

Memorandum



Date: September 1, 2026

To: Honorable Chairman Anthony Rodriguez
and Members, Board of County Commissioners

Supplement to
Agenda Item No. 5(F)

From: Daniella Levine Cava 
Mayor

Subject: Fiscal Impact and Social Equity Statement for Ordinance Relating to Recommendations from the Final Report of the Special Task Force to Reduce Inefficiencies in Procurement – Legistar No. 261351

The proposed ordinance amends Sections 2-10.4.01, 2-8.1.1.1.1, 2-8.1.1.1.2, and 2-8.5 of the Code of Miami-Dade County, based on recommendations by the Special Task Force to Reduce Inefficiencies in Procurement in its Final Report to the Board issued on May 19, 2026. Of the fifty-nine (59) recommendations, this item specifically implements or supports Recommendations 9, 10, 11, 27, 28, 30, 32, 33, 34, 36, 37, 38, and 54, including but not limited to changes to the County's Small Business Enterprise (SBE) and Local Preference programs.

Fiscal Impact Statement

The exact fiscal impact of this ordinance cannot be quantified at this time. The possible fiscal impacts are as follows:

- Recommendations 9, 10, 11, 27, and 28 would streamline and standardize the administration of the County's SBE Programs resulting in efficiencies. This Administration remains committed to advocating for small businesses and meeting with them on an ongoing basis to continue soliciting feedback, input, and suggestions so they can be considered and implemented accordingly. These meetings will be published online so that all stakeholders can participate.
- Recommendations related to the Local Preference program (33, 34, 36, and 37) could result in a negative fiscal impact by requiring additional time applied by staff to determine applicability of the rule and verification of the criteria for qualifying as Locally-Headquartered (33). This burden would also fall on the firms that would be required to certify their local headquarters (34), and adhere to new rules for special purpose entities and joint ventures (36 and 37).²
- There may be a negative fiscal impact to vendors who will have to collect more information to claim Local Preference such as identifying where their employees live (Recommendation 33) and such information may not be readily available to the staff submitting a bid or proposal.
- There may be a positive fiscal impact related to Recommendation 30 because it may minimize disputes later regarding whether a firm is local; however, it should be clarified that claiming local preference must be done prior to the County completing evaluation of responses, rather than prior to award, as local preference is applied during the evaluation phase.³
- The random Inspector General audits for Local Preference claims recommended by Recommendation 32 may impact staffing levels.⁴
- Recommendation 38 has no impact as it was already being effectuated administratively.⁵
- Recommendation 54 may have a positive fiscal impact because it provides more opportunity to makeup small business measures on active contracts, instead of only relying on future contracts.⁶

Social Equity Statement

The possible social equity benefits or burdens of the ordinance are as follows:

- The implementation of portions of this ordinance, specifically Recommendations 9, 10, 27, 28, and 30, could provide a social equity benefit for vendors, including small vendors, seeking to do business with the County due to simplifying SBE participation requirements, such as established percentages for architectural and engineering (A&E) contracts (10) and bid preference or selection factor for purchases \$250,000 or less (27). The Administration remains committed to understanding industry dynamics and addressing concerns as they arise. The structural changes contemplated in this ordinance will require educating our small business community on such changes and the benefits, and we remain attentive to ensuring equitable access to information and support. Through this Administration's 'No Wrong Door' approach, staff assistance and guidance have been integrated across departments to ensure stakeholders receive timely, coordinated support regardless of their point of entry or business size.
- While Recommendation 10 provides for a 10% or 15% set aside for A&E, which is a social equity benefit, it should be noted that this would be a minimum, not a maximum, goal.
- The elimination of the SBE Advisory Boards (Recommendation 11) should not result in a social equity burden, even though there will no longer be formal boards established to provide feedback. The County will continue to proactively solicit feedback from SBE firms to ensure the implementation of an equitable procurement process.
- Recommendation 30, to clarify that Local Preference can be verified after bid submittal, could provide a social equity benefit because it provides a fair opportunity to claim local preference before being rendered automatically ineligible for not checking a box. However, it should be noted that it is essential to streamline the process by providing a cut-off for claiming local preference which must occur before the evaluation period has completed.
- The balance of the recommendations related to Local Preference (33, 34, 36, and 37) could result in a social equity burden because requiring more employee residency information can be tedious for vendors and may not be readily available. This could lead to local firms not claiming the preference as they are unsure if they meet the definition or other firms claiming the preference that do not meet the definition which would not be verifiable by the County. Furthermore, the unverifiable definitions of local and locally-headquartered can be a source of more lobbying and protests, which delays the process and may dissuade businesses from participating, thus resulting in social equity burdens.
- Recommendation 38 was already being effectuated administratively and could provide a social equity benefit, without the need for an ordinance.
- Recommendation 54 could provide a social equity benefit on awarded vendors and certified small businesses, in that the makeup of goal deficits can be addressed sooner by using active contracts, as opposed to only future ones.

Additional time for consideration of these significant changes would allow small and local businesses that were unable to participate in the STRIP process to more thoroughly analyze the impacts and provide valuable feedback to the Board and Administration.

The Administration continues to advocate for a simple, verifiable definition for Locally-Headquartered Business to avoid negative fiscal and social equity impacts and to simplify the application. We look forward to our continued collaboration with the Chairman of the Board to streamline procurements while maintaining the integrity of the process.



Carladenise Edwards
Chief Administrative Officer

¹ Recommendation 9 (adopting contract-level Small Business Enterprise ("SBE") utilization requirements for architecture and engineering task-based contracts) is implemented in Section 1 of the ordinance (Page MDC007). Recommendation 10 (establishing standardized SBE participation requirements) is implemented in Section 1 of the ordinance (Page MDC007). Recommendation 11 (eliminating the Small Business Enterprise Advisory Boards and the Small Business Enterprise Project

Review Analysis Committees) is implemented in Section 1, 2, 3, 4 of the ordinance (page MDC007, MDC019, MDC029, MDC040). Recommendation 27 (for Invitations to Quote involving purchases of \$250,000.00 or less) is implemented in Sections 2 and 3 of the ordinance (Page MDC019 and MDC029). Recommendation 28 (replacing separate Small Business Enterprise participation goals with a bid preference for Invitations to Bid and a selection factor for Requests for Proposals) is implemented in Section 4 of the ordinance (Page MDC040).

² Recommendation 33 (requiring an additional criterion for qualifying as a Locally Headquartered Business) is implemented in Section 6 of the ordinance (Page MDC041). Recommendation 34 (regarding Locally Headquartered Business status) is implemented in Section 6 of the ordinance (Page MDC041). Recommendation 36 (amending the definition of Local Preference) is implemented in Section 6 of the ordinance (Page MDC041). Recommendation 37 (requiring at least 60 percent of the ownership interest be held by local owners) is implemented in Section 6 of the ordinance (Page MDC041).

³ Recommendation 30 (clarifying that Local Business Preference eligibility may be verified prior to contract award) is implemented in Section 6 of the ordinance (Page MDC041).

⁴ Recommendation 32 (Office of the Inspector General to perform random audits to verify claims involving Local Business Preference, Locally Headquartered Business Preference, and Large Local Employer Preference) is just a recommendation so is not codified in the ordinance.

⁵ Recommendation 38 (supporting the Strategic Procurement Department's efforts to train County departments regarding existing authority under Implementing Order 3-39) is referenced in Section 7 of the ordinance (Page MDC043).

⁶ Recommendation 54 (providing a mechanism to permit remedies for non-compliance with Small Business Enterprise utilization plans during the performance of active contracts) is implemented in Sections 1, 2 and 3 of the ordinance (Page MDC007, MDC019, and MDC029).