



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Budget, Planning & Sustainability
Committee

February 9, 2010
2:00 P.M.
Commission Chamber

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Commission Auditor
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Miami, Florida 33128
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**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

**Legislative Notes
Budget, Planning & Sustainability Committee
Meeting Agenda**

February 9, 2010

Written analyses and notes for the below listed items are attached for your consideration:

Item Number(s)

| |
|----|
| 3H |
| 3K |
| 3L |

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:
Elizabeth N. Owens, Legislative Analyst

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 3(H)
File Number: 100180
Committee(s) of Reference: Budget, Planning and Sustainability
Date of Analysis: February 8, 2010
Type of Item: Public Housing Agency Property Insurance Program Broker Services

Summary

This resolution authorizes the Mayor or his designee to execute an agreement with Arthur J. Gallagher Risk Management Services, Inc. (the Agreement) in an amount not to exceed \$175,000 for the initial contract term and \$185,785 for the option-to-renew (OTR) period. The Agreement is to obtain broker and related services to assist the County in obtaining a Property Insurance Program (the Program) for the Miami-Dade Public Housing Agency properties.

This Agreement does not include the insurance premiums for property insurance.

Policy Change and Implication

| Contract | <u>Current Contract</u> Contract No. 396 | <u>Proposed Contract</u> Contract No. RFP693 |
|-------------------------------|--|---|
| Terms | 3 years with 3 one-year OTRs. | 5 years with 5 one-year OTRs. |
| Date Coverage Begins and Ends | July 1, 2004 to July 1, 2007. With the exercising of all 3 OTRs, the contract was extended from July 1, 2007 to July 1, 2010. | July 1, 2010 to July 1, 2015. If all 5 OTRs are exercised, this contract will be extended from July 1, 2015 to July 1, 2020. |
| Initial Contract Term Amount | \$25,000 annually for the initial term. | \$35,000 annually for the initial term. The broker may receive commissions for administration of National Flood Insurance Program (NFIP) policies. |
| Funding Source | Federal Funds. | Federal and Proprietary Funds. |
| Vendor | Arthur J. Gallagher | Arthur J. Gallagher |
| Insurance Premiums per | Total = \$1.6 million | Total = \$1.6 million |

| | | |
|---------|---|--|
| Year | | |
| Payment | Broker flat fee per year under the initial contract term is \$25,000. | <p>This contract provides the broker with two (2) payment options:</p> <ol style="list-style-type: none"> 1. Traditional – The County pays the broker a flat fee in the amount of \$35,000; or 2. Alternative – The broker will collect compensation from the insurance carrier(s). <p>If during an annual period the broker secures less than \$35,000, the County will pay the difference.</p> |

Questions / Comments:

This Agreement covers only Public Housing Agency properties. On December 1, 2009, the Board of County Commissioners adopted Resolution No. 1368-09, approving a Master Property Insurance Program Broker Services with Arthur J. Gallagher Risk Management Services, Inc. The Master Property Insurance Program Broker Services covers all County properties, except Miami-Dade Housing and Water and Sewer properties.

Pursuant to Florida Statute 626.7315 requiring that only licensed agents may negotiate, procure, and deliver insurance contracts, the County cannot serve as its own broker. Florida Statutes also define qualifications for licensure, and these qualifications preclude County personnel from acting as the “agent” for the County.

Prepared by: Elizabeth N. Owens

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 100192

File Number: 3(K)

Committee(s) of Reference: Budget, Planning and Sustainability

Date of Analysis: February 8, 2010

Type of Item: Information and Technology (IT) Consulting Services Contract

Summary

This resolution authorizes the establishment of a contract accessing the State of Florida IT Consulting Services Contract No. 973-561-010-1 for several County departments, and authorizes the County Mayor or his designee to exercise contract extensions exercised by the State of Florida for purchase of IT Consulting Services.

Background and Relevant Legislation

This contract replaces the currently expired contract (Contract No. 973-561-06-1). The expired contract was awarded by the Board of County Commissioners on September 26, 2006, under Resolution No. 1069-06, to access the State of Florida IT consulting services pool of pre-qualified vendors. This contract, which expired on August 31, 2009, was awarded in the amount of \$29,690,001 for three years.

Questions / Comments

The term of the contract is 30 months but the allocation states for one year (see pp. 1). According to ETSD, since the County is accessing another entity's agreement, the County cannot amend the contract term awarded by the issuing agency. The 30 months represent the remaining term available on this contract.

The allocations being presented are for the projects anticipated over the next twelve month term. The funds will be allocated now for use by the departments. This will allow them to proceed with the specific projects outlined in the table attached to the Agenda item. It is ETSD's intent to bring this contract back for approval of additional allocation on a yearly basis to better estimate the allocation requirements, align departmental projects with business objectives and work within the budget afforded to each authorized department.

Below is the current value allocation by department (blanket purchase orders) under the previous contract.

| <u>Department(s)</u> | <u>Allocation</u> |
|---|------------------------|
| Miami-Dade Aviation Department | \$6,501,624.94 |
| Department of Small Business Development | \$55,125.50 |
| Building and Neighborhood Compliance Department | \$300,000.00 |
| Office of the Clerk | \$30,000.00 |
| Department of Environmental Resource Management | \$751,623.94 |
| Department of Emergency Management | \$75,000.00 |
| Enterprise Technology Services Department | \$15,599,871.82 |
| Finance Department | \$391,623.94 |
| Miami-Dade Fire Rescue Department | \$1,441,623.94 |
| Government Information Center | \$1,561,623.94 |
| General Services Administration | \$1,391,623.94 |
| Miami-Dade Public Housing Agency | \$300,000.00 |
| Miami-Dade Transit | \$250,000.00 |
| Office of Property Appraisal | \$100,000.00 |
| Miami-Dade Police Department | \$1,600,000.00 |
| Department of Procurement Management | \$15,000.00 |
| Public Works Department | \$451,623.94 |
| Department of Planning and Zoning | \$301,623.94 |
| Small Business Development | \$94,874.50 |
| Department of Solid Waste Management | \$1,051,623.94 |
| Miami-Dade Water and Sewer Department | \$5,186,624.94 |
| Total : | \$37,451,113.22 |

Prepared by: Elizabeth N. Owens

**MIAMI-DADE COUNTY
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Legislative Notes

Agenda Item: 100193
File Number: 3(L)
Committee(s) of Reference: Budget, Planning and Sustainability
Date of Analysis: February 8, 2010
Type of Item: Competitive Contract Package

Summary

This Competitive Contracts Package includes a total of seven (7) procurement actions.

Policy Change and Implication / Budgetary Impact

- **Three (3) Competitive Contracts:**

Item 1.1 – Hoses, Nozzles, Couplings and Related Items (Pre-qualification)

This contract is to purchase hoses, nozzles, couplings and related items for several County departments. The cumulative contract total, including the subsequent options to renew (OTR) period is \$2,114,000.

Questions / Comments

| <u>Department(s)</u> | <u>Previous Allocation</u> | <u>Proposed Allocation Request</u> | <u>Current Value – Blanket Purchase Order</u> |
|--------------------------------|-----------------------------------|---|--|
| Aviation | \$7,000 | \$15,000 | \$ 8,167 |
| Corrections and Rehabilitation | \$2,000 | \$12,000 | \$ 2,333 |
| Park and Recreation | \$1,500 | \$10,000 | \$ 1,750 |
| Public Works | \$8,000 | \$37,000 | \$ 9,333 |
| Seaport | \$1,500 | \$8,000 | \$ 1,750 |
| Solid Waste Management | \$20,000 | \$100,000 | \$ 23,333 |
| Water and Sewer | \$150,000 | \$875,000 | \$ 175,000 |
| Total : | \$190,000 | \$1,057,000 | \$221,667 |

| Item No. | Contract Term & Amount | Amount per year | Previous Contract Term & Amount | Previous Contract Amount per year |
|----------|--|-----------------|---------------------------------|-----------------------------------|
| 1.1 | \$1,057,000 for 5 years with 1, five-year OTR. | \$211,400 | \$190,000 for 1 year. | \$190,000 |

Item 1.2 – Temporary Health Professional Services

This contract is to establish temporary health professional services for the Miami-Dade Public Housing Agency and the Department of Human Services. The cumulative contract total, including subsequent OTRs is \$7,607,500.

Questions / Comments (*information provided by the Department of Procurement Management (DPM)*)

Temporary Health Service providers are comparable to temporary employment staffing agencies. These agencies specialize in placing health professionals in short or long-term assignments for hospitals, health care facilities, assisted living facilities and other places where a need for medical services has been identified.

Previous Contracts

The proposed contract combines 4 contracts.

- Contract No. EPP5358-4/10-3
 - Term: 2/1/2009 to 1/31/2010
 - Amount: \$726,000
 - The final OTR was exercised (term - 2/1/2010 to 1/31/2011). This contract will be terminated by the award of the proposed contract.
- Contract No. E9041-1/10
 - Term: 5/4/2009 to 6/3/2009
 - Amount: \$99,900
- Contract No. IQ9033-1/10
 - Term: 6/4/2009 to 11/5/2009
 - Amount: \$250,000
- Contract No. E9204-0/10
 - Term: 11/6/2009 to 3/31/2010
 - Amount: \$500,000

AMS-A Personnel Management Service, Inc., the awarded vendor for the majority of nursing personnel services on the previous contract, was terminated for failure to comply with the Living Wage Ordinance.

The Office of Commission Auditor conducted research to see if these services could be provided by Jackson Memorial Hospital (JMH). Our findings are that this would not be feasible since JMH contracts with nine (9) outside agencies to supply temporary health professionals for JMH.

| Item No. | Contract Term & Amount | Amount per year | Previous Contract Term & Amount | Previous Contract Amount per year |
|----------|--|-----------------|---|-----------------------------------|
| 1.2 | \$3,043,000 for 2 years with 3, one-year OTRs. | \$1,521,500 | \$1,575,900 (combined value for one year) | \$1,575,900 |

Item 1.3 – Polymeric Flocculants

This item provides for the purchase and delivery of polymeric flocculants for the Miami-Dade Water and Sewer Department. The cumulative contract total is \$10,000,000. The request does not include any subsequent OTRs.

Questions / Comments

| Item No. | Contract Term & Amount | Amount per year | Previous Contract Term & Amount | Previous Contract Amount per year |
|----------|---------------------------|-----------------|---------------------------------|-----------------------------------|
| 1.3 | \$10,000,000 for 5 years. | \$2,000,000 | \$2,580,360 for 18 months. | \$1,720,240 |

- **Two (2) Rejected Bids**

Item 2.1 – Aquatic Weed Harvester Boats

This item rejects all bids for a solicitation to purchase aquatic weed harvester boats.

Item 2.2 – Electronic Contact Management Solution of Customizable Workflow Capability

This item rejects all bids for a solicitation to purchase software maintenance and support services.

- **Two (2) Contract Modifications:**

| Item No. | Contract Title and Modification Reason | Initial Contract Term & Amount | Modified / Extended Term | Increased Allocation | Record of Vendors' Performance |
|----------|--|--------------------------------|--------------------------|----------------------|--|
| 3.1 | Rental Trailers/Trucks/Vans (Pre-qualification) Reason: Additional spending authority for the Elections Department to rent trucks and vans needed for election operations. <i>However, the department's current balance for special service vehicles is \$174,634, which is less than the \$1.8 million requested in this modification.</i> | \$762,000 for 5 years. | No change. | \$1,800,000 | There are no compliance / performance issues reported for Tropical Trailer Leasing LLC, Budget Truck Rental LLC, Ryder Truck Rental Inc., and Enterprise Leasing Co. |

| | | | | | |
|-----|--|--------------------------|-----------|------------|---|
| | <i>*See below for modification history of this contract.</i> | | | | |
| 3.2 | Elevator Maintenance Services <u>Reason:</u> Additional time and spending authority for elevator maintenance services for various County departments. This will extend the contract allowing continuity of services while DPM to completes the successor contract. <i>*See below for modification history of this contract.</i> | \$2,446,000 for 2 years. | 3 months. | \$307,000. | There is no compliance / performance Issues reported for Thyssenkrupp Elevator Corporation. |

Item 3.1 - Rental Trailers / Trucks / Vans (Pre-qualification)

This contract has been modified three times.

| MODIFICATION HISTORY | | | | |
|----------------------------|----------------------------|----------------------|---------------------|------------------|
| <u>DPM Approved Amount</u> | <u>BCC Approved Amount</u> | <u>Approved Date</u> | <u>BCC Item No.</u> | <u>Reso. No.</u> |
| \$25,000.00 | \$0.00 | 02/21/2008 | n/a | n/a |
| \$175,000.00 | \$0.00 | 03/04/2009 | n/a | n/a |
| \$65,000.00 | \$0.00 | 07/23/2009 | n/a | n/a |
| \$265,000.00 | \$0.00 | | | |

Item 3.2 Elevator Maintenance Services

This contract has been modified three times.

| MODIFICATION HISTORY | | | | | | |
|-----------------------|--------------------------|--------------------------|--------------------|-------------------|-----------------|-----------------------|
| <u>Amount</u> | <u>DPM Approved Date</u> | <u>BCC Approved Date</u> | <u>Extended To</u> | <u>For Months</u> | <u>BCC Item</u> | <u>Resolution No.</u> |
| \$305,750.00 | 12/31/2008 | | 06/30/2009 | 3 | | |
| \$305,750.00 | 03/02/2009 | | 09/30/2009 | 3 | | |
| \$611,500.00 | | 07/02/2009 | 03/31/2010 | 6 | 8O1D (091840) | 920-09 |
| \$1,223,000.00 | | | | | | |

Prepared by: Elizabeth N. Owens