

Memorandum



Date: September 17, 2024

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

From: Daniella Levine Cava *Daniella Levine Cava*
Mayor

Agenda Item No. 14(A)(1)

Resolution No. R-787-24

Subject: Request for A Non-Competitive Designated Purchase for Additional Expenditure Authority for HVAC Chillers, Equipment, and Water Treatment Services

Summary

This item is for additional expenditure authority to allow the Miami Dade Aviation Department (MDAD) to continue receiving heating, ventilation, and air conditioning (HVAC) chillers, equipment, and water treatment preventative maintenance and repair services. The original contract was awarded with the intention of creating a preventative maintenance program designed to minimize the need for repairs, which accounted for 95 percent of the contract allocation, and five percent to be used towards equipment repairs. However, MDAD has experienced unforeseen system breakdowns and equipment failures that required immediate repairs or unit overhauls to keep the systems operational which depleted the allocation intended for preventative maintenance. Staff underestimated the allocation needed for repairs, and MDAD's aging infrastructure exacerbated the breakdowns. An assessment of whether it is more cost effective to repair or replace equipment is ongoing. The allocation requested will cover pre-existing conditions for equipment that does not warrant replacement and will be used to overhaul the equipment, and the cost of a preventative maintenance program through December 2025. This extension will allow ample time for the re-solicitation of these services with updated specifications that align with MDAD's operational needs, reflecting the airport's commitment to maintaining a high standard of service.

HVAC systems need to be maintained in optimal operating condition and in accordance with the original equipment manufacturer (OEM) standards to maximize the life-expectancy of the equipment and maintain a comfortable, safe, and healthy air quality throughout MDAD airports and facilities. This contract provides optimal air quality and comfort to the nearly 50 million passengers that travel annually through MIA and the General Aviation airports and employees working in airport facilities.

Recommendation

It is recommended that the Board of County Commissioners (Board) approve this request for a non-competitive designated purchase pursuant to Section 2-8.1(b)(3) of the Code of Miami-Dade County (Code), by a two-thirds vote of the Board members present, and approve additional expenditure under *Contract No. FB-01556, HVAC Chillers, Equipment, and Water Treatment Services* to Johnson Controls, Inc. in the amount of \$1,997,000; RGEN Enterprises LLC dba Cool Water Air Conditioning in the amount of \$3,653,000; and Southern Chiller of Miami, Inc. dba Southeastern Chiller Services in the amount of \$710,000 for a combined total amount of \$6,360,000.

Background

The contract was established by the Board through Resolution No. R-639-21 for a six-year term. The contract was subsequently modified under delegated authority. The contract provides comprehensive preventative maintenance, water treatment services, and repair services for HVAC chillers and supporting equipment (i.e., cooling towers, condensate and chilled water pumps, and air compressors) located at various MDAD facilities. Three vendors were awarded various sites, and they are responsible for providing all necessary labor, transportation, material, and equipment to furnish a comprehensive maintenance program. The contract includes inspections, testing, preventive maintenance, emergency repair, routine repair, and boiler and water treatment services for all the air conditioning and water

treatment equipment including HVAC equipment, cooling towers, chillers, structural components, and chilled water pumps and associated piping.

Due to the equipment's poor condition at the time of award, MDAD has been experiencing unexpected system breakdowns and system failures which led to drastic allocation depletion towards unanticipated repairs and additional work to bring chillers and equipment to an acceptable operating state.

The additional expenditure will allow for continuity of services while staff finalizes a competitive solicitation for the award of a contract in 2025. Accordingly, it is in the County's best interest to approve this designated purchase pursuant to Section 2-8.1(b)(3) of the Code to meet MDAD's maintenance and repair services needs throughout the contract term to ensure optimal operating condition and maximize the life-expectancy of the equipment.

Scope

Miami International Airport is located within District 6, which is represented by Commissioner Kevin Marino Cabrera; however, the impact of this item is countywide.

Delegated Authority

The County Mayor or the County Mayor's designee will have the authority to exercise all provisions of the contract, including any cancellation or extensions, pursuant to Section 2-8.1 of the County Code and Implementing Order 3-38.

Fiscal Impact/Funding Source

The contract term expires on September 30, 2027, and has a current cumulative allocation of \$9,894,000. If this request is approved, the contract will have a modified cumulative allocation of \$16,254,000. The requested increase in allocation is primarily attributed to MDAD's aging infrastructure which requires frequent and costly repairs to address pre-existing conditions. To date, approximately \$6,000,000 of the \$9,894,000 has been used for emergency repairs and replacement of chiller equipment, and \$3,800,000 for monthly maintenance. The requested allocation is based on MDAD's needs for additional equipment repairs and current maintenance contract rates, with \$2,000,000 allocated to preventative maintenance and \$3,300,000 allocated for repairs through December 2025. The request also includes a 20 percent contingency amount for any additional unforeseen repairs, taking into account complexities of HVAC systems, age, conditions of the units, and historical data showing that HVAC repairs at times exceed initial estimates in similar situations.

Department	Existing Cumulative Allocation	Additional Allocation Requested	Modified Cumulative Allocation	Funding Source	Contract Manager
MDAD	\$9,894,000	\$6,360,000	\$16,254,000	Proprietary Funds	Sylvia Novela
Total	\$9,894,000	\$6,360,000	\$16,254,000		

Track Record/Monitor

Natalya Vasilyeva of the Strategic Procurement Department (SPD) is the Procurement Contracting Manager.

Awarded Vendors

Vendor	Principal Address	Local Address	Principal	Awarded Sites
Johnson Controls, Inc.	5757 N Green Bay Avenue Milwaukee, WI	None	Christopher E. Osborne	6, 11, 12, 13, 15, 28

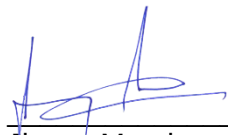
Vendor	Principal Address	Local Address	Principal	Awarded Sites
RGEN Enterprises LLC dba Cool Water Air Conditioning	5716 NE 4 Avenue Miami, FL	Same	Ramon Genemaras	1, 2, 4, 7, 8, 14, 16, 17, 18, 19, 20, 22, 23, 24, 27
Southeastern Chiller of Miami, Inc. dba Southeastern Chiller Services	3800 NW 126 Avenue Coral Springs, FL	None	Phillip LaRoche	3, 5, 9, 21, 29

Due Diligence

Pursuant to Resolution No. R-187-12, due diligence was conducted in accordance with SPD's Procurement Guidelines to determine contractor responsibility, including verifying corporate status and review of performance and compliance issues through various vendor responsibility lists and a keyword internet search. The lists referenced include convicted vendors, debarred vendors, delinquent contractors, suspended vendors, and federal excluded parties. There were a few adverse findings with regards to Johnson Controls, Inc. which were reviewed by staff and were addressed satisfactorily by the firm.

Applicability of Ordinances and Contract Measures

- The two percent User Access Program does not apply.
- The Small Business Enterprise-Construction (SBE-CON) Trade Set-Aside applies to the area of Electrical Contractors.
- The Living Wage Ordinance does not apply.
- The Responsible Wages and Benefits Ordinance applies.



Jimmy Morales
Chief Operating Officer

Memorandum



Date: September 3, 2024

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

From: Namita Uppal, C.P.M.
Director and Chief Procurement Officer
Strategic Procurement Department

Subject: Request to Process Late Departmental Agenda Item

Namita Uppal

Digitally signed by Namita Uppal
DN: cn=Namita Uppal,
o=Miami Dade County,
ou=Chief Procurement
Officer,
email=uppaln@miamidade.gov,
c=US
Date: 2024.08.29 14:16:49
-04'00'

I am requesting that the resolution approving additional expenditure authority in the amount of \$6,360,000 under *Contract No. FB-01556, HVAC Chillers, Equipment, and Water Treatment Services*, for the Miami-Dade Aviation Department (MDAD), be processed for agenda placement on the September Committee Cycle.

Although this item has not met the noticed deadline and has been provided to the Agenda Coordination Office late, this item is time sensitive and critical to MDAD. This contract provides comprehensive preventative maintenance, water treatment services, and repair services for HVAC chillers and supporting equipment, including cooling towers, condensate and chilled water pumps, and air compressors for various MDAD facilities. The contract is essential for the comfort and safety of the nearly 50 million passengers traveling through MIA and the General Aviation airports annually, as well as for airport employees. Due to MDAD's aging infrastructure and an unprecedented amount of AC replacements in the last fiscal year, the contract allocation has depleted sooner than anticipated. Expeditious approval of this item is crucial for ensuring the continuation of these services throughout the contract term and maintaining the optimal operation of HVAC systems at MDAD's facilities.

Therefore, please process the item notwithstanding that the 3-day rule may be applicable to it. I am aware that this item is subject to approval for placement on the agenda by the appropriate committee chairperson as well as the BCC Chairman, and review by the Office of the County Attorney.

Chief Jimmy Morales

Approved by Mayor or Mayor's Designee

Print Name

Nicole Tallman

Approved by Legislative Director or Designee

Print Name

c: Geri Bonzon-Keenan, County Attorney
CAOagenda@miamidade.gov
Eugene Love, Agenda Coordinator

MDC004



MEMORANDUM

(Revised)

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

DATE: September 17, 2024

FROM: 
Glen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 14(A)(1)

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 ____, majority plus one ____, 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) ____, 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 David L. Lurie Mayor
Veto _____
Override _____

Agenda Item No. 14(A)(1)
9-17-24

RESOLUTION NO. R-787-24

RESOLUTION AUTHORIZING A NON-COMPETITIVE DESIGNATED PURCHASE PURSUANT TO SECTION 2-8.1(B)(3) OF THE COUNTY CODE BY A TWO-THIRDS VOTE OF THE BOARD MEMBERS PRESENT; AUTHORIZING ADDITIONAL EXPENDITURE AUTHORITY IN AN AMOUNT UP TO \$1,997,000.00 WITH JOHNSON CONTROLS, INC., IN AN AMOUNT UP TO \$3,653,000.00 WITH RGEN ENTERPRISES LLC DBA COOL WATER AIR CONDITIONING, AND IN AN AMOUNT UP TO \$710,000.00 WITH SOUTHERN CHILLER OF MIAMI, INC. DBA SOUTHEASTERN CHILLER SERVICES FOR A TOTAL MODIFIED CONTRACT AMOUNT OF \$16,254,000.00 UNDER CONTRACT NO. FB-01556 FOR THE PURCHASE OF HVAC CHILLERS, EQUIPMENT, AND WATER TREATMENT SERVICES FOR THE MIAMI DADE AVIATION DEPARTMENT; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE ALL PROVISIONS OF THE CONTRACT, INCLUDING ANY CANCELLATION OR EXTENSIONS, PURSUANT TO SECTION 2-8.1 OF THE COUNTY CODE AND IMPLEMENTING ORDER 3-38

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:

Section 1. This Board authorizes a non-competitive designated purchase and additional expenditure authority under Contract No. FB-01556 for the purchase of HVAC Chillers, Equipment, and Water Treatment Services for the Miami Dade Aviation Department in an amount up to \$1,997,000.00 with Johnson Controls, Inc., in an amount up to \$3,653,000.00 with RGEN Enterprises LLC dba Cool Water Air Conditioning, and in the amount of \$710,000.00 with Southern Chiller of Miami, Inc., dba Southeastern Chiller Services for a total modified contract amount of \$16,254,000.00, pursuant to section 2-8.1(b)(3) of the Code of Miami-Dade County, by a two-thirds vote of the Board members present.

MDC006

Section 2. This Board authorizes the County Mayor or County Mayor's designee to exercise all provisions of the contract, including any cancellation or extensions, pursuant to Section 2-8.1 of the County Code and Implementing Order 3-38. Copies of the contract documents are on file with and available upon request from the Strategic Procurement Department.

The foregoing resolution was offered by Commissioner **Eileen Higgins**, who moved its adoption. The motion was seconded by Commissioner **Raquel A. Regalado** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared the resolution duly passed and adopted this 17th day of September, 2024. 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

By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

DMM

David M. Murray