

Memorandum



Date: September 25, 2007

ATC

Agenda Item No. 6(B)

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Airport & Tourism Committee

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

Subject: Miami-Dade Aviation Department Capital Improvement Program Report

The Miami-Dade County Board of County Commissioners (BCC) adopted a Master Plan for the Miami International Airport (MIA) and approved a \$6.2 billion Capital Improvements Program (CIP). The CIP at Miami International Airport includes an expanded and efficient airfield with four Runways and several new Taxiways, expanded parking, a central collection plaza, additional lanes at upper/lower Terminal drives, and enhanced connections to the surrounding expressways and MIC/Rental Car Center. The Terminal is expanding from 3.5 million to 7.4 million square feet with 101 International Gates and 26 Domestic Gates, for a total of 127 Gates with 555 ticket counters and 120 Self Service Devices (SSD). Separate Federal Inspection Services (FIS) locations in North, Central and South Terminals will have the capacity to process 7,400 passengers per hour.

Following is the status of the two major components of the CIP: North Terminal Development (NTD) Program and South Terminal Development (STD) Program.

NORTH TERMINAL PROGRAM

Contractual Issues

- Parsons-Odebrecht Joint Venture (POJV) has signed and executed the majority of Trade contracts.
- The Terminal Wide Improvement (TWI) project is being advertised for bids; bid date has been extended until October 17, 2007. Two major contractors have expressed interest and have picked up plans.

Construction Issues

- Daily North Terminal Development (NTD) workforce is expected to total more than 1,000 workers by the end of September 2007.
- The A-B project has completed almost all of the pile work; with the exemption of the area under stair tower # 2 which is undergoing demolition by another contractor (Crompton), and the south side of the building which will be done upon closure of Concourse A. Pile caps are ongoing as well as vertical construction of columns. Project is progressing very well and within schedule.
- FPL took over the NTD vault for permanent power on June 13, 2007. Permanent power for the job site will be up and running by September 30, 2007.
- In spite of the fire accident on July the 11th at the Ramp Control Tower at Concourse D, work is still on schedule to be completed and turned over to American Airlines (AA) by the end of October 2007. Besides the fire repairs which were begun promptly, there are other issues that need to be addressed and resolved, but MDAD does not foresee any major obstacles. AA has confirmed that consoles for the tower will be delivered on schedule.

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Completion Work Issues

"Completion"¹ work that began in July 2006 continues. The B-C completion project No. 745B (Annex #3) is progressing according to schedule. The key concern is achieving dry-in of the shell to allow the interior finishes to commence. The project has mitigated a number of impacts, the most significant of which was the modification to the storm water drainage that conflicted with the finished ceiling elevations. The pre-cast exterior panels have been installed, and the clerestory and curtain walls are being installed, which will complete the dry-in.

Annex #4, the C-D Infill and Automated People Mover (APM) Maintenance and Service Facility completion project, has achieved substantial completion as of August 11, 2007.

- Turner-Austin Airport Team (TAAT) completion projects 737G and 737E have achieved substantial completion and are in the process to receive a Temporary Certificate of Occupancy by September 25, 2007.
- Project 769A, on schedule for the first time in the NTD program, also achieved substantial completion and punch list items and issues are progressing extremely well.
- Project 739H, Concourse D rotunda, is also on schedule and obtained substantial completion on August 11, 2007.
- Civil apron work and other Building Contracts continue with Crompton and Marks Brothers. Concourse B demolition work is progressing slower than scheduled, but mitigating measures were implemented and progress improved dramatically. The last work remaining is demolition of the tower # 2, scheduled at the time of this writing for completion by September 24, 2007.

Construction Phasing/Scoping

- Concourse A is scheduled to close in November 2007.
- All work for the Concourse C-B bypass corridor was successfully completed; the area is fully operational and open to the traveling public, with a Final Certificate of Occupancy (CO). This is the first time in the life of the NTD program that any phasing work obtained "final" approvals in lieu of only temporary certificates of occupancy (TCO). This is due to the new management initiative on how to handle, design and implement phasing work which is temporary in nature and is necessary only to allow progress of the final work.
- Drawings have been submitted by the engineer; and the NTD Construction Access Road has been approved by police, security, fire, and other pertinent Departments. This work will be bid under POJV.

North Terminal Claims Status Report

On August 29, the last of 335 construction claims on the NTD Project "inherited" from American Airlines was settled. There are still litigation matters pending.

¹ The North Terminal Project construction work is comprised of several major components:

- Completion Work-- This is the area between old Concourses B and C, which was partially constructed under TAAT. It was left in an unfinished condition.
- BD- The area between old concourse B and D, on the "airside" of the terminal. It consists of new construction and extensive renovations to the existing terminal.
- AB- This is basically all-new construction between concourses A and B.
- TWI- This is the extensive renovation of the existing terminal area between concourses A and D.
- APM- This is the rooftop people mover system being supplied and installed by Sumitomo Corporation of America.
- BHS- This is the new automated baggage system being furnished and installed by Siemens.

Overall NTD Claims

NTD CLAIM STATUS	Number of Claims	Claim Amount	Settlement Amount	Settlement Check Amount	Status
PAID STATUS Claimants have picked-up Checks	186	\$ 119,321,646.79	\$ 53,929,597.61	\$ 53,402,950.51	Paid
PAYMENT IN PROCESS STATUS - (PROFESSIONAL COMPLIANCE DIVISION) With Professional Compliance Division - will be paid within 30 days	1	\$ 1,096,125.89	\$ 900,000.00	N/A	Next 30 Days
CLAIMS READY FOR BCC APPROVAL Next BCC meeting is 7/10/07 then 30 days with Professional Compliance	0	\$ -	\$ -	N/A	Next 60 Days
SUBTOTAL OF SETTLEMENTS:	187	\$ 120,417,772.68	\$ 54,829,597.61	\$ 53,402,950.51	Next 60 Days
	Number of Claims	Claim Amount		Offer Amount	
SETTLEMENT AGREEMENTS IN PROCESS County Attorneys Office	3	\$ 366,010.32		\$ 294,922.84	
ORB APPROVED Other Approvals in Process	4	\$ 1,971,187.98		\$ 1,177,185.22	
CLAIMANT STATUS Awaiting Claimant Action	24	\$ 7,433,560.70		\$ 522,597.44	
SUBTOTAL OF OFFERS:	31	\$ 9,770,769.00		\$ 1,994,705.50	
	Number of Claims	Claim Amount		Offer Amount	
CLOSED STATUS No Action Required	124	\$ 30,513,265.65		\$ -	
	Number of Claims	Claim Amount		Offer Amount	
PENDING STATUS Claims that have not yet been reviewed by the ORB	1	\$ 2,083,984.00		\$ -	
	Total Number of Claims	Total Claim Amount	Total Settlement Amounts	Total Outstanding Offers	Status
GRAND TOTALS - NTD CLAIMS PROCESS:	343	\$ 162,765,791.33	\$ 54,829,597.61	\$ 1,994,705.50	

CSBE Claims

NTD CLAIM STATUS	Number of Claims	Claim Amount	Settlement Amount	Settlement Check Amount	Status
PAID STATUS Claimants have picked-up Checks	25	\$ 1,733,104.43	\$ 1,169,126.38	\$ 782,471.12	Paid
PAYMENT IN PROCESS STATUS - (PROFESSIONAL COMPLIANCE DIVISION) With Professional Compliance Division - will be paid within 30 days	1	\$ 1,096,125.89	\$ 900,000.00	n/a	Next 30 Days
CLAIMS READY FOR BCC APPROVAL Next BCC meeting is 7/10/07 then 30 days with Professional Compliance	0	\$ -	\$ -	n/a	N/A
SUBTOTAL OF SETTLEMENTS:	26	\$ 2,829,230.32	\$ 2,069,126.38	\$ 1,682,471.12	N/A
	Number of Claims	Claim Amount		Offer Amount	
SETTLEMENT AGREEMENTS IN PROCESS County Attorneys Office	0	\$ -		\$ -	
ORB APPROVED Other Approvals in Process	1	\$ 769,927.25		\$ -	
CLAIMANT STATUS Awaiting Claimant Action	2	\$ 20,412.79		\$ 10,673.15	
SUBTOTAL OF OFFERS:	3	\$ 790,340.04		\$ 10,673.15	
	Number of Claims	Claim Amount		Offer Amount	
CLOSED STATUS No Action Required	7	\$ 2,103,117.49		\$ -	
	Number of Claims	Claim Amount		Offer Amount	
PENDING STATUS Claims that have not yet been reviewed by the ORB	0	\$ -		\$ -	
	Total Number of Claims	Total Claim Amount	Total Settlement Amounts	Total Outstanding Offers	Status
CSBE GRAND TOTALS - NTD CLAIMS PROCESS:	36	\$ 5,722,687.85	\$ 2,069,126.38	\$ 10,673.15	
AS OF 08/31/2007					

SOUTH TERMINAL PROGRAM

Construction Status

- The first portion of the South Terminal was opened to the public and the First Domestic Flight from the South Terminal utilizing Concourse H occurred on August 29, 2007. Delta Airlines is the first airline to be operating from the new facility.
- The new South Terminal cruise passengers' Bus Station commenced operations on August 31, 2007. The Airlines are very pleased.
- Contractor achieved Milestone 5 completing the pre-tenant build-out of South Terminal concessions and offices, and Concourse J concessions, offices and gate control tower on August 21, 2007, forty-two weeks behind schedule.
- The first of 3 main TCO's were obtained in order to relocate Delta Airlines and operate the entire ground floor baggage claim area and cruise line bus station.
- As of this writing, the Program is targeting achieving the first International Flight from the South Terminal on September 14, 2007 by Air France.

Current Issues

- The Contractor is working a significant list of Building and Fire Department comments. Some modifications due to Authorities Having Jurisdiction (AHJ) requests are being programmed for completion after the First Flight Dates.
- Contractor continues to be behind schedule, failing to achieve Milestone 9 on time, and is forecasting on its June update achieving substantial completion for Phase I on November 16, 2007, and Phase II on July 15, 2009, due to AHJ modifications. This is being reviewed, as these two phases are somewhat concurrent work.
- On July 26, POJV forwarded to MDAD copies of letters and attachments from Hensel Phelps and Enclos regarding claims to POJV for time extensions and additional compensation in the amount of \$84 million for events occurring from May 5, 2006 to May 31, 2007. MDAD has requested POJV evaluate its Trade Contractors' claims and certify any resulting claim from POJV to MDAD as soon as possible for resolution. POJV communicated they are targeting to complete their evaluation and submit any certified claims in November 2007. MDAD has requested a response by no later than October 31, 2007.

Summary

The Program Team attained a significant achievement with the First Domestic Flight. Continued focus will be required in order to complete the remaining portions of the facility and to achieve the First International Flight. The Team continues to meet weekly to mitigate any schedule slippages. Contractor productivity and craft staffing are essential requirements for successfully achieving the First International Flight on September 14, 2007. In order to de-link North Terminal from South Terminal, all Airline relocations from North to South and North to Central must be completed by November 10, 2007. Because of this, the September 14, 2007, milestone date is now the most critical for the Capital Improvement Program at this time. Contractor must provide further emphasis on their subcontractors to complete the required schedule to open the entire facility.


Assistant County Manager