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Proposed Changes to Procurement Regulations May Facilitate Florida P3s.

Miami-Dade County, the largest jurisdiction in South Florida, is currently evaluating public-private partnerships (P3s) for several major infrastructure projects. These include multi-billion-dollar upgrades to the County's water and sewer infrastructure, new transportation infrastructure, and social infrastructure, including a new County courthouse. As we have discussed in previous posts, the P3 model can be used to expedite delivery, reduce public costs, and transfer risks for major public projects of this type. However, many P3s unfortunately do not make it out of the procurement phase, in part because existing procurement regulations were drafted decades ago, with traditional procurement, not P3s, in mind.

Fortunately, the County is currently considering two significant amendments to its procurement procedures, both of which may facilitate the utilization of the P3 model. First, the Charter Review Task Force (which proposes changes to the County's voter-adopted Charter, which in a sense serves as the County's constitution) is considering a <u>substantial restructuring of the procurement process</u>. The proposed changes would, in effect, make the procurement process more administrative and less legislative, with more authority delegated to the County's professional staff, as opposed to the elected officials. Because P3s are generally more complex than traditional procurements, delegating more authority to professionals with appropriate expertise may help avoid pitfalls in the procurement process for P3s.

Second, the Board of County Commissioners is considering new legislation that would implement the State of Florida's new process for the consideration of unsolicited P3 proposals. Under the State process, which has not yet been fully implemented in the County, a firm can submit a proposal for a qualifying P3 project prior to the issuance of a formal solicitation, and that proposal is exempt from disclosure as a public record until after the government makes a decision on the project. Furthermore, the new proposed legislation provides for an RFQ/RFP procurement process for P3s (first weeding out the least qualified firms, and then selecting the best proposal based on technical and price criteria) which is a best practice for P3s.

Ultimately, regardless of whether either of these proposals move forward, P3s are going to continue to be utilized in South Florida. The infrastructure needs are great, and there are insufficient public dollars to pay for what is needed using traditional delivery methods. However, these proposals may help expedite and improve the procurement process for important infrastructure projects.

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