

# Memorandum



**Date:** January 22, 2014

**To:** Honorable Chairwoman Rebeca Sosa  
and Members, Board of County Commissioners

**From:** Carlos A. Gimenez  
County Mayor 

**Subject:** Recommendation to Increase the Spending Authority for the Non-Exclusive Telecommunications and Network Services Agreement with Norstan Communications, Inc. d/b/a Black Box Network Services, by \$6,000,000.00, to the total amount of \$43,772,379.00

Agenda Item No. 8(A)(3)

## RECOMMENDATION

It is recommended that the Miami-Dade Board of County Commissioners (Board) approve the contract modification to the Non-Exclusive Telecommunications and Network Services Agreement with Norstan Communications, Inc. d/b/a Black Box Network Services by \$6,000,000.00, to the total amount of \$43,772,379.00.

## SCOPE

Miami International Airport (MIA) is located primarily within Chairwoman Rebeca Sosa's District Six; however, the impact of this agenda item is countywide in nature as MIA is a regional asset.

## DELEGATED AUTHORITY

In accordance with the Code of Miami-Dade County, Section 2-8.3 related to identifying delegation of Board authority, contained within the Agreement, the Aviation Director or designee has the authority to terminate the Agreement and to exercise all rights and privileges granted to the County.

## FISCAL IMPACT/FUNDING SOURCE

The funding source of the additional requested \$6,000,000.00 allocation is the Miami-Dade Aviation Department (MDAD) operating budget and other funds allocated to construction projects supported by Black Box.

## TRACK RECORD/MONITOR

Black Box has performed above satisfactorily as the current contractor under the Agreement. MDAD Chief of Telecommunications Pedro Garcia monitors this agreement.

## BACKGROUND

This contract with Black Box provides for the operations, management, maintenance, service, support and equipment, and supplies of certain telecommunications and data network infrastructure, hardware and software systems for Miami-Dade Aviation Department.

On October 6, 2009, the Board awarded the Agreement to Black Box with a total allocation of \$37,772,379.00 from a requested \$50,000,000.00. There are two types of expenses covered by this contract: fixed and variable. The fixed expenses are the management fee and the third-party maintenance support estimated at \$34,530,710.00. The remaining \$3,241,669.00 was dedicated to miscellaneous project work, which is a combination of a projected amount based on prior year's history and unanticipated potential project expenditures.

Based on projected historical variable expenditures and anticipated fixed expenditure rates for the Agreement, the total approved expenditure level of \$37,772,379.00 will be exhausted by July 2014.

Using this same analysis, it is anticipated that an additional \$6,000,000.00 will be needed to fund the remaining contract term, inclusive of renewal options.

A portion of the expenditures against the present contract allocation has been in support of the North Terminal Development and other projects listed below. Although these projects were contemplated at the time of initial award to Black Box, the amount of involvement by Black Box, if any, was not known. Work performed by Black Box was completed more cost-effectively and expediently than if it had been procured independently for each project below or through their larger construction contracts.

PROJECTS

Miami-Dade Expressway Authority Central Blvd.

MDAD Fiber Optic Back Bone Upgrade

MIA Rental Car Center (RCC)

MIA Mover

MIA North Terminal Regional Commuter Facility

TSA CTX Baggage Screening machines

Central Collection Plaza

MIA CATV Upgrade

WORK PERFORMED

Rerouted critical network services in order to demolish the Perimeter Road bridge.

Added fiber optic capacity for critical network services.

Installed network infrastructure to support Wireless, Flight Information Displays, telephone, and life safety systems.

Provided fiber optic connectivity from the MIA Terminal to the RCC to support communications and life safety systems at the RCC.

Installed communications infrastructure to provide network connectivity to airlines and tenants.

Installed communications infrastructure to support the CTX explosive detection devices.

Installed dynamic signs and network infrastructure to support the expanded central collection plaza.

Upgraded the Cable Television system to include HD digital programming for the concessionaires and tenants at MIA.

The increased allocation will assure sufficient funding for this Agreement to continue operations at MIA and the other County airports until the expiration of the contract in 2015. Furthermore, the additional funds will provide MDAD with the necessary contingency for delay, if needed, to procure and award a new contract.

**PROJECT:** Non-Exclusive Telecommunications and Network Services Agreement  
**PROJECT NO.** RFP No. MDAD-08-06  
**USING AGENCY:** Miami-Dade Aviation Department  
**COMPANY NAME:** Norstan Communications, Inc. d/b/a Black Box Network Services  
**COMPANY PRINCIPAL(S):** Michael McAndrew, President  
Timothy C. Huffmyer, Vice President  
**LOCATION OF COMPANY:** 5050 Lincoln Drive, Suite 300

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Minneapolis, MN 55436

**GENDER/ETHNICITY:** Black Box Corporation is publicly traded (NASDAQ: BBOX)

**YEARS IN BUSINESS:** Thirty-nine (39) years

**PREVIOUS AGREEMENTS WITH THE COUNTY WITHIN THE PAST FIVE (5) YEARS:** Existing agreement

**TERM:** Five (5) years

**OPTION(S) TO RENEW:** Two (2) years, in one (1) year increments

**ORIGINAL AGREEMENT AMOUNT:** \$37,772,379.00

**RECOMMENDED MODIFICATION:** Increase the Agreement amount by \$6,000,000.00

**ADJUSTED AGREEMENT AMOUNT:** \$43,772,379.00 (including Inspector General Account)

**PERCENT CHANGE THIS MODIFICATION:** 16.00%

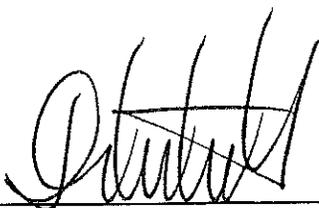
**CONTRACT MEASURES:** Community Small Business Enterprise (CSBE) eight percent (8%)

**CONTRACT MEASURE ACHIEVED AT AWARD:** CSBE Eight percent (8%) (\$3,021,790.32)  
Subcontractor: Ruben Electric Technology, Inc.

**CWP WORKFORCE GOAL:** For work performed at MIA - 29% (11 employees)  
For work performed at Opa-locka - 45% (17 employees)  
For work performed at other MDAD facilities the CWP goal will be determined in accordance with Administrative Order No. 3-37

**CONTRACT MEASURES ACHIEVED TO DATE:** The Agreement is seventy-six percent (76%) complete and eleven percent (11%) of the CSBE goal has been achieved through July 2013. Black Box has paid the CSBE subcontractor \$3,062,589.00 to date.

CWP has not applied, as all projects were work-order driven not exceeding 30 days. In order to place CWP goals on projects, they must exceed 30 days and \$250,000.00.



Jack Osterholt, Deputy Mayor



**MEMORANDUM**  
(Revised)

**TO:** Honorable Chairwoman Rebeca Sosa  
and Members, Board of County Commissioners

**DATE:** January 22, 2014

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

**SUBJECT:** Agenda Item No. 8(A)(3)

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 Mayor'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

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(A)(3)  
1-22-14

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING \$6,000,000 INCREASE TO SPENDING AUTHORITY FOR THE NON-EXCLUSIVE TELECOMMUNICATIONS AND NETWORK SERVICES AGREEMENT BETWEEN MIAMI-DADE COUNTY AND NORSTAN COMMUNICATIONS, INC. D/B/A BLACK BOX NETWORK SERVICES FOR MIAMI-DADE AVIATION DEPARTMENT, RFP NO. MDAD-08-06

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board authorizes an increase of \$6,000,000 to the spending authority for the Non-Exclusive Telecommunications and Network Services Agreement with Norstan Communications, Inc., d/b/a Black Box Network Services, to the total amount of \$43,772,379 inclusive of amounts previously spent. Nothing herein shall be deemed to waive or alter any term of the agreement, or require or guarantee that the County will in fact expend this amount.

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:

Rebeca Sosa, Chairwoman

Lynda Bell, Vice Chair

Bruno A. Barreiro

Jose "Pepe" Diaz

Sally A. Heyman

Jean Monestime

Sen. Javier D. Souto

Juan C. Zapata

Esteban L. Bovo, Jr.

Audrey M. Edmonson

Barbara J. Jordan

Dennis C. Moss

Xavier L. Suarez

The Chairperson thereupon declared the resolution duly passed and adopted this 22<sup>nd</sup> day of January, 2014. 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.

dsh

David Stephen Hope