

**Date:** January 20, 2005

**To:** Honorable Chairman Joe A. Martinez and Members,  
Board of County Commissioners

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

**Subject:** Waiver of Formal Bid Procedures

Agenda Item No. 7(O)(1)(D)

## RECOMMENDATION

It is recommended that the Board waive formal bid procedures for the purchase of goods and services pursuant to Section 2-8.1 of the County Code and Section 4.03(D) of the Home Rule Charter in the best interests of the County.

## BACKGROUND

### **Section 1 SOLE SOURCES**

A sole source purchase is the procurement of a good or service under Administrative Order 3-38 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.

None

### **Section 2 BID WAIVERS**

A bid waiver is a purchase of a good or service under Administrative Order 3-38 without formal competitive bidding when it is in the best interest of the County. A bid waiver is when no competition was obtained, and negotiations took place with the vendor to formulate the contract.

Item 2.1 (Conduit and Fiber Optic Cables) is to purchase pre-existing underground conduit containing fiber optic cables. This will allow Miami-Dade to directly connect in the Network Access Point (NAP) of the America's facility located a few blocks from the Stephen P. Clark Center.

Item 2.2 (Matrix Security Control System) is to establish a replacement contract to provide maintenance, repair services and installation of replacement parts and new equipment to maintain the Matrix security access control system at Miami International Airport (MIA).

### **Section 3 COMPETITIVE BID WAIVERS**

A bid waiver is a purchase of a good or service under Administrative Order 3-38 without formal competitive bidding when it is in the best interest of the County. A "competitive" bid

waiver is when bids, quotes or proposals were sought from multiple vendors and competition was obtained "in fact," although not adhering to all of the standards for full and open competition prescribed by Section 2-8.1 of the County Code and Administrative Order 3-38.

Item 3.1 (Building Materials, Pre-qualification of Vendors) is to establish a competitive bid waiver replacement contract to purchase building material to include lumber, plywood, doors and other hardware. Due to the recent federal court ruling by Judge Adalberto Jordan in the case of Hershell Gill Consulting Engineers, Inc. et al, vs. Metropolitan Dade County, these competitive bid waiver was issued to replace a contract containing measures which can not be renewed, extended or modified.

**Section 4 EMERGENCY PURCHASES**

An emergency purchase under Administrative Order 3-38 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 Administrative Order 3-38 including bid waiver. Whenever feasible, staff solicits at least three competitive quotes.

None

**Section 5 NONCOMPETITIVE CONTRACT MODIFICATIONS**

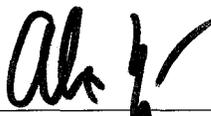
A noncompetitive contract modification is when the requested supplemental allocation for goods or services exceeds the scope of the original contract award and allocation representing, therefore, a waiver of the competitive bidding process under Administrative Order 3-38 for the additional goods and services.

None

**Section 6 CONFIRMATION (UNAUTHORIZED) PURCHASES**

A confirmation purchase is the ratification action that authorizes a prior unauthorized purchase under Administrative Order 3-38.

None

  
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Alex Muñoz  
Assistant County Manager



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**DATE:** January 20, 2005

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

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

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)(D)  
01-20-05

RESOLUTION NO.

RESOLUTION WAIVING COMPETITIVE BIDDING FOR THE PURCHASE OF CERTAIN GOODS AND SERVICES AND AUTHORIZING THE COUNTY MANAGER TO AWARD SAME WITH AUTHORITY TO EXERCISE OPTIONS TO RENEW ESTABLISHED THEREUNDER

WHEREAS, the County Manager recommends to this Board to waive formal bid procedures for the purchase of specific items and services which cannot be purchased under normal bid procedures ,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board finds it is in the best interests of Miami-Dade County to waive formal bid procedures for the purchase of specific goods and services and to authorize the County Manager to award such contracts with authority to exercise options to renew established thereunder pursuant to Section 4.03(D) of the Home Rule Charter and Section 2-8.1 of the County Code by a two-thirds (2/3s) vote of the Board members present.

Joe A. Martinez, Chairman  
Dennis C. Moss, Vice-Chairman

Bruno A. Barreiro  
Jose "Pepe" Diaz  
Sally A. Herman  
Dorin D. Rolle  
Katy Sorenson  
Sen. Javier D. Souto

Dr. Barbara Carey-Shuler  
Carlos A. Giménez  
Barbara J. Jordan  
Natacha Seijas  
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 20<sup>th</sup> day of January, 2005. This resolution and contract, if not vetoed, shall become effective in accordance with Resolution No. R-377-04. By exception, Sub item 3.1 is subject to the provisions of subsection (e) of section 29-124 of the County Code which specifies "no award shall be effective and no contractual relationship shall arise with the county unless and until approved by the [Citizen's Independent Transportation] Trust or re-affirmed by the County Commission".

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

HARVEY RUVIN, CLERK

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

Approved by County Attorney as  
to form and legal sufficiency.

HJB

Hugo Benitez

It is recommended that the Board of County Commissioners waive the use of the formal bidding process for all the items listed in the package pursuant to Section 4.03 (D) of the Home Rule Charter in the best interests of the County.

**SECTION # 1**  
**SOLE SOURCES**

None

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**SECTION # 2**  
**NON COMPETITIVE BID WAIVERS**

**2.1**

**BID NUMBER:** BW1837-TD

**Title:** Conduit and Fiber Optic Cables

**Description:** To purchase pre-existing underground conduit containing fiber optic cables in the Downtown Miami area that will connect the County's fiber optic network directly into the Network Access Point (NAP) of the America's.

**Department(s)** **Allocation(s)**  
ETSD \$501,823.00

**Term of Contract:** Upon delivery (45 days after receipt of order)

**Option(s) to Renew:** Not applicable

**Vendor(s):** Hypower, Inc.

**Estimated Contract Usage:** \$501,823.00

**UAP:** The contract includes the 2% User Access Fee.

**Living Wage:** The services to be provided are not a "covered service" under the Living Wage ordinance.

**Justification:** Authorization is being requested to purchase pre-existing underground conduit containing fiber optic cables. This will allow Miami-Dade to directly connect into the Network Access Point (NAP) of the America's facility located a few blocks from the Stephen P. Clark Center.

This direct connection into the NAP will allow greater reliability and control of the County's Internet connectivity. Additionally, this award will result in a projected operational savings of \$120,000 per year.

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2.2

**BID NUMBER:**

BW7591-1/06

Title:

Matrix Security Control System

Description:

To establish a replacement contract to provide maintenance, repair services and installation of replacement parts and new equipment to maintain the Matrix security access control system at Miami International Airport (MIA).

Department(s)

Allocation(s)

Aviation

\$175,000.00

Term of Contract:

One year

Option(s) to Renew:

One, one-year option to renew

Vendor(s):

Matrix Systems, Inc.

Estimated Contract Usage:

\$175,000.00

UAP:

The department is using FAA funds; therefore, the User Access Fee cannot be applied.

Living Wage:

Not applicable, no "covered" services contemplated.

Justification:

Authorization is requested to establish a replacement contract to provide maintenance, repair services and installation of replacement parts and new equipment to maintain the Matrix security access control system at Miami International Airport (MIA).

The Matrix Security System controls access to crucial security areas at MIA and is the backbone of the Homeland Security efforts there. The system also controls access to critical U.S. Customs areas. Keeping the system fully operational is critical to securing the safety of employees, tenants and travelers at MIA.

The Aviation Department is currently working on the scope of work for an RFP to retrofit the security system; however, due to the proprietary software and systems involved, extensive research will be needed to determine the feasibility of integrating new and existing equipment.

This contract is a consolidation by the Department of Procurement Management of two sole source contracts to provide for the required maintenance and upgrades to the existing system while the scope of a replacement system is determined.

The Department of Procurement Management entered into negotiations with Matrix Systems, Inc. which resulted in the following savings and/or cost avoidance to the County:

- 10% increase in discount from Matrix list pricing for replacement parts which will equate to a \$6873.30/year savings based on historical expenditures for parts, and
  - 17.5% reduction in labor rates from Matrix's initial proposal resulting in a \$15,983.00/year cost avoidance.
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**SECTION #3**  
**COMPETITIVE BID WAIVERS**

**3.1**

**BID NUMBER:** CBWM7757-0/06

**Title:** Building Materials, Pre-qualification of Vendors

**Description:** To establish a competitive bid waiver replacement contract to purchase building materials to include lumber, plywood, doors and other hardware.

<u>Department(s)</u>	<u>Allocation(s)</u>
Aviation	\$ 500,000.00
Community Action Agency	\$ 375,000.00
Corrections	\$ 70,000.00
Communications	\$ 5,000.00
DERM	\$ 10,500.00
ETSD	\$ 7,000.00
Fire Rescue	\$ 75,000.00
GSA	\$ 257,500.00
Housing	\$1,000,000.00
Human Services	\$ 26,000.00
Libraries	\$ 50,000.00
MDT	\$ 100,000.00
MDPD	\$ 70,000.00
Parks & Recreation	\$ 650,000.00
Public Works	\$ 46,000.00
Seaport	\$ 400,000.00
Solid Waste	\$ 17,000.00
Viscaya	\$ 7,000.00
Water & Sewer	<u>\$ 855,000.00</u>
	\$4,521,000.00

**Term of Contract:** One year

**Option(s) to Renew:** None

**Vendor(s):** A & B Hardware, Inc.; Ace Hardware Shell Lumber Company; MCR Lumber & Materials Supply, Inc.; Nachon Enterprises, Inc.; Ronnie's Ace Hardware, Inc. d/b/a Ronnies Ace Hardware

**Estimated Contract Usage:** \$4,521,000.00

**UAP:** The contract includes the 2% User Access Fee.

Local Preference: Applied in accordance with applicable ordinances. When the Water and Sewer Department issues a request for spot market for prices, local preference shall be applied.

Living Wage: Not applicable; there are no "covered" services contemplated.

Justification: Authorization is requested to establish a competitive bid waiver replacement contract to provide continuity of building materials pending the award of the long term replacement contract for these goods.

This interim competitive bid waiver will cover the gap between the expiration of the existing contract (February 28, 2005) and the award of the long term replacement contract pending the potential implementation of a Small Business Enterprise (SBE) for the acquisition of goods and services.

Due to the recent federal court ruling by Judge Adalberto Jordan in the case of Hershell Gill Consulting Engineers, Inc. et al, vs. Metropolitan Dade County, this competitive bid waiver was issued to replace a contract containing bid preferences for BBE, HBE and WBE firms, which cannot be renewed, extended or modified.

The pre-qualified vendors will form a pool and be invited to compete and quote a price for each purchase identified by the user department. When an order is identified, the user department will solicit price quotations from all vendors. Award will be made to the low responsive, responsible bidder. There is no guarantee that a pre-qualified vendor will be awarded a purchase order.

Bid packages were solicited from the vendors on the current contract as well as several other registered County vendors under the appropriate commodity code. Five vendors have been pre-qualified. Four are incumbents. Additional vendors who meet the minimum qualifications of the bid documents and the County's administrative requirements may be added to this pool.

Proceeds from the Charter County Transit System Sales Surtax levied pursuant to Section 29.121 of the Code of Miami-Dade County may be used to pay for part of the costs of this contract for Metro-Dade Transit only.

**SECTION #4**  
**EMERGENCY PURCHASES**

None

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**SECTION # 5**  
**NON COMPETITIVE CONTRACT MODIFICATIONS**

**5.1**

**BID NUMBER:** BW7060-0/05

Title: Golf Course Management Software and Licenses

<u>Department(s):</u>	<u>Existing Allocation(s):</u>	<u>Additional Allocation(s):</u>	<u>Modified Allocation(s):</u>
Parks & Recreation	\$99,457.42	\$20,000.00	\$119,457.42

Unallocated Funds:	\$ -0-	\$ -0-	\$ -0-
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Existing Vendor(s): Fairway Systems, Inc.

Type of Change: Increase in spending authority

Existing Allocation: \$ 99,457.42

Increase By: \$ 20,000.00

Modified Allocation: \$119,457.42

Current Expiration: April 30, 2005

Modified Expiration: Same

Reason for Change: Authorization is requested for additional spending authority under this bid waiver contract to allow the Miami-Dade Park & Recreation Department to purchase software, required licenses and technical support to operate existing retail workstations as well as additional stations added to the Palmetto Golf Course and the newly re-opened Crandon Park at Key Biscayne.

The goods and services that the Park and Recreation Department acquire from Fairway Systems, Inc. consist of an Oracle based software package, user licenses and software support to operate the Touch Screen Point-of-Sale (POS) retail stations that are installed. This software processes golf reservations, includes an Internet feature for e-Gov bundled with inventory, and facilitates purchase and report writing functions.

The existing system has performed well since its installation in May of 2002, and serves the department's

needs while meeting approved objectives for standardization of several golf courses managed by the County. The Country Club of Miami as the County assumed operational responsibility for that facility in October 2003.

While there are other software providers, changing vendors would not be a practical approach as it would involve new installation and training at all locations where this package is already in use. This would result in a much larger expenditure for the County.

In the performance of the market research, originally conducted by Park and Recreation, staff found that other systems are available; however, Fairway Systems, Inc. was selected as the only one meeting County's software application requirements and operating standards.

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**SECTION # 6**  
**CONFIRMATION PURCHASES**

None

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