

Date: December 18, 2007

To: Honorable Chairman Bruno A. Barreiro,
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution Rejecting all bids received for the Operation of Public Parking Facilities at Miami International Airport, RFP No. MDAD-02-06

Agenda Item No. 8(A)(1)(A)

RECOMMENDATION

It is recommended that the Board approve the rejection of the four (4) proposals received in response to a Request for Proposal ("RFP") No. MDAD-02-06, for the Non-Exclusive Operation of Public Parking Facilities at Miami International Airport ("MIA"), and waive the requirements of Code of Miami-Dade County Sections 2-8.3 and 2-8.4 pertaining to bid protests.

SCOPE

The services to be performed will be located within Commission District 6; however, the impact of this agenda item is countywide in nature as Miami International Airport is a regional asset.

FISCAL IMPACT/FUNDING SOURCE

This project is currently a management agreement that generates revenue for the Miami-Dade Aviation Department ("MDAD") with reimbursable and operating expenses paid by MDAD. Based on fiscal year ("FY") 2007-08, the proposed recommendation to operate the public parking facilities using County and temporary employees will result in a projected annual savings to the County of \$383,400. This savings is comprised of an annual management fee of \$72,000 paid to the current provider and \$311,400 in combined insurance coverage.

TRACK RECORD/MONITOR

The current provider, Airport Parking Associates ("APA"), has been providing this service at MIA since 1997. Based upon anonymous allegations received by MDAD near the conclusion of the solicitation process, an investigation was requested by MDAD in March 2007 of the Office of the Inspector General ("OIG") to review possible overpayments by the County to APA. The OIG review, which was limited to only FYs 2004-2006, found that the County had overpaid APA for 401(k) plan contributions, and workers' compensation premiums.

MDAD Commercial Operations Division Director Patricia Ryan manages the parking operation at MIA (as of February 1, 2007).

BACKGROUND

RFP No. MDAD-02-06, for Operation of Public Parking Facilities at MIA was advertised on September 19, 2006. Responses were received from the following:

- Airport Parking Associates
- Standard Parking/AAA Parking
- Ampco System Parking
- Five Star Parking

The Evaluation/Selection Committee met and reviewed proposals submitted by the four (4) proposers, and heard presentations from the submitting firms. The Evaluation/Selection Committee recommended negotiations with the highest-ranked firm, which was APA.

The Negotiation Committee successfully completed negotiations with APA on December 22, 2006. On May 10, 2007, the OIG issued preliminary findings and identified potential problems with the draft

agreement. MDAD addressed those specific areas and submitted revisions to the OIG for a final review on June 6, 2007. On June 12, 2007, the OIG agreed through a publicly advertised meeting with the revisions, and the Negotiation Committee reviewed and approved the agreement.

The Negotiation Committee met with APA through a publicly advertised meeting on June 25, 2007, to discuss the revisions. The Negotiation Committee and APA agreed to address some areas while adhering to the OIG's recommendations.

On July 19, 2007, the Airport & Tourism Committee ("ATC") recommended the agreement to the Board with the condition that the OIG finalize its investigations and produce a final report. As a result of the impending expiration of the second amendment to the agreement on September 29, 2007, the Board deferred the item, and approved a third amendment which extended the current agreement on a month-to-month basis for a maximum term of three (3) months, subject to the same terms and conditions of the agreement, to allow the OIG sufficient time to finalize its investigation. Upon concluding its investigation of APA, the OIG report suggests that APA had overcharged the County for certain reimbursable expenses. In the ensuing dialogue between the County and APA, APA declined to reimburse the Department for all monies owed or subsequently found to be owed, as indicated in a letter to MDAD dated November 20, 2007. APA verbally offered to reimburse the County \$100,000 for the overcharges identified in the OIG report and associated with the 401K; however, APA declined reimbursement for any other amounts identified through a subsequent audit(s). As a result, the County decided to explore alternatives.

MDAD determined that parking garages at other airports are often operated in-house through management agreements. During due diligence, staff noted that an operating model similar to that of the City of Miami Beach would offer more flexibility and be less expensive than utilizing all County staff. As functions such as SunPass and contact-less credit cards automate the payment process, fewer staff will be required to operate the parking facilities. MDAD concluded that the public parking facilities can be managed in-house. Therefore MDAD has developed a plan to operate the public parking facilities via County and temporary employees effective January 1, 2008 since the current contract with APA expires December 31, 2007. As the City of Miami Beach program hired employees with prior private-industry experience to run their respective in-house programs, MDAD proposes to follow that model and hire four (4) of the existing management staff situated on-property to provide requisite hands-on industry expertise.

This decision was analyzed in a comparison of the costs to operate and manage the vehicle parking facilities at MIA. The three comparisons include: APA; MDAD using all County personnel; and MDAD oversight (by four County employees) of line staff supplied by a Temporary Employee agency (which would later be replaced, through a competitive process, by another entity to supply such employees). In short the highest cost model is MDAD (\$4.38 million) using all County employees, followed by APA (\$4.13 million), and the lowest cost being that of MDAD oversight of line staff provided by a third party (\$4.07 million).

This staff will be required permanently to run the day-to-day operations. The hourly employees will be contracted via a temporary personnel agency utilizing existing County contracts, with the proviso that the current employees be offered positions first. The temporary agency will operate until a new solicitation is prepared, issued and awarded to a company that will provide hourly employees at a fixed hourly rate as necessary to run the parking operations- also overseen by the newly hired management staff. After MDAD operates the parking garages for approximately 18 months, the results will be evaluated regarding complaints, revenues, etc., as compared to the previous management agreement with such report provided to the ATC.

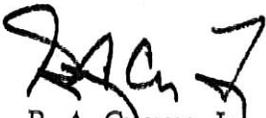

Assistant County Manager



MEMORANDUM
(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: December 18, 2007

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(A)(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.8(A)(1)(A)
12-18-07

RESOLUTION NO. _____

RESOLUTION AUTHORIZING REJECTION OF ALL
BIDS RECEIVED UNDER REQUEST FOR
PROPOSALS MDAD-02-06; AND WAIVER OF
ADMINISTRATIVE ORDER 3-21 PERTAINING TO
BID PROTEST PROCEDURES

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 the Board authorizes: (i) rejection of all bids received in response to Request of Proposal No. MDAD-02-06 for the Non-Exclusive Operation of Public Parking Facilities at Miami International Airport; and (ii) waiver of Administrative Order No. 3-21 pertaining to bid protest procedures.

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:

Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 18th day of December, 2007. 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

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.
David Stephen Hope

DSH