



Miami-Dade Board of County Commissioners
Office of the Commission Auditor

**Economic Development and Tourism
Committee (EDTC) Meeting**

June 14, 2018
1:30 P.M.
Commission Chambers

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Research Notes**

**Item No. 3A
File No. 181335**

Researcher: JFP Reviewer: TD

RESOLUTION APPROVING THE 2018 AIRLINE USE AGREEMENT AND THE PREFERENTIAL GATE USE AGREEMENT WITH AIRLINES OPERATING AT MIAMI INTERNATIONAL AIRPORT; WAIVING THE PROVISIONS OF RESOLUTION NO. R-130-06 AS TO BOTH AGREEMENTS; CONFIRMING THE EFFECTIVE DATE OF THE 2018 AIRLINE USE AGREEMENT; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE AGREEMENTS AS APPLICABLE TO ANY INDIVIDUAL AIRLINE DURING THE 15-YEAR PERIOD OF THE AGREEMENTS, AND TO MODIFY THE TERMS OF EITHER AGREEMENT TO THE LIMITED EXTENT PROVIDED HEREIN WHEN DETERMINED TO BE NECESSARY AND REASONABLE FOR A PARTICULAR AIRLINE OR FOR ALL SIMILARLY SITUATED AIRLINES; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ENFORCE AND COMPLY WITH THE TERMS THEREOF INCLUDING THE RIGHT TO EXERCISE THE TERMINATION PROVISIONS

ISSUE/REQUESTED ACTION

Whether the Board should 1) approve the 2018 Airline Use Agreement (AUA) and the Preferential Gate Use Agreement (PGUA) with airlines operating at Miami International Airport (MIA); 2) waive the provisions of Resolution No. R-130-06 as to both agreements; 3) confirm the effective date of the 2018 Airline Use Agreement 4) authorize the County Mayor or his designee to execute the agreements as applicable to any individual airline during the 15-year period of the agreements, and to, a limited extent, modify the terms of either agreement 5) authorize the County Mayor or his designee to enforce and comply with the terms thereof including the right to exercise the termination provisions.

APPLICABLE LEGISLATION/POLICY

Resolution No. R-130-06, adopted January 24, 2006, clarifies that proposed agenda items seeking approval of a contract or conveyance and authority to execute same shall not be placed on any committee or commission agenda unless the underlying contract or conveyance is completely negotiated, in final form, and executed by all non-County parties. The proposed resolution seeks waiver of this provision.

<http://intra/gia/matter.asp?matter=060239&file=false&yearFolder=Y2006>

Resolution No. R-331-01, adopted by the Board on April 10, 2001, approves the airline use agreement and terminal building lease agreement for aeronautical users of the airport. Moreover, it authorizes the County Manager or Designee to finalize the ticket counter policy, modify the terms of both and related agreements when necessary for a particular or all airlines, and the ability to execute or terminate such agreements.

<http://intra/gia/matter.asp?matter=010597&file=false&yearFolder=Y2001>

Resolution No. R-198-12, adopted by the Board on March 6, 2012, approves restated airline use agreement, confirms continuing validity of the previous airline use agreement until airlines sign the restated AUA, authorizes County Mayor or County Mayor's Designee to extend terms of the restated AUA to signatory airlines even if all airlines have not executed the restated AUA, and approves the modified restated AUA particularly for American Airlines.

<http://intra/gia/matter.asp?matter=120147&file=true&yearFolder=Y2012>

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Resolution No. R-340-17, adopted by the Board on April 4, 2017, authorizes the Aviation Department to issue interim airline use agreements to airlines using the Miami International Airport until the Board approves an airline use agreement to replace the AUA that expired April 30, 2017.

<http://intra/gia/matter.asp?matter=170783&file=true&yearFolder=Y2017>

PROCEDURAL HISTORY

Prime Sponsor: Commissioner Rebeca Sosa, District 6

Department/Requester: Aviation Department

The proposed resolution has no procedural history.

FISCAL IMPACT

There is no fiscal impact on the County's airport revenues arising from this agreement since the 2018 AUA continues MIA's rates and charges policies that ensure collection of sufficient annual revenues from airlines and users of the airport to meet all airport system expenses and provide for 120 percent coverage of principal and interest amounts due on aviation revenue bonds in compliance with the Amended and Restated Trust Agreement applicable to airport bonds.

The fiscal impact on the airlines will vary. Domestic airlines will no longer be supporting international facilities and services. Airlines providing more service at MIA will benefit from the economies of scale linked to their increased use of preferential gates.

ANALYSIS

The primary action requested by the proposed resolution is approval of the 2018 AUA, the primary contractual document between the County and the airlines using MIA, establishing the fees and charges that the airlines must pay for their use of the airport and outlining benefits for the airlines. The most recent AUA was an interim agreement approved by the Board on April 4, 2017 to provide a stop-gap solution between the expiration of the 15-year AUA (as amended) and the approval of the AUA currently before consideration.

Among the benefits provided to the airlines under the AUA is the right to disapprove capital improvement projects and to participate in a credit program that allows the airlines to aggregate their fees over a monthly period and pay them the following month. If an airline does not execute the approved AUA, it will lose its rights and benefits under the AUA.

The primary issues negotiated between Miami-Dade Aviation Department (MDAD) and the Miami Airline Affairs Committee (MAAC) were the reallocation of terminal building properties and the addition of preferential gates.

Currently, MIA's enplanements are evenly split between international operations and domestic operations. The airlines, represented by MAAC, chose to have the space related to international facilities charged under an international facilities fee rather than the general blended concourse use fee so that all international related costs would be kept under one fee, in effect making the cost sharing of the international facilities fee more evenly distributed between international and domestic airlines.

Preferential gates, a proposal of the MAAC, are an alternative to the common-use gates. Outlined below are the differences between the gates as well as their usage.

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Common-Use Gates

- Historical assignment of gates at MIA

- An airline pays for the gate only if and when it uses it (per-use charge).

- If all gates eligible for Preferential Gate usage are utilized as such, there would be 63 of 140 gates available to all airlines on a common-use basis.

Preferential Gates

- New MAAC proposal for use of gates because of the airlines' desire for gate utilization efficiency and economies of scale that can be yielded from the continuous use of a preferential gate in its operations.

- An airline is contractually committed to pay a fixed amount over the life of the PGUA irrespective of how frequently it uses the gate (fixed charge). Considering the applied methodology, the charges for the gate on a fixed basis should be less than the charges that would be paid on a per-flight basis if the airline uses the gate efficiently.

- 77 of MIA's 140 are eligible for Preferential Gate usage

Preferential use of gates is found at many commercial airports in the U.S. At Fort Lauderdale-Hollywood International Airport, 47 gates are preferential-use and 11 are common use. The preferential use of gates does not mean exclusive use of the gates by an airline, but rather grants an airline a preferential right to use the assigned gate and that MDAD absent certain circumstances, will not assign another airline to that gate.

Upon approval, the 2018 AUA will take effect for a 15-year term, and be presented for signature by the airlines operating at MIA. There are currently 106 airlines operating at MIA. Given that the AUA is undergoing Board approval prior to obtaining signature from the airlines, waiver of R-130-06 is necessary and is being requested in the proposed resolution.

The proposed resolution includes a request to allow modification of the AUA and PGUA be it deemed necessary to accommodate changes in federal law, regulation, or policy, and to accommodate special operating and legal requirements of the airlines often imposed on some foreign airlines by their countries.

ADDITIONAL INFORMATION

Other features of the 2018 AUA, as stated in the Mayoral Memorandum, include the following:

- Capital projects approval will involve an initial review of a proposed project by a Development Steering Committee consisting of MDAD, airline representative(s), and the Consulting Engineers under the Trust Agreement. Airlines have the right to review major capital projects and delay them for up to a year through a disapproval process as described in the 2018 AUA.

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- The MAAC will consist of at least 11 members. The MAAC will make its best effort to include in its membership at least one European passenger airline, one Caribbean/Central American passenger airline, one South American passenger airline, one cargo airline, and one regional passenger airline.
- Under prior AUAs, a new airline could pay up to 105 percent of the rates and charges during the period of time the airline is processing the AUA for signature, and no limit was placed on how long the 105 percent payment could continue. Under the 2018 AUA, an airline will have 90 days to sign the 2018 AUA and comply with the credit requirements, during which time the airline shall pay no more than 100 percent of the charges. If the airline fails to sign and comply within the 90-day period, then the airline must commence paying 110 percent of the rates and charges during the next 90-day period retroactive to the first day of the airline's operations. If the airline fails to sign and comply within the second 90-day period, then the airline must pay 150 percent of the rates and charges until it signs the 2018 AUA and complies with the credit requirements, retroactive to the first day of the airline's operations with credit for the 10 percent already paid.
- Airline payments, previously due on the tenth business day of the month, will be due on the fifteenth calendar day of the month under the 2018 AUA.
- If an airline consortium obtains Board or MDAD approval to perform aeronautical services that the participating airlines could legally perform for themselves, or obtains Board approval to provide services that conflict with services already approved by the Board of MDAD, then each signatory airline must pay the consortium for the price of the services.

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**Item No. 3B
File No. 181343**

Researcher: JFP Reviewer: TD

RESOLUTION APPROVING FIFTH AMENDMENT TO THE LEASE, CONSTRUCTION AND FINANCING AGREEMENT WITH AMERICAN AIRLINES TO CONFIRM ITS RIGHT TO USE PREFERENTIAL GATES ON THE NORTH TERMINAL AT MIAMI INTERNATIONAL AIRPORT

ISSUE/REQUESTED ACTION

Whether the Board should approve the Fifth Amendment to the Lease, Construction and Financing Agreement with American Airlines to confirm its right to use preferential gates on the North Terminal at Miami International Airport (MIA).

APPLICABLE LEGISLATION/POLICY

Resolution No. R-30-02, adopted by the Board on January 29, 2002, approves the second amendment to the lease, construction and financing agreement between Miami-Dade County and American Airlines Inc. to eliminate the 250 flights-per-day provision and authorizes County Manager to execute such amendment.

<http://intra/gia/matter.asp?matter=020026&file=false&yearFolder=Y2002>

Resolution R-872-99, adopted by the Board on July 27, 1999, amends the Lease, Construction and Financing Agreement between Miami-Dade County and American Airlines, Inc., and approves an addition to the improvement costs as well as authorizes the County Manager or their designee to approve additional improvements under the agreement and expenditure of additional funds.

<http://intra/gia/matter.asp?matter=991972&file=false&yearFolder=Y1999>

PROCEDURAL HISTORY

**Prime Sponsor: Commissioner Rebeca Sosa, District 6
Department/Requester: Aviation Department**

The proposed resolution has no procedural history.

FISCAL IMPACT

There is no fiscal impact on the County's airport revenues arising from this resolution.

ANALYSIS

If the Board approves the proposed resolution, 61 of the 77 gates eligible for preferential use—subject to approval of the Airline Use Agreement (see companion item under File No. 181335)—will potentially be allocated to American Airlines.

In the proposed 2018 Airline Use Agreement, preferential gates are a proposed alternative to the common-use gates. Outlined below are the differences between the gates as well as their usage.

Common-Use Gates

- Historical assignment of gates at MIA

Preferential Gates

- New Miami Airline Affairs Committee (MAAC) proposal for use of gates because of the airlines' desire for gate utilization

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efficiency and economies of scale that can be yielded from the continuous use of a preferential gate in its operations.

- An airline pays for the gate only if and when it uses it (per-use charge).
- An airline is contractually committed to pay a fixed amount over the life of the PGUA irrespective of how frequently it uses the gate (fixed charge). Considering the applied methodology, the charges for the gate on a fixed basis should be less than the charges that would be paid on a per-flight basis if the airline uses the gate efficiently.
- If all gates eligible for Preferential Gate usage are utilized as such, there would be 63 of 140 gates available to all airlines on a common-use basis.
- 77 of MIA's 140 are eligible for Preferential Gate usage

Preferential use of gates is found at most commercial airports in the U.S. At Fort Lauderdale-Hollywood International Airport, 47 gates are preferential-use and 11 are common use. The preferential use of gates does not mean exclusive use of the gates by an airline, but rather grants an airline a preferential right to use the assigned gate and that MDAD, absent certain circumstances, will not assign another airline to that gate. MDAD reserves the right to assign any of the preferential gates to other airlines during any period of time that American is not making use of them.

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**Item No. 3C
File No. 181312**

Researcher: BM Reviewer: TD

RESOLUTION APPROVING CHANGE ORDER NO. 1 TO THE CONSTRUCTION MANAGER AT RISK FOR BAGGAGE HANDLING SYSTEM (BHS) IMPROVEMENTS AT MIAMI INTERNATIONAL AIRPORT (MIA) BETWEEN MIAMI-DADE COUNTY AND PARSONS ODEBRECHT JOINT VENTURE, IN THE AMOUNT OF \$46,315,500.00, AND EXTENDING THE PROJECT'S SUBSTANTIAL COMPLETION BY 178 CALENDAR DAYS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE CHANGE ORDER AND TO ENFORCE ALL TERMS THEREIN

ISSUE/REQUESTED ACTION

Whether the Board should authorize Change Order No.1 in the amount of \$46,315,500 for the Baggage Handling System (BHS) improvements contract at Miami International Airport (MIA) with Parsons/Odebrecht Joint Venture (POJV) and to extend the project's completion by 178 calendar days.

APPLICABLE LEGISLATION/POLICY

Section 2-8.1 of the County Code (Contracts and Purchases Generally) applies to all contracts for public improvements and purchases of all supplies, materials and services other than professional services and (1) requires formal sealed bids for purchases over \$250,000; (2) describes the circumstances under which non-competitive purchases may be approved; (3) establishes requirements for legacy purchases, designated purchases, and single vehicle leases; and (4) provides that procurement procedures shall be established by I.O. and approved by the Board.

https://library.municode.com/fl/miami_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-8.1COPUGE

Administrative Order No. 3-39 sets forth the County's standard process for construction of capital improvements, acquisition of professional services, construction contracting, change orders and reporting.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/AO3-39.pdf>

Administrative Order No. 3-28 sets forth the County's policy for classifying, tracking, monitoring, and reporting all change orders under County construction projects.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/AO3-28.pdf>

Implementing Order No. 3-57 establishes a policy for the use of standard construction general conditions by all County departments.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/IO3-57.pdf>

Resolution No. R-704-16, adopted by the Board on July 19, 2016, awarded the Construction Manager at Risk (CMAR) contract for Baggage Handling System (BHS) improvements at Miami International Airport (MIA) to Parsons-Odebrecht Joint Venture (POJV) in the amount of \$7,497,824.42 for the pre-construction phase services and a not-to-exceed construction phase services budget of \$177 million.

<http://intra/gia/legistarfiles/MinMatters/Y2016/161557min.pdf>

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PROCEDURAL HISTORY

Prime Sponsor: None

Department/Requester: Aviation

This item has no procedural history.

FISCAL IMPACT

The fiscal impact of this item is \$46,315,500. The table below details the items for which Change Order No. 1 is being requested. Change Order No. 1 also extends the project's substantial completion date by 178 calendar days. The table below summarized the allocation as requested by Change Order no. 1.

Recommended Modification	Estimated Increase to Contract
New Dedicated Allowance Account to reincorporate the deferred work	\$37,400,000
New Dedicated Allowance Account for 52 MIT station	\$4,600,000
Increase the Construction Phase Owner's Allowance Account for unforeseeable changes to the work	\$4,200,000
Increase the Inspector General Audit Account	\$115,500
Total:	\$46,315,500

The contract had an original Pre-Construction Phase (Including IG) amount of \$7,497,824.42 and a Construction Phase (Including IG) amount of \$176,986,870 for a Guaranteed Maximum Price (GMP) amount of \$184,484,694.42. If Change Order No. 1 is approved the adjusted contract amount will be \$230,800,194.42.

The GMP exceeded the approved \$177 million due to additional scope requests by the airlines (larger control rooms and control systems), new standards by the TSA (Planning Guidelines and Design Standards), and market conditions (increased construction activity in Miami).

ANALYSIS

This item is requesting Board approval to authorize Change Order No. 1 in the amount of \$46,315,500 for BHS improvements contract at MIA with POJV and to extend the project's completion by 178 calendar days. Change Order no. 1 translates to a 25.11 percent increase to the overall contract. This is the first proposed Change Order for this contract.

Pursuant to Resolution No. R-704-16, adopted by the Board on July 19, 2016, awarded the CMAR contract for BHS improvements MIA to POJV in the amount of \$7,497,824.42 for the pre-construction phase services and a not-to-exceed construction phase services budget of \$177 million. The resolution states that the project is in District 6.

This project consists of the replacement of the in-line security screening portion of the South Terminal BHS and the installation of an automated sortation system for the Central Terminal, which may include but not be limited to:

- outbound baggage conveyance systems;
- electrical modifications and power distribution systems;
- mechanical modifications;
- all system modifications and support required to implement these additions and improvements;

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- a 60,000-square-foot addition to the existing terminal building with a secured post-security corridor connecting Terminals F and H bypassing G;
- development of all building services to the new additions; and
- a minimum rating of Silver Leadership in Energy and Environmental Design (LEED) Building Design and Construction.

The current South Terminal BHS requires this upgrade to efficiently handle current and future projected passenger volumes. The Central Terminal is also outdated and needs a new automated sortation system. These upgrades will enhance efficiency and security for the airlines and the passengers. Furthermore, all upgrades will be fully compliant with TSA-required design standards.

This change order also adds a 178-day time extension to substantial completion date of the contract. The revised date for final project completion is September 6, 2020.

The mayoral memorandum indicates that Change Order No. 1 addresses the deferred work being reintroduced includes inbound conveyor lines and associated crossovers and equipment, Electronic Detection System (EDS) machines in the Checked Baggage Inspection System and associated Checked Baggage Resolution Area (CBRA) tables and conveyors, sortation piers, make-up devices and all associated cross-over and re-insertion conveyor lines.

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Item No. 3D

File No. 181313

Researcher: MF Reviewer: TD

RESOLUTION APPROVING THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH BURNS & MCDONNELL ENGINEERING COMPANY, INC. FOR THE SOUTH & CENTRAL CBIS/CBRA/BHS PROGRAM FOR THE MIAMI-DADE AVIATION DEPARTMENT INCREASING THE AGREEMENT AMOUNT BY \$3,809,500.00 AND EXTENDING TERM ONE YEAR; AND AUTHORIZING THE MAYOR OR MAYOR'S DESIGNEE TO EXECUTE THE AMENDMENT AND TO EXERCISE THE PROVISIONS CONTAINED THEREIN

ISSUE/REQUESTED ACTION

Whether the board should approve the First Amendment to the Professional Services Agreement with Burns & McDonnell Engineering Company, Inc. for the South and Central Checked Baggage Inspection System (CBIS)/Checked Baggage Reconciliation Areas (CBRA)/Baggage Handling System (BHS) Program for the Miami-Dade County Aviation Department, increasing the Agreement amount by \$3,809,500.00 and extending the term one year.

APPLICABLE LEGISLATION/POLICY

Section 287.055 of the Florida Statutes sets forth the Consultants' Competitive Negotiation Act, governing the processes for the acquisition of professional architectural, engineering, landscape architectural or surveying and mapping services.

http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0200-0299/0287/0287.html

Section 2-10.4 of the County Code governs the County's acquisition of professional architectural, engineering, landscape architectural or land surveying and mapping services.

https://library.municode.com/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-10.4ACPRARENLAARLASUMASE

Section 2-10.4.01 of the County Code sets forth the County's Small Business Enterprise Architecture and Engineering Program.

https://library.municode.com/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-10.4.01SMBUENARENPR

Section 2-8.1 of the County Code requires that the award recommendation memorandum presented to the Board identify each dedicated allowance, contingency allowance and additional services allowance including the specific purpose for each and the dollar amount that shall be available for each and the corresponding percentage of each dedicated allowance, contingency allowance and additional services allowance in relation to the actual contract price.

https://library.municode.com/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-8.1COPUGE

Administrative Order No. 3-39 establishes the County's policies and procedures for user departments for the construction of capital improvements, acquisition of professional services, construction contracting, change orders and reporting.

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<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/AO3-39.pdf>

Implementing Order No. 3-32 sets forth the County's procedures for the Community Business Enterprise Program for the purchase of professional architectural, landscape architectural, engineering or surveying and mapping services.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/IO3-32.pdf>

Resolution No. R-378-15, adopted by the Board on May 5, 2015, approved the award of a Professional Services Agreement to Burns & McDonnell Engineering Company, Inc., for the South and Central Checked Baggage Inspection System (CBIS)/Checked Baggage Reconciliation Areas (CBRA)/Baggage Handling System (BHS) Program at Miami International Airport, Project No. A14-MDAD-01 in an amount not to exceed \$16,102,752.00 for a term of five years.

<http://intra/gia/matter.asp?matter=150707&file=true&yearFolder=Y2015>

PROCEDURAL HISTORY

Prime Sponsor: N/A

Department/Requester: Miami-Dade Aviation Department

The proposed resolution does not have a procedural history.

FISCAL IMPACT

The proposed resolution seeks to increase the total authorized amount of the Professional Services agreement by \$3,809,500.00 from \$16,102,752.00. Thus the total authorized amount will be \$19,912,252.

ANALYSIS

The proposed resolution seeks the Board's approval of the First Amendment to the Professional Services Agreement with Burns & McDonnell Engineering Company, Inc. for the South and Central Checked Baggage Inspection System (CBIS)/Checked Baggage Reconciliation Areas (CBRA)/Baggage Handling System (BHS) Program for the Miami-Dade County Aviation Department. It would extend the term of the agreement by one year to May 5, 2021, and increase the agreement amount by \$3,809,500.00.

The consultant provides Architectural/Engineering (A/E) design services including construction administration to facilitate the construction of the CBIS/CBRA four-story, 60,000-square-foot facility that will be integrated into the existing Central Terminal structure at Miami International Airport (MIA).

The pre-construction phase of this project required the Construction Manager at Risk (CMAR) to submit to MDAD a Guaranteed Maximum Price proposal for the cost of the construction. Upon completion of the pre-construction phase, the Final Guaranteed Maximum Price proposal from the CMAR exceeded the approved construction budget of \$177 million. In accordance with the CMAR contract, MDAD coordinated with its partner airlines and the CMAR to identify work that could be deferred to meet the initially approved construction budget and TSA grant requirements.

The First Amendment provides the funding and extends the term of the agreement for the Consultant and its sub-consultants to continue providing services for the design, construction administration and close-out of the project. The anticipated services may include, but are not limited to: south terminal generator, structural revisions for future CBRA expansion, third floor build-out, relocation of fire main, permit drawings for horizontal chase at BHS Control

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Room, permit drawings for IT room door change, new entrance to the BHS Control Room, revisions to documents for deleted BHS scope, additional cameras, cyber lock central control station, full-time on-site support for BHS inspections, extended work-related services and assistance with review and cost analysis of BHS related changes.

ADDITIONAL INFORMATION

Miami International Airport (MIA), located on 3,230 acres of land near downtown Miami, is operated by the Miami-Dade Aviation Department and is the property of Miami-Dade County government. Founded in 1928, MIA now offers more flights to Latin America and the Caribbean than any other U.S. airport, is America's second-busiest airport for international passengers, boasts a line-up of over 100 air carriers and is the top U.S. airport for international freight. MIA is also a leading economic engine for Miami-Dade County and the State of Florida, generating business revenue of \$33.7 billion annually and welcoming 70 percent of all international visitors to Florida.

http://www.miami-airport.com/about_us.asp

According to the Florida Department of State Division of Corporations website (Sunbiz.org), Burns & McDonnell Engineering Company, Inc., has an active status as a Foreign Profit Corporation and first filed and registered on 12/16/1970. The principal address is registered as 9400 Ward Parkway, Kansas City, MO 64114. Its registered agent is Incorp Services, Inc., 17888 67th Court North, Loxahatchee, FL 33470.

<http://search.sunbiz.org/Inquiry/CorporationSearch/ByName>

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**Item No. 3F
File No. 181347**

Researcher: MF Reviewer: TD

RESOLUTION AUTHORIZING DESIGNATED PURCHASE PURSUANT TO SECTION 2-8.1(B)(3) OF THE COUNTY CODE BY A TWO-THIRDS VOTE OF THE BOARD MEMBERS PRESENT; AUTHORIZING AWARD OF CONTRACT NO. BW9951-0/23 FOR THE PURCHASE OF AIRPORT SURFACE MANAGEMENT SYSTEM IN AN AMOUNT NOT TO EXCEED \$3,535,000.00 FOR A FIVE YEAR TERM FOR THE MIAMI-DADE AVIATION DEPARTMENT; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE ALL PROVISIONS OF THE CONTRACT PURSUANT TO SECTION 2-8.1 OF THE COUNTY CODE AND IMPLEMENTING ORDER 3-38

ISSUE/REQUESTED ACTION

Whether the Board should authorize award of Contract No. BW9951-0/23 for the Designated Purchase of an Airport Surface Management System to Saab Sensis Corporation, in an amount not to exceed \$3,535,000.00 for a five-year term for the Miami-Dade Aviation Department.

APPLICABLE LEGISLATION/POLICY

Miami-Dade County Code, Section 2-8.1, applies to all contracts for public improvements and purchases of all supplies, materials and services other than professional services and (1) requires formal sealed bids for purchases over \$250,000; (2) describes the circumstances under which non-competitive purchases may be approved; (3) establishes requirements for legacy purchases, designated purchases, and single vehicle leases; and (4) provides that procurement procedures shall be established by I.O. and approved by the Board.

https://library.municode.com/fl/miami-dade-county/codes/code-of-ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-8.1COPUGE

Miami-Dade County Code, Section 2-8.1(b)(3), sets forth procedures for authorizing a designated purchase; under this section, designated purchase shall mean a purchase when the procurement through the use of formal sealed bids is not practicable, including, but not limited to: (1) sole source purchases; (2) services where no competition exists such as public utility services; (3) where purchases or rates are fixed by law or ordinance; (4) unique professional or artistic services not governed by the Consultants' Competitive Negotiations Act; (5) purchases of goods and services necessary to address an emergency or where additional formal competition would not be practicable; and (6) a solicitation where only a single proposer has responded to a competitive solicitation but such response contains material defects and the County still desires to enter into a contract with such proposer.

Any recommendation by the Mayor for the award of a Designated Purchase shall at a minimum: (i) provide a written explanation of why the purchase through formal sealed bids would not be practicable under the circumstances and is in the best interest of the County, (ii) provide a written explanation of the process followed resulting in the recommendation for a Designated Purchase, and (iii) provide a written description of any informal competition conducted and any and all efforts to obtain a valuation of the recommended purchase. The Board of County Commissioners shall adopt any resolution authorizing a Designated Purchase by a two-thirds vote of the members present.

https://library.municode.com/fl/miami-dade-county/codes/code-of-ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-8.1COPUGE

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Implementing Order No. 3-38 sets forth the County’s processes and procedures for the purchase of goods and services. The I.O. outlines: the roles and responsibilities of the Internal Services Department; the methods of purchasing goods and services; the authority to award and modify contracts; and the requirements for access contracts, emergency purchases, bid waivers, confirmation purchases and sole sources.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/IO3-38.pdf>

Resolution No. R-187-12, adopted by the Board on February 21, 2012, directs the County Mayor to include due diligence information in memoranda recommending certain contract awards.

<http://intra/gia/legistarfiles/MinMatters/Y2012/120287min.pdf>

Resolution No. R-1011-15, adopted by the Board on November 1, 2015, directs the County Mayor to require that vendors provide addresses of all local branch offices and headquarters and the number and percentage of local residents such vendors employ.

<http://intra/gia/matter.asp?matter=152271&file=true&yearFolder=Y2015>

PROCEDURAL HISTORY

Prime Sponsor: N/A

Department/Requester: Internal Services Department

The proposed resolution does not have a procedural history.

FISCAL IMPACT

According to the Fiscal Impact Statement, the fiscal impact to the County for the five-year term is \$3,535,000.

Monthly Recurring Service Fees:

Item	Service Location or Product	Monthly Service Fee
1	MDAD Aerobahn Service (20 Simultaneous User Licenses)	\$20,000/month
2	Support for MLAT Surveillance System (after transfer of title)	\$5,000/month
3	ETA Data Fee Monthly recurring commencing implementation of ETA data feed	\$1,500/month

Deliverable Based Item Pricing:

	Milestone Description	Percentage	Price
1	Site Survey Report: <i>Requires Completion of Deliverable Acceptance Form</i>	10 percent	\$190,000
2	Materials Onsite in Syracuse, NY: <i>Requires Completion of Deliverable Acceptance Form</i>	30 percent	\$570,000
3	Completion of Factory Acceptance Test in Syracuse: <i>Requires Completion of Deliverable Acceptance Form</i>	20 percent	\$380,000
4	Equipment Installed at MIA: <i>Requires Completion of Deliverable Acceptance Form</i>	20 percent	\$380,000

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5	Completion of Site Acceptance Test: <i>Requires Completion of Deliverable Acceptance Form</i>	20 percent	\$380,000
	Total for MDAD MLAT Surveillance Installation Payment Milestones		\$1,900,000
1	FIDS Interface – Milestone Payment: <i>Requires Completion of Deliverable Acceptance Form</i>		\$45,000

ANALYSIS

The proposed resolution seeks Board approval for the award of Contract No. BW9951-0/23 for the Designated Purchase of an Airport Surface Management System (ASMS) to Saab Sensis Corporation, in an amount not to exceed \$3,535,000.00 for a five-year term for the Miami-Dade Aviation Department.

Miami International Airport (MIA) is operated by the Miami-Dade Aviation Department and is the second busiest airport in the United States for international passengers. It has a line-up of over 100 air carriers, and is the top U.S. airport for international freight. MIA’s vision is to grow from a recognized hemispheric hub to a global airport of choice that offers customers a world-class experience and an expanded route network with direct passenger and cargo access to all world regions.

To further this vision, Miami-Dade Aviation Department desires to implement an ASMS to assist with the planning and allocation of airport resources by properly maintaining and controlling airport operations. These operations include the means by which aircrafts land, how they off-load passengers and cargo, prepare for the next flight, load passengers and cargo, and take off towards a new destination. This system implementation will include the installation, training, and configuration and on-going maintenance and support all system, sub-system and ancillary equipment that meets the performance specifications defined by the Miami-Dade Aviation Department.

MIA currently utilizes Saab Aerobahn Service under an agreement with American Airlines for service management. However, Miami-Dade Aviation Department desires to implement a system that can be expanded so that the entire airport can benefit from a complete surface management solution.

Staff conducted Market Research to determine the availability of firms offering Airport Surface Management Systems or solutions that would be able to perform the same functions and tasks described in the Scope of Work. The following firms were identified as having the ability to provide an ASMS: Saab, Airbus, Lockheed Martin, Passur Aerospace and NASA AMES Research. Saab’s Aerobahn is a clear industry leader in this technology space as evident in it being the most widely deployed airport operations management system. It is currently in use at 26 airports world-wide, including 3 of the top 5 busiest airports in the U.S. The Aeroban Solution is a modular system that includes the ability to integrate and present airport surveillance data and flight details graphically to give airport planners and decision-makers the edge in situational awareness.

Saab will provide implementation, training, data storage, on-going maintenance, and customer service and support of its Aerobahn Service along with an airport-wide Multi-lateration Tracking System. Implementation services will include the installation and configuration of all software, system, sub-system and ancillary equipment necessary to provide the services that meet the design, functional and operations specifications as identified by Miami-Dade Aviation Department.

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ADDITIONAL INFORMATION

Miami International Airport (MIA), located on 3,230 acres of land near downtown Miami, is operated by the Miami-Dade Aviation Department and is the property of Miami-Dade County government. Founded in 1928, MIA now offers more flights to Latin America and the Caribbean than any other U.S. airport, is America's second-busiest airport for international passengers, boasts a line-up of over 100 air carriers and is the top U.S. airport for international freight. MIA is also a leading economic engine for Miami-Dade County and the State of Florida, generating business revenue of \$33.7 billion annually and welcoming 70 percent of all international visitors to Florida.

http://www.miami-airport.com/about_us.asp

According to the Florida Department of State Division of Corporations website (Sunbiz.org), Saab Sensis Corporation, has an active status as a Foreign Profit Corporation and first filed and registered on 06/04/2010. The principal address is registered as 85 Collamer Crossings, East Syracuse, NY 13057. Its registered agent is Corporate Creations Network, Inc., 11380 Prosperity Farms Road, #221E, Palm Beach Gardens, FL 33410.

<http://search.sunbiz.org/Inquiry/CorporationSearch/ByName>

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Item No. 3H

File No. 181319

Researcher: BM Reviewer: TD

RESOLUTION APPROVING AGREEMENT BETWEEN MIAMI-DADE COUNTY AND FLORIDA RESILIENCY AND ENERGY DISTRICT (FRED) FOR A PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM WITHIN THE UNINCORPORATED AREA; APPROVING INDEMNIFICATION AGREEMENTS BETWEEN MIAMI-DADE COUNTY AND RENOVATE AMERICA INC., FLORIDA DEVELOPMENT FINANCE CORPORATION, DIVIDEND FINANCE, AND PACE FUNDING GROUP FOR THE BENEFIT OF MIAMI-DADE COUNTY; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THESE AGREEMENTS, EXECUTE INDEMNIFICATION AGREEMENTS WITH FUTURE ADMINISTRATORS OF FLORIDA RESILIENCY AND ENERGY DISTRICT FOR THE BENEFIT OF MIAMI-DADE COUNTY, AND EXERCISE CERTAIN PROVISIONS IN THE AGREEMENTS

ISSUE/REQUESTED ACTION

Whether this Board should approve this resolution which:

- (1) approves an agreements between the County and Florida Resiliency and Energy District (FRED) for a Property Assessed Clean Energy (PACE);
- (2) approves an indemnification agreement, for the County's benefit, between the County and Renovate America, Inc., Florida Development Finance Corporation, Dividend Finance, and PACE Funding Group; and
- (3) executes an indemnification agreement, for the benefit of the County, with future administrators of Florida Resiliency and Energy District.

APPLICABLE LEGISLATION/POLICY

Resolution No. R-324-16, adopted by the Board on April 19, 2016, directed the Mayor to: develop, negotiate, and present agreements with PACE providers to the Board; establish policy for the County with respect to PACE.

<http://intra/gia/legistarfiles/MinMatters/Y2016/160764min.pdf>

Section 163.01(7) Florida Statutes, Florida Interlocal Cooperation Act of 1969, relates to the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities.

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0163/Sections/0163.01.html

PROCEDURAL HISTORY

Prime Sponsor: Commissioner Jose "Pepe" Diaz, District 12

Department/Requester: Regulatory and Economic Resources

This item has no procedural history.

FISCAL IMPACT

There is no anticipated fiscal impact to the County with the approval of these agreements.

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ANALYSIS

This item seeks to approve agreements between the County and FRED, a PACE District, and its four administrators: (1) Renovate America Inc.; (2) Florida Development Finance Corporation; (3) Dividend Finance; and (4) PACE Funding Group. The four administrators agree to indemnify the County pursuant to the agreement with the County and FRED.

The purpose of the PACE District is to facilitate the financing of qualifying improvements for residential, commercial, and industrial property owners in accordance with Section 163.08 of the Florida Statutes. The Districts make it clear to the property owners that PACE contractual agreements are not directly entered into with the County, and that the County is not responsible for operating or administering the PACE District's program in any way. The County may impose administrative fees to recoup the County's administrative expenses associated with implementing the PACE District.

The District shall be solely responsible for all matters associated with origination, funding, financing, and administration of each of the District's authorized non-ad valorem assessments, including responding to any complaints or inquiries by participants, tax certificate holders, lenders or others relating to the special assessments, the financing agreements, the qualifying improvements, or any other aspect of the PACE program. The District shall provide quarterly reports to County. Examples of the reports to be provided from the District to the County are: (1) List of PACE projects started and/or completed; (2) for each project identified, qualifying improvements made to the property, energy baseline for each PACE project and the project energy savings, etc.; and (3) Jobs created for the reporting period.

The agreement attached in the mayoral memo states that the term of the agreement shall be in full force and effect from the date of its executing by both parties. Furthermore, either party may terminate this Agreement for convenience upon ninety days prior written notice. The County shall have the right to terminate this agreement for cause, via thirty day written notice to the District, if it the County determines that the District has violated any of the terms of the Agreement.

ADDITIONAL INFORMATION

Miami-Dade County homeowners, businesses and industries in unincorporated Miami-Dade County interested in solar panels, hurricane windows and other energy saving upgrades now have another financing option through the property assessed clean energy (PACE) program.

PACE allows property owners to receive upfront financing for a variety of energy-related home improvements, then repay the debt through voluntary assessments on their property tax bills. Approved third-party administrators will provide funding, and the assessment can be amortized over a period of five to up to 20 years, which allows for the cost savings resulting from the improvements to be used to pay back the annual amount owed.

PACE-funded improvements must be properly permitted and installed by licensed contractors, and they must meet applicable federal, state, and local energy, wind and building code standards.

Although the County has to authorize PACE programs to operate in unincorporated Miami-Dade County, the County does not administer or operate the programs in any way. All contractual PACE agreements are between property owners and the PACE district, a non-County entity.

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To foster competition and protect consumers, Miami-Dade County has included compliance requirements in its agreements with each PACE provider such as provisions for clear communication with customers, disclosure of all fees and risks associated with participating in the program, prepayment penalties and hardship exceptions, and mandatory data reporting.

<https://www.miamidade.gov/green/energy.asp>