

MEMORANDUM

Agenda Item No. 7(D)


TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: December 1, 2021

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Ordinance pertaining to Small Business Enterprise programs; amending sections 2-8.1.1.1.1, and 2-8.1.1.1.2 of the Code; increasing the threshold value of contracts set-aside for certified Small Business Enterprises; reducing the number of firms necessary to conduct sheltered market solicitations; amending program components and bid preferences; making technical changes

The accompanying ordinance was prepared and placed on the agenda at the request of Prime Sponsor Vice-Chairman Oliver G. Gilbert, III and Co-Sponsor Commissioner Jean Monestime.



Geri Bonzon-Keenan
County Attorney

GBK/uw

Memorandum



Date: December 1, 2021

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava". The signature is written in a cursive style and is positioned to the right of the printed name.

Subject: Fiscal Impact Statement for Ordinance Relating to Increasing the Threshold Value of Contracts for the Small Business Enterprise Program

The proposed ordinance amends sections 2-8.1.1.1.1, and 2-8.1.1.1.2 of the code of Miami-Dade County, Florida, pertaining to the County's Small Business Enterprise (SBE) Program.

The proposed ordinance increases the threshold value of contracts set aside for certified small business enterprises and reduces the number of firms necessary to conduct sheltered market solicitations, which should enhance the economic opportunities for SBEs. The proposed ordinance increases the current threshold for sheltered purchases of goods and services type contracts for SBE firms from \$100,000 to \$250,000, and reduces the number of SBE's required for sheltered purchases up to \$250,000 from three to two firms; purchases over \$250,000 would require three (3) firms.

It is difficult to determine the fiscal impact to the County as a result of these changes as competition for purchases under \$250,000 is reduced from a minimum of three to two firms. Additionally, the contract value may increase when utilizing SBEs.

A handwritten signature in blue ink that reads "Edward Marquez". The signature is written in a cursive style and is positioned above the printed name.


Edward Marquez
Chief Financial Officer

Memorandum



Date: December 1, 2021

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

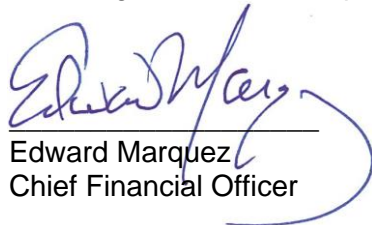
From: Daniella Levine Cava 
Mayor

Subject: Social Equity Statement for Ordinance Relating to Small Business Enterprise programs; amending sections 2-8.1.1.1.1, and 2-8.1.1.1.2 of the Code

The proposed ordinance amends Sections 2-8.1.1.1.1, and 2-8.1.1.1.2 of the County Code to increase the threshold value of contracts set-aside for certified small business enterprises, reduce the number of firms necessary to conduct sheltered market solicitations, and amend program components, bid preferences, and technical changes.

The implementation of this ordinance will improve the existing Small Business Enterprise Goods and Services Program by providing a greater opportunity for small businesses to compete on County contracts. For sheltered purchases, the program threshold will be increased from \$100,000 to \$250,000, as well as reduce the number of firms required for sheltered solicitations from three to two. For non-sheltered solicitations, a ten percent bid preference will be given to tier 1 and tier 2 firms, and five percent bid preference to tier 3 firms. Additionally, a 10 percent bid preference will be given to all tiers at the time of best and final offer (BAFO) submissions.

The proposed ordinance provides a social benefit because of the increased opportunities for certified small businesses to compete amongst themselves in sheltered markets and to take advantage of established preferences.


Edward Marquez
Chief Financial Officer



MEMORANDUM
(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: December 1, 2021

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 7(D)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 7(D)
12-1-21

ORDINANCE NO. _____

ORDINANCE PERTAINING TO SMALL BUSINESS ENTERPRISE PROGRAMS; AMENDING SECTIONS 2-8.1.1.1.1, AND 2-8.1.1.1.2 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA; INCREASING THE THRESHOLD VALUE OF CONTRACTS SET-ASIDE FOR CERTIFIED SMALL BUSINESS ENTERPRISES; REDUCING THE NUMBER OF FIRMS NECESSARY TO CONDUCT SHELTERED MARKET SOLICITATIONS; AMENDING PROGRAM COMPONENTS AND BID PREFERENCES; MAKING TECHNICAL CHANGES; AND PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

WHEREAS, the Miami-Dade County (the “County”) Small Business Enterprise (“SBE”) programs provide business opportunities to certified small businesses to aid in their growth, development, and contribution to the County and South Florida economies; and

WHEREAS, the County is a large purchaser of goods and services through its SBE programs; and

WHEREAS, the County has enacted implementing legislation, including (i) sections 2-8.1.1.1.1 and 2-8.1.1.1.2 of the Code of Miami-Dade County, Florida (the “Code”), to give effect to the purpose and requirements and establish the parameters and procedures of its SBE goods and services programs; and

WHEREAS, the County wishes to improve the equitable distribution of its contracts to provide for the well-being of the County and South Florida communities, and enhance the economic opportunities of its SBEs and residents; and

WHEREAS, on May 5, 2020, this Board adopted Resolution No. R-429-20 creating the Goods and Services Task Force (“GSTF”), to make recommendations for improvements to applicable legislation and administrative processes and procedures; and

WHEREAS, on October 20, 2020, this Board adopted Resolution No. R-1125-20 accepting the 11 recommendations of the GSTF; and

WHEREAS, on March 2, 2021, this Board adopted Resolution No. R-177-21 directing the County Mayor to adopt and implement certain recommendations of the GSTF; and

WHEREAS, on July 26, 2021, the County Mayor provided a Status Report on Recommendations of the Goods and Services Task Force, a copy of which is attached hereto and incorporated herein by reference; and

WHEREAS, the County will benefit from the reformation and improvement of the County’s procurement of goods and services,

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. Section 2-8.1.1.1.1 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:¹

Sec. 2-8.1.1.1.1. Small Business Enterprise Services Program.

* * *

(3) *Program.*

* * *

(b) *Contracts of [~~\$100,000.00~~] >> \$250,000.00 << or less.*

¹ Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

1. Within the fiscal year, it is required that County departments expend with SBEs >>100<< ~~[[one hundred (100)]]~~ percent of the total value of contracts ~~[[one hundred]]~~>>two hundred-fifty<< thousand dollars (~~[[\\$100,000.00]]~~>>\$250,000.00<<) or less for services. The departmental requirement shall be complied with unless SBD determines that there is either not enough capacity, or the contract(s) can only be handled by a non-SBE firm(s).
2. Bids or quotes submitted by any SBE that is a Micro Tier 1 or Micro Tier 2 shall automatically receive a >>10<< ~~[[ten (10)]]~~ percent bid preference and a Tier 3 SBE shall automatically receive a >>5<< ~~[[five (5)]]~~ percent bid preference, when not set-aside for SBEs. When set-aside, the preference shall be: >>10<< ~~[[ten (10)]]~~ percent for Micro Tier 1 SBEs; >>5<< ~~[[five (5)]]~~ percent for Micro Tier 2 SBEs; and >>0<< ~~[[zero (0)]]~~ percent for Tier 3 SBEs. The departments shall deduct the preference amount from the total bid or quoted price in order to calculate the price to be used for evaluation.
3. Annually, SBD shall provide a report of awards to SBEs to the Board.
- >>4. There shall be at least two available SBEs to perform a competitive bid contract.<<

(c) *Contracts Greater than* ~~[[\\$100,000.00]]~~>>\$250,000.00<<. The following SBE measures may be applied to contracts greater than ~~[[one hundred]]~~>>two hundred-fifty<< thousand dollars (~~[[\\$100,000.00]]~~>>\$250,000.00<<):

1. *Set-asides:*

- a. Competitive bidding requirements may be waived (by the County Mayor or County Commission depending on whether the amount of the contract is above or below the minimum amount established by ordinance for competitive bidding) for a contract and the contract set-aside for bidding solely by SBEs where prior to bid advertisement, there are at least three ~~[[3]]~~ available SBEs to perform the contract, and where such set-aside is in the best interest of the County. Where applicable: (i) contracts from ~~[[\\$100,000.00]]~~>>\$250,000.00<< to \$750,000.00 shall be set-aside for Micro Tier 1 SBEs; contracts from \$750,000.01 to \$2 million

shall be set-aside for Micro Tier 2 SBEs; and (iii) contracts from \$2,000,000.01 to \$5 million shall be set-aside for Tier 3 SBEs.

- b. In the event there is no availability in the designated SBE tier, SBD may assign a set-aside to the next level tier which will retain a set-aside recommendation. Lower tier SBE firms may bid on higher tier set-asides.
- c. Transferring to a non-SBE through subcontracting or otherwise all or part of the actual work of a set-aside contract to a non-SBE is prohibited unless such transfer receives prior approval from SBD.
- d. When set-aside, the bid preference shall be: ~~>>10<< [[ten (10)]]~~ percent for Micro Tier 1 SBEs; ~~>>5<< [[five (5)]]~~ percent for Micro Tier 2 SBEs; and ~~>>0<< [[zero (0)]]~~ percent for Tier 3 SBEs. The departments shall deduct the preference amount from the total bid or quoted price in order to calculate the price to be used for evaluation. The County Mayor or the County Mayor's designee shall implement this subsection no later than 60 days from the effective date of this ordinance.

* * *

3. *Bid Preference:*

- a. A bid preference shall apply to all contracts which are to be awarded on the basis of price (excluding RFPs, RFIs and RFQs) and are not set-aside. The preference shall be used only to evaluate a bid and shall not affect the contract price.
- b. The preference accorded on contracts from ~~[[\$100,000.01]]~~ ~~>>~~ \$250,000.01 ~~<<~~ to \$1 million shall be ~~>>10<< [[ten (10)]]~~ percent of the price bid for ~~[[all tiers]]~~ ~~>>~~ Micro Tier 1 and Micro Tier 2, and 5 percent of the bid price for Tier 3; best and final offers ("BAFOs"), shall apply a bid preference of 10 percent at the time of BAFO submission for all tiers ~~<<~~. The preference accorded on contracts greater than \$1 million shall be 5 ~~>>~~ percent ~~<<~~ ~~[[%]]~~ of the price bid for all tiers ~~>>~~, including BAFO submissions ~~<<~~.

Preferences shall be applied to the bid price of bidders that:

- I. Are SBEs; or
 - II. Are joint ventures with at least one SBE.
- c. The County Mayor or the County Mayor's designee shall implement this subsection no later than 60 days from the effective date of this ordinance.

* * *

Section 2. Section 2-8.1.1.1.2 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:

Sec. 2-8.1.1.1.2. Small Business Enterprise Goods Program.

* * *

(3) Program.

* * *

(b) *Contracts of ~~[[\$100,000.00]]~~ >> \$250,000.00 << or less.*

1. Within the fiscal year, it is required that County departments expend with SBEs >>100<< ~~[[one hundred (100)]]~~ percent of the total value of contracts ~~[[one hundred (100)]]~~ >>two hundred-fifty<< thousand dollars (~~[[\$100,000.00]]~~ >> \$250,000.00 <<) or less for goods. The departmental requirement shall be complied with unless SBD determines that there is either not enough capacity, or the contract(s) can only be handled by a non-SBE firm(s).
2. Bids or quotes submitted by any SBE that is a Micro Tier 1 or Micro Tier 2 (which shall also include manufacturers with >>50<< ~~[[fifty (50)]]~~ or less employees, and wholesalers with >>15<< ~~[[fifteen (15)]]~~ or less employees), shall automatically receive a >>10<< ~~[[ten (10)]]~~ percent bid preference, and a Tier 3 SBE (which shall also include manufacturers with >>51<< ~~[[fifty-one (51)]]~~ to >>100<< ~~[[one hundred (100)]]~~ employees, and wholesalers with >>16<< ~~[[sixteen (16)]]~~ to >>50<< ~~[[fifty (50)]]~~ employees), shall automatically receive a

>>5<< [~~five (5)~~] percent bid preference, when not set-aside for SBEs. When set-aside, the preference shall be: >>10<< [~~ten (10)~~] percent for Micro Tier 1 SBEs; >>5<< [~~five (5)~~] percent for Micro Tier 2 SBEs, which shall also include manufacturers with >>50<< [~~fifty (50)~~] or less employees, and wholesalers with >>15<< [~~fifteen (15)~~] or less employees; and >>0<< [~~zero (0)~~] percent for Tier 3 SBEs, which shall also include wholesalers with >>16<< [~~sixteen (16)~~] to >>50<< [~~fifty (50)~~] employees, and manufacturers with >>51<< [~~fifty one (51)~~] to >>100<< [~~one hundred (100)~~] employees. The departments shall deduct the preference amount from the total bid or quoted price in order to calculate the price to be used for evaluation.

3. Annually, SBD shall provide a report of awards to SBEs to the Board.

>>4. There shall be at least two available SBEs to perform a competitive bid contract.<<

(c) *Contracts Greater than* [~~[\$100,000.00]]>>\$250,000.00<<. The following SBE measures may be applied to contracts greater than [~~one hundred~~]>>two hundred-fifty<< thousand dollars ([~~[\$100,000.00]]>>\$250,000.00<<):~~~~

1. *Set-asides:*

a. Competitive bidding requirements may be waived (by the County Mayor or Board depending on whether the amount of the contract is above or below the minimum amount established by ordinance for competitive bidding) for a contract and the contract set-aside for bidding solely by SBEs where prior to bid advertisement, there are at least three [~~(3)~~] available SBEs to perform the contract, and where such set-aside is in the best interest of the County. Where applicable: (i) contracts from [~~[\$100,000.00]]>>\$250,000.00<< to \$750,000.00 shall be set-aside for Micro Tier 1 SBEs; contracts from \$750,000.01 to \$2 million shall be set-aside for Micro Tier 2 SBEs; and (iii) contracts from \$2,000,000.01 to \$5 million shall be set-aside for Tier 3 SBEs, wholesalers, and manufacturers.~~

b. In the event there is no availability in the designated SBE tier, SBD may assign a set-aside to the next

level tier which will retain a set-aside recommendation. Lower tier SBE firms may bid on higher tier set-asides.

- c. Transferring to a non-SBE through subcontracting or otherwise all or part of the actual work of a set-aside contract to a non-SBE is prohibited unless such transfer receives prior approval from SBD.
- d. When set-aside, the bid preference shall be: >>10<< ~~[[ten (10)]]~~ percent for Micro Tier 1 SBEs; >>5<< ~~[[five (5)]]~~ percent for Micro Tier 2 SBEs, which shall also include manufacturers with >>50<< ~~[[fifty (50)]]~~ or less employees, and wholesalers with >>15<< ~~[[fifteen (15)]]~~ or less employees; and >>0<< ~~[[zero (0)]]~~ percent for Tier 3 SBEs, which shall also include wholesalers with >>16<< ~~[[sixteen (16)]]~~ to >>50<< ~~[[fifty (50)]]~~ employees, and manufacturers with >>51<< ~~[[fifty one (51)]]~~ to >>100<< ~~[[one hundred (100)]]~~ employees. The departments shall deduct the preference amount from the total bid or quoted price in order to calculate the price to be used for evaluation. The County Mayor or the County Mayor's designee shall implement this subsection no later than 60 days from the effective date of this ordinance.

* * *

3. *Bid Preference:*

- a. A bid preference shall apply to all contracts which are to be awarded on the basis of price (excluding RFPs, RFIs and RFQs) and are not set-aside. The preference shall be used only to evaluate a bid and shall not affect the contract price.
- b. The preference accorded on contracts from ~~[[\$100,000.01]]~~ >> \$250,000.01 << to \$1 million shall be >>10<< ~~[[ten (10)]]~~ percent of the price bid for ~~[[all tiers, wholesalers, and manufacturers]]~~ >> Micro Tier 1 and Micro Tier 2, and 5 percent of the bid price for Tier 3, wholesalers and manufacturers; best and final offers ("BAFOs"), shall apply a bid preference of 10 percent at the time of BAFO submission for all tiers <<. The preference accorded on contracts greater than \$1 million shall

be >>5<< [~~five~~] percent [~~(5%)~~] of the price bid for all tiers, wholesalers, and manufacturers>>, including BAFO submissions<<.

- I. Are SBEs; or
 - II. Are joint ventures with at least one SBE.
- c. The County Mayor or the County Mayor's designee shall implement this subsection no later than 60 days from the effective date of this ordinance.

* * *

Section 3. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 4. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any sunset provision, shall become and be made a part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word “ordinance” may be changed to “section,” “article,” or other appropriate word.

Section 5. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as to form and legal sufficiency:

Prepared by:

David Stephen Hope

Prime Sponsor:

Co-Sponsor:

Vice-Chairman Oliver G. Gilbert, III


Commissioner Jean Monestime

EWJ for
dsh

Memorandum

Date: July 26, 2021

To: Honorable Chairman Jose “Pepe” Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava 
Mayor

Subject: Status Report on Recommendations of the Goods and Services Task Force –
Directive No. 210411

On March 2, 2021, the Board of County Commissioners (Board) adopted Resolution No. R-177-21, sponsored by Vice Chairman Oliver G. Gilbert III, directing me to review and implement the recommendations of the Goods and Services Task Force (GSTF), including specific changes to current procedures. I greatly appreciate the work of the GSTF in identifying specific changes we can make to focus on our mutual goal of increasing small business opportunities and removing barriers for small business success in County procurement.

Reforming and improving the County’s procurement of goods and services is a principal priority for my Administration. These improvements have taken heightened importance due to the impact of the pandemic on the economy and so many small and local businesses in our community. The County has a responsibility to contract services quickly and ensure that dollars spent stay local. I believe these reforms will help in the local economic recovery of our region.

The following recommendations will be presented to the Board for approval and are detailed below:

- 1) Increase current threshold for sheltered purchases for Small Business Enterprises (SBE) firms from \$100,000 to \$250,000. The GSTF recommended a \$200,000 threshold, however, I am asking the Board to raise the ceiling to create more opportunity for small business competition. Additionally, micro-businesses will receive additional consideration as described in the attached report.
- 2) Change the number of firms required for sheltering a solicitation for SBEs from three (3) firms to two (2). Solicitations of more than \$250,000 will still require three (3) SBE firms to establish availability.
- 3) Establish a “Miami-Dade Businesses First” ordinance. This is an inclusionary initiative designed to encourage businesses seeking contracts with Miami-Dade County to maximize use of local and underutilized SBE firms in their goods and services bids. “Miami-Dade Businesses First” will value proposals by providing a scoring advantage to companies that use SBEs in their supply chains, business services and operations. This should be applied to both Miami-Dade County (MDC) and the Public Health Trust.
- 4) Extend the GSTF for 150 days past the deadline to continue their work helping the Board and the Administration to identify more improvements and opportunities to facilitate small and local business participation in Miami-Dade procurements..

While the above actions require Board approval, the Administration is also integrating a review process through the Office of Equity and Inclusion to review goods and services solicitations early in their development to ensure increased local and small business participation, while ensuring that departments acquire the essential products and services they need to deliver excellent services promptly. My Office of Equity and Inclusion will oversee this effort to ensure these decisions are made early in the process, allowing for greater efficiency, effectiveness, and inclusion. Directors and stakeholders will be consulted to ensure critical service requirements are

Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners
Page 2

met along with small business goals. ISD will support this effort through the Small Business Development and Strategic Procurement divisions.

Per ordinance No. 14-65, this report shall be placed on the next available Board meeting agenda.

Should you require additional information, please contact Alex Muñoz, Internal Services Department Director, at (305) 375-1113.

Attachment

c: Geri Bonzon-Keenan, County Attorney
Gerald Sanchez, First Assistant County Attorney
Jess McCarty, Executive Assistant County Attorney
Office of the Mayor Senior Staff
Department Directors
Alex Muñoz, Director, Internal Services Department
Yinka Majekodunmi, Commission Auditor
Jennifer Moon, Chief, Office of Policy and Budgetary Affairs
Melissa Adames, Director, Clerk of the Board
Eugene Love, Agenda Coordinator

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ADOPT CERTAIN RECOMMENDATIONS OF THE GOODS AND SERVICES TASK FORCE; AND DIRECTING THE COUNTY MAYOR TO PROVIDE A REPORT TO THE BOARD REGARDING THE ADOPTION OR INABILITY TO ADOPT SUCH RECOMMENDATIONS

This Board wished to adopt Recommendation Nos. 1, 2, 4, and 7.

Recommendation #1: Increase the current threshold for purchases less than \$100k purchases for SBE firms to less than \$200k for All Dade County departments and JMH. Give preference to Micro 1 and Micro 2 vendors for any purchases under \$200k and to have a bid preference of 18%. Including, 9% for Micro 3 firms and giving a preference/sheltered market for Micro 1 firms for purchases less than \$20k.

Resolution Notes:

The County Mayor or County Mayor's designee is directed to adopt Recommendation No. 1 and bring forth legislation to increase the current threshold for purchases less than \$100,000.00 with SBEs to \$200,000.00. This shall be for procurements of all County departments. In addition, there shall be an 18 percent bid preference applied to Micro Tier 1 and Micro Tier 2 SBEs, and 9 percent bid preference applied to Tier 3 SBEs. Contracts for purchases less than \$20,000.00 should be reserved for Micro Tier 1 SBEs.)

Recommendation #2: Shelter an item for SBE currently requires 3 (three) vendors. SBE sheltered market to require only 2 SBE firms for it to be an SBE sheltered purchase not 3.

Resolution Notes:

The County Mayor or County Mayor's designee is directed to adopt Recommendation No. 2 and require that procurements set-aside or limited to SBEs necessitate only two bids and not three bids. In the event the County Mayor does not immediately implement Recommendation No. 2 as of the effective date of this resolution, the County Mayor or County Mayor's designee shall immediately but no later than 15 days of the effective date of this resolution provide a report to this Board detailing the County Mayor's reasons for not following this recommendation. Such report shall be placed on an agenda of the Board pursuant to Ordinance No.14-65.

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ADOPT CERTAIN RECOMMENDATIONS OF THE GOODS AND SERVICES TASK FORCE; AND DIRECTING THE COUNTY MAYOR TO PROVIDE A REPORT TO THE BOARD REGARDING THE ADOPTION OR INABILITY TO ADOPT SUCH RECOMMENDATIONS

COUNTY Response to Resolution to Adopt Recommendation Nos. 1 & 2:

The administration concurs that the current threshold for bids or quotes should increase and would also suggest that projects valued at two hundred fifty thousand dollars (\$250,000.00) or less be set-aside for SBE participation only. This is an increase from the current legislated amount of one hundred thousand dollars (\$100,000.00). In addition, the administration concurs with reducing the number of firms required to set-aside a competitive project to a minimum of two (2) available SBE Goods and Services firms for projects valued at **\$250,000.00 or less**. Any competitive project valued at **over \$250,000.00** will require a minimum of three (3) available SBE Goods and Services firms.

When **set-aside**, the bid preference shall be: ten (10) percent for Tier 1 SBEs; five (5) percent for Tier 2 SBE's; and zero (0) percent for Tier 3 SBEs.

Set-Aside - *The designation of a given contract for competition among SBEs only.*

Existing

| Bid Preference | |
|----------------|-----------------|
| Categories | Up to \$100,000 |
| Tier 1 | 10% |
| Tier 2 | 5% |
| Tier 3 | 0% |

Proposed

| Bid Preference | |
|----------------|-----------------|
| Categories | Up to \$250,000 |
| Tier 1 | 10% |
| Tier 2 | 5% |
| Tier 3 | 0% |

The current program dictates that a contract is set-aside for bidding solely by SBEs when there are at least three (3) or more available SBEs to provide the services or goods to be procured. SBD concurs with the recommendation to decrease the requirements of a set-aside project to at least two (2) available SBEs. In the event there is no availability in the designated SBE tier, SBD may assign a set-aside to the next level tier which will retain a set-aside recommendation. Lower tier SBE firms may bid on higher tier set-asides, but the higher tier firms cannot bid on lower tier set asides.

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ADOPT CERTAIN RECOMMENDATIONS OF THE GOODS AND SERVICES TASK FORCE; AND DIRECTING THE COUNTY MAYOR TO PROVIDE A REPORT TO THE BOARD REGARDING THE ADOPTION OR INABILITY TO ADOPT SUCH RECOMMENDATIONS

Due to the volume and number of contracts, the proposed percentages of 18% percent bid preference applied to Tier 1, Tier 2 SBEs, and 9% percent bid preference applied to Tier 3 SBEs may have a significant fiscal impact on departments with limited budgets, especially departments funded through the General Fund. As an alternative, on non-set aside projects, the administration proposes utilizing different percentages for SBE and Non-SBE firms. As shown in the proposed table below, the SBE Goods and Services Tier 1 - Tier 3 firms will receive a 10% bid preference. Those that are certified Local Veteran's Business Enterprises, and/or meet the local/locally headquartered preference criteria, etc. will receive a 5% bid preference and everyone else will be 0%.

Non- Set Aside – *This happens where there is insufficient SBE firms to make the project a Set Aside.*

Existing

| Bid Preference | | |
|------------------------------------|----------------------|---------------------|
| Categories | Up to \$1,000,000 | Over \$1,000,000 |
| All SBE's - Tier 1, Tier 2, Tier 3 | 10% | 5% |
| Local Preference | 10 % | 0% |
| Locally Headquartered | 15% | 0% |
| Veteran's Enterprise | 5% | 0% |
| Others | 0% | 0% |

Proposed

| Bid Preference | | |
|--------------------------|----------------------|---------------------|
| Categories | Up to \$1,000,000 | Over \$1,000,000 |
| SBE's - Tier 1, & Tier 2 | 10% | 5% |
| SBE - Tier 3 | 5% | 5% |
| Local Preference | 10 % | 0% |
| Locally Headquartered | 15% | 0% |
| Veteran's Enterprise | 5% | 0% |
| Others | 0% | 0% |

***IMPORTANT NOTE:** *For contracts up to \$1M, an SBE that is Tier 1 and Tier 2 and is locally headquartered will get an additional 15% preference plus the 10% SBE Preference; the total preference will be 25%. Tier 3 SBEs will get the 5% SBE Preference and the additional 15% locally headquartered preference, the total for Tier 3s would be 20% Bid Preference.*

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ADOPT CERTAIN RECOMMENDATIONS OF THE GOODS AND SERVICES TASK FORCE; AND DIRECTING THE COUNTY MAYOR TO PROVIDE A REPORT TO THE BOARD REGARDING THE ADOPTION OR INABILITY TO ADOPT SUCH RECOMMENDATIONS

Currently, there are no bid preferences applied at time of Best and Final Offer submission (BAFO). As an added incentive to certified SBE firms, as shown in the proposed table below, bid preferences will be applied, as appropriate, at the time of the BAFO submission.

Existing

| Best and Final Offer (BAFO) | | |
|------------------------------------|------------------------------|-----------------------------|
| Categories | Up to \$1,000,000 | Over \$1,000,000 |
| All SBE's - Tier 1, Tier 2, Tier 3 | 0% | 0% |
| Local Preference | 0% | 0% |
| Locally Headquartered | 0% | 0% |
| Veteran's Enterprise | 0% | 0% |
| Others | 0% | 0% |

Proposed

| Best and Final Offer (BAFO) | | |
|------------------------------------|------------------------------|-----------------------------|
| Categories | Up to \$1,000,000 | Over \$1,000,000 |
| All SBE's - Tier 1, Tier 2, Tier 3 | 10% | 5% |
| Local Preference | 0% | 0% |
| Locally Headquartered | 0% | 0% |
| Veteran's Enterprise | 0% | 0% |
| Others | 0% | 0% |

The initial recommendations suggested that contracts less than \$20,000.00 should be reserved for Tier 1 SBE's. The administration further enhanced it by recommending any Small Purchase Order (SPO) valued at \$25,000.00 or less will be a sheltered market for Tier 1 SBEs, then Tier 2 SBEs, and finally Tier 3 SBEs. The notion remains that there must be a minimum of two (2) certified firms available to provide the required goods and/or services with priority given to Tier 1 SBEs.

Existing

| Small Purchase Order (SPO) up to \$25k | |
|---|------------------|
| Categories | Set-Aside |
| All SBE's - Tier 1, Tier 2, Tier 3 | N/A |

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ADOPT CERTAIN RECOMMENDATIONS OF THE GOODS AND SERVICES TASK FORCE; AND DIRECTING THE COUNTY MAYOR TO PROVIDE A REPORT TO THE BOARD REGARDING THE ADOPTION OR INABILITY TO ADOPT SUCH RECOMMENDATIONS

Proposed

| Small Purchase Order (SPO) up to \$25k | |
|--|-----------|
| Categories | Set-Aside |
| All SBE's - Tier 1, Tier 2, Tier 3 | 100% |

***IMPORTANT NOTE:** *Set-Aside priority will be given to Tier 1 and if no availability will move to Tier 2 and Tier 3 accordingly.*

Supplementary, SPD and SBD will work together to streamline processes so that as an SBE firms get certified or recertified, they will also have access to information related to all available pools. SPD staff will assist SBE firms in getting prequalified expeditiously for inclusion in established pools to compete in future spot market solicitations.

Moreover, the administration recommends implementing a mandatory training courses for all SPD staff members and other County staff involved in the procurement process. These courses will provide lessons and continuous updates on how to apply bid preferences. At the end of each lesson there will be an assessment exercise to validate the attendees' assimilation of knowledge and information transferred. Attendees must attain a satisfactory passing score, quantified to be seventy (70%) percent of all questions answered correctly, or continue to attend the course, until the assessment exercise is passed.

Recommendation #4: Establish a Dade County First ordinance. This is an inclusion ordinance that is designed to require all user departments including JMH to use local and underutilized SBE certified firms in their solicitations for goods & services contracts. The ordinance will require proposers who bid to submit their utilization commitment to local SBE firms on the project for related and non-related services. This can include use in their supply chain, normal business services and operations. Dade first respondents should include the value of the Dade First SBE participant and significant scoring advantage in the selection process for service.

Resolution Notes:

The County Mayor or County Mayor's designee is directed to adopt Recommendation No. 4 and provide a report to the Board which addresses the recommendation, including possible legislation to enact a Miami-Dade County First ordinance, for County departments to increase the use of local and underutilized SBE firms in their goods and services solicitations.

COUNTY Response to Resolution to Adopt Recommendation No. 4:

The administration has reviewed the Outline/Template for the Miami-Dade First Local Business Procurement Policy & Program Ordinance provided by the Goods & Services Taskforce and based on the latest information provided by the Taskforce, the Administration

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will take a closer look to review how the proposed program can be implemented and created into an ordinance. As outlined in the document, a Miami-Dade First core objective is to build capacity in the local business community by providing increased opportunities for underutilized business to conduct business with Miami-Dade County in the purchase of the goods and services for all Miami-Dade user departments. Increasing the utilization of Miami-Dade County businesses will achieve the following:

1. Generate growth among Miami Dade headquartered businesses that have their nerve centers located in Miami Dade.
2. Increase the total amount of dollars spent and contract awarded to Miami Dade County Businesses
3. Provide increased preferences to Miami-Dade headquartered, Small/Minority/Women Business Enterprises and registered Miami-Dade businesses
4. Create jobs and career opportunities for Miami-Dade residents

The administration acknowledges the benefit of objectives 1, 2, and 4. However, objective 3 requires the lifting of the existing of injunction of a race and gender-neutral program. The administration is in the process of conducting the next Disparity Study. If the results determine a disparity exist, the administration will work with the County Attorney's Office (CAO) to lift the existing injunction and is committed to continue working with the task force to further see how it can implement the proposed changes.

In addition, the administration will be creating a Procurement Review Committee. The Committee will be comprised of a diverse group of representatives serving from Departments of Aviation, Parks Recreation and Open Spaces, Regulatory and Economic Resources, Seaport Department, Transportation and Public Works, Water & Sewer, and Office of Equity and Inclusion. This Committee will review Goods and Services Procurement projects 6 months to 1 year prior to advertising the bid to ensure the new procurement procedures are adhered to as described within these recommendations. Internal Services Department will staff this Committee through the Division of SBD and SPD.

Recommendation #7: Extend the Goods & Services Task Force past the Sunset deadline to include 150 additional days to address an abundance of challenges for the betterment of economic opportunity for small businesses within Miami Dade County.

Resolution Notes:

With respect to Recommendation No. 7, this Board directs that legislation be prepared for the Board's consideration which extends the sunset date of the GSTF, to include 150 additional days to address challenges to the betterment of economic opportunity for small businesses in the County.

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COUNTY Response to Resolution to Adopt Recommendation No. 7:

The administration has no objection to this proposed change. Additionally, the next Disparity Study may or may not reveal concerns to address fair and equitable contracting opportunities to businesses within Miami-Dade County.