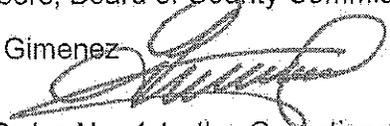


Memorandum



Date: July 1, 2014

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

From: Carlos A. Gimenez
Mayor 

Subject: Change Order No. 1 to the Operations & Maintenance Agreement of the Common Use Terminal Equipment/Common Use Passenger Processing System with SITA Information Networking Computing USA, Inc. increasing the Agreement to an amount not to exceed \$3,473,821.40, Project No. I113C

Agenda Item No. 8(A)(1)

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve Change Order No. 1 to the Operations & Maintenance Agreement for the Common Use Terminal Equipment/Common Use Passenger Processing System (CUTE/CUPPS) with SITA Information Networking Computing USA, Inc. (SITA), which: i) replenishes funds utilized from the General Allowance Account of this Agreement for the purchase of 36 Automated Passport Control kiosks and related services; ii) adds funding for maintenance of the 36 kiosks; and iii) increases the Inspector General account as a result of the increase in the Agreement amount. Change Order No. 1 will increase the Agreement by an amount not to exceed \$3,473,821.40

SCOPE

The impact of this item is countywide as it relates to Miami International Airport (MIA), the General Aviation Airports, the Port of Miami and Miami area hotels.

FISCAL IMPACT/FUNDING SOURCE

The \$3,473,821.40 called for in this change order will be allocated as follows: \$2,060,200.00 to replenish the General Allowance Account for the purchase of 36 kiosks; \$1,404,958.40 for operations and maintenances costs for the kiosks; and \$8,663.00 to increase the Inspector General Audit account. The source of funding for this Change Order is the Miami-Dade Aviation Department (MDAD) Information Systems operating budget and Improvement Funds.

TRACK RECORD/MONITOR

The track record for SITA has been satisfactory according to MDAD Information Systems and Telecommunications Division Director Maurice Jenkins, who monitors the Agreement.

COMPLIANCE DATA

There is no history of violations for this firm in the County's Small Business Development database.

BACKGROUND

Pursuant to Resolution R-150-13, the Board approved award of the O&M Agreement of the MIA CUTE/CUPPS with SITA. The system is a state-of-the-art array of solutions that transforms the designated gates and ticketing positions into a managed set of common-use airport resources. This advanced information system technology provided the means for MIA to discontinue the traditional proprietary airport/tenant operating relations in favor of a 100% shared systems environment and common-use distribution information networks. This system helps MIA maximize facility utilization by adding flexibility and sharing resources, which allows the check-in counters and terminal gates to be completely universal in their function.

JUSTIFICATION

In August 2012, MDAD opened up the newly constructed Concourse (CC) D Federal Inspection Services (DFIS) area with 72 passport control booths. That facility has not achieved the efficiencies it was designed for, as the U.S. Customs and Border Protection Agency (CBP) has had chronic, nationwide issues with staffing shortages. As a result, during peak periods, the wait for passengers to be cleared for entry into the United States has occasionally approached two hours. These delays have seriously impacted passengers with missed connections and hurt MIA's reputation.

In response to these issues, in February 2013, CBP said it would release the programming requirements for third-party vendors to develop software to administratively process passengers, a task that had previously been performed by CBP agents in the passport control booths. This would allow airports such as MIA to institute a permanent technical solution that mitigates CBP staff shortfalls by installing kiosks at which inbound citizens could get pre-approved for entry back into the United States, thus reducing the workload of CBP agents.

SITA is currently installing these kiosks at Orlando International Airport. Given the approaching high travel season, starting in November and extending through the holidays, MIA utilized the General Allowance Account of the CUTE/CUPPS Agreement with SITA to purchase, deploy and maintain 36 kiosks to automate the capture of travel documents, biometric and Customs declaration data required by the CBP to process passengers arriving in the United States.

The primary functions of the kiosks are to capture and validate passports through face and fingerprint biometric data and Customs declaration data, check it against CBP database information, and then print a receipt for the passenger to present to an agent at the primary podium. Having passengers enter their data means the agents spend less time with each passenger, thereby processing more passengers in total.

Thirty-six kiosks installed in the new DFIS commenced operation on November 4, 2013. These kiosks currently process only U.S. and Canadian citizens as the CBP guidelines to process non-residents and visitors is not yet available. The DFIS processes about 20,000 international passengers a day and approximately 40 percent of them are U.S. and/or Canadian citizens. MIA's Concourse J International Passenger Processing Facility handles nearly 5,000 passengers daily, of which only 15 percent are U.S. or Canadian citizens.

The cost of the 36 kiosks, including operation and maintenance is approximately 3.4 million dollars. MIA has hired a queuing consultant who is benchmarking current passenger processing times to provide an accurate and objective measurement of efficiencies achieved. By the end of 2014, MIA anticipates that an additional 36 kiosks (8-10 in CC J and 26 -28 in CC D) will be purchased and installed under a separate solicitation.

Similar kiosks are already in use at Chicago's O'Hare International Airport Terminal 5, and at two airports in Canada (Vancouver and Montreal) and are significantly reducing wait times at Customs. The Chicago Department of Aviation reported that, since July 1 when the automated passport control technology was rolled out at O'Hare Airport's Terminal 5, daily passenger volume has increased by 21 percent, to more than 15,000, but wait times during peak arrival periods have been reduced by 33 percent.

According to Airport Council International, the number of passengers waiting more than 60 minutes per day at O'Hare has been reduced by nearly 60 percent, and the number of passengers waiting more than two hours has been eliminated almost entirely. The number of passengers missing their connecting flights has been drastically reduced as well.

John F. Kennedy International Airport (JFK) in New York is the busiest U.S. entry point for international travelers, and 40 kiosks have been purchased by Delta for use in Terminal 4, where it is the largest tenant among more than 30 airlines. At JFK, only U.S. citizens will initially be able to use the machines, but soon Canadian citizens should be able to use the machines as well.

The use of the SITA General Allowance Account to fund the purchase and operation of the kiosks has essentially depleted the Agreement's General Allowance Account. As the Agreement is for seven years, and to provide flexibility to respond to future unforeseen events, this change order restores the original Agreement funding into that allowance account, and provides funding for maintenance of the 36 kiosks.

This change order also clarifies that SITA is allowed, within the contract funds initially awarded and as authorized in writing by MDAD, to pay for travel for a MDAD representative to attend the Industry Information Technology Summit, Advisory Board and Steering Committee meetings; however the value of such travel inclusive of transportation and lodging shall not exceed \$15,000 annually. The Summit, Advisory Board and Airport Steering Committee/Technical Sub-Committee (collectively the Committee) is comprised of airlines, airports and ground handlers such as American, US Airways, United, British Airways, Lufthansa, Iberia, Fraport, Prague Airport, Czech Airport, AHS Handling Services, and Servisair. These meetings address and resolve information technology issues related to shared services pricing, contracts, standards and service levels. The Committee also provides input and feedback on current and future products and services, provides a two-way communication conduit into the customers' organization, and develops a consensus on global transportation and technology initiatives.

PROJECT NAME: Operations and Maintenance of the Common Use Terminal Equipment/Common Use Passenger Processing for MDAD

PROJECT NO.: I113C

COMPANY NAME/ADDRESS: SITA Information Networking Computing USA, Inc.
3100 Cumberland Blvd., Suite 200,
Atlanta, GA

COMPANY PRINCIPALS: James Peters, Colm O'Higgins, David Greaves, Alain Brodeur

GENDER/ETHNICITY AND OWNERSHIP BREAKDOWN: SITA NV., Heathrowstraat 10, 1043 CH Amsterdam, The Netherlands (100%)

HOW LONG IN BUSINESS: 16 years

PREVIOUS AGREEMENTS WITH THE COUNTY WITHIN THE PAST FIVE (5) YEARS: Current agreement @ \$33,790,455.58
CUTE agreement for Project I113B totaling \$17,842,819.63; initial CUTE agreement for Project No. III3A totaling \$15,498,645.84

TERM OF AGREEMENT: Seven (7) years

ORIGINAL AGREEMENT AMOUNT: \$33,790,455.58 (including Inspector General account)

RECOMMENDED MODIFICATION: Increase the General Allowance Account (GAA) by \$2,060,200.00 which replenishes original GAA funding used to purchase 36 kiosks; increase the GAA by \$1,404,958.40 for the maintenance of the 36 kiosks, and, increase the Inspector General (IG) audit account by \$8,663.00 as provided below. Additionally, the Change Order clarifies that SITA will pay for travel, as authorized by MDAD, for a MDAD representative to attend Committee meetings.

Replenish GAA - 36 kiosks	\$2,060,200.00
O&M costs for 36 kiosks	\$1,404,958.40
Increase IG audit account	<u>\$ 8,663.00</u>
Total	<u>\$3,473,821.40</u>

CLASSIFICATION OF CHANGE ORDER: County requested change

ADJUSTED AGREEMENT AMOUNT: \$37,264,276.98 (including Inspector General Account)

PERCENT CHANGE THIS MODIFICATION: 10.2%

CONTRACT MEASURES: 12% SBE goal

CONTRACT MEASURES ACHIEVED TO DATE: 15% (\$536,961.86) on Amount Requisitioned to date (\$4,854,659.86)
IMAAS, d/b/a Konvergence – 9% (\$324,790.68)
TNR Accounting Services - 6% (212,171.18)

IPSIG/INSPECTOR GENERAL: Provisions included

USING DEPARTMENT: Miami-Dade Aviation Department



Jack Osterholt, Deputy Mayor

**MIAMI - DADE COUNTY
CHANGE ORDER TO ORIGINAL CONTRACT**

CHANGE ORDER NO. 1 PROJECT NO. I113C DATE: 4/7/14

PROJECT NAME: Operation & Maintenance of the Common Use Terminal
Equipment/Common Use Passenger Processing System

TO CONTRACTOR: SITA Information Networking Computing USA, Inc.

YOU ARE HEREBY REQUESTED TO MAKE THE FOLLOWING CHANGES TO THE CURRENT CONTRACT,
AND TO PERFORM THE WORK SUBJECT TO ALL CONTRACT STIPULATIONS AND COVENANTS.

<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1	To increase the General Allowance Account	\$3,465,158.40
2	To increase the Inspector General Audit Account	\$ 8,663.00

SUMMARY OF CONTRACT AMOUNT

	ORIGINAL CONTRACT AMOUNT	\$33,790,455.58
REASON FOR CHANGE:	COST OF CONSTRUCTION CHANGES PREVIOUSLY ORDERED	\$ 0.00
<input type="checkbox"/> Regulatory Change	ADJ. CONTRACT AMOUNT PRIOR TO THIS CHANGE ORDER	\$33,790,455.58
<input type="checkbox"/> Other Agency Requested Change	COST OF CHANGES THIS ORDER	\$ 3,473,821.40
<input type="checkbox"/> Design Errors Change	ADJ. CONTRACT AMOUNT INCLUDING THIS CHANGE ORDER	\$37,264,276.98
<input type="checkbox"/> Design Omission Change	PER CENT INCREASE, THIS CHANGE ORDER	10.2 %
<input checked="" type="checkbox"/> County Requested Change	TOTAL PER CENT INCREASE TO DATE	10.2 %
<input type="checkbox"/> Unforeseen or Unforeseeable Change		

EXTENSION OF TIME ALLOWED BY THIS CHANGE 0 CALENDAR DAYS TO N/A.

TO BE FILLED OUT BY DEPARTMENT INITIATING CHANGE ORDER

MIAMI-DADE AVIATION DEPARTMENT

DEPARTMENT

FUNDS BUDGETED CODE

CERTIFIED BY

ACCEPTED BY: Mania M. [Signature] APPROVED: _____
 Contractor VICE PRESIDENT, SITA Budget Director
 N/A MIAMI-DADE COUNTY, Florida
 Surety By its BOARD OF COUNTY COMMISSIONERS

RECOMMENDED: _____ By: _____
 Project Manager County Mayor Date

APPROVED: N/A ATTEST:
 HNTB (CONSULTING ENGINEER)

 MDAD Minority Affairs

APPROVED: _____ By: _____
 Department Director Deputy Clerk

**MIAMI - DADE COUNTY
CHANGE ORDER TO ORIGINAL CONTRACT**

CHANGE ORDER NO. 1 PROJECT NO. I113C DATE: 4/7/14
PROJECT NAME: Operation & Maintenance of the Common Use Terminal
Equipment/Common Use Passenger Processing System
TO CONTRACTOR: SITA Information Networking Computing USA, Inc.

JUSTIFICATION:

1. This Change Order No. 1 will: i) replenish funds utilized from the General Allowance Account (GAA) to purchase 36 Automated Passport Control (APC) kiosks thus restoring the funds provided in the GAA originally awarded with this contract, for any future unforeseen events; and ii) adds funding for the maintenance for those 36 kiosks for the term of the Agreement;
2. This Change Order No. 1 will increase the Inspector General audit account as a result of the increase in the GAA.
3. This Change Order No. 1 also clarifies that SITA is allowed, within the contract funds initially awarded, and as authorized in writing by MDAD, to pay for travel for a MDAD representative to attend the Industry Information Technology Summit, Advisory Board and Steering Committee meetings, however the value of such travel, inclusive of transportation and lodging shall not exceed \$15,000 annually. The Summit, Advisory Board and Airport Steering Committee/Technical Sub-Committee (collectively the "Committee") is comprised of airlines, airports and ground handlers such as: American, US Airways, United, British Airways, Lufthansa, Iberia, Fraport, Prague Airport, Czech Airport, AHS Handling Services, and Servisair. The role of these venues are to convene to address and resolve industry related Information Technology administrative issues related to: shared services pricing, contracts, standards and service levels. The Committee also provides input and feedback on current and future products and services, provides a two-way communication conduit into the customers' organization, and develops a consensus on global transportation and technology initiatives.

RELEASE OF CLAIM

This Change Order modifies the Contract by increasing the General Allowance Account and does not authorize the Contractor to either perform the work described herein or entitle the Contractor to claim or receive payment of any of the funds referenced herein unless and until a Work Order, duly executed pursuant to Contract provisions, so authorizes and entitles the Contractor. Such Work Orders, when executed, shall contain full and appropriate waiver and release clauses pertinent to the work description and cost provisions included therein. This Change Order does not obligate the Contractor to finish all current and future work for a fixed price or for the additional amount added by this Change Order, and in executing this Change Order; the Contractor waives all rights to make a claim as a result of this Change Order. Any monies in the Allowance Account which the County does not obligate via issuance of a work order shall remain the property of the County.



MEMORANDUM
(Revised)

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

DATE: July 1, 2014

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

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

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

Agenda Item No. 8(A)(1)

Veto _____

7-1-14

Override _____

RESOLUTION NO. _____

RESOLUTION APPROVING CHANGE ORDER NO. 1 TO THE OPERATIONS AND MAINTENANCE AGREEMENT FOR THE COMMON USE TERMINAL EQUIPMENT/COMMON USE PASSENGER PROCESSING SYSTEM FOR THE MIAMI-DADE AVIATION DEPARTMENT BETWEEN MIAMI-DADE COUNTY AND SITA INFORMATION NETWORKING COMPUTING USA, INC., PROJECT NO. I113C, INCREASING THE CONTRACT BY AN AMOUNT NOT TO EXCEED \$3,473,821.40, AND AUTHORIZING COUNTY MAYOR OR MAYOR'S DESIGNEE TO EXECUTE THE CHANGE ORDER AND TO PERFORM ALL NECESSARY ACTIONS TO ENFORCE ITS TERMS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum and documents, copies of which are incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves Change Order No. 1 to the Operations and Maintenance Agreement for the Common Use Terminal Equipment/Common Use Passenger Processing System for the Miami-Dade Aviation Department, Project No: I113C, between the County and SITA Information Networking Computing USA, Inc., increasing the contract by an amount not to exceed \$3,473,821.40, and authorizing certain travel expenses for County personnel; all as more particularly set forth in the accompanying memorandum from the County Mayor; this Board authorizes the County Mayor or Mayor's designee to execute the same for and on behalf of the County, and to exercise the provisions contained therein.

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		Esteban L. Bovo, Jr.
Jose "Pepe" Diaz		Audrey M. Edmonson
Sally A. Heyman		Barbara J. Jordan
Jean Monestime		Dennis C. Moss
Sen. Javier D. Souto		Xavier L. Suarez
Juan C. Zapata		

The Chairperson thereupon declared the resolution duly passed and adopted this 1st day of July, 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.



David M. Murray