



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Airport & Seaport Committee

January 14, 2010

9:30 A.M.

Commission Chamber

Charles Anderson, CPA
Commission Auditor
111 NW First Street, Suite 1030
Miami, Florida 33128
305-375-4354

**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

**Legislative Notes
Airport & Seaport Committee
Meeting Agenda**

January 14, 2010

Written analyses and notes for the below listed items are attached for your consideration:

Item Number(s)

3(F)
3(H)

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Esq., Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analysis prepared by:
Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 3(F)
File Number: 093374
Committee(s) of Reference: Airport and Seaport Committee
Date of Analysis: January 12, 2010
Type of Item: Contract Award Recommendation to H&R Paving, Inc. in the amount of \$4,452,919.58

Summary

This resolution approves the contract award recommendation in the amount of \$4,452,919.58 between H&R Paving, Inc. and Miami-Dade County for the 1,000-foot westward extension and other related construction work to the Kendall-Tamiami Executive Airport (TMB) Runway 9R-27L, Project No. L141A. The proposed increase in runway length will allow aircraft to increase their fuel and/or cargo load and allow them to arrive at destinations and markets that are currently unattainable without first having to land and refuel at other airports. The contract term is 493 calendar days from the effective date established in the Notice to Proceed.

The project was advertised as an Invitation to Bid (ITB) on June 25, 2009 and nineteen (19) bid packages were issued. On July 27, 2009, twelve (12) bids were received and reviewed for contract and DBE compliance. The low bid was H&R Paving, Inc. with a bid of \$4,038,929.32 which is 49.5% lower than the engineer's base estimate of \$8,000,000.

The bids received range from the lowest bid of \$4,038,929 to the highest bid of \$6,338,006.

- *According to CSA Group, the consulting engineer, in a letter dated July 31, 2009, "The rather significant difference in price from the Engineer's estimate is due to the extreme economic conditions presently affecting pricing of construction worldwide.*
- *Additionally, MDAD received a letter dated January 11, 2010, from Berkley Regional Insurance Company, as surety consenting and acknowledging to MDAD, the validity of the captioned bid bond extended to April 22, 1010.*

The DBE contract measures assigned were 16.2% with an estimated value of \$719,737. The contract measures achieved are 22.4% with an estimated value of \$995,192. The subcontractors listed for this project are the following:

Resource Plus, Inc. d/b/a Express Emp. Pro.	3.2%
Primary Executive Services, Inc.	3.4%
Highway Striping, Inc.	7.8%
FYV, Inc. d/b/a Miami Tropical Nursery, Inc.	<u>8.0%</u>
Total	22.4%

Background

According to the Department of Small Business Development, H&R Paving's three previous make-up plans to satisfy a \$220,000 goal deficit have been achieved as of June 24, 2009.

The Department of Small Business Development Violations Report dated January 8, 2010, lists three (3) closed violations for failing to meet CSBE subcontractor goal with a makeup amount totaling \$220,982.

Relevant Legislation

At the December 4, 2009, Airport and Seaport Committee meeting a resolution was passed approving the First Amendment to the Professional Services Agreement (PSA) between Miami-Dade County and Brown & Brown Architects, and will be placed on the January 21, 2010, Board of County Commissioners Meeting Agenda for consideration.

Brown & Brown Architects, designed the extension of the TMB Runway 9R-27L, Project No. L141A. MDAD has an opportunity to take advantage of available matching State funds that may be available to further improve the safety of the runway by extending it to its full permitted length.

Budgetary Impact

Total Unit and L.S. Price Items	\$4,038,929.32
General Allowance Account	\$ 403,892.93
Inspector General Audit Account	\$ 10,097.32
Total Maximum Contract Amount	\$4,452,919.58

The funding source for 95% of the project is FAA grant funding in the amount of \$3,836,982.85 and Airport Revenue Bonds for the remaining \$201,946.47.

Prepared by: Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 3(H)
File Number: 093422
Committee(s) of Reference: Airport and Seaport Committee
Date of Analysis: January 12, 2010
Type of Item: Ratification of Acceptance and Execution of Joint Participation Agreement (JPA)

Summary

This resolution ratifies the acceptance and execution of the Joint Participation Agreement (JPA) 42043419401 between Miami-Dade County and the State of Florida Department of Transportation (FDOT) in the amount of \$897,000 for its initial participation towards the modifications to Miami International Airport (MIA) Concourse J, Gate J-17 in order to accommodate the Airbus A380 aircraft (Modifications Project).

Pursuant to Exhibit "A" of the JPA, the purpose of the JPA is to provide funding for improvements to MIA's airside for the accommodation of the A380 including the purchase, installation and testing of dual Passenger Loading Bridges, Pre-Conditioned Air Units, 400Hz Ground Power Units, Service Transport Units and construction of dual loading bridge support structures to enable conversion of existing gates to A380 compatible gates.

The Modifications Project consists of all required gate modifications and retrofits to accommodate the Airbus A380 aircraft with three Passenger Loading Bridges (PLBs) for commercial scheduled service into MIA by 2010.

- *Although the Airbus A380 aircraft was initially anticipated to arrive at MIA on August 2010, Lufthansa has advised MDAD that the A380 will not be serving MIA in 2010 and the airline will further advise if their fleet scheduling will include MIA in 2011. However, the project is moving forward in order to have the ability to accommodate that or any other operator.*

- *The A380 is currently operating to/from Los Angeles and New York. Other MIA carriers who are expected to acquire the A380 include Air France, British Airways and Virgin Atlantic – all have experienced delays in the scheduled delivery of the A380.*

Background and Relevant Legislation

On November 3, 2009, the Board of County Commissioners (BCC) adopted R-1239-09 awarding a contract in the amount of \$459,846.75 to Merkury Development Corporation for Modifications to Gate J-17. The term of this contract is 180 days from the effective date established in the Notice to Proceed date of December 7, 2009. FDOT provided a grant in the amount of \$208,500.

- *Is this JPA for the same project that the BCC adopted in R-1239-09? According to MDAD, yes this is the same project. However, the contract awarded to Merkury, is for the foundation work for the additional loading bridges. This JPA from FDOT and the additional monies they have programmed in their 5 year work program 2010/11 is for the equipment .*

Budgetary Impact

This JPA provides for the first allocation from FDOT in the amount of \$897,000 towards the modification costs estimated at \$2,587,847. FDOT will provide a supplement to this JPA in the amount of \$396,900 bringing the FDOT total contribution to \$1,293,947 which represents 50% of the estimated eligible project cost.

The Project Budget is listed on Exhibit “B” of the JPA as \$2,587,847. FDOTs participation is listed as \$897,000 which equals 34.7% of the project cost and MDADs participation is listed as \$1,690,847. However, on the bottom of the page it is stated that it is the intent of FDOT to reimburse MDAD 50% of the eligible project cost.

- *Is the total cost of the Gate J-17 project \$2,587,847?*
- *Does this include the amount awarded to Merkury Development?*

Prepared by: Bia Marsellos