



## MEMORANDUM

Agenda Item No. 7(0)(1)(A)

TO: Honorable Chairperson Barbara Carey-Shuler, Ed.D. and Members, Board of County Commissioners

DATE: September 21, 2004

FROM: George M. Burgess  
County Manager

SUBJECT: Resolution Amending Master  
Procurement Administrative  
Order 3-38

### RECOMMENDATION

It is recommended that the Board approve this resolution amending the Master Procurement Administrative Order (AO) 3-38 under the section titled **“AUTHORITY TO AWARD CONTRACT”** to add language requiring the County Manager or Assistant County Managers to approve awards greater than \$500,000 but not exceeding \$1,000,000.

### BACKGROUND

On April 8, 2003, the Board approved Ordinance No. 03-67, amending Section 2-8.1 of the Miami-Dade County Code, to increase the County Manager's delegated authority to advertise, award and reject bids up to \$1 million. On July 24, 2003, the County Manager issued the attached memorandum (Delegation of Authority Pursuant to A.O. 3-38), instructing the Department of Procurement Management to forward all contract awards greater than \$500,000 but not exceeding \$1,000,000 to an Assistant County Manager for approval. Pursuant to this directive, the Department of Procurement Management has followed this practice for close to a year. This amendment codifies the County Manager's directive and our current practice in the Administrative Order.

On June 18, 2004, the Procurement Management Policy Subcommittee reviewed and approved this item.

Attachment

  
Alex Muñoz  
Assistant County Manager

# MEMORANDUM

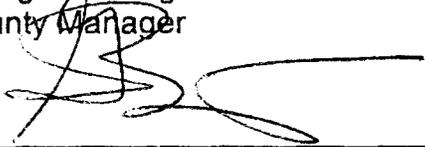
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**TO:** Theodore G. Lucas, Director  
Department of Procurement Management

**DATE:** July 24, 2003

**FROM:** George M. Burgess  
County Manager

**SUBJECT:** Delegation of Authority  
Pursuant to A.O. 3-38



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I hereby delegate to you, as the Director of the Procurement Management (DPM), the authority given to me to take the actions specified under the "Authority to Award Contracts" section of Administrative Order 3-38 with respect to purchases for goods and services other than professional services in an amount not to exceed \$500,000.

Items exceeding \$500,000 will require the approval of the Assistant County Manager with direct oversight of the corresponding department.

c: Alina T. Hudak, Assistant County Manager



# MEMORANDUM

(Revised)

**TO:** Hon. Chairperson Barbara Carey-Shuler, Ed.D.  
and Members, Board of County Commissioners

**DATE:** September 21, 2004

**FROM:** Robert A. Ginsburg  
County Attorney

**SUBJECT:** Agenda Item No. 7(O)(1)(A)

**Please note any items checked.**

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised**
- 6 weeks required between first reading and public hearing**
- 4 weeks notification to municipal officials required prior to public hearing**
- Decreases revenues or increases expenditures without balancing budget**
- Budget required**
- Statement of fiscal impact required**
- Bid waiver requiring County Manager's written recommendation**
- Ordinance creating a new board requires detailed County Manager's report for public hearing**
- Housekeeping item (no policy decision required)**
- No committee review**

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 7(O)(1)(A)  
9-21-04

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AMENDING PROCUREMENT  
ADMINISTRATIVE ORDER 3-38; CLARIFYING THE  
COUNTY MANAGER'S DELEGATED AUTHORITY FOR  
AWARDS GREATER THAN \$500,000**

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board approves the amendment of the Procurement Administrative Order 3-38, in substantially the form attached hereto and made a part hereof; and authorizes the County Manager to exercise same for and on behalf of Miami-Dade County.

The foregoing resolution was offered by Commissioner who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Dr. Barbara Carey-Shuler, Chairperson  
Katy Sorenson, Vice Chairperson

Bruno A. Barreiro  
Betty T. Ferguson  
Joe A. Martinez  
Dennis C. Moss  
Natacha Seijas  
Sen. Javier D. Souto

Jose "Pepe" Diaz  
Sally A. Heyman  
Jimmy L. Morales  
Dorin D. Rolle  
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of September, 2004. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as  
to form and legal sufficiency. 

R.A. Cuevas, Jr.

By: \_\_\_\_\_  
Deputy Clerk

**Administrative Order No.:** 3-38

**Title:** Master Procurement Administrative Order

**Ordered:** [[5/6/2003]]

**Effective:** [[5/16/2003]]

### **AUTHORITY**

Sections 2-8.1, 2-8.2 and 2-11.1 of the Code of Miami-Dade County, Sections 4.02 and 4.03 of the Miami-Dade County Home Rule Amendment & Charter.

### **SUPERSEDES**

This Administrative Order (A.O.) supersedes and replaces A.O. 3-2: Purchase of Commodities & Services, ordered and effective January 16, 1996; A.O. 3-4, Purchase of Professional Services, ordered May 9, 2000 and effective May 19, 2000 and A.O. 3-16; Requests for Proposals, ordered and effective March 3, 1994.

### **SCOPE**

This Administrative Order governs the County's processes for the purchase of goods and services including professional services (other than those professional services whose selection is governed by Sec. 287.055 F.S. and Secs. 2-10.4 and 2-10.4.01 of the Miami-Dade County Code). It establishes the roles and responsibilities of the Department of Procurement Management (DPM), methods of purchasing goods and services, and the authority to award contracts. Additional policies and procedures relating to the County's procurement processes are detailed in the DPM Procurement Guidelines, other A.O.s and the County Code.

### **EXCEPTIONS**

This Administrative Order does not apply to: construction; purchase, lease or rental of real property; permits; programming partnerships at Miami Dade Park & Recreation; the purchase of professional architectural, engineering, architectural landscape and land surveying professional services whose selection is governed by Sec. 287.055 F.S. and Secs. 2-10.4 and 2-10.4.01 of the Miami-Dade County Code and detailed in A.O. 3-39; or procurement activities covered by specific ordinances such as the Public Health Trust, Expedite, Performing Arts Center, aviation retail concessions, etc.

## DELEGATION OF AUTHORITY

This Administrative Order establishes that the Department of Procurement Management is designated as the central procurement agency for making purchases with County funds except as noted within. All authorized purchases shall be made in compliance with Florida Statutes, this Administrative Order and established DPM Procurement Guidelines. No person may make any purchase with County funds unless specifically authorized to do so by County Code, administrative order, resolution, or designation by the Board of County Commissioners or the County Manager.

The DPM Director is appointed by the County Manager and is the County's Chief Procurement Officer (CPO). The DPM Director is the County Manager's designee for all procurement actions governed by this Administrative Order. All references in this Administrative Order to the DPM Director or his or her subordinate staff reflect this designation. The DPM Director may selectively designate appropriate DPM professional staff to exercise the authority delegated hereunder.

The Director shall have relevant, recent experience in large-scale public procurement of goods and services, possess a record of unquestioned integrity and have demonstrated executive, managerial and organizational skills. The DPM Director is responsible for hiring appropriate staff to carry out the Department's mission.

The DPM Director appoints and supervises the County's Competition Advocate, whose primary responsibility is to foster full and open competition consistent with County policy. The Competition Advocate, together with the DPM Director, is responsible for implementing programs and initiatives to improve competition. This includes, but is not limited to, assuring effective and efficient market research, enhancing competitive contracting opportunities for small and minority business entities, scrutinizing sole source and bid waiver acquisitions and challenging specifications and statements of work (SOW) to ensure no artificial barriers limit or reduce competition.

The Competition Advocate directs the work of the Non-Competitive Acquisition Unit (NCA Unit). The NCA Unit evaluates all Justification/Input Documents to determine the appropriate acquisition method as well as perform industry and product market research to determine if alternative sources of supply are available. The Unit works with user departments to promote advance acquisition planning and to ensure that minimum requirements are expressed in terms of performance or functionality whenever practical.

## **POLICY**

For the County to function efficiently and responsibly, goods and services meeting the necessary quality and fit shall be procured for County agencies at fair and reasonable prices and in a timely manner. Advance acquisition planning by departments, effective market research, and early Department of Procurement Management (DPM) collaboration with user departments in the acquisition process are essential to successful procurement.

The standard method for the procurement of goods and services in Miami-Dade County is the Invitation to Bid (ITB) process. Other acquisition processes available to Miami-Dade County for the purchase of goods and services include, but are not limited to, the Request for Proposals (RFP) and Request for Qualifications (RFQ) processes. Formal market research may utilize a Request for Information (RFI) process.

To obtain the best value for the taxpayers' dollar and to promote equitable economic participation by all segments of our community, it is the policy of Miami-Dade County to purchase goods and services via an open and competitive process. When competition is not available, however, or when it is determined in the best interest of the County to utilize means other than full and open competition, County legislation authorizes the execution of purchases on a bid waiver, sole source or emergency basis.

## **PURPOSE**

The purpose of this Administrative Order, and the corresponding Procurement Guidelines issued by DPM, is to simplify and clarify the procurement process, establish clear lines of procurement authority and accountability, consolidate and standardize the procedures governing procurement countywide, enhance public confidence, ensure the fair and equal treatment of vendors, foster competition and help safeguard the quality and integrity of procurement in Miami-Dade County.

## **PROCUREMENT ORGANIZATION**

DPM is the central agency for the procurement of goods and services for Miami-Dade County government. DPM is dedicated to customer service and the timely acquisition of goods and services. Utilizing technology and sound business processes, DPM strives to bring the greatest value to Miami-Dade County with integrity, fairness, competition and community inclusion.

It is the responsibility of DPM to issue and maintain procurement policies,

procedures and guidelines for County departments. Any County department that issues solicitations or executes purchases for goods or services governed by this Administrative Order shall comply with this Administrative Order and the DPM Procurement Guidelines.

DPM is responsible for implementing this A.O. and establishing related forms, procedures, manuals and guidelines. It is the responsibility of the DPM Director or his or her authorized designee, to:

- Strategize collaboratively with departments early in the procurement process, and encourage departments in the performance of advance acquisition planning; and
- Perform procurement functions, including, but not limited to:
  1. Prepare effective solicitation documents
  2. assembling appropriate specifications, terms and conditions
  3. determining the particular acquisition method
  4. developing evaluation criteria
  5. advertising
  6. evaluating or administering the evaluation of bids/proposals
  7. rejecting bids/proposals
  8. preparing contract awards or contract award recommendations, pursuant to the established authority to award contracts.

Any County department that issue solicitations shall submit notice of solicitations, related documents and pertinent information to the Vendor Information Center (VIC). The VIC is the County's one-stop agency for information and guidance on how to do business with the County, administered by DPM and the Department of Business Development.

#### **OTHER PROCUREMENT LEGISLATION**

Other County legislation governing the procurement process include but is not limited to: Bid Protest Ordinance, Section 2-8.4 of the County Code and A.O. No. 3-21; Local Preference Ordinance, Section 2-8.5 of the County Code; and Cone of Silence Ordinance, Section 2-11.1(t) of the County Code and A.O. 3-27.

#### **METHODS FOR PURCHASING GOODS AND SERVICES**

##### **PURCHASES OVER \$100,000**

Formal sealed written bids shall be solicited from vendors for purchases over \$100,000 in accordance with the DPM Procurement Guidelines.

## **PURCHASES OVER \$10,000 up to \$100,000**

Quotations must be obtained for purchases over \$10,000 and up to \$100,000 in accordance with the DPM Procurement Guidelines.

## **SMALL PURCHASE ORDERS**

Small purchase orders represent the decentralized delegation of purchase authority to authorized personnel in County departments. Small purchase orders may not exceed \$10,000 per purchase, and shall be executed in strict accordance with the requirements of this Administrative Order and the DPM Procurement Guidelines. Department Directors or their authorized designees are responsible for their department's use of small purchase orders and compliance with the competitive and administrative requirements established in this Administrative Order and in the DPM Procurement Guidelines. The Department of Procurement Management shall track the department's use of small purchase orders to consolidate commonly used goods and services into annual County contracts.

## **PURCHASING CARDS**

Purchasing cards may be used for certain small purchases by authorized County personnel subject to the specific dollar limitations and requirements established in the Purchasing Card Program Administrative Order (A.O. 3-35) and the Finance Department's Guidelines for the Use of Purchasing Cards.

## **REQUEST FOR PROPOSALS/ REQUEST FOR QUALIFICATIONS**

A Request for Proposals (RFP) or a Request for Qualifications (RFQ) is a formal written solicitation prepared and issued for the purpose of seeking responses from prospective proposers by a certain date and time as established by Miami-Dade County.

A Request for Proposals (RFP) may be used when: the scope of work cannot be completely defined by the County; the goods or services can be provided in several different ways; qualifications, experience or the quality of the goods or services to be delivered are significant factors of consideration, in addition to price; or the responses may contain varying levels of service or alternatives which lend themselves to negotiation.

A RFP may be used when the qualifications of proposers are an important selection criterion, and a particular solution or performance outcome has been established. A RFP may include, but is not limited to, applicable laws, rules,

scope of services, proposer qualifications, proposal instructions, terms and conditions of the contract, and evaluation/selection criteria. Contract award is not based solely upon price; rather, there is an evaluation which may include such criteria as qualifications and experience of principals and staff; methodology and management approach; understanding of the project and the County's objective; technical superiority; financial stability; pro forma statements; experience and history of the firm; references; and costs/revenues.

A Request for Qualifications (RFQ) is used to obtain statements of qualifications from proposers when the scope of services cannot or has not been completely established by the County, requiring specific qualifications in order to be considered for contract award. A RFQ includes, but is not limited to, a brief explanation of the purpose of the RFQ, description of the service to be purchased (scope of services), required qualifications, proposal instructions, and evaluation /selection criteria. Contract awards are generally not based solely upon price; rather, there is an extensive evaluation which may include such criteria as qualifications and experience of principals and staff; technical superiority; financial stability; experience and history of the firm; and references.

A RFQ may be used, for example: when creating a pool of qualified vendors to be used on an "as needed" basis; or in a two-step process where the scope of services is incomplete and only those firms selected in the qualification phase compete under a "mini-RFP" when a particular work order or scope of services is established.

For selection committee formation and performance, and for selection committee tapping procedures, refer to Administrative Orders 3-34 & 3-31.

### **ACCESSING CONTRACTS FROM OTHER GOVERNMENT ENTITIES**

The DPM Director, may award a contract by accessing the competitively solicited contract of any other governmental or quasi-governmental entity or not-for-profit organization, provided the goods or services are not available through an existing Miami-Dade County contract at the same or lower price. When accessing a contract of another entity consisting of a pre-qualified vendor pool, the County shall conduct a competitive selection process among the pool members in accordance with DPM guidelines or instructions. When the expenditure exceeds \$1,000,000, the DPM Director shall prepare a recommendation for the County Manager's consideration. The County Manager shall consider and may present the recommendation to the Board of County Commissioners for award.

### **EMERGENCY PURCHASES**

An emergency purchase is an unforeseen or unanticipated urgent and immediate

need for goods or services where the protection of life, health, safety or welfare of the community or the preservation of public properties would not be possible using any of the other purchasing methods described in this Administrative Order including bid waiver.

In the event a department director or authorized designee determines that an emergency purchase is necessary, a contract may be awarded without utilizing the competitive bid procedures regardless of the amount of expenditure. Within five (5) working days after the purchase, the County department shall submit the post award requisition to the Department of Procurement Management specifying the circumstances which justified the emergency contract award. When the expenditure is in excess of \$100,000, the DPM Director shall forward the documented circumstances to the County Manager for presentation to the Board of County Commissioners for ratification.

### **BID WAIVERS**

A bid waiver is a purchase of a good or service without formal competitive bidding when it is determined to be in the best interest of the County. Formal competition may be waived by the Department of Procurement Management for expenditures up to \$100,000 and by the BCC for awards greater than that amount. Bid Waiver requests shall be prepared by the user department and submitted to the DPM Director, or authorized designee, for evaluation and analysis. When the expenditure exceeds \$100,000, and it is determined to be in the County's best interest to waive competitive procedures, the DPM Director shall consider and may present the recommendation to the County Manager. The County Manager shall consider and may present the recommendation to the Board of County Commissioners for award. Additional funds and/or extensions of time that may be requested during the contract period are subject to the current authority limits for contract modification in this Administrative Order.

### **CONFIRMATION (UNAUTHORIZED) PURCHASES**

A confirmation purchase is the ratification action that authorizes a prior unauthorized purchase. An unauthorized purchase is a purchase or commitment of funds by an employee that does not have the authority to do so, or a purchase or commitment of funds by an authorized employee but not in accordance with County legislation or the procedures prescribed by this Administrative Order. A confirmation purchase requires retroactive approval by the DPM Director up to \$100,000, and by the Board of County Commissioners for commitments exceeding that amount. Payment for any unauthorized purchase may be deemed the responsibility of the employee that made the purchase or commitment, and shall subject said employee to disciplinary action up to and including termination. The department director having responsibility over the unauthorized purchase

shall respond to the County Manager in writing with a complete justification for the inappropriate activity, to include the disciplinary action taken, if appropriate, and the corrective action (s) implemented to prevent recurrence.

### **NONCOMPETITIVE/SOLE SOURCES**

A sole source purchase is the procurement of a good or service for which there is no other vendor who can compete to provide the good or service, and an equal product or service is not available from any other supplier. When the DPM Director, or designee, is satisfied that there is only one source of supply or determines that a noncompetitive situation exists for the required goods or services, full and open competition may be waived by the DPM Director. When the expenditure exceeds \$100,000 the DPM Director shall prepare a recommendation for the County Manager. The County Manager shall consider and may present the recommendation to the Board of County Commissioners for award. Additional funds and/or extensions of time may be requested during the contract period and are subject to the current authority limits for contract modifications contained in this Administrative Order.

### **JUSTIFICATION FOR BID WAIVERS AND SOLE SOURCE ACQUISITIONS**

When a County department recommends to DPM the use of other than full and open competition, the appropriate justification for that recommendation must be submitted to the NCA Unit for evaluation and analysis. Using the appropriate Justification/Input Document, the user department shall, as a minimum, indicate the purpose of the acquisition, the uniqueness of the item or service, the reason waiver of the competitive process is in the County's best interest, the market research that has been performed, and the actions proposed to enhance competition in future acquisitions.

### **DEPARTMENTAL REVIEW OF TECHNICAL SPECIFICATIONS**

When the Department of Procurement Management is the issuing department for solicitations, the technical review and revision of specifications of a solicitation prior to advertisement shall be completed by the reviewing department and returned to DPM in not more than fifteen (15) working days from the date received by the department. The technical review of bids or proposals prior to award shall be completed by the reviewing department and returned to DPM in not more than ten (10) working days from the date received by the department. If additional time exceeding the stipulated timeframes is required, a request must be made by the Director or designee of the reviewing department to the Director of DPM, with a copy to the corresponding Assistant County Manager, and the DPM Director may allow a reasonable time extension when appropriate.

Repeated failure to meet these turnaround time requirements shall be reported by the DPM Director to the County Manager.

### **AUTHORITY TO AWARD CONTRACTS**

For goods and services including professional services, (other than those professional services whose selection is governed by Sec. 287.055 F.S. and Secs. 2-10.4 and 2-10.4.01 of the Miami-Dade County Code), the Board of County Commissioners shall award all contracts greater than \$1,000,000, and approve all contract modifications not contained in the paragraph below.

The County Manager or designee (the DPM Director), has the authority with respect to purchases for goods and services including professional services (other than those professional services whose selection is governed by Sec. 287.055 F.S. and Secs. 2-10.4 and 2-10.4.01 of the Miami-Dade County Code) to:

- Advertise solicitations, award contracts and/or reject bids/proposals up to \$1,000,000. >>Awards greater than \$500,000 shall be approved directly by the County Manager (or Assistant County Manager).<<
- For contracts under \$1,000,000, approve contract modifications up to a total contract amount of \$1,000,000. Any contract modification that increases the contract amount from below \$1,000,000 to over \$1,000,000 shall be approved by the Board of County Commissioners.
- For contracts having an original or modified contract amount exceeding \$1,000,000, approve contract modifications not exceeding 20% in the aggregate of the original contract amount during the course of the initial contract term, and not exceeding 20% in the aggregate of the modified contract amount during the term of any option to renew that may be exercised.
- Approve awards of sole source, bid waiver and emergency contracts, when the award results in an amount of \$100,000 or less.
- To complete the necessary procurement action, extend expiring contracts for a maximum of ninety (90) days, with prorated dollar authorization, or such longer period as may be necessary to prevent the suspension or interruption of an essential County service provided such longer extension in no event exceeds 180 days following the expiration of the contract.
- Approve contract modifications that reduce the maximum value of the contract.
- Authorize departments to shift dollar allocations among multiple vendors under a single contract.
- Administer the bid protest procedure in Section 2-8.4 of the Code of Miami-Dade County.

The County Manager or designee (the DPM Director) shall submit a quarterly report to the Board of County Commissioners with a list of the contracts for goods and services exceeding \$100,000 awarded by the County Manager or designee (the DPM Director) during the preceding quarter.

For awards of \$1,000,000 or less, the DPM Director, may render the vendor in default, award the contract to the next lowest bidder or negotiate with the next highest ranked proposer or resolicit and subject the defaulted vendor to re-procurement charges or to forfeiture of the bid bond or security in an amount equal to the damages sustained by the County as a result of the default and recommend the vendor or contractor for debarment. For awards over \$1,000,000, the DPM Director shall prepare a recommendation for the County Manager. The County Manager shall consider and may present the recommendation to the Board of County Commissioners for approval.

Proposed awardees must have a complete Miami-Dade County Business Entity Registration Application on file with the Department of Procurement Management prior to award. The Department of Procurement Management and the Department of Business Development (DBD) are responsible for determining the criteria for vendor registration and maintaining an up-to-date vendor registration system.

### **ASSISTANCE TO SMALL & MINORITY BUSINESSES**

It is the policy of Miami-Dade County to follow sound and prudent business practices, and to promote full and equitable participation of all segments of the community. With this goal in mind, a concerted effort is made to obtain services in accordance with the requirements of Administrative Orders 3-3, Black Business Enterprise Programs; 3-17, Hispanic Business Enterprise Program; 3-18, Women Business Enterprise Program; 3-22, and A.O. 3-23 Anti-discrimination in Contracting, Procurement, Bonding and Financial Services Activities.

It is the policy of Miami-Dade County that all service contractors performing covered services pay employees providing the covered services no less than the applicable Living Wage, with or without health benefits, in accordance with Section 2-8.9 of the Code of Miami-Dade County and as detailed in A.O. 3-30.

### **ETHICS**

County employees must discharge their duties impartially to assure fair and competitive access to governmental procurement by responsible contractors. It is essential that those doing business with the County also observe the ethical standards prescribed in Section 2-11.1 (i) of the Miami-Dade County Code, the

Conflict of Interest and Code of Ethics Ordinance, and the Code of Silence Ordinance at Section 2-11.1 (t) of the Miami-Dade County Code and described at A.O. 3-27.

Pursuant to Section 2-8.1 (h) (ii) of the Code and AO 3-29 Prohibiting County Contracting with Individuals and Entities Who are in Arrears to the County, it is the policy of Miami-Dade County to promote efficient and effective financial administration, while ensuring fair and equitable contracting practices; therefore, contractors that are in arrears in excess of \$25,000 and are delinquent for greater than 180 days to the County are prohibited from obtaining new County contracts, extensions of contracts or new purchase orders, until such time as the arrearage has been paid in full or the County has agreed in writing to an approved payment plan.

The Audit and Management Services Department, Office of the Commission Auditor and the Office of the Inspector General may perform random audits of DPM and County department compliance with legislative and contract requirements in the competition and processing of purchases including small purchase orders.

This Administrative Order is hereby submitted to the Board of County Commissioners of Miami-Dade County, Florida.

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George M. Burgess  
County Manager