



Department Name: Procurement

Fiscal Year: 2012/2013

Date Prepared/Updated: 4/9/12

Department Mission/Purpose Statement

“We are dedicated to providing responsive, professional and outstanding support services to all our customers, and achieving maximum value for money spent by purchasing materials, equipment and services at the right quality, from the right source, at the right price.”

Department Description

The Procurement division formulates and recommends policies and procedures, and oversees the City’s purchasing processes. The division primarily advises user departments and vendors on all procurement-related issues and methods of acquiring the needed goods, services, and equipment.

Procurement issues solicitations for goods, equipment, general and professional services; reviews bids and proposals for responsiveness; facilitates evaluation committee meetings; analyzes bids received; provides guidance and direction to evaluation committee members; issues purchase orders, blanket purchase orders and change orders for goods and services; provides guidance and assistance to all citywide departments, residents and vendors; and ensures compliance with the Living Wage and Equal Benefits Ordinance amongst other City code.

Significant events that continue to impact the division’s mission or purpose:

1. The privatization of City services which results in an increase in the volume of formal solicitations that we are issuing;
2. The increase in City initiatives designed to generate revenue and/or provide for professional services to be available to various departments on an “as needed” basis;
3. The increase the number of capital improvements projects;
4. The need to take advantage of today’s market conditions results in an increase in the number of contracts re-bid versus being renewed;
5. The high volume of purchase request at the start and end of the Fiscal Year; and
6. Un-planned “special projects” that results in dedication of time and staff resources.

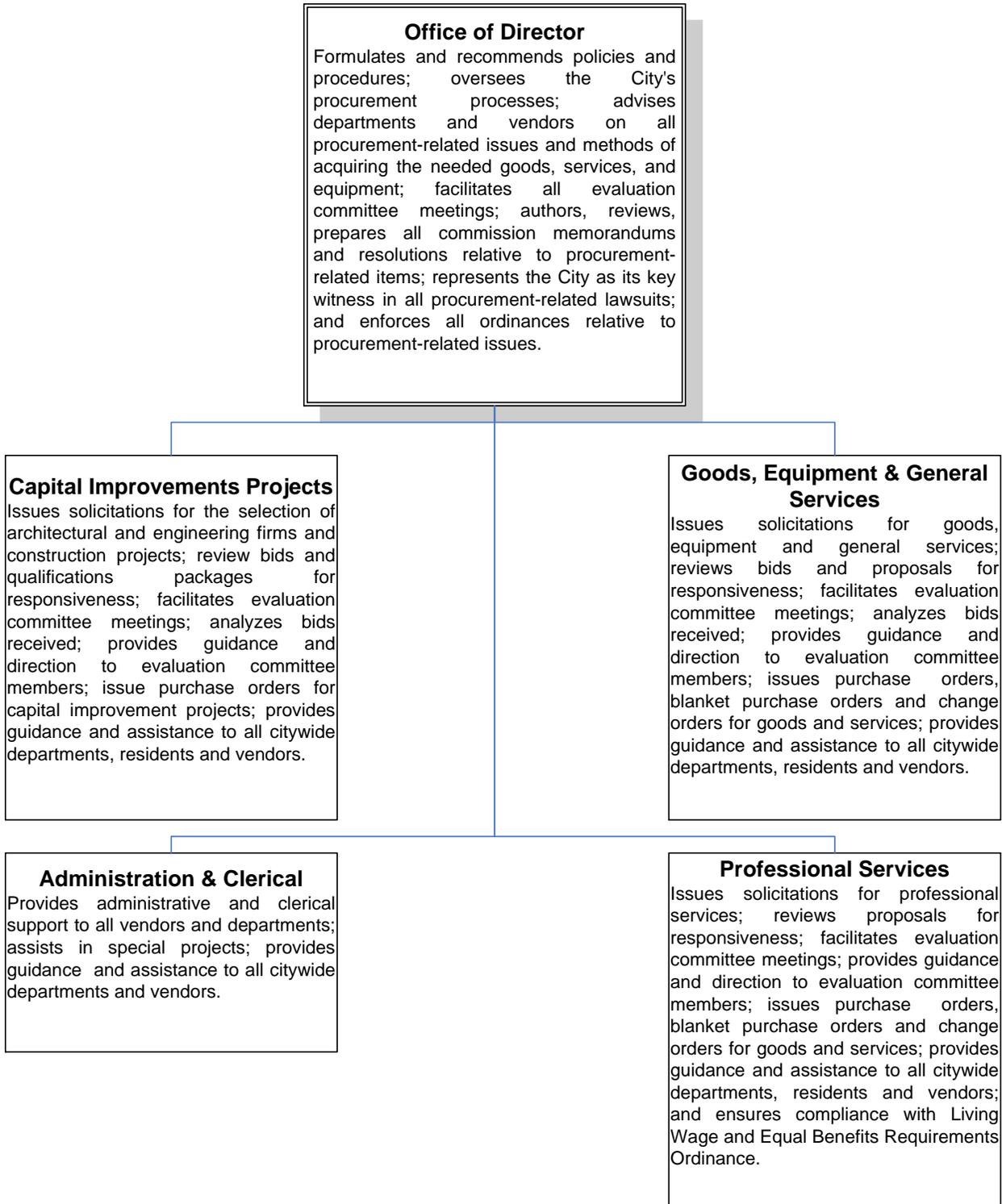
See attached Table of Organization



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Fiscal Environment:

The Procurement Division is funded from the General Fund.

The general fund charges an administrative fee to enterprise fund departments, RDA and Resort Tax Fund to cover the cost of various administrative support functions provided by the general fund, including Communications functions

Business Environment:

All City departments, divisions and offices; and vendors are demanding customers of the City's procurement processes. Under the current combined centralized and decentralized purchasing operation, Procurement serves as both support and strategic functions and has the expressed authority to purchase materials, supplies, equipment and services for the City. Within this authority, responsibility for small purchases is delegated to the user departments/divisions. This combined buying arrangement provides greater flexibility for departments/divisions and allows Procurement staff to focus on the larger and more complex requirements.

To have a good purchasing program, all personnel involved must work as a team, and cooperation with one another is all-important. Those individuals who have been empowered with purchasing authority must become aware that with empowerment comes responsibility and accountability.

As part of our role to facilitate procurement processes, general support is needed from city departments relative to the recommendations of committee/panel members; the timely submission of scope of services; the timely review of draft documents to include Invitation to Bid, Request for Proposals, Request for Qualifications, and Commission Memos and Resolutions; the entering of performance evaluation surveys in the City's Contract Management Module; and the timely review of all agenda items that are prepared by this Office.



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Significant Prior Accomplishments:

- Prepared, issued, evaluated, tabulated, and facilitated the award of approximately forty-eight (48) Invitations to Bid, Request for Proposals, and Request for Qualifications combined during FY 2010/2011 and an additional thirty-one (31) from October 2011-February 2012.
- Received and responded to two (2) protests during FY 2010/2011.
- Processed more than 3270 Purchase Orders and Blanket Purchase Orders for goods and services in FY 2010/2011.
- Generated savings of \$416,775.94 annually as result of re-bidding for goods/services.
- Achieved a cost savings of \$224,473.59 in utilizing contracts with other government agencies
- Conducted Auctions that have resulted in more than \$390,350 in gross receipts in FY2010/2011.
- Issued six (6) Notice to Cure violations to five (5) different City service contractors resulting in a total of \$6,141 in back wages due to 62 service employees eligible for the City's Living Wage rates during FY2010/2011.
- Successful transition of thirty (30) out of thirty-three (33) Janitorial Service employees to new awarded contractors.
- Local and Veterans Ordinance implementation, to include vendor and citywide training.
- Completed the selection and is currently under negotiations to finalize the implementation of the new E-Procurement System with The Public Group. The Public Group proposed the system at no cost to the City. Vendors under the current City provider are being charged \$49.95/annually for this service. Based on a conservative estimate of \$3,000 vendors registered with BidNet/BidSync and that the City will charge the same rate of \$49.95 annually, the City will generate approximately \$89,910, after the 10% charge has been retained by The Public Group, LLC.
- Facilitated the selection of the new Snack Vending Machine for the City which will provide Healthy Snack and Healthy Beverage Programs and Kosher products for City Employees and City of Miami Beach residents.
- Facilitated the selection process for the Flamingo Park Tennis Center where Pirtle Construction is committed to following the City of Miami Beach's sustainability initiatives and could result in the achievement of 51 LEED credits enabling LEED Silver Certification.
- Provided four (4) citywide training sessions on February 17 & 18, 2011 on the Contract Management Module. Seventy (70) City employees attended and were educated on how to enter performance comments and attach Contractor's Performance Evaluations.
- Entered 421 contracts in the Contract Management module.



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Future Outlook:

The integrity and efficiency of any government's procurement system is a crucial component of its credibility. Government procurement laws and regulations typically focus prescriptively on how activities are conducted. As we move into the age of enhanced technology -- and rightsizing, reinventing, and re-engineering -- the focus is shifting to what the objectives of procurement are: integrity, efficiency, and best value.

Achieving timely and cost effective construction services is one of the most difficult and challenging tasks facing the City of Miami Beach. Complying with the standard procurement regulations required for traditional construction services contracts, combined with the necessary technical component of defining the requirements (i.e. architectural and engineering drawings and specifications) for bidding, makes it difficult to be responsive in a timely manner.

The timeline of infrastructure-related projects totaling ranges from 60-140 days. The urgency associated with the increased number of privatized services and City initiatives coupled with the steady pipeline of capital improvements projects will affect Procurement's ability to handle all City projects in a timely manner.



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Miami Beach Strategic Planning Framework

The Department Work plan is aligned with Citywide strategic outcomes and initiatives established through extensive community input. The City's strategic planning process provides a framework at a broad level of where we want to go, how we get there, and how we measure our progress along the way. The process ensures increased communications at all levels of City government using consistent terms.

- Our Citywide **Vision** communicates the community's shared vision for the best possible future for the City of Miami Beach:
Cleaner and Safer, Beautiful and Vibrant, A Unique Urban and Historic Environment, A Mature, Stable, Residential Community with Well-Improved Infrastructure, A Cultural, Entertainment Tourism Capital and an International Center for Innovation and Business, While Maximizing Value to Our Community for the Tax Dollars Paid
- Our Citywide **Mission** statement communicates the role of our government in achieving this vision:
We are committed to providing excellent public services and safety to all who live, work, and play in our vibrant, tropical, historic community
- Our **Values** communicate to all levels of our organization the manner in which we expect all decisions, interactions and activities to be performed:
*We maintain the City of Miami Beach as a world-class city.
We work as a cooperative team of well-trained professionals.
We serve the public with dignity and respect.
We conduct the business of the City with honesty, integrity, and dedication.
We are ambassadors of good will to our residents, visitors, and the business community*
- Our **Identified Priorities** communicate activities that are essential to help us achieve our vision:
Capital Improvement Program, Strategic Planning and Economic Development, Organizational Development, Neighborhood Services, and Investment in Technology
- We have developed **Key Intended Outcomes** across all City Departments. These are the results the City plans to achieve towards accomplishing its Vision. These outcomes are from the customer/community perspective (e.g. quality of service provided, customer satisfaction).
- **Key Performance Indicators (KPI)** express the City's Key Intended Outcomes in measurable terms. Departments monitor additional performance indicators (*Department Performance Indicators*) that support these Citywide Key Performance Indicators.
- **Initiatives** are undertaken to drive the performance level for a key performance indicator.



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Citywide Key Intended Outcomes supported by the Department:

- Maximize efficient delivery of services
- Expand e-government
- Attract and maintain a workforce of excellence

See Department Performance Plan for additional supporting details

Procurement Performance Plan Highlights

Citywide Key Intended Outcome	Departmental Performance Indicator	Actual									Target	FY 2012/13 Adopted Department Activities
		FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13		
Maximize efficient delivery of services	% of employees rating overall quality of procurement services as either excellent or good			83.5%								<ul style="list-style-type: none"> Develop and Implement Procurement Customer Surveys – City Department Users / Bidders and Proposers
	Average # of calendar days to award construction bids						78 days	72 days	77 days	150 days		
	# of procurement seminars and/or workshops conducted for businesses and City staff		3	8	5	5	6	7	7	4		
	% of vendors using a bid notification system at no cost to them		30%	90%	71%	90%	100%	97%	100%	95%		
	Average # of calendar days from requisition to purchase order	30	25	13	14	19	15	16	16	18		
	Average # of calendar days from approval of Request to Issue to Award of RFP/RFQ	120	98.25	86.75	77.25	120.08	110.9	140	118.6	150		
	Average # of responses to procurement solicitations	4	7	11	6	9	11	7	6	4		
	Average # of calendar days to award Bids for goods and services.					70 days	72 days	77 days	67 days	90 days		
	# of formal protests filed and sustained	0	0	1	0	0	0	0	0	0		
	% of uncontested bids or bids sustained	99%	95%	94%	93%	94%	94%	95%		100%		
Expand e-government	Supports measures on Citywide Scorecard										<ul style="list-style-type: none"> Develop Contract Module training citywide Expand e-procurement system 	
Improve process through information technology	Supports measures on Citywide Scorecard										<ul style="list-style-type: none"> Implement use of commodity codes in EDEN 	
Strengthen internal controls	Supports measures on Citywide Scorecard										<ul style="list-style-type: none"> Review and revise Procurement procedures 	
Attract and maintain a workforce of excellence	% of employees certified as professional public buyer or professional public officer	50%	70%	62%	60%	50%	63%	75%	77%	100%		
	# of Living Wage and/or Equal Benefits Violations issued and resolved			11	13	2	3	5	10	0		

If Actual Field is blank then data was unavailable or survey question was not asked in that year

TBD - To Be Determined