

# Memorandum



**Date:** September 14, 2005

**COSHAC  
Supplement to  
Agenda Item No. 1(D)1**

**To:** Honorable Commissioner Rebeca Sosa  
Chairperson, Community Outreach, Safety and Healthcare  
Administration Committee

**From:** Hugo Benitez  
Assistant County Attorney

A handwritten signature in black ink, appearing to read "H. Benitez", written over the printed name of the sender.

**Subject:** Contract No. 317 Between Miami-Dade County and Printrak, a wholly owned subsidiary of Motorola, Approved by Resolution R-1491-02 Adopted December 17, 2002

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At the request of this Committee, my office prepared a review of the situation relating to the referenced contract (the "Contract"). For this purpose, we reviewed the contract and numerous supplements, and met with the County's contract administrator and procurement officer in charge.

## CONTRACT

The Contract was awarded on December 17, 2002 as a result of an RFP process (R-1491-01). The Contract provided for a complete turnkey system for Computer Aided Dispatch ("CAD") of services, including emergency services. Article 8. The contract amount was 12.9 million dollars (Article 9), exclusive of maintenance. Maintenance was for an additional \$300,000 per year for the base system which could be increased up to 1.1 million dollars per year based on the options exercised. Payment under the contract was to be against completion of specified deliverables. Among system deliverables were a "live-cut" date (system becomes operational for use) and a system acceptance date following satisfactory completion of agreed upon acceptance testing. The County was entitled to withhold payment until completion of the milestones, and to deduct liquidated damages in the amount of \$550 per day, up to a maximum of \$75,000, for delay in achieving critical milestones. Article 14.

As typical in software contracts, the agreement is subject to the terms of a software license which contains limitations on the contractor's liability. The vendor's liability is limited to direct damages in the total amount of the contract, specifically excluding indirect and consequential damages. Exhibit D – Software License Agreement. The vendor's performance is guaranteed by a performance bond in the amount of the initial purchase price.

## CONTRACT PERFORMANCE

During the period of performance, numerous Supplemental Agreements were executed. The Contract specifically authorizes Supplemental Agreements for additional services which become necessary to implement or enhance the Project. Article 26. The Supplemental Agreements executed through date, 23 in total, have increased the contract amount by approximately \$2.6 million, issued under the Manager's authority to approve changes not exceeding 20% of the contract amount. Administrative Order 3-38. Among other enhancements, the supplements added 3-1-1 services.

Of particular significance are Supplemental Agreements 22 and 23. Supplemental Agreement 22 provided a more detailed implementation plan and milestone schedule for the CAD reflective of the information gathered by both parties during the process of implementation. Supplemental Agreement 22 also provided additional contractor concessions in exchange for a contract extension. Supplemental Agreement 23, approved by the Board of County Commissioners, extended the date of the contract from May 7, 2005 through December 31, 2005, the time now identified as necessary to bring the project to completion. These supplements also extended the critical "live-cut" date for the CAD system through May 16, 2005.

The Contractor failed to meet the "live-cut" date for the CAD systems. On May 16<sup>th</sup>, the County commenced imposing the contractually stipulated liquidated damage assessment. The contractor was given notice of the assessment by letter dated May 18, 2005.

I have been informed that the System went live on August 23, 2005 halting the accrual of liquidated damages. Upon inquiry, neither the project manager nor the Department of Procurement Management have identified any other issue of contractor non-compliance.

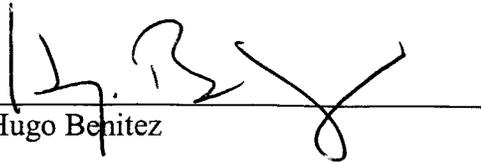
## ANALYSIS

The following is our general assessment of the status of this contract:

1. The contract was duly authorized and executed.
2. The negotiated contract contains safeguards which meet or exceed typical computer purchase contracts.
3. The Supplemental Agreements were duly extended by the specific persons delegated under the contract. The Supplemental Agreements have been identified as supplementing or enhancing the overall project.
4. The initial expenditures under the contract were approved by the Board. Additional expenditures have been made by the Manager's staff pursuant to the authority delegated under Administrative Order.
5. The time extensions under the contract have been duly adopted pursuant to the contract terms and, where required, approved by the Board of County Commissioners.
6. Contractual delays have been addressed through stipulated liquidated damages.

7. Neither Project Manager nor Procurement Management have identified any instance of contractor non-performance or default.

Please let us know if we may provide you with any further assistance in this regard.



Hugo Benitez

HB/es

cc: COSHA Members:  
Honorable Javier Soto, Vice Chair  
Honorable Barbara Carey-Shuler  
Honorable, Barbara Jordan  
Honorable, Bruno A. Barreiro  
Honorable, Natacha Seijas  
Daron Fitch, Assistant County Attorney  
Susie Torriente, Assistant County Manager