

Memorandum



Date: June 30, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 8(0)(1)(G)

From: George M. Burgess
County Manager

Subject: Resolution Requesting Authority to Exercise Option-to-Renew Periods Under Existing Competitively Bid Contracts that Would Bring the Cumulative Contract Value to More than \$1 Million

Recommendation

It is recommended that the Board of County Commissioners delegate to the County Mayor or County Mayor's designee the authority to exercise, in his discretion, the Options-to-Renew (OTRs) set forth in this item. Ordinance #07-139 provides for committee review exemption. ***Contract amounts and department allocations represent the maximum spending authority based on estimated past usage. This action does not guarantee that the total contract amount/value will be expended by County departments and/or agencies.***

Scope

The impact of the item in the accompanying OTR package is countywide in nature.

Fiscal Impact/Funding Source

Funding will be expended only if departmental budgets can support the expenditures approved in their Resource Allocation Plan adopted annually by the Board.

Track Record/Monitor

There are no known performance issues with the vendor recommended for award in the accompanying agenda item. The departments' contract manager is reflected in the accompanying agenda item.

Delegated Authority

If this item is approved, the County Mayor or County Mayor's designee will have the authority to exercise OTRs in accordance with the terms and conditions of the contract listed in the accompanying package.

Background

The competitively bid contract listed in this item requires approval to exercise OTRs contained in the contract that would, if exercised, bring the cumulative value of the contract over \$1 million. This contract was awarded under the County Mayor or County Mayor's designee's delegated authority (\$1 million for competitive procurements) pursuant to Section 2-8.1(b) of the County Code and the Master Procurement Administrative Order, A.O. 3-38.

On August 11, 2008, the Board was informed that, prospectively, Board approval would be sought when awarding contracts exceeding \$1 million in value if the OTRs are exercised. The contract listed in the package was awarded prior to that date.

Prior to exercising any Options-to-Renew (OTR) periods, market research is conducted to ensure that continuing to purchase from the awarded vendor is in the best interest of the County. Market research includes competitive factors such as pricing, quality, product features, technology, and lead time. It may also include commercial factors such as environmental issues, other governmental entity practices, industry trends, support and capabilities. The OTRs for each contract in this package will be executed if determined to be in the best interest of the County.

Item No. 1: Odor Control Chemicals seeks authority to exercise the two remaining OTR periods for a contract to provide odor control chemicals for the Solid Waste Management and Miami-Dade Water and Sewer departments. The amount being requested for the two remaining option terms is **\$870,000**.


Assistant County Manager



MEMORANDUM
(Revised)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: June 30, 2009

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

SUBJECT: Agenda Item No. 8(O) (1) (G)

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 Mayor'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(O)(1)(G)
6-30-09

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE COUNTY MAYOR
OR COUNTY MAYOR'S DESIGNEE TO EXERCISE
OPTION-TO-RENEW PERIODS FOR A
COMPETITIVELY BID CONTRACT AWARDED
UNDER THE COUNTY MAYOR OR COUNTY
MAYOR DESIGNEE'S DELEGATED AUTHORITY

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 delegates to the County Mayor or the County Mayor's designee the authority to exercise, in his discretion, the options-to-renew set forth in this item when in the best interest of Miami-Dade County; and the Board further authorizes the County Mayor or County Mayor's designee to execute any and all documents necessary to give effect to those renewals.

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:

Dennis C. Moss, Chairman

Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro

Carlos A. Gimenez

Barbara J. Jordan

Dorrin D. Rolle

Katy Sorenson

Sen. Javier D. Souto

Audrey M. Edmonson

Sally A. Heyman

Joe A. Martinez

Natacha Seijas

Rebeca Sosa

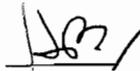
The Chairperson thereupon declared the resolution duly passed and adopted this 30th day of June, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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.



Hugo Benitez

Item No. 1

Contract No.: 1067-4/11-2

Contract Title: **Odor Control Chemicals**

Description: It is recommended that the Board authorize the County Mayor or County Mayor's designee, to exercise the two remaining Option-to-Renew (OTR) terms for a contract to provide odor control chemicals for the Solid Waste Management and Miami-Dade Water and Sewer departments. This contract is in its second OTR period which expires on October 31, 2009.

This contract was awarded on October 10, 2006 for a one-year term with four, one-year OTRS. On July 1, 2008 the Board authorized the approval of the second OTR period which brought the cumulative value of the contract over \$1 million.

Initial Contract Term and Usage:	November 1, 2006 to October 31, 2007	\$ 435,000
First OTR and Usage:	November 1, 2007 to October 31, 2008	\$ 435,000
Second OTR and Usage:	November 1, 2008 to October 31, 2009	\$ 435,000
Third OTR and Estimated Usage:	November 1, 2009 to October 31, 2010	\$ 435,000
Fourth OTR and Estimated Usage:	November 1, 2010 to October 31, 2011	<u>\$ 435,000</u>
Cumulative Value:		\$2,175,000

Contract Measure: Small Business Enterprise Bid Preference

Review Committee Date: March 29, 2006; Item #6-08

Local Preference: Applied in accordance with the Local Preference Ordinance.

Living Wage: The Living Wage Ordinance does not apply.

User Access Program: This contract includes the User Access Program provision. The 2% program discount is being collected on all purchases.

Vendor:	Address	Principal
•Total Connection, Inc. (Local vendor)	20451 N.W. 2 nd Avenue #120 Miami, FL 33169	Joseph Orukotan

Performance Data: There are no performance issues with this firm.

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Compliance Data:

There are no compliance issues with this firm.

Contract Managers:

Herman Ramsey, Department of Procurement Management

Lydia Manners, Miami-Dade Water and Sewer Department

Ermine Brookes, Department of Solid Waste Management

JUSTIFICATION

This contract is utilized by the Solid Waste Management and Miami-Dade Water and Sewer departments to purchase odor control chemicals to curtail strong odors. Current market research indicates that current market pricing (\$8.17 - \$12.70 per gallon) is higher than the current contract price (\$6.99 per gallon). The contract allows a price adjustment based on the manufacturer increase. The awarded vendor has not asked for a price increase for the next option term, therefore, it is in the best interest of the County to exercise the third option-to-renew.
