

Memorandum



Date: July 6, 2023

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

Agenda Item No. 8(N)(6)

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Resolution No. R-610-23

Subject: Recommendation to Ratify a Confirmation Purchase with Danella Utility
Construction, Inc. for the Provision of Rental Services

Executive Summary

The purpose of this item is for the Board of County Commissioners (Board) to ratify a confirmation purchase with Danella Utility Construction, Inc. (DUC) in an amount of \$1,383,173 for the provision of rental and operator services from September 2019 through July 2022 for the Department of Transportation and Public Works (DTPW). Services were rendered during that period under *Prequalification Pool No. 8446-5/17-1, Construction Equipment Rental*, to support DTPW's Track and Guideway Division despite insufficient contract capacity to do so. This has been addressed pursuant to Master Procurement Implementing Order No. 3-38, and thus, DTPW's allocation under the Blanket Purchase Order is now able to address the department's needs through the expiration of the term of Prequalification Pool, June 30, 2023. In the interest of due diligence, the administration also requested review of this item by the Audit and Management Services Department (AMS). AMS's review found that the amount to be paid by the County should be reduced by approximately \$45,000, from \$1,428,250 to \$1,383,173, based on data reconciliation.

Recommendation

It is recommended that the Board approve the attached resolution ratifying a confirmation purchase to DUC in the amount of \$1,383,173 for construction equipment rental and operator services for DTPW between September 2019 through July 2022. Master Procurement Implementing Order No. 3-38 requires Board ratification as the value of the confirmation purchase is above \$250,000.

Delegated Authority

The County Mayor or the County Mayor's designee is delegated the authority to execute the agreement for this confirmation purchase, including exercising all the provisions contained therein.

Scope

The impact of this item is countywide in nature.

Fiscal Impact/Funding Source

The current term for *Prequalification Pool No. 8446-5/17-1* expires on June 30, 2023. The pool's total multi-departmental allocation for a term of 10 years and three months is \$55,692,692.18, of which DTPW has an allocation of \$12,589,396. This confirmation purchase for \$1,383,173.00 satisfies the cost of all invoices received from DUC for delivery of construction rental and operator services between September 2019 through July 2022. This payment will be covered under DTPW's Operating Fund TP23080200.

Track Record/Monitor

The Project Manager is Dale Robinson, DTPW Acting General Superintendent, Track and Guideway.

Background

Since 2016, DTPW's Track and Guideway Division has successfully worked towards the goals underpinning the Greenline Rehabilitation Project. The equipment leased from DUC has facilitated the achievement of project deliverables with full completion anticipated during calendar year 2028. More specifically, the purpose of the lease was to assist DTPW with advancing the following:

- Revamping the current 38-year-old rail system;
- Overhauling the infrastructure; and
- Replacing continuous running rail, switch points, switch rails, frogs, and tie replacement on both direct fixation and ballast track systems.

DTPW's Track and Guideway Division performs a public safety function, ensuring the integrity of rail infrastructure. As such, the division must be adequately equipped to perform critical daily maintenance work. The period of production reflected in the unpaid invoices occurred, intermittently, between September 2019 and July 2022. During that time, the COVID-19 pandemic had matured, impacting the division's daily operations (i.e., personnel shortages). Moreover, the transition from EAMS to INFORMS and loss of key personnel in the DTPW Procurement Division resulted in a breakdown in:

- Tracking Purchase Orders and requisitions;
- Managing of contract allocation; and
- Overseeing rental assets.

Ultimately, this resulted in continued unauthorized purchases under *Prequalification Pool No. 8446-5/17-1* as DUC rendered services despite DTPW lacking contract capacity to cover the accrued cost.

The Track and Guideway Division elected to retain rental equipment from DUC while awaiting Purchase Orders and the associated necessary contract allocation. Had DTPW returned the equipment while train service was operational, it would have negatively impacted public safety and revenue service, leading to sectional shutdowns throughout the rail system. The specialty equipment leased – tamper, ballast regulator, hi-rail dump truck, tie inserter, tie crane, utility truck, and backhoes – maintained the system, rehabilitating dilapidated areas while complying with regulations. Division staff also received on-the-job training from DUC operators.

To ensure that there is no recurrence of a confirmation purchase, DTPW's Executive Leadership has done the following:

1. Instituted biweekly procurement meetings to discuss contract status, including forecasting needs, contract allocation deadlines, and requisitions to be addressed and prioritized.
2. The Track and Guideway Division is in the process of purchasing the required equipment, eliminating reliance on the rental services and reducing overall operating costs.
3. A new Administrative Officer has been hired who is managing and overseeing the Division's procurement matters.
4. Formal procurement training has been administered to relevant staff.
5. DTPW is working to streamline the procurement process and has prioritized the hiring of procurement personnel.



Jimmy Morales
Chief Operations Officer



MEMORANDUM

(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: July 6, 2023

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(N)(6)

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. 8(N)(6)
7-6-23

RESOLUTION NO. _____ R-610-23

RESOLUTION RATIFYING A CONFIRMATION PURCHASE FOR THE PROVISION OF EQUIPMENT RENTAL AND OPERATOR SERVICES FROM SEPTEMBER 2019 TO JULY 2022 IN THE AMOUNT OF \$1,383,173.00 WITH DANELLA UTILITY CONSTRUCTION INC.; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE AGREEMENT FOR THE CONFIRMATION PURCHASE AND EXERCISE ALL PROVISIONS CONTAINED THEREIN

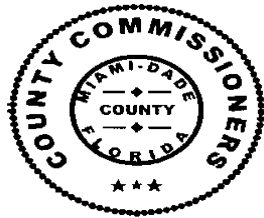
WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board ratifies a confirmation purchase for the provision of equipment rental and operator services for a retroactive term of September 2019 through July 2022 for the amount of \$1,383,173.00 to Danella Utility Construction Inc., and authorizes the County Mayor or County Mayor's designee to execute the agreement and to effectuate all provisions contained therein.

The foregoing resolution was offered by Commissioner **Danielle Cohen Higgins** , who moved its adoption. The motion was seconded by Commissioner **Juan Carlos Bermudez** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Chairman	aye		
Anthony Rodríguez, Vice Chairman	aye		
Marleine Bastien	aye	Juan Carlos Bermudez	aye
Kevin Marino Cabrera	aye	Sen. René García	absent
Roberto J. Gonzalez	aye	Keon Hardemon	absent
Danielle Cohen Higgins	aye	Eileen Higgins	aye
Kionne L. McGhee	aye	Raquel A. Regalado	absent
Micky Steinberg	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 6th day of July, 2023. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

JUAN FERNANDEZ-BARQUIN, CLERK

Basia Pruna

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in black ink, appearing to be "B. Libhaber".

Bruce Libhaber



TRANSPORTATION AND PUBLIC WORKS

701 N.W. 1st Court • 17th Floor

Miami, Florida 33136

Tel: 786-469-5675 Fax: 786-469-5584

May 23, 2023

Mr. Mike O'Keefe
Danella Utility Construction Inc.
7162 Philips Highway, Jacksonville,
FL 32256

Re: Past Due Invoices

Mr. O'Keefe,

Contingent upon approval by the Board of County Commissioners. Miami-Dade County has elected to pay in an amount of up to \$1,383,173.00 for the provision of rental and operator services for a retroactive term of September 2019 through July 2022 for the Department of Transportation and Public Works (DTPW).

In accordance with Miami-Dade County's Implementing Order (I.O.) 3-38, there are several required approval steps that we must complete to get an approved purchase order that will allow for payment of the invoices. Based on the prescribed timelines needed to complete this type of process, August of 2023 is our estimate of when we can provide you with a purchase order for the past due balance.

Danella is currently working on an active contract, staff has been directed to make sure invoices are processed timely and in accordance with the terms of that contract. Our goal is to get all billing up to date and return the focus to continuing the great work your team is doing in collaboration with my DTPW staff.

Danella Utility Construction Inc.

By: Michael G O'Keefe

Name: Michael G O'Keefe

Title: Vice President

Date: 05/23/2023

Approved as to Form and Legal Sufficiency:

Assistant County Attorney

Miami Dade County:

Name: _____

Title: _____

Date: _____

MDC007