Memorandum

MIAMI-DADE COUNTY

Date:	May 5, 2009
To:	Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners
From:	George M. Burgess County Manager
Subject:	Supplement No. 2 to Contract Award Recommendation for Electronic Monitoring Devices and Related Services Contract No. RFP647

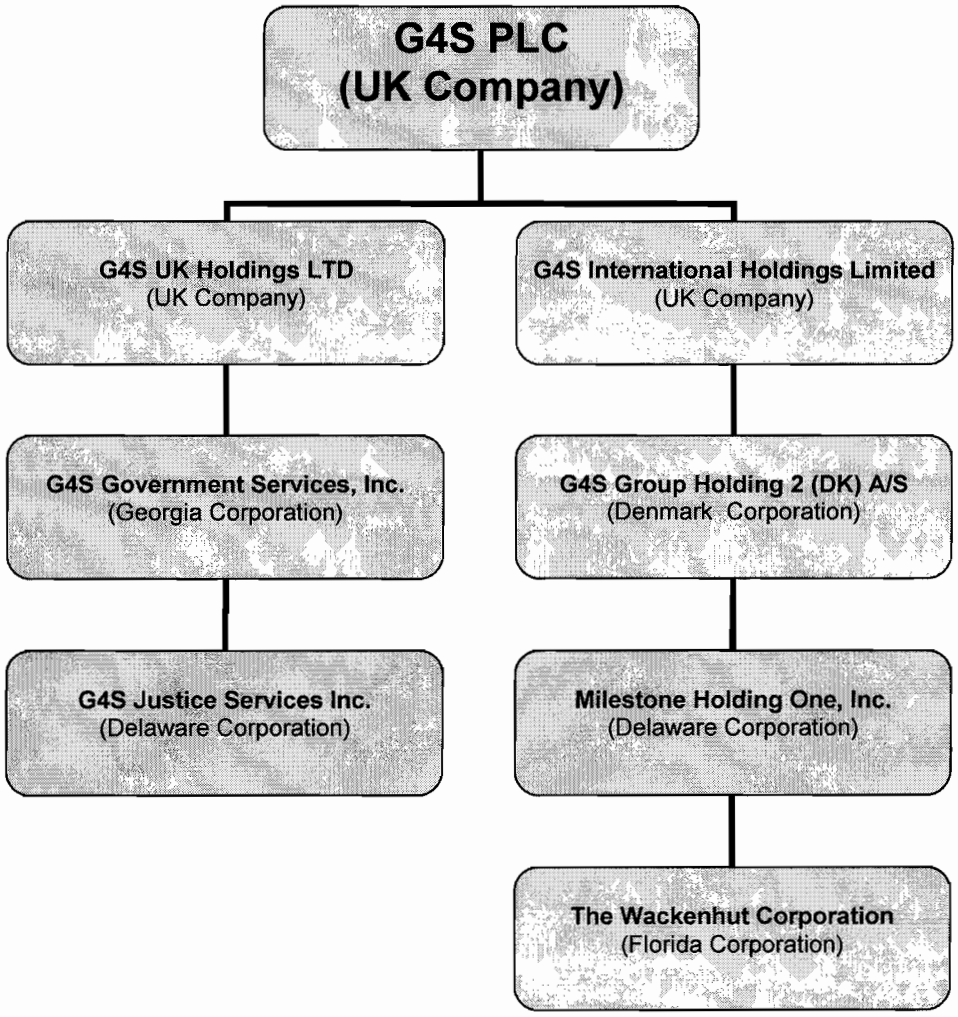
Supplement #2 to Agenda Item No. 801E

Following receipt and review of the Hearing Officer's Report in regard to the protest proceedings for the referenced contract, the County reviewed the affiliation of the G4S Justice Services, Inc., the recommended vendor, to The Wackenhut Corporation (TWC). This additional review identified that G4S Justice Services, Inc.'s parent company G4S PLC, a company based in the United Kingdom (UK), is also the ultimate parent company of TWC, along with numerous other independently managed and operated companies.

G4S Justice Services, Inc. and TWC would be defined as affiliated corporations per the County's Debarment Policy under Section 10-38 of the Miami-Dade County Code, "Debarment of Contractors from County Work". After careful review of the corporate structure, directors, and managing parties of both firms and their parent company, one common affiliation was identified. The President of TWC, Mr. Graham Gibson, also serves as the Chief Operating Officer on the executive Board of Directors for G4S PLC. He is not a director or officer of G4S Justice Services Inc. or the company it reports through, G4S Government Services Inc.

As communicated in my memo dated April 10, 2009 to the Chairman and Members of the Board, the County will be pursuing debarment of TWC based on the results of audit findings by the Audit and Management Services (AMS) Department involving the current Transit Security contract. I do not intend to include G4S PLC, the parent company, or its other affiliates in the debarment action.

After careful review of the corporate structure, it is recommended that the Board proceed with award of the referenced contract to G4S Justice Services, Inc. It is further recommended, that G4S Justice Services, Inc be exempted as a party to any debarment proceedings being pursued against TWC as a result of the identified affiliation. This recommendation is based on the separate immediate reporting structure that oversees the daily operations of the firm. Further, the corporate reporting structure of ownership for G4S Justice Services, Inc. and TWC has been established through separate holding companies and there are no common directors (see chart below). The day to day operations are maintained through distinct management structures. We have no knowledge of any involvement by G4S Justice Services, Inc. or G4S PLC, its ultimate parent company, in the overbilling activities of TWC that were detected in the AMS audit. Should the County identify any new information that would demonstrate any such linkage, we will advise the Board.



Assistant County Manager