELVE GRANTS FOR A TOTAL OF \$104,100.00 FROM THE FISCAL YEAR 2016-2017 FOURTH QUARTER OF THE TOURIST DEVELOPMENT COUNCIL GRANTS PROGRAM ROOM TAX PLAN AND SURTAX CATEGORY TO PROMOTE MIAMI-DADE COUNTY TOURISM; WAIVING RESOLUTION NO. R-130-06, AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE GRANT AGREEMENTS WITH VARIOUS ENTITIES AND TO EXERCISE ALL PROVISIONS, INCLUDING CANCELLATION PROVISIONS CONTAINED THEREIN

ISSUE/REQUESTED ACTION

Whether the Board should approve funding 12 grants totaling \$104,100 under the Tourism Development Council Grants Program for the Fourth Quarter of Fiscal Year 2016-17 to promote Miami-Dade County tourism.

APPLICABLE LEGISLATION/POLICY

Resolution No. R-130-06 requires that proposed agenda items seeking approval of a contract or conveyance shall not be placed on any committee or Commission agenda unless the underlying contract or conveyance is completely negotiated, in final form, and executed by all non-County parties.

PROCEDURAL HISTORY

The item has no procedural history.

FISCAL IMPACT

The Fourth Quarter grant recommendations for Fiscal Year 2016-17 total \$104,100. Funding for the Tourist Development Council Grants Program comes from the two percent Tourist Development Room Tax Revenue and the two percent Hotel/Motel Food and Beverage Surtax revenues.

ANALYSIS

The item recommends the approval of \$104,100 in grant funds to cultural organizations under the Tourism Development Council Grants Program for the Fourth Quarter of Fiscal Year (FY) 2016-17. The council is funding 12 applicants representing a diverse range of activities and demographic locations. Applications were evaluated based on the following criteria: (1) tourism impact/marketing plan; (2) quality and track record of the organization and its event; (3) event coordination and management; (4) fiscal feasibility and accountability; and (5) efforts to comply with and incorporate the Americans with Disabilities Act into projects.

The Tourism Development Council (TDC) Grants Program is responsive on a quarterly basis to organizations/events which promote Miami-Dade County's appeal as a tourist destination by sponsoring tourist-oriented sports events, cultural and special events (visual and performing arts, including theater, concerts, recitals, opera, dance, art exhibitions and festivals) and television origination projects. The TDC provides priority attention to grant requests for activities and events that serve as major tourism generators in the fourth quarter of the fiscal year (July to September). The TDC, a nine-member voluntary advisory board, meets as a panel to review and make funding recommendations to the County Mayor and Board with the idea of developing and enhancing the County's image locally, nationally and internationally. The maximum request for a grant applicant is \$25,000. The grant award acknowledges that the grantee is performing a public service through its programs and projects.

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Bulleted below is a listing of the grantees, including their grant amounts.

- Arca Images, Inc. - \$10,000
- Area Performance Gallery, Inc. - \$9,600
- Coral Gables Congregational Church, Inc. - \$7,000
- Delou Africa, Inc. - \$3,500
- GableStage, Inc. - \$12,000
- Inffinito Art & Cultural Foundation, Inc. - \$12,250
- Key Biscayne Community Foundation, Inc. - \$5,000
- Miami Hispanic Ballet Corp. - \$20,000
- Siempre Flamenco, Inc. - \$5,000
- South Florida Art Center, Inc. - \$5,000
- Teatro Avante, Inc. - \$12,250
- The Opera Atelier, Inc. - \$2,500

Additional Findings

See Resolution No. R-587-17, adopted by the Board on June 6, 2017, approving the funding of 36 grants totaling \$291,600 from the FY 2016-17 Third Quarter of the TDC Grants Program Room Tax Plan and Surtax Category to Promote Miami-Dade County Tourism.

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**Item No. 3C
File No. 172183**

Researcher: PGE

RESOLUTION APPROVING REJECTION OF ALL BIDS RECEIVED IN RESPONSE TO INVITATION TO BID NO. FB-00555 FOR ACCESS CONTROL POINT BARRIER SYSTEMS MAINTENANCE AND RELATED SERVICES FOR THE AVIATION DEPARTMENT

ISSUE/REQUESTED ACTION

Whether the Board should approve the rejection of all bids received in response to a solicitation for access control point barrier systems maintenance and related services for the Aviation Department.

APPLICABLE LEGISLATION/POLICY

Section 2-8.1 of the Code (Contracts and Purchases Generally) and Implementing Order No. 3-38, relating to the authority to award and modify contracts.

PROCEDURAL HISTORY

The item has no procedural history.

FISCAL IMPACT

The advertised value posted in the Bid Tracking System is \$2,700,000. However, there is no fiscal impact to the County as the item is recommending the rejection of all bids received.

ANALYSIS

The solicitation was advertised on June 13, 2017 and sought a vendor to deliver preventive maintenance, assessment, inspection and repair services of the access control point barrier and traffic gate arm systems at the Aviation Department (MDAD). The services would have been performed at Miami International Airport. MDAD has a continuous need for routine maintenance and repair services for its automatic gate arms and access control point barriers to protect its assets and facilities against unlawful entry.

The contract would have had a five-year term and one, two-year option to renew. The method of award was to the single lowest-priced responsive and responsible bidder submitting an offer on all the items in the aggregate. The solicitation contained a minimum qualification requirement, i.e., submission of a copy of a General Contractor or Mechanical License. As indicated in the mayoral memorandum, six bids were received in response to the solicitation, including two "No Bids." During bid evaluation, staff discovered that the minimum qualification requirement was inaccurate; a general contractor license was not required to perform the solicited services, rather an electrical contractor license and a mechanical contractor license are both required. The County has prepared a replacement solicitation identifying the correct licenses and anticipates advertisement in October 2017.

The current contract, FB-00320, and is valued at \$398,961 for one year and six months and has been awarded to SGA Management, Inc. The current contract expires on February 28, 2018.