



Budget and Finance Committee

April 15, 2008

Prepared by: Nelson Diaz

EXHIBITS LIST

NO.	DATE	ITEM #	DESCRIPTION
1	4/15/2008		County Manger's Memorandum re: Changes to the Agenda
2	4/15/2008	30-1	Memorandum from 50 State Security Guard Screening Services
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Memorandum



Date: April 15, 2008

To: Honorable Chairperson and Members
Budget and Finance Committee

From: George M. Burgess
County Manager 

Subject: Requested Changes to the
Budget and Finance Committee Agenda

Additions

2A SUBSTITUTE

Bruno A. Barreiro

081179 ORDINANCE RELATING TO RULES OF PROCEDURE OF THE COUNTY COMMISSION; AMENDING SECTION 2-1 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA, REGARDING THE COMMISSION AGENDA, AUTHORITY TO SPONSOR AGENDA ITEMS AND THE DISPOSITION OF REPORTS; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE [SEE ORIGINAL ITEM UNDER FILE NO. 080410]

3N SUPPLEMENT

081185 SUPPLEMENTAL INFORMATION RE: ITEM 1.1: MOBILE EQUIPMENT MANUFACTURER (OEM) REPLACEMENT PARTS AND SERVICE

3O SUPPLEMENT

081167 SUPPLEMENTAL INFORMATION RE: SECURITY GUARDS AND SCREENING SERVICES

Withdrawals

2H

Joe A. Martinez

- 080946** RESOLUTION APPROVING A ONE-YEAR TIME EXTENSION OF THE MISCELLANEOUS CONSTRUCTION CONTRACTS (MCC) NO. CICC 7040-0/07 AND NO. 7360-0/08; INCREASING THE SINGLE WORK AUTHORIZATIONS FROM A MAXIMUM OF \$1 MILLION TO \$2.5 MILLION

Scrivener's Errors

2G

Barbara J. Jordan

- 081034** RESOLUTION RETROACTIVELY AUTHORIZING IN-KIND SERVICES FROM THE MIAMI-DADE PARK AND RECREATION DEPARTMENT AND DEPARTMENT OF SOLID WASTE MANAGEMENT FOR THE MARCH 28-29, 2008 RELAY FOR LIFE OF NORTHWEST DADE SPONSORED BY THE AMERICAN CANCER SOCIETY, INC., A NOT-FOR-PROFIT ORGANIZATION, IN AN AMOUNT NOT TO EXCEED \$1,542.00 TO BE FUNDED FROM THE DISTRICT 1 IN-KIND RESERVE FUND

Note: *This item was reprinted to include a signed version of the District Specific In-Kind Request Recommendation memorandum.*

2I

Joe A. Martinez

- 081031** RESOLUTION RETROACTIVELY AUTHORIZING IN-KIND SERVICES FROM THE MIAMI-DADE PARK AND RECREATION DEPARTMENT, THE MIAMI-DADE FIRE RESCUE DEPARTMENT, AND THE MIAMI-DADE AVIATION DEPARTMENT FOR THE APRIL 19-20, 2008 SUNRISE COMMUNITY HOT AIR BALLOON RACE SPONSORED BY SUNRISE COMMUNITY PROMOTIONS, INC., A NOT-FOR-PROFIT ORGANIZATION, IN AN AMOUNT NOT TO EXCEED \$5,202.00 TO BE FUNDED IN PART FROM THE COUNTYWIDE IN-KIND RESERVE FUND AND IN PART FROM THE NON-AD VALOREM PORTION OF THE FIRE RESCUE IN-KIND RESERVE FUND

Note: *This item was reprinted to include a signed version of the District Specific In-Kind Request Recommendation memorandum.*

To: Mr. Joe A. Martinez (11) – Chair; Mr. Carlos A. Gimenez (7) – Vice Chair; Commissioners: Mr. Jose “Pepe” Diaz (12), Ms Katy Sorenson (8), Ms Rebeca Sosa (6), and Mr. Javier Souto (10)

From: 50 State Security Service, Inc.

Re: RFP No. 487A, Security Guard and Screening Services

Based on the enclosed facts, 50 State Security Service, Inc. (50 State) strongly recommends Miami-Dade County reconsider their judgment in awarding Security Alliance (SA) Sector 3B under RFP No. 487A and make that award to 50 State.

Issues regarding the Small Business Enterprise (SBE) qualification process for this procurement have been raised numerous times. In all cases the response has been “The County Attorney’s Office (CAO) doesn’t see a problem with our position.” There has been no sharing or discussion of the facts considered or rationale for reaching their conclusion. None of our conversations or response have been directly with the CAO, nor has there been a single document produced to state and support the position they do not see a problem with.

- 1) **With respect to Sector 3B, the SA/McRoberts Team did not meet the SBE criteria at the time of submission, independent of the status of SA.**
 - a. SA did not have technical qualifications to bid alone.
 - b. McRoberts provided necessary expertise for up to 49% of required work, yet the Team received full SBE “Selection Factor” bonus.
 - i. As defined in “Small Business Enterprise (SBE) Program for Purchase of Goods and Services Procedures” page 20 of 26 “Bidder’s Responsibilities for Compliance with Sub-Contractor Goals”
 1. “Expenditures to subcontracting SBEs who subcontract work further to non-SBEs shall not be counted toward meeting a specified goal unless such subcontracting receives prior approval from the DBD.”
 - c. Received “89 points (10% of Technical Score) Selection Factor” bonus resulting in SA/McRoberts selection over 50 State by 48 points.
 - d. 50 State received a higher Technical Score (915 to 891) and offered a lower Price.
 - e. **An award to 50 State provides a superior technical competency at a lower price (nearly \$200,000 per year well over \$1,000,000 for the contract term).**

RECEIVED
By the Clerk for the record.

APR 15 2008

Item 30
Exhibit 1
Meeting BFC

4/15/2008

- 2) The facts, surrounding the “recommended waivers” noted below, should be very carefully considered before moving forward.**
- a. The recommendation before you today relative to RFP No. 487A via the April 1, 2008 memo from Ms Namita Uppal to “ALL RESPONDING PROPOSERS” with an April 1, 2008 memo from Mr. George Burgess to the “Honorable Chairman Bruno Barreiro and Members, Board of County Commissioners” states:
 - i. **“In order to not further delay the contract awards, it is recommended that the Board waive the bid protest requirements.”**
 - ii. **“It is also recommended that Board waive formal bid procedures and approve the award of 487A – Sectors 1E (Security Alliance), 2B (McRoberts Protective Agency, Inc. with Security Alliance as a subcontractor), 3B (Security Alliance) as bid waivers.”**
- 3) Security Alliance (SA) did not meet the Small Business Enterprise (SBE) criteria at Bid Submission for RFP No. 487A.**
- a. **Required information to meet SBE requirements was not submitted as required by the ordinance at the time (July/August 2005) of the significant change in Financial Status (exceeding the \$15,000,000 revenue over three (3) year period). In fact, the same information was requested by the Department of Business development (DBD) June 12, 2006 and was not provided until October 25, 2006. Please see details enclosed as pages 4, 5 & 6 of this document.**
 - b. At Bid Submission the SA Cover Letter dated April 12, 2006 and attached SA Executive Summary provided the following information (facts from the SA Proposal):
 - i. Cover Letter – “We currently operate services out of six (6) offices in five (5) states.”
 - ii. Executive Summary - “Security Alliance currently operates security guard services at over 60 geographically dispersed locations in six (6) states in the southeastern United States. In all, Security Alliance employs approximately 400 security officers in six (6) states, operating a combined 14,000+ hours per week of security guard services.”
 - 1. The company operates in six (6) offices in five (5) southeastern states.
 - 2. Provides security guard services in 60 geographically dispersed locations in those six (6) states.

3. Employs approximately 400 security officers operating a combined 14,000+ hours per week.
 - a. At an average Bill Rate of \$15.00 per hour the 14,000+ would equate to over \$10,000,000 per year in Revenue.
 - b. Even at an average of \$12.00 (very low Bill Rate) that still equates to over \$8,700,000.
4. The award of the EM77797-2/07 in 2005 alone had a minimum positive impact of \$3,671,000 to SA annual revenues.

4) With the award of Sectors 1E, 2B and 3B (none are SBE Qualified today) over 11,000 hours and over \$14,000,000 in contracts will be awarded to companies who do not meet the SBE requirements.

- a. As stated in County Manager Burgess' April 15, 2008 memo to the "Honorable Chairman Bruno Barreiro and Members, Board of County Commissioners" – "... **and graduation of Security Alliance of Florida, LLC (Security Alliance) from the SBE Program.**"
- b. Carried to the potential life of the contract this would equate to \$100,000,000 in contract awards to companies who are not in the Miami-Dade County Small Business Enterprise (SBE) program today and will not have been for over one (1) year (by the most liberal interpretation of SBE guidelines) at the time of implementation of the recommended award.

487A Sector	Contract Measure	Hours	Projected Annual Contract Amount	Recommended Award
1E	SBE Set-aside	5,157.0	\$6,185,827.33	Security Alliance
2B	20% SBE Subcontractor Goal	3,663.5	\$4,411,099.04	McRoberts (sub: Security Alliance)
3B	SBE Selection Factor (10%)	<u>2,600.0</u>	<u>\$3,652,720.14</u>	Security Alliance (sub: McRoberts)
		11,420.5	\$14,249,646.51	

C. In addition, the award of Sector 487B-1A to SA will result in another \$4,068,427, a total participation in well over \$18,000,000 in the recommended awards.

SBE Information Requests and Results

1) SBE Qualifications (Ordinance required)

- a. Not to exceed \$15M in revenue over 3 year period.
- b. Immediately provide information to Department of Business Development regarding any significant change in Ownership, Management and/or Financial Status.

2) Security Alliance (SA) of Florida LLC

- a. Financial information not received by MDC until **Oct. 25, 2006**:
 - i. 2002 - \$2,039,746.00
 - ii. 2003 - \$5,459,762.00
 - iii. 2004 - \$5,214,752.00
 - iv. 2005 - \$7,980,687.00 (exceeded \$4,3000 to reach \$15,000,000 over 3 years by July/August 2005)
 - v. Last 3 year average \$6,258,594.00.

3) June 12, 2006 letter from Department of Business Development requesting specific information, including 2004 & 2005 tax returns for all SBE companies being considered for RFP #487A SBE certification. (Mail & FAX with information requested to be received by DBD within 5 days)

- a. June 15, 2006 SA review assigned to Mr. Jacob Wilson
 - i. Documented site visit June 28, 2006
 - ii. Fact sheet included 2001, 2002 & 2003 tax returns.
 1. Should be based on 2003, 2004 & 2005
 - iii. Recommended for certification June 29, 2006
 - iv. Approved by certification supervisor June 29, 2006
- b. June 28 letter Ms Marsha Jackman - Director Department of Business Development to Ms Miriam Singer - Director Procurement identifying qualified SBE companies for RFP #487A
 - i. Included Security Alliance
 1. Tier 1 - 100% set aside SBE
 2. Tier 2 - 20% SBE goals
 3. Tier 3 - 10% SBE selection factor preference

4) October 23 letter Ms Marsha Jackman to SA (David Ramirez)

- a. "... your company no longer meets the requirements for continued certification as a Small Business Enterprise (SBE)."
- b. "While your company is now considered graduated from the SBE Program, Security Alliance LLC will be allowed to retain its SBE certification for one year."

5) October 25 letter Ms Marsha Jackman to SA David Ramirez

- a. "Upon review of your certification file, it has been determined that your file is incomplete. This is to inform you that the owners of your firm have not fully disclosed their earnings for the last three years for all companies owned."
- b. "If your firm does not comply with our request by close of business on Oct. 26, 2006, your firm's SBE certification will be suspended."
- c. Required information included in item 2) above received October 25, 2006.

6) Key points:

- a. Information not provided:
 - i. Did not report changes in financial status mid-2005 that would have started the one (1) year clock for continuation of SBE certification.
 - ii. Did not provide requested information that would have at a minimum started the one (1) year clock January 2006, consequently not started until October 2006, even though formally requested multiple times beginning June 2006.
- b. The delays in providing the required and requested information resulted in two key impacts to the other companies involved in RFP No. 487A.
 - i. Minimum of one (1) additional year continuation of SBE benefit for SA.
 - ii. Delay in the final award of this procurement as multiple Protests were filed in an attempt to get resolution.
- c. De-certification under similar circumstances Jan. 24, 2007 of JMG Insystem, Inc. d/b/a Sereca Corp.
- d. April 1, 2008 request by Miami-Dade County:
 - i. "It is also recommended that Board **waive formal bid procedures** and approve the award of 487A – Sectors 1E (Security Alliance), 2B (McRoberts Protective Agency, Inc. with Security Alliance as a subcontractor), and 3B (Security Alliance/McRoberts) as bid waivers. Security Alliance was originally recommended following the RFP process under full and open competition. At the time this solicitation was issued, the Code allowed SBE certified firms to receive awards for up to one year after notification of formal graduation from the program (The Code has since been revised to delete this somewhat confusing one year period). Security Alliances graduation expired on September 30, 2007. Were it not for the

significant unforeseen delays, this contractor would have been awarded these sectors. Since these delays were not caused by the firm, in the interest of fairness and consistent with recommendation of the Evaluation/Selection Committee, it is recommended that Security Alliance be awarded these sectors.