

RESOLUTION NO. 2020-31333

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER TO APPROVE THE MATERIAL TERMS, AS SET FORTH IN THIS RESOLUTION, PURSUANT TO REQUEST FOR PROPOSALS (“RFP”) 2018-233-KB, FOR DESIGN, BUILD, OPERATE AND MAINTAIN WATER, WASTEWATER AND STORMWATER SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) & PROGRAMMABLE LOGIC CONTROLLER (“PLC”) (THE “PROJECT”) WITH DATA FLOW SYSTEMS, INC. FOLLOWING PHASE II OF THE RFP EVALUATION PROCESS IN ACCORDANCE WITH FLA. STAT. SECTION 287.055, IN AN AMOUNT NOT TO EXCEED \$3,756,169.00, INCLUDING A TEN PERCENT (10%) OWNER’S CONTINGENCY IN THE AMOUNT OF \$375,616.90; AND AUTHORIZING THE CITY MANAGER AND THE CITY ATTORNEY TO TAKE THE NECESSARY AND APPROPRIATE STEPS FOR THE IMPLEMENTATION THEREOF; AND FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT WITH DATA FLOW SYSTEMS, INC.

WHEREAS, on June 6, 2018, the City Commission approved the issuance of RFP 2018-233-KB for Design, Build, Operate and Maintain Water, Wastewater And Stormwater SCADA & Programmable Logic Controller (the “Project”); the RFP was issued on June 2, 2018, with an opening date of August 15, 2018; and

WHEREAS, as it relates to this Project, Supervisory Control and Data Acquisition (SCADA) refers to an industrial computer system that monitors and controls substations, transformers and other electrical assets, as well as sensors (either digital or analog) and control relays that directly interface with the managed system; and

WHEREAS, in accordance with Section 287.055 of the Florida Statutes, the RFP provides for a two-step, phased evaluation process; and

WHEREAS, the Phase I selection process evaluates the qualifications, experience and availability of the proposers and key members of the design-build team, including the lead designer and lead construction firm, and only those proposers short-listed during Phase I are authorized to proceed to Phase II; and

WHEREAS, Phase II of the RFP selection process involves price and detailed technical proposals that are submitted based on the approved Design Criteria Requirements (the “DCR”); and

WHEREAS, the Phase I proposals were evaluated on September 13, 2018 by an Evaluation Committee appointed by the City Manager pursuant to LTC# 456-2018; and

WHEREAS, on October 17, 2018, via Resolution No. 2018-30541, the Mayor and City Commission approved the shortlisting of the three top-ranked proposers, namely (1) SICE, Inc. (“SICE”), (2) Data Flow Systems, Inc. (“DFS”), and (3) Revere Control Systems, Inc. (“Revere”), to be further considered in Phase II of the evaluation process; and

WHEREAS, the Administration engaged Hazen and Sawyer Engineering towards the end of 2018 to develop the DCR, and Phase II of the RFP commenced on June 21, 2019 when Hazen and Sawyer Engineering completed the DCR; and

WHEREAS, following the release of the DCR, Phase II proposals were due from the short-listed firms on October 18, 2019.; and

WHEREAS, prior to the due date for Phase II proposals, Revere Control Systems, Inc. notified the City that it had elected not to participate in Phase II; and

WHEREAS, the Evaluation Committee convened on January 13, 2020 to review and score the remaining proposals; and

WHEREAS, the Committee's ranking was as follows: Sice, Inc., as the first ranked proposer; and Data Flow Systems, Inc., as the second ranked proposer; and

WHEREAS, on February 12, 2020, via Resolution No. 2020-31162, the City Commission authorized the Administration to enter into simultaneous negotiations with (1) SICE, Inc., the top ranked proposer, and (2) Data Flow Systems, Inc., the second ranked proposer; and further provided that the final selection of the recommended proposer, including the Project costs and approval of material terms for the Project shall be subject to the prior approval of the Mayor and City Commission; and

WHEREAS, as directed by City Commission, staff proceeded with simultaneous negotiations and requested a Best and Final Offer (BAFO) from both firms and successfully negotiated the material terms, as articulated in the memorandum accompanying this Resolution; and

WHEREAS, both proposals have met the overall intent of providing a turnkey SCADA system for the City's wastewater, water, and stormwater pump stations; and

WHEREAS, DFS has proposed a total Project cost of \$3,756,169.00 for the design, construction, operation and maintenance (five years), of the water, wastewater and stormwater supervisory control and data acquisition (SCADA), programmable logic controller (PLC), and the proposal provided by DFS is \$1,545,841.00 less than the proposed Project cost by SICE (\$5,302,010.00); and

WHEREAS, DFS is a full-service manufacturer and installer of its SCADA system and is proposing to install a system that has been deployed extensively throughout the U.S.;

WHEREAS, accordingly, the Administration recommends proceeding with DFS because DFS is the only proposer that is a full-service manufacturer and installer of the SCADA system, and DFS has provided the best overall technical proposal and cost by providing a system that is manufactured, installed and maintained by a single entity at significant cost savings.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission of the City of Miami Beach, Florida accepts and approves the recommendation of the City Manager to approve the material terms, as set forth in this Resolution, pursuant to Request for Proposals ("RFP") 2018-233-KB for Design, Build, Operate and Maintain Water, Wastewater and Stormwater Supervisory Control and Data Acquisition (SCADA) & Programmable Logic Controller (PLC) (The "Project") with Data Flow Systems, Inc. following Phase II of the RFP evaluation process in accordance with Fla. Stat. Section 287.055, in an amount not to exceed \$3,756,169.00, including a ten percent (10%) Owner's Contingency in the amount of \$375,616.90; and authorizing the City Manager and the City Attorney to take the


necessary and appropriate steps for the implementation thereof; and further authorizing the Mayor and City Clerk to execute and agreement with Data Flow Systems, Inc. ("DFS").

PASSED AND ADOPTED this 29 day of July 2020.



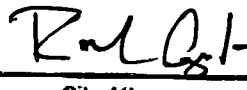
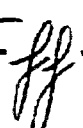
Dan Gelber, Mayor

ATTEST:


Rafael E. Granado, City Clerk



**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**


City Attorney  7/16/20
Date

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Jimmy L. Morales, City Manager
DATE: July 29, 2020

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER TO APPROVE THE MATERIAL TERMS, AS SET FORTH IN THIS RESOLUTION, PURSUANT TO REQUEST FOR PROPOSALS ("RFP") 2018-233-KB, FOR DESIGN, BUILD, OPERATE AND MAINTAIN WATER, WASTEWATER AND STORMWATER SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) & PROGRAMMABLE LOGIC CONTROLLER ("PLC") (THE "PROJECT") WITH DATA FLOW SYSTEMS, INC. FOLLOWING PHASE II OF THE RFP EVALUATION PROCESS IN ACCORDANCE WITH FLA. STAT. SECTION 287.055, IN AN AMOUNT NOT TO EXCEED \$3,756,169.00, INCLUDING A TEN PERCENT (10%) OWNER'S CONTINGENCY IN THE AMOUNT OF \$375,616.90; AND AUTHORIZING THE CITY MANAGER AND THE CITY ATTORNEY TO TAKE THE NECESSARY AND APPROPRIATE STEPS FOR THE IMPLEMENTATION THEREOF; AND FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT WITH DATA FLOW SYSTEMS, INC.

RECOMMENDATION

The Administration recommends that the Mayor and City Commission of the City of Miami Beach, Florida approve the material terms of an agreement with Data Flow Systems, Inc. ("DFS"), pursuant to Request for Proposals (RFP) 2018-233-KB for Design, Build, Operate and Maintain Water, Wastewater and Stormwater Supervisory Control and Data Acquisition (SCADA) & Programmable Logic Controller (PLC), and authorize the Mayor and City Clerk to execute the agreement upon finalization by the City Manager and City Attorney.

BACKGROUND/HISTORY

Supervisory Control and Data Acquisition (SCADA) generally refers to an industrial computer system that monitors and controls a process. In the case of the transmission and distribution elements of utilities, SCADA monitors substations, transformers and other electrical assets. Sensors (either digital or analog) and control relays that directly interface with the managed system. Remote Telemetry Units (RTUs) serve as local collection points for gathering reports from sensors and delivering commands to control relays.

Additionally, SCADA systems are crucial for industrial organizations and companies in the

public and private sectors to control and maintain efficiency, distribute data for smarter decisions, and communicate system issues. The SCADA software processes, distributes and displays the data helping operators and employees analyze the data and make important decisions. State and municipal utility departments use SCADA to monitor and regulate water flow, reservoir levels, pipe pressure and other factors. Effective SCADA systems can result in significant savings of time and money.

The current SCADA system in the City of Miami Beach is outdated and no longer applicable for software updates. Therefore, the system requires removal and replacement with a new SCADA contract. In order to consider a contract, the City of Miami Beach is seeking qualified proposers to respond to this RFP for an all-inclusive SCADA package that includes engineering, design, integration and installation of a radio-based or equal form of communication, internet accessible SCADA system including PLC. The SCADA system will be for remote monitor and control of potable water storage tanks and pumping station, wastewater pumping stations, stormwater pumping stations, and all associated monitoring stations (flow, pressure, etc.).

ANALYSIS

On June 6, 2018, the City Commission approved the issuance of RFP 2018-233-KB and the RFP was issued. The RFP stipulated a two-step, phased evaluation process. Phase I considers the qualifications, experience and availability of the proposers and key members of the design-build team. Firms short-listed in Phase I are then invited to submit technical and price proposals as part of Phase II. Phase I proposals were received on August 15, 2018. The Phase I proposals were evaluated on September 13, 2018 by an Evaluation Committee appointed by the City Manager pursuant to LTC# 456-2018. On October 17, 2018, via resolution No. 2018-30541, the Mayor and the City Commission approved the shortlisting of the three top-ranked proposers, namely (1) SICE, Inc., (2) Data Flow Systems, Inc., and (3) Revere Control Systems, Inc., to be further considered in Phase II of the evaluation process.

Subsequent to the completion of Phase I short-listing and as a result of questions from short-listed bidders, the City realized that, in order to get the best responses and facilitate the proposal review process, it was necessary to provide more information to bidders in the form of design criteria requirements (DCR), which establishes the minimum technical requirements for the SCADA and PLC system. Accordingly, the Administration engaged Hazen and Sawyer Engineering towards the latter end of 2018 to develop the DCR. The RFP had to be placed on hold while the DCR was being developed. Once Hazen and Sawyer Engineering completed the DCR, the RFP was reinitiated on June 21, 2019.

Following the release of the DCR, Phase II proposals were received from the short-listed firms on October 18, 2019. Prior to the due date for Phase II proposals, Revere Control Systems, Inc. notified the City that it had elected not to participate in Phase II. Once the Phase II proposals were received, Hazen and Sawyer completed its full review of the compliance of each proposal with the requirements of the DCR.

The Evaluation Committee convened on January 13, 2020 to consider proposals received under Phase II. The evaluation process resulted in the scoring of the proposal received as follows:

1st Sice, Inc.

2nd Data Flow Systems, Inc.

On February 12, 2020 City Commission authorized the Administration to enter into simultaneous negotiations with (1) Sice, Inc. ("SICE"), the top ranked proposer, and (2) Data Flow Systems, Inc. ("DFS"), the second ranked proposer, and further provide that the final selection of the recommended proposer, project costs and approval of material terms for the Project shall be subject to the prior approval of the Mayor and City Commission.

As directed by City Commission, staff proceeded with simultaneous negotiations and requested a Best and Final Offer (BAFO) from both firms. The administration has successfully negotiated the following essential terms:

1. Programmable Logic Controls (PLC's): Replacement of all existing PLCs and input/output (I/O) racks at all wastewater, water, and stormwater stations.
2. Obsolescence: If any of the hardware or software provided for this project becomes obsolete within ten (10) years of final acceptance the firm shall replace or modify as needed at no additional cost to the City.
3. System Maintenance, Warranty, and Spare Parts: Firm shall provide complete system maintenance, inclusive of all parts, materials, equipment and labor necessary to provide a fully functional and satisfactory system, which is included in the Annual Maintenance Cost.

Annual Maintenance Costs for years 6-10 shall be provided at today's cost and will be escalated based on the Consumer Price Index with a cap of 3% to the year of service. Renewal of the annual maintenance contract at the end of year 5 will be at the City's sole discretion.

If future pump stations are added, the future annual maintenance cost provided on a per pump station basis in Future Groups 1-3, escalated accordingly, will be added to the annual maintenance costs in Group 7 or Future Group 4.

All repairs shall be completed within 72 hours. A sufficient inventory of spare parts shall be maintained by the firm to ensure that repairs are completed within 72 hours. The City will not store spare parts.

4. Training: Firm shall provide four (4) 8-hour days of training for 30 individuals. At the firm's discretion, training may be provided for all 30 individuals at once or in separate sessions. Nonetheless, 30 individuals must each receive four (4) 8-hour days of training.
5. Permitting: Firm shall be responsible for all work and fees associated with permitting for the wastewater, water, and stormwater stations listed in the cost proposal form. Work and fees associated with the permitting of future stations will be the responsibility of others.
6. Schedule: Duration from Notice to Proceed (NTP) to substantial completion shall not exceed fifteen (15) months. This duration assumes all sites are substantially complete and ready to receive SCADA system components at the time installation is scheduled to begin.
7. Future Stations: Firm must provide a unit capital cost and annual maintenance cost for future wastewater, water, and stormwater station integration into the SCADA system by type, as indicated on the Best and Final Cost Proposal Form. Prices shall be provided at

today's cost and will be escalated accordingly based on the Consumer Price Index to the year of installation with a 3% cap. Cost shall be for a SCADA system and associated equipment that is similar in scope and performance to what has been proposed by the firm.

8. **Control Room:** Engineering, design, hardware, software, programming, and integration including all necessary work for a fully functioning SCADA System. Bidder shall provide four (4) new workstations with enough processing power, memory, and all other ancillary components required to operate the SCADA System in a fully functional and satisfactory manner. Control Room configuration to be finalized and agreed upon by selected Bidder and the City through the submittal process.

Both DFS and SICE concurred with the material terms mentioned above. In addition, both have met the overall intent of providing a turnkey SCADA system for the City's wastewater, water, and stormwater pump stations.

FINANCIAL INFORMATION

	Total	Fund 419*	Fund 429*
Project Amount	\$3,756,169.00	\$1,502,467.60	\$2,253,701.40
10% Contingency	\$375,616.90	\$150,246.76	\$225,370.14
Total	\$4,131,785.90	\$1,652,714.36	\$2,479,071.54

ACCOUNT TOTALS:

*419-0815-000674-00-418-561-00-00-00-20719	\$1,652,714.36
*429-0815-000674-29-422-564-00-00-00-20719	\$2,479,071.54

Account(s) 419-0815-000674-00-418-561-00-00-20719	Amount(s) \$1,652,714.36	\$2,479,071.54
429-0815-000674-29-422-564-00-00-20719		

CONCLUSION

I have reviewed the submissions and the findings of staff and the City's engineering consultant, Hazen and Sawyer. Hazen and Sawyer was tasked with assisting the City with this process and analyzing how each firm has addressed the project requirements included in the RFP. According to the Hazen and Sawyer, both firms have met the overall intent of the RFP.

Through the negotiation process each firm was given the opportunity to submit its best and final offer (BAFO) which must comply with the final criteria (essential terms mentioned above) established by the City to compare the proposals. The BAFOs also included any revised pricing proposed. According to staff and the City's consultant, both firms are well qualified and can deliver a system that suits the City's requirements for the project. However, there are two major material differences that support an award of contract to DFS.

First, DFS is the only proposer that is a full-service manufacturer and installer of its SCADA system. This is an important point because the full accountability for the system lies within a single entity. In contrast, Sice's proposal is based on multiple manufacturers whose products would be integrated into a cohesive system by the proposer. While this is certainly possible, it does increase the likelihood of implementation and integration issues, now and in the future when upgrades are necessary. Further, while the DFS system is proprietary, according to the City's consultant, once system components are selected, regardless of whether these components are from a single manufacturer or multiple manufacturers, it is unlikely that a system would deviate from the original equipment manufacturer because of potential integration issues that could arise. As such, the proprietary nature of a system of this magnitude and complexity is not of major concern.

Second, and probably the most important point, DFS submitted a final cost proposal that is significantly more cost effective and approximately 30% lower than the final cost proposal submitted by Sice. DFS submitted a final cost proposal of \$3,756,169.00. Sice submitted a final cost proposal of \$5,302,010.00. The difference between the two proposals is \$1,545,841.00. Further, when costs for future stormwater integrations (e.g. dry pit, submersible or in-line booster pumps for wastewater, water and/or stormwater stations) into the SCADA system are considered, the cost differences between the two proposals becomes even greater. DFS submitted a proposal for future integrations and maintenance in the amount of \$1,141,173.00. Sice submitted a proposal for future integrations and maintenance in the amount of \$4,033,781.00. The difference between the two proposals is \$2,892,608.00.

Finally, by awarding a contract to DFS the City is assured of a technically competent system that is manufactured, installed and maintained by a single entity at a significant cost savings from the competing proposal.

Therefore, based on the aforementioned, I recommend that the that the Mayor and City Commission of the City of Miami Beach, Florida approve the Resolution accepting the recommendation of the City Manager and approving the material terms, pursuant to Request For Proposals (RFP) 2018-233-KB, for Design, Build, Operate and Maintain Water, Wastewater and Stormwater Supervisory Control and Data Acquisition (SCADA) & Programmable Logic Controller (PLC), in an amount not to exceed \$3,756,169.00 including a ten percent (10%) Owner's Contingency in the amount of \$375,616.90; and authorizing the City Manager and the City Attorney to take the necessary and appropriate steps for the implementation thereof; and further authorizing the Mayor and City Clerk to execute and agreement with Data Flow Systems, Inc. ("DFS").

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-14?

Yes

Does this item utilize G.O. Bond Funds?

No

Legislative Tracking

Public Works/Procurement

ATTACHMENTS:

Description

- ▣ Resolution