

Memorandum



Date: June 15, 2010

Agenda Item No:
Supplement to
14(A)15

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

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

Subject: Supplemental to Contract Award Recommendation in the Amount of \$1,155,000.00
Between Budget Construction Co., Inc. and Miami-Dade County for the People's
Transportation Plan (PTP) Project Entitled Intersection Improvement Contract (**Project**
– CICC 7360-0/08 Request for Price Quotation (RPQ) No. 20090106)

At its October 14, 2009 meeting, the Transportation Infrastructure and Roads Committee (TIRC) made a motion to reject the subject Contract Award Recommendation based on concerns over Budget Construction Co., Inc.'s (Budget) compliance with CSBE requirements. Because Board rules do not provide for rejection of contracts at the committee level, this action resulted in a tabling of the item rather than a rejection. It is requested that final action be taken on the disposition of this Contract Award Recommendation through one of the available committee actions.

The Department of Small Business Development (SBD) has been working with the contractor to address the existing violations and goal deficit. SBD has advised the Public Works Department (PWD), that it has reviewed the contractor's use of CSBEs on Project #40070103006, and has revised the goal deficit. The contractor's goal make-up deficit of \$993,891 has been reduced by \$74,744, so that the outstanding goal deficit to be made up is \$919,147. Budget has agreed to provide CSBE participation in the amount of \$349,225 as part of their Goal Deficit Make up Plan for this contract. This is in addition to the 10% CSBE requirement already included in the contract, meaning Budget is to provide approximately 45% of the contract to CSBEs. As articulated at the October 14, 2009 meeting, this contract is a work order based open contract. The Public Works Department (PWD) anticipates that this structure will allow monitoring of the contractor's performance with each work order, limiting the County's risk and financial commitment.

This structure is in contrast to another project where Budget Construction was also the lowest apparent bidder -the Venetian Causeway Streetscape Improvements (Project No: 20060171 ESP). The company was not recommended for that project due to its complex nature and subsequently filed a bid protest in January 2010. Budget Construction has since worked cooperatively with the County in withdrawing its lowest bid because of the acknowledged complexity of that project.

In accordance with the most recent compliance legislation adopted by the Board and sponsored by Commissioner Rolle amending Section 10-33.02 of the Miami-Dade County Code, the Contractor is being given the opportunity to make up their outstanding goal deficit and should it fail to comply with any of the material terms of this Make-up plan, without good cause, it shall be subject to an automatic suspension from bidding and/or otherwise participating on County contracts as a prime or subcontractor for a six (6) month period. As such and in following all established County rules and procedures, I maintain my recommendation that Budget be awarded the subject contract.

A handwritten signature in black ink, appearing to read "Wesley Short", written over the printed name of the Assistant County Manager.

Assistant County Manager