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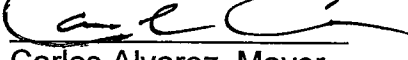
**OFFICE OF THE MAYOR  
MIAMI-DADE COUNTY, FLORIDA**

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**VETO AND VETO MESSAGE**

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To: Honorable Chairperson and Members  
Board of County Commissioners  
Miami-Dade County, Florida

From:   
Carlos Alvarez, Mayor  
Miami-Dade County, Florida

Pursuant to the authority vested in me under the provisions of Section 2.02.E of the Miami-Dade County Home Rule Charter, I hereby veto:

The motion by Commissioner Diaz approved at the July 10, 2007, Board of County Commissioners meeting, that all expedited purchases awarded without prior commission approval cease, except those sponsored by Commissioners, or brought to the Commission by resolution through the Chair, and that a resolution and ordinance to that effect be prepared.

**Veto Message**

At the July 10, 2007, Board of County Commissioners (Board) meeting, a motion made by Commissioner Jose "Pepe" Diaz was approved by a vote of 9-0 (Commissioners Heyman, Sorenson, Sosa, and Souto were absent). The effect of this legislation, according to the County Attorney's interpretation, is the immediate and absolute elimination of the purchasing authority for goods and services delegated to the County Manager. Due to the effect of this action on the County's operations, the significant progress made by the Board and professional staff in implementing progressive procurement policies, and the management of the procurement function, I hereby exercise my authority to veto this motion.

## Delegation of Purchasing Authority

Since 2003, the Board has entrusted the County Manager and professional staff with the delegated authority for competitive procurements valued up to \$1 million and non-competitive procurements valued up to \$100,000. Delegation of purchasing authority is considered one of the fundamental "best practices" in the procurement profession. The merits of delegated purchasing authority have been recognized in:

- The countywide Procurement Process Improvement Initiative, with a significant number of legislative reforms sponsored by Commissioner Rebeca Sosa and approved by the Board
- The Government Structure Task Force (GSTF) chaired by Commissioner Dennis Moss
- The Procurement Reform Advisory Board appointed by the Board
- The American Bar Association's Model Procurement Code
- The National Institute of Governmental Purchasing Benchmarking Study
- The Pareto Examiner's Final Report, which resulted in Miami-Dade County being the first county in the nation to be recognized with the Pareto Award of Excellence.

Delegation of this authority has been a key factor in the County maintaining its professional purchasing accreditation and receiving the National Purchasing Institute's Achievement of Excellence in Procurement for the last four years. It should also be noted that at the State level, while procurement policy is set by the Legislative branch, procurement is handled by the Executive branch.

## Impact

Elimination of the delegation of purchasing authority for goods and services would result in less efficient and more time-consuming methods for managing the County's day-to-day procurement functions. The applicability would be across-the-board; every department would be prohibited from making any purchases of goods and services without prior Board approval.

The workload related to agenda item preparation and the additional lead time required to bring every purchasing request to Committee and Board for approval are significant. I believe that staff time, focus, and effort is best invested in managing solicitations in an accurate and professional manner consistent with the Board's policies. It is important to note that, in FY05-06, there was an average reduction of 68 days in procurement cycle time for purchases made under this delegated authority.

Delegation of purchasing authority also benefits the vendor community and the overall efficiency of delivering goods and services to the County's over 2.4 million residents. The lengthened approval steps could impair the cash flow of smaller vendors and discourage them from doing business with the County. Without some degree of delegated authority, the delay of necessary small and/or

emergency purchases could affect the County's responsiveness to its customers and constituents (other County departments, other state and local entities, and our citizens, to name a few). Needing prior approval for purchases of goods and services up to \$1 million dollars would also influence our bargaining position (such as in obtaining preferred pricing) and our ability to make acquisitions that are time-sensitive or a public safety issue.

This motion to suspend the delegated authority will affect all items both competitive and non-competitive. In FY05-06, this would have represented 1,049 awards and \$82 million dollars worth of purchases. In addition, elimination of purchasing authority would result in termination of the purchasing card program (p-card), under which 11,418 transactions occurred in FY05-06. The departmental Small Purchase Order (SPO) authority would also be nullified if this action occurs. A total of 14,877 SPO transactions were processed in FY05-06 and 10,097 to date for FY06-07 have been issued by County departments.

### Conclusion

It is unfortunate that the recent change in government structure has brought into question the integrity and professionalism of the same administration that worked diligently under the former structure. A report of all awards made under the delegated authority has consistently been presented to the Board on a quarterly basis, all of which have been ratified by the Board without exception. This demonstrates that the delegation of authority has been utilized with extreme caution and attention to accuracy, transparency, and strict adherence to Board policies.

Any major policy change should be deliberate and carefully considered before proceeding with its formalization; policy should never be set in an emotional context. A thorough evaluation and discussion of this proposal – with solicitation of input from staff and the public – should take place. This authority was delegated by ordinance; as such, it should be changed by ordinance through the Board's legislative process with the appropriate public notice and hearings before the Committee of jurisdiction and the full Board.

I respectfully urge you to consider maintaining the current levels of delegation of authority as established by the Board. With authority comes accountability. You have my assurance that this delegation will continue to be handled responsibly and honestly in the County's best interest.