

Memorandum



Date: February 18, 2010

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

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

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of the 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. All the contracts in this package were 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: Frozen Juices seeks authority to exercise the final OTR period for purchase of frozen juices for the Corrections and Rehabilitation and Human Services departments. The amount being requested for the final option term is **\$233,000**.

Item No. 2: Police Solo Motorcycles seeks authority to exercise the second OTR period for purchase of motorcycles for the Miami-Dade Police Department. The amount being requested for the second option term is **\$460,000**.


Assistant County Manager



MEMORANDUM
(Revised)

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

DATE: February 18, 2010

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

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

Please note any items checked.

- "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
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Item 1

Contract No.: 1227-4/11-3

Contract Title: Frozen Juices

Description: It is recommended that the Board authorize the County Mayor or County Mayor's designee to exercise the remaining Option-to-Renew (OTR) period for frozen juices for the Miami-Dade Corrections and Rehabilitation and Human Services departments. The contract is in the third OTR period which expires on March 31, 2010. Exercising the remaining OTR will bring the cumulative value of the contract over \$1 million.

Initial Contract Term and

Usage:	April 1, 2006 – March 31, 2007	\$ 119,000
First OTR and Usage:	April 1, 2007 – March 31, 2008	\$ 216,000
Second OTR and Usage:	April 1, 2008 – March 31, 2009	\$ 223,000
Third OTR and Usage:	April 1, 2009 – March 31, 2010	\$ 234,000
Fourth OTR and Estimated Usage:	April 1, 2010 – March 31, 2011	<u>\$ 233,000</u>
Cumulative Value:		\$1,023,000

Term	Department	Allocation at Start of Term	Amount of Change	Type of Change
Initial Term	Corrections and Rehabilitation Department	\$116,000	\$ 3,000	Increase
First OTR	Corrections and Rehabilitation Department	\$116,000	\$99,000	Increase
Second OTR	Corrections and Rehabilitation and Human Services Departments	\$216,000	\$ 7,000	Increase (CPI Adjustment)
Third OTR	Corrections and Rehabilitation and Human Services Departments	\$223,000	\$11,000	Increase (CPI Adjustment)
Fourth OTR	Corrections and Rehabilitation and Human Services Departments	\$233,000	(\$1,000)	Decrease (CPI Adjustment)

Using/Managing Departments and Funding Sources:

Departments	Allocation	Funding Sources	Contract Managers
Corrections and Rehabilitation	\$226,000	General Fund	Debra Graham

Human Services \$ 7,000 General Fund/ State Funds/ Gale Aldrich
Federal Funds

Total: **\$233,000**

Vendors:	Address	Principal
Pierson Distributors Inc	1145 Belle Meade Island Drive Miami, FL 33138	Ronald Pierson

Performance Data: There are no performance issues with the awarded firm.

Compliance Data: There are no compliance issues with the awarded firm.

Contract Measure: The Small Business Enterprise Bid Preference was applied in accordance with the Ordinance where permitted by funding source.

Review Committee Date: December 28, 2005; Item #5-05

Local Preference: Applied in accordance with the Ordinance where permitted by funding source.

Living Wage: The services being provided are not covered under the Living Wage Ordinance

User Access Program: The User Access Program provision will apply. The 2% program discount is being collected on all purchases where permitted by the funding source.

DPM Contract Manager: Beverly Myers-Thomas

JUSTIFICATION

This contract is for the purchase of various frozen juices for the Miami-Dade Corrections and Rehabilitation and Human Services departments. Market research shows the County's contract pricing is 16% lower than current market prices. It is therefore in the best interest of the County to exercise the remaining option-to-renew period.

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Item 2

Contract No.: 5206-5/14-1

Contract Title: Police Solo Motorcycles

Description: It is recommended that the Board authorize the County Mayor or the County Mayor's designee to exercise the second Option-to-Renew (OTR) for the purchase of police motorcycles for the Miami-Dade Police Department. The contract is in its first OTR period which expires on April 30, 2010. Exercising the second OTR will bring the cumulative value over \$1 million.

Initial Contract Term and

Usage:	May 1, 2005 – April 30, 2009	\$ 460,000
First OTR and Usage:	May 1, 2009 – April 30, 2010	\$ 460,000
Second OTR and Estimated Usage:	May 1, 2010 – April 30, 2011	<u>\$ 460,000</u>
Cumulative Value:		\$1,380,000

Using/Managing Department and Funding Source:

Department	Allocation	Funding Source	Contract Manager
General Services Administration	<u>\$460,000</u>	Internal Service Fund	Martin Dareff
Total:	\$460,000		

Vendor:	Address	Principal
Peterson's Harley-Davidson of Miami (Local vendor)	19400 NW Second Avenue Miami, FL 33169	Dirk M. Peterson

Performance Data: There are no performance issues with the awarded firm.

Compliance Data: There are no compliance issues with the awarded firm.

Contract Measure: The Small Business Enterprise Bid Preference was applied in accordance with the Ordinance where permitted by funding source.

Review Committee Date: September 12, 2007; Item #6-02

Local Preference: Applied in accordance with the Ordinance where permitted by funding source.

Living Wage: The services being provided are not covered under the Living Wage Ordinance.

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User Access Program: The User Access Program provision will apply. The 2% program discount is being collected on all purchases where permitted by the funding source.

DPM Contract Manager: Km! Ra

JUSTIFICATION

This contract is for purchase of police motorcycles for the Miami-Dade Police Department (MDPD). This contract contains a Guaranteed "Buy-Back" Clause, which requires the vendor to buy back the used motorcycles from the County. The County has the discretion to exercise this right anytime during the 45,000 – 60,000 mile period of the motorcycles. The average "Buy-Back" price is established at \$8,000. The base price for a motorcycle is \$17,000. This compares favorably with the Florida Sheriff's Association contract where the base price for a similar motorcycle is \$15,000, with no buy-back guarantee. It is therefore in the best interest of the County to exercise the second OTR period to allow purchase of motorcycles for MDPD.

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Approved _____ Mayor

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

Veto _____

2-18-10

Override _____

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR’S DESIGNEE TO EXERCISE OPTION-TO-RENEW PERIODS FOR COMPETITIVE CONTRACTS AWARDED UNDER THE COUNTY MAYOR OR THE COUNTY MAYOR DESIGNEE’S DELEGATED AUTHORITY FOR THE PURCHASE OF GOODS AND SERVICES

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 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 the 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 | Audrey M. Edmonson |
| Carlos A. Gimenez | Sally A. Heyman |
| Barbara J. Jordan | Joe A. Martinez |
| 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 February, 2010. 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.



Oren Rosenthal