



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

Tourism & Ports (TAPS) Committee Meeting

January 15, 2020
9:30 A.M.
Commission Chambers

Yinka Majekodunmi, CPA
Commission Auditor
Office of the Commission Auditor (OCA)
111 N.W. First Street, Suite 1030
Miami, FL 33128
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**TAPS Committee Meeting:
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Research Notes**

**Item No. 3A
File No. 193058**

Researcher: IL Reviewer: TD

RESOLUTION APPROVING DEVELOPMENT LEASE AGREEMENT BETWEEN MIAMI-DADE COUNTY AND INTERNATIONAL FLIGHT CENTER AT THE MIAMI EXECUTIVE AIRPORT FOR THE REPLACEMENT OF THE FIXED BASED OPERATOR TERMINAL BUILDING AND CONSTRUCTION OF AIRCRAFT STORAGE AND MAINTENANCE HANGARS AND OTHER RELATED AVIATION FACILITIES, FOR A TERM OF THIRTY-FIVE YEARS, A MINIMUM INVESTMENT OF \$6,000,000.00, ANNUAL LAND, PAVEMENT, AND BUILDING RENT OF \$277,773.88, AND ADDITIONAL LAND AND IMPROVEMENT RENT; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SAME, TO EXERCISE ALL RIGHTS CONFERRED THEREIN AND TO PERFORM ALL ACTS NECESSARY TO EFFECTUATE; AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE THE DEVELOPMENT LEASE AGREEMENT TO THE PROPERTY APPRAISER IN ACCORDANCE WITH RESOLUTION NO. R-791-14

ISSUE/REQUESTED ACTION

Whether the Board should approve a lease agreement between Miami-Dade County and International Flight Center (IFC), for the replacement of the fixed-based operator terminal building and the construction of aircraft storage and maintenance hangars and other related aviation facilities at the Miami Executive Airport.

PROCEDURAL HISTORY

**Prime Sponsor: Commissioner Joe A. Martinez, Commission District 11
Department/Requester: Aviation Department**

- There is no procedural history for this item.

ANALYSIS

The purpose of this item is for the Board to approve a lease agreement with IFC for the replacement of the fixed-based operator terminal building and the construction of aircraft storage and maintenance hangars and other related aviation facilities at the Miami Executive Airport. The Lease agreement is for a thirty-five-year term intended to be a developmental lease agreement where IFC will invest \$6,000,000 and have an annual land, pavement, and building rental fee of \$277,773. The proposed developed is located at 14592 S.W. 129 Street at Miami Executive Airport in Commission District 11, represented by Commissioner Joe A. Martinez.

The item is silent as to the selection process utilized, other corporations submitting bids or their ranking.

The fiscal impact is positive resulting in annual payment of \$277,773 in an annual building, land and pavement rent and \$50,789.76 in land rent.

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A complete breakdown of the fiscal breakdown is illustrated in the table below:

(A) Annual Land & Building Rent: As annual land and building rent for the lease of the Premises, the Lessee shall pay to the County on the Commencement Date, the sum of **\$277,773.88** annually, to be prorated and payable in equal monthly installments of **\$23,147.82**, plus applicable State sales tax in US funds, on the first day of each and every month, in advance and without billing, at the offices of the Lessor, as set forth in Article 3.05 (Methods of Payment). Said rental is computed as shown in Table 1 below, and is subject to annual appraisal changes:

**Table 1
Rent**

Exhibit	Parcel ID	Description	Area (SF)	Rate *	Annual *	Monthly *
A-4	23-14D03	Aircraft pavement	25,687	\$0.05	\$1,284.35	\$107.03
A-4	22-14H06	Airside vehicle Pavement	9,102	\$0.05	\$455.10	\$37.93
A-4	24-14H05	Landscape airside	14,715			
A-4	24-14H07	Landscape airside	1,718			
A-4	13-14H01	Bldg. 121	13,646	\$5.80	\$79,146.80	\$6,595.57
Total Land (Bldg 121)			64,868	\$0.24	\$15,568.32	\$1,297.36
A	13-13K01	Bldg. 221	13,442	\$3.65	\$49,063.30	\$4,088.61
A	13-13L01	Bldg. 222	15,552	\$2.55	\$39,657.60	\$3,304.80
A	25-13L05	Landside vehicle pavement	20,943	\$0.05	\$1,047.15	\$87.26
A	23-13K08	Aircraft pavement	160,128	\$0.05	\$8,006.40	\$667.20
A	24-13L04	Landscape	2,392			
A	24-13L03	Land	96,334			
A-3	24-13O03	Land	2,572			
A-3	23-13O02	Aircraft pavement	30,406	\$0.05	\$1,520.30	\$126.69
Total Land (Bldg 221, 222)			341,769	0.24	\$82,024.56	\$6,835.38
Total Square Feet			406,637			
Total Rent					\$277,773.88	\$23,147.82

The IFC has been working as a fixed based operator (FBO) on approximately 9.33 acres of land at Miami Executive Airport since October 1998. The development lease will, among other things:

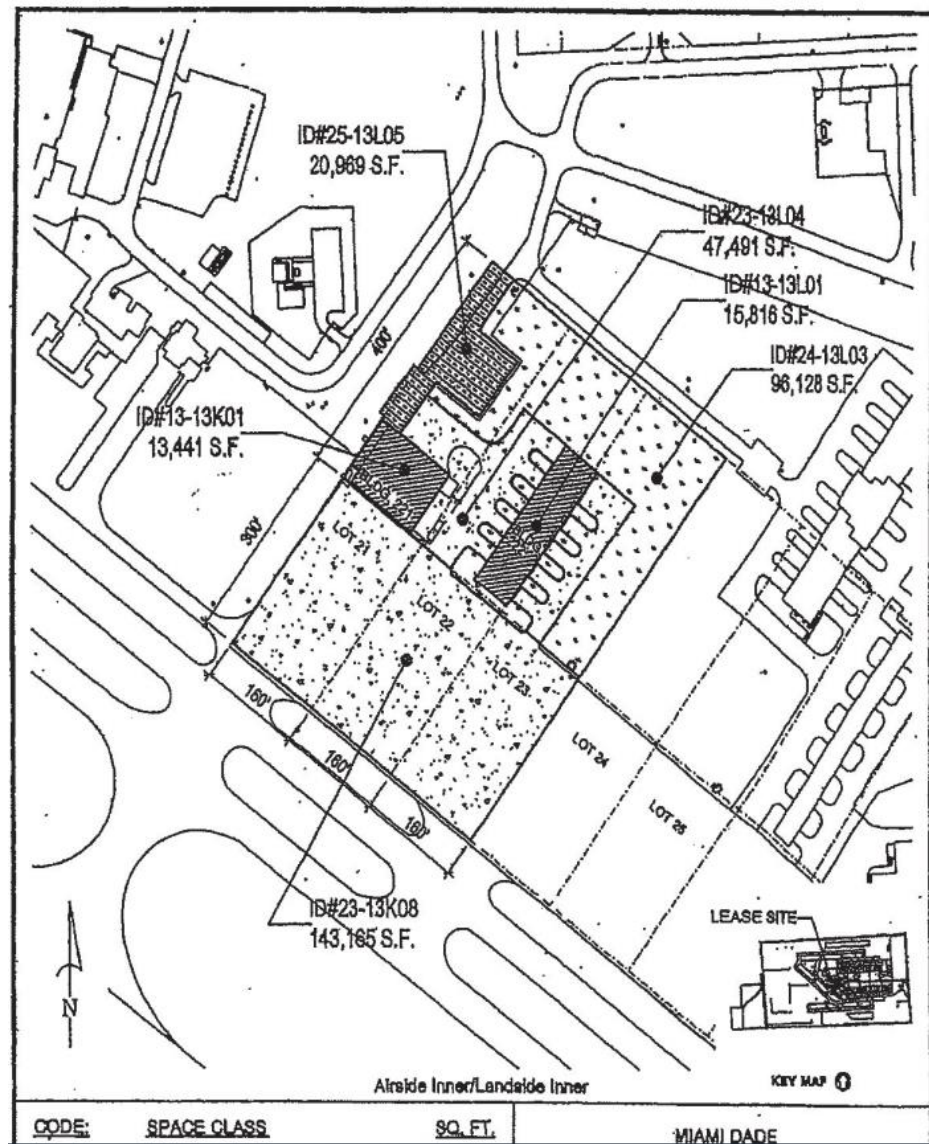
- Provide for the addition of approximately 4.86 acres to the combined premises for a total of approximately 14.19 acres;
- IFC will replace the existing FBO terminal building and construct two new aircraft storage hangars, a fuel farm, a maintenance hangar with office support and shop space and additional aircraft and vehicle pavement at Miami Executive Airport;
- Requires IFC to invest a minimum of \$6,000,000 for the design and construction of the proposed improvements; and
- Establishes IFC's payment requirements.

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OCA conducted a review of the selected firm on January 10, 2020, below are the results:

Firm	Sunbiz	Tax Collector	West Law
International Flight Center, Inc.	Florida For Profit Corporation Principal Address: 14592 S.W. 129 Street, Miami, FL 33186 Date Filed: 10/05/2006	Business address: 12800 SW 139 Avenue, Miami, FL 33186 Current/Paid	No Relevant Cases

The map below illustrates Phase 1 and Phase 2 and shows the location of the property.



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APPLICABLE LEGISLATION/POLICY

Section 125.012 of the Florida Statutes, Project facilities; general powers and duties - To pledge by resolution or contract the revenues arising from the operation of any project or projects owned and operated by the county to the payment of the cost of operation, maintenance, repair, improvement, extension, or enlargement of the project or projects from the operation of which such revenues are received and for the payment of principal and interest on bonds issued in connection with any such project or projects; and to combine for financing purposes any two or more projects constructed or acquired by the County.

http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0125/Sections/0125.012.html

Section 125.35 of the Florida Statutes, County authorized to sell real and personal property and to lease real property, The board of county commissioners is expressly authorized to sell and convey any real or personal property, and to lease real property, belonging to the county, whenever the board determines that it is to the best interest of the county to do so, to the highest and best bidder for the particular use the board deems to be the highest and best, for such length of term and such conditions as the governing body may in its discretion determine.

http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0125/Sections/0125.35.html

Florida Statutes Section 125.38 states that the Board of County Commissioners may if satisfied that such property is required for such use and is not needed for county purposes, may convey or lease the same at private sale to the applicant for such price, whether nominal or otherwise, as such board may fix, regardless of the actual value of such property. The fact of such application being made, the purpose for which such property is to be used, and the price or rent therefor shall be set out in a resolution duly adopted by such board. In case of a lease, the term of such lease shall be recited in the resolution. No advertisement shall be required.

http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App_mode=Display_Statute&Search_String=125.38&URL=0100-0199/0125/Sections/0125.38.html

Resolution No. R-650-07, adopted May 3, 2007, authorizes the Mayor to advertise a request for proposals relating to the availability of designated investment area parcels at both Miami International Airport and Kendall-Tamiami Executive Airport for Development of such parcels under terms to be negotiated between the County and the proposers offering the greater financial return to the Airport System.

<http://www.miamidade.gov/govaction/matter.asp?matter=071399&file=true&fileAnalysis=false&yearFolder=Y2007>

Resolution No. R-333-15, adopted April 21, 2015, established the County policy requiring disclosure of the market value of market rental in legislative items authorizing the conveyance or lease of County-owned property to promote disclosure and fiscal responsibility.

<http://intra/gia/matter.asp?matter=150446&file=true&yearFolder=Y2015>

Resolution No. R-380-17, adopted April 4, 2017, requires that the County Mayor or County Mayor's designee provide written notification to District Commissioners in which County-owned property lies no less than four weeks prior to (1) any issuance of a request for proposal or expression of interest regarding the sale, lease, or development of such property or (2) placing any item on the agenda of the Board or any committee of the Board requesting the approval, sale, lease, or surplus of County-owned property.

<http://intra/gia/matter.asp?matter=170414&file=true&yearFolder=Y2017>

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Resolution No. R-461-13, adopted June 4, 2013, establishes County policy to require inclusion of a reverter or lease termination provision in conveyance documents when conveying County-owned property by sale or lease under Florida Statute section 125.38.

<http://intra/gia/matter.asp?matter=130909&file=true&yearFolder=Y2013>

Resolution No. R-791-14, adopted September 3, 2014, directing the Mayor or the Mayor's designee to provide the Miami-Dade County Property Appraiser a copy of all leases and operating agreements involving County-Owned property.

<http://www.miamidade.gov/govaction/matter.asp?matter=141723&file=true&fileAnalysis=false&yearFolder=Y2014>

Resolution No. R-256-13, adopted April 2, 2013, establishing County policy with respect to conveyances to not for profit corporations under Florida Statute Section 125.38, 1) to lease, rather than convey property, unless other compelling circumstances justify the conveyance of same, and 2) to include lease terms requiring a rental payment in lieu of paying taxes in the event that tax exempt status is achieved by the not-for-profit corporation, unless a hardship or other substantial reason exists for foregoing such payment.

<http://intra/gia/matter.asp?matter=130443&file=true&yearFolder=Y2013>

Resolution No. R-23-07, adopted January 25, 2007, approving a development lease agreement between Miami-Dade County and Tamiami Air, Inc., for construction of aircraft hangar at Kendall-Tamiami Executive Airport.

<http://www.miamidade.gov/govaction/matter.asp?matter=063387&file=true&fileAnalysis=false&yearFolder=Y2006>

Resolution No. R-597-05, adopted May 19, 2005, approving a development lease agreement between Miami-Dade County and Miami Executive Aviation (MEA's) construction and use of a hangars storage and air craft maintenance facility at Opa-Locka Airport.

<http://www.miamidade.gov/govaction/matter.asp?matter=050891&file=true&fileAnalysis=false&yearFolder=Y2005>

Administrative Order (A.O.) No 8-4 sets forth the County's processes and procedures for the sale, lease or otherwise dispose of County-owned real property lies solely with the Board of County Commissioners. Before action is taken on any proposed sale or lease of County-owned real property, unless expressly excluded herein, a recommendation will be requested from the Planning Advisory Board, to indicate whether such proposal is in the public interest and also recommending proper land use classification if applicable. Should a recommendation not be received from the Planning Advisory Board within the time period provided within this administrative order, the Planning Department Director will provide a recommendation on the proposal.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdf/AO8-4.pdf>

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Executive Airport for Development of such parcels under terms to be negotiated between the County and the proposers offering the greater financial return to the Airport System.

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<http://www.miamidade.gov/govaction/matter.asp?matter=063387&file=true&fileAnalysis=false&yearFolder=Y2006>

Resolution No. R-597-05, adopted May 19, 2005, approving a development lease agreement between Miami-Dade County and Miami Executive Aviation (MEA's) construction and use of a hangars storage and air craft maintenance facility at Opa-Locka Airport.

<http://www.miamidade.gov/govaction/matter.asp?matter=050891&file=true&fileAnalysis=false&yearFolder=Y2005>

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<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/AO8-4.pdf>

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Item No. 3B & 3C

File No. 192786 & 192790

Researcher: JFP Reviewer: TD

RESOLUTION APPROVING PROFESSIONAL SERVICES AGREEMENT BETWEEN MIAMI-DADE COUNTY AND T.Y. LIN INTERNATIONAL; FOR FUELING SYSTEM SERVICES AT MIAMI INTERNATIONAL AIRPORT AND GENERAL AVIATION AIRPORTS, CONTRACT NO. E18-MDAD-01A IN AN AMOUNT NOT TO EXCEED \$3,308,250.00 FOR A TERM OF SEVEN YEARS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE AGREEMENT AND TO EXERCISE THE TERMINATION PROVISION CONTAINED THEREIN [SEE FILE NO. 192790]

RESOLUTION APPROVING PROFESSIONAL SERVICES AGREEMENT BETWEEN MIAMI-DADE COUNTY AND STANTEC CONSULTING SERVICES, INC.; FOR FUELING SYSTEM SERVICES AT MIAMI INTERNATIONAL AIRPORT AND GENERAL AVIATION AIRPORTS, CONTRACT NO. E18-MDAD-01B IN AN AMOUNT NOT TO EXCEED \$3,308,250.00 FOR A TERM OF SEVEN YEARS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE AGREEMENT AND TO EXERCISE THE TERMINATION PROVISION CONTAINED THEREIN [SEE FILE NO. 192786]

ISSUE/REQUESTED ACTION

Whether the Board should approve two separate Professional Service Agreements (PSAs) for airport fueling system services under *Contract No. E18-MDAD-01B* for the Miami-Dade Aviation Department (MDAD), each at a contract amount of up to \$3,308,250, inclusive of a contingency allowance of \$300,000 (10%) for a term of seven years.

PROCEDURAL HISTORY

Prime Sponsor: None

Department/Requester: Aviation Department

This item has no procedural history.

ANALYSIS

The purpose of this item is to establish PSAs with two Architectural and Engineering consultants, T.Y. Lin International (TAPS Agenda Item 3B – File No. 192786) and Stantec Consulting Services, Inc. (TAPS Agenda Item 3C – File No. 192790) to provide engineering consulting services to support all fuel facility related operations.

The funding sources for the two \$3,308,250 PSAs is Future Aviation Financing and Operating Fund under Proposed Budget and Multi-Year Capital Plan FY 19-20 Project No. 2000000096. The project scope includes design services for the upgrade, maintenance, repair and/or construction of the aviation fuel storage and distribution systems and facilities under MDAD's jurisdiction, including the following:

- Tank Farm, which handles/processes and houses the Jet-A fuel supplies for the airlines;
- Hydrant System, which transports Jet-A fuel to the ramp via underground pipelines;
- Midfield Gas Station, which dispenses vehicular fuel for airside vehicles;
- Employee Emergency Tank, which supplies vehicular fuel to airport employees in the event of a hurricane; and
- West Cargo Fuel Tender, which provides Jet-A fuel to tankers to fuel planes.

A 25% SBE A/E goal and .3% SBE G/S goal applied to the solicitation. The minimum qualifications required the prime consultant to have experience in planning, feasibility studies, design, and construction phase services for large

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File No. 192786 & 192790

Researcher: JFP Reviewer: TD

commercial airport aviation fueling systems. The solicitation was advertised on October 3, 2018, yielding four respondents. The final rankings after First and Second Tier proceedings were:

- 1) T.Y. Lin International – 476 points;
- 2) Stantec Consulting Services, Inc. – 467 points;
- 3) Burns & McDonnell Engineering Company, Inc. – 457 points;
- 4) HDR Engineering, Inc. – 445 points.

The two highest-ranked firms, T.Y. Lin International and Stantec Consulting Services, Inc. are being recommended for award.

Pursuant to Resolution No. R-421-16, OCA conducted a performance record verification in the Capital Improvements Information System on January 9, 2020 with the following findings.

Awarded Firm	Previous Agreements with the County in the Past Three Years	Total Value of County Contracts	No. of Evaluations	Average Evaluation Rating (out of a possible 4.0)
T.Y. Lin International (TAPS Agenda Item 3B – File No. 192786)	6	\$17,953,036.80	7	4.0
Stantec Consulting Services, Inc. (TAPS Agenda Item 3C – File No. 192790)	3	\$5,754,470.26; \$95,000 in change orders.	14	3.8

OCA's due diligence on the firms being recommended for award is detailed below.

Awarded Firm	Subconsultants/ Subcontractors and Contract Measures	Corporate Registration	Tax Collector's Office	Florida DBPR	Litigation (Westlaw)
T.Y. Lin International (TAPS Agenda Item 3B – File No. 192786)	SBE A/E Subconsultants (25% SBE A/E goal): Avino & Associates, Inc. (7.8%; \$234,000) Nifah and Partners Consulting	Foreign Profit Corporation Active Principal Address: 345 California Street, Suite 2300	Business Address: 201 Alhambra Circle, Suite 900 Coral Gables, FL 33134 Status: Paid and Current	License Types: Architect Business; Landscape Architect Business; Geology Business	Tucharski Edyta v. TY Lin International (Case No. 2017-L-008009). Filed on August 8, 2017 in Circuit Court, Cook County. Allegations: Plaintiff's husband's head collided with the newly installed concrete sewer pipe when the trench shield caved in and collapsed on him while he was working in the trench dug of

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Item No. 3B & 3C

File No. 192786 & 192790

Researcher: JFP Reviewer: TD

	<p>Engineers, Inc. (7.8%; \$234,000)</p> <p>Nova Consulting, Inc. (7.8; \$234,000)</p> <p>HR Engineering Services (2%; \$60,000)</p> <p>SBE G/S Subcontractors (0.3% SBE G/S goal):</p> <p>Cenoffi, Inc. (0.3% ; \$9,000)</p>	<p>San Francisco, CA 94104</p> <p>Filed: June 12, 1975</p>			<p>defendants' sewer improvement project, resulting in the decedent being buried alive under the collapsed portion of the trench dug, and his wrongful death. Case Status: Awaiting Court action.</p>
<p>Stantec Consulting Services, Inc. (TAPS Agenda Item 3C – File No. 192790)</p>	<p>SBE A/E Subconsultants (25% SBE A/E goal):</p> <p>Architects International, Inc. (7%; \$231,578)</p> <p>Disamerica Consulting Group, Inc. (9%; \$297,743)</p> <p>EBS Engineering, Inc.(9%, \$297,743)</p> <p>SBE G/S Subcontractors (0.3% SBE G/S goal):</p>	<p>Foreign Profit Corporation</p> <p>Active</p> <p>Principal Address: 370 Interlocken Blvd., Suite 300 Broomfield, CO 80021</p> <p>Filed: November 14, 2001</p>	<p>Business Address: 901 Ponce de Leon Blvd., Suite 900 Coral Gables, FL 33134</p> <p>Status: Paid and Current</p>	<p>License Types: Architect Business; Landscape Architect Business; Geology Business</p>	<p><i>Gilberti v. Adurra Group Inc, et al</i> (8:19-cv-2012-T- 33AAS). Filed on August 9, 2019 in U.S. District Court, Middle District of Florida (Tampa). Allegation: Racketeer Influenced and Corrupt Organizations (RICO) Act lawsuit. Defendants purposely designed massive unsustainable infrastructure systems between polluted regional rivers, causing higher cancer and disease rates. Stantec Consulting Services, Inc. is one of six defendants in this case. Case Status: Defendants' Motion to Dismiss granted; Notice of Appeal filed on December 27, 2019.</p>

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File No. 192786 & 192790

Researcher: JFP Reviewer: TD

	HR Engineering Services, Inc. (2%; \$66,165)				Abrams Kiewitt v. Stantec (D-1-GN-18-004199). Filed on August 8, 2018 in 250 th Judicial District Court, Travis County, Texas. Allegation: Plaintiff claims defendant failed to adequately perform work on a \$500 million highway construction project in El Paso, with failures in all disciplines and in all design phases, causing plaintiff to suffer millions of dollars in damages. Case Status: Awaiting Court action.
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APPLICABLE LEGISLATION/POLICY

Section 287.055, 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=PTIIICOR_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=PTIIICOR_CH2AD_ARTIINGE_S2-10.4.01SMBUENARENPR

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File No. 192786 & 192790**

Researcher: JFP Reviewer: TD

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

Section 2-8.3 of the County Code (County Mayor's Recommendation) states that whenever a competitive process is utilized for selection of a contractor, vendor, consultant, tenant or concessionaire, the County Mayor shall review the responses to the solicitation and recommend to the County Commission award or other appropriate action. Such recommendation shall be in writing and shall be filed with the Clerk of the Board, with copies mailed to all participants in the competitive process, no later than 10 days prior to any Commission meeting at which such recommendation is scheduled to be presented. Such recommendation shall be accompanied by a memorandum from the County Mayor that clearly identifies any and all delegations of Board authority contained in the body of the proposed contract.

https://library.municode.com/fl/miami-dade-county/codes/code-of-ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-8.3MARE

Implementing Order No. 3-34 establishes procedures for the formation and performance of selection committees in the competitive procurement process, including competitive selection committees utilized in the acquisition of architectural and engineering professional services.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/IO3-34.pdf>

Implementing Order No. 8-8 sets forth the Sustainable Buildings Program, requiring the County to incorporate sustainable development building measures into the design, construction, renovation and maintenance of County-owned, County-financed and County-operated buildings.

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/IO8-8.pdf>

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.

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

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

<http://intra/gia/matter.asp?matter=120287&file=true&yearFolder=Y2012>

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Research Notes**

**Item No. 3D
File No. 191352**

Researcher: MF Reviewer: TD

RESOLUTION APPROVING AWARD OF CONTRACT NO. RFP-00808 TO LAZ FLORIDA PARKING, LLC FOR THE NON-EXCLUSIVE AGREEMENT FOR THE OPERATION OF PUBLIC PARKING FACILITIES AT MIAMI INTERNATIONAL AIRPORT FOR THE MIAMI-DADE AVIATION DEPARTMENT IN A TOTAL AMOUNT NOT TO EXCEED \$796,344 FOR THE FIVE-YEAR TERM; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SAME FOR AND ON BEHALF OF MIAMI-DADE COUNTY AND TO EXERCISE ALL PROVISIONS OF THE CONTRACT, INCLUDING ANY CANCELLATION, RENEWAL AND EXTENSION PROVISIONS PURSUANT TO SECTION 2-8.1 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA AND IMPLEMENTING ORDER 3-38

ISSUE/REQUESTED ACTION

Whether the Board should approve awarding *Contract No. RFP-00808* to LAZ Florida Parking, LLC for a non-exclusive agreement for the operation of public parking facilities at Miami International Airport (MIA) in an amount not to exceed \$796,344 for a five-year term.

PROCEDURAL HISTORY

Prime Sponsor: N/A

Department/Requester: Internal Services Department (ISD)

This item was deferred from the November 14, 2019 Tourism and the Ports (TAPS) Committee meeting. During discussion, members initially voted to defer the item to the December 11, 2019 TAPS Committee meeting; however, members later reconsidered the date of the meeting, and moved the item for placement on the January 15, 2020 TAPS Committee meeting. Previously, this item was heard at the TAPS Committee meeting of October 17, 2019 with the committee not reaching a consensus. At the end of the October committee meeting, there was no quorum and the item rolled over to the TAPS meeting of November 14, 2019. During discussion of the item at the October 2019 meeting, members discussed issues pertaining to 1) the integrity of the procurement process; and 2) whether the process was flawed due to the labor provision not being mentioned in the RFP.

Below is a synopsis of the discussion that transpired during the TAPS October 17, 2019 Committee meeting, at which members did not reach a consensus:

Commissioner Rebeca Sosa inquired whether the item had undergone a proper and clean procurement process, where ISD Chief Procurement Officer Namita Uppal stated the selection committee had scored the vendors and the members unanimously decided that both companies (LAZ and Airport Parking Associates) are qualified and experienced. The recommended company (LAZ) submitted a lower amount for the management fees – and that is the basis for the award. Aviation Director Lester Sola pointed out there is a labor peace agreement component. He explained that when the solicitation was made, there was no language pertaining to the peace agreement; however, there is a labor fee stipulation in the contract where the selected company will manage the operations, thus the County is paying the management costs to oversee said services.

Ms. Uppal indicated the staff was unaware that a labor peace agreement was needed in the RFP, adding all future contracts will enter into a labor peace agreement. Commissioner Jordan stated that a person submitting an RFP is submitting the information based on labor fees and that if the labor piece is not included in the RFP, then the submission does not include that information for consideration. Ms. Uppal affirmed that was correct and confirmed

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that the County asked both companies to submit the management fees; the proposed vendor (LAZ) submitted at \$149,000, while the incumbent vendor (Airport Parking Associates) submitted at \$349,000.

Commissioner Jordan made reference to a flaw in the process because it did not start off with the information that both parties needed to have; one party had the information while the other party had it after the fact, thus, the process was flawed from the beginning. She explained that, in her opinion, that once the County recognized the process was flawed, the decision should have been made to stop.

ANALYSIS

The purpose of this item is for the Board to award a replacement long-term contract for the management and operation of main public parking facilities at MIA known as Dolphin and Flamingo garages. The last contract for these services was awarded to Airport Parking Associates and expired September 30, 2019. According to BTS, the contract was administratively extended through December 30, 2019. The replacement contract is being awarded to LAZ Florida Parking for a term of five years for a value of \$796,344.

The scope of *Contract No. RFP-00808* consists of the 24/7 daily operations of public parking facilities, utilizing and maintaining the parking access and revenue control system, and maintaining the facilities in good working order. More specifically, key services delivered are:

- Oversee the maintenance and cleanliness of facilities and report to MDAD if janitorial and/or repair services are required;
- Develop strategies to maximize sales and optimize net income;
- Provide emergency service at no charge to the customer for lost vehicle search assistance, jump starts, inflation of flat tires or installation of spares; and lock-out assistance;
- Monitor facilities to ensure the security of guests, including performing night vehicle inventory and reporting vehicle count;
- Confirm that parking location reminder systems are operational at all times;
- Collect payment utilizing the existing MDAD Parking Access Revenue Control System;
- Reconcile all revenues received with receipts;
- Develop and maintain an annual marketing plan which shall analyze the competition in the surrounding airport area and develop an action plan by market segment to address supply and demand by facility type; and
- Provide valet parking services, including obtaining and maintaining Garage Keeper's Legal Liability Insurance.

The facilities covered include, but are not limited to, multi-level garages, surface lots, Central Collection Plaza, remote parking and the taxicab lot, as well as overseeing the Parking Access and Revenue Control System (PARCS). The employee lot is excluded from the contract's scope.

There is a contractually stipulated interplay between this recommended award and the PARCS contract to DESIGNA Access Corp., which was awarded via Contract No. RFP-MDAD-07-17, pursuant to Resolution No. R-463-19 on May 7, 2019. The DESIGNA award provided for the following goods and services:

- Hardware
- Software
- Tools

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- Equipment
- Materials
- Labor
- Data wiring
- Electrical infrastructure
- Test results
- Supervision
- Project management, et al, for PARCS

The replacement contract requires LAZ Florida Parking to work jointly and cooperate fully with DESIGNA during the design, construction, installation, testing and implementation of the new parking access revenue control system. Such cooperation includes operating and managing the new PARS.

This contract replaces Contract No. MDAD-02-06, pursuant to Resolution No. R-898-08, which later was extended through Resolution No. R-979-18. The table below displays the main points pertaining to the above-mentioned contract via the adopted legislation.

R-898-08	R-979-18
Award RFP No. MDAD-02-06 for public parking agreement and nonexclusive management agreement with Airport Parking Associates for a term of 5 years.	Approved amendment to Contract No. MDAD-02-06 for the designated purchase of non-exclusive management services for the operation of public parking at MIA
Provided for one 5-year term with the County's right to extend agreement an additional 5 years in 1-year increments	Provided additional time of up to 1 year, & additional expenditure amount up to a maximum of \$199,699
Contract extensions could not exceed 10 years	Added contract provisions for termination of convenience and public records

The fiscal impact to the County is \$796,344 for the management fees spanning the five-year term. Under the current contract (MDAD-02-06), the management fees with incumbent firm, Airport Parking Associates (APA), were estimated at \$1,189,699 for an 11-year term, which expired September 30, 2019. Under the replacement contract, the management fees with LAZ will vary from year to year, and includes annual Consumer Price Index adjustments, but will not exceed the contracted amount of \$796,344.

According to the market research for the subject item, parking operations at MIA generated \$44,930,798 in adjusted gross revenue, net of sales taxes, for the Fiscal Year ending September 30, 2017. For FY 2016, parking operations generated \$48,158,186 in adjusted gross revenue. MDAD does not currently have in-house staff that can be assigned to operating the parking facilities at MIA, thus, there is a need to hire an outside provider.

The table below shows the estimated per year management fees for LAZ, including the 3% escalation cap for years 2 through 5, as per information in BTS.

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Years	Allocated Amount
1	\$149,995
2	\$154,494.85
3	\$159,129.70
4	\$163,903.59
5	\$168,820.69
TOTAL:	\$796,343.83

Two proposals were received in response to the solicitation for this replacement contract. Upon receipt of said proposals, the Competitive Selection Committee conducted dual negotiations with LAZ (the recommended company to be awarded), and the incumbent company APA. The award recommendation is based upon negotiations, which resulted in LAZ offering the lowest price.

According to BTS, the final scores for the two proposals received were as follows:

Company Name	Total Score (max. score 5000)
LAZ Florida Parking, LLC	4379.5
Airport Parking Associates	4377.1

OCA performed due diligence of LAZ Florida Parking, LLC, on July 29, 2019, October 16, 2019, and December 27, 2019; the results are shown below.

Awarded Firm(s)	Corporate Registration	Tax Collectors Office	Florida DBPR	Westlaw
LAZ Florida Parking, LLC	Florida Limited Liability Company Active Principal Address: 404 Washington Ave., Ste. 720, Miami Beach, FL Filed: October 2, 2007	Business Address: 404 Washington Ave., Ste. 720, Miami Beach, FL Status: Paid and Current	No account on file	<i>Ashu Kumar Luthra v. Laz Karp Associates, LLC, et al</i> , (Case No. 2019-027348-CA-01); Filed on September 16, 2019 in the 11 th Judicial Circuit, Miami-Dade County, Florida. Allegation: auto negligence greater than \$15,000. Case status: Pending court action. <i>Trent Kathmann v. LAZ Florida Parking, LLC.</i> , (Case No. 17-5683 SP 25); Filed on June 15, 2018 in the County Court of Miami-Dade County, Florida. Allegation: defendant's valet parking employee

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				damaged the transmission on the plaintiff's vehicle. Case status: Closed case. Plaintiff received \$2,269.37 in damages.	
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OCA performed a search for commodity codes 96259 (Parking Services: Operation, Admission, Supervision), and 98865 (Parking Lot and Street Maintenance Services) on the Business Management Workforce System's EDP Registered Firms tab on July 15, 2019. There were two (2) local firms listed with at least one of the required commodity codes:

- LCN Group, Inc., 555 NW 95 Street, Miami, FL SBE
- Shasa Engineering Corp., 13965 SW 10 Street, Miami, FL SBE

ADDITIONAL INFORMATION

OCA performed an Internet search regarding LAZ Florida Parking, LLC, with offices at 404 Washington Avenue, Suite 720, Miami Beach, FL 33139 on July 15, 2019. According to the company's website, LAZ provides parking management services for office buildings, hospitality and valet, government, residential buildings, airports, and stadiums and arenas.

<https://www.lazparking.com/our-company>

OCA also found a 2016 news article from the *Chicago Tribune* pertaining to a former LAZ Parking executive, who pleaded guilty to one count of wire fraud on allegations of taking \$90,000 in bribes from a \$22 million contract for Chicago's parking meters to supply and install meters.

<https://www.chicagotribune.com/news/breaking/ct-parking-meters-bribery-guilty-met-20160414-story.html>

APPLICABLE LEGISLATION/POLICY

Administrative Order, issued April 5, 2019, provide legal opinion regarding response to request for responsiveness/determination regarding RFP No. 00808, Operation of Public Parking Facilities at Miami International Airport.

Implementing Order 3-38, adopted March 18, 2016, governs the County's processes for the purchase of goods and services including professional services.

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

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. The Mayor is delegated the authority to award and reject bids or proposals for contracts for public improvements (construction), and purchases of supplies, materials and services (including professional services, other than professional architectural, engineering and other services subject to section 2-10.4 and Section 287.055, Florida Statutes) costing \$1,000,000 or less, or in the case of miscellaneous construction contracts designed to provide

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opportunities for Community Small Business Enterprises specifically authorized by Board resolution \$5,000,000 or less, without the need for action by the County Commission.

For contract awards, information shall be added to the recommendation for award memorandum presented by the County Mayor to the Board of County Commissioners identifying (1) 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 (2) 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](https://library.municode.com/fl/miami-dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTIINGE_S2-8.1COPUGE)

Resolution No. R-463-19, adopted May 7, 2019, approves award of Contract No. RFP-MDAD-07-17 to DESIGNA Access Corporation for the purchase of Parking Access and Revenue Control System for the Miami-Dade Aviation Department in a total amount not to exceed \$9,910,601 for the initial three-year term and a five-year option to renew term.

<http://intra/gia/matter.asp?matter=190865&file=true&yearFolder=Y2019>

Resolution No. R-515-19, adopted May 7, 2019, directs the Mayor to seek approval for award of successor contracts or extensions 60 days prior to contract expiration.

<http://intra/gia/matter.asp?matter=190943&file=true&yearFolder=Y2019>

Resolution No. R-828-19, adopted July 23, 2019, established a County policy for disclosure of past and present discrimination lawsuits in solicitation submissions; requiring the following: 1) implementing a policy of disclosure of discrimination lawsuits; 2) requiring in competitive and non-competitive solicitation documents the disclosure of lawsuits that include allegations of discrimination and dispositions of such lawsuits for a 10-uear period through the date of the solicitation or non-competitive award recommendation; and 3) provide a report to the Board.

<http://www.miamidade.gov/govaction/matter.asp?matter=190936&file=true&fileAnalysis=false&yearFolder=Y2019>

Resolution No. R-979-18, adopted September 25, 2018, approved retroactively amendment 1 to Contact No. MDAD-02-06 for the designated purchase of non-exclusive management services for the operation of the public parking facilities at Miami International Airport for the Miami-Dade Aviation Department, providing additional time of up to one year, additional expenditure authority in an amount up to \$199,699 and incorporating additional contract provisions for termination for convenience and public records, pursuant to Section 2-8.1(B)(3) of the County Code, by a two-thirds vote of the board members present.

<http://www.miamidade.gov/govaction/matter.asp?matter=182313&file=true&fileAnalysis=false&yearFolder=Y2018>

Resolution No. R-140-15, adopted February 3, 2015, directs the Mayor to conduct a full review of the scope, prior to the re-procurement of replacement contracts for goods or services to ensure such contracts reflect the current needs of the County, to include information in recommendations to the Board, and to consult with the Small Business Development Division regarding solicitation contract language.

<http://www.miamidade.gov/govaction/legistarfiles/MinMatters/Y2015/150090min.pdf>

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Resolution No. R-1011-15, adopted November 3, 2015, directs the mayor to require that vendors provide addresses of all local branch offices and headquarters and the number of percentage of local residents such vendors employ.

<http://www.miamidade.gov/govaction/matter.asp?matter=152271&file=true&fileAnalysis=false&yearFolder=Y2015>

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

<http://www.miamidade.gov/govaction/legistarfiles/MinMatters/Y2012/120287min.pdf>

Resolution No. R-898-08, adopted September 2, 2008, approved the operation of public parking facilities at Miami International Airport and awarded the non-exclusive management agreement with Airport Parking Associates for a five-year period.

<http://www.miamidade.gov/govaction/matter.asp?matter=082340&file=true&fileAnalysis=false&yearFolder=Y2008>

Resolution No. R-841-06, adopted September 12, 2006, directs the Mayor to specify the dollar amount of delegated authority in the titles of ordinances and resolutions delegating contract authority to the County Mayor.

<http://www.miamidade.gov/govaction/matter.asp?matter=061803&file=true&fileAnalysis=false&yearFolder=Y2006>