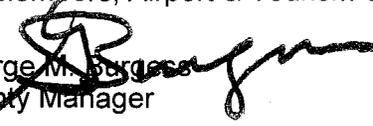


Memorandum



Date: November 15, 2007

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

From: 
George M. Burgess
County Manager

Subject: Miami-Dade Aviation Department Capital Improvement Program Report

ATC
Agenda Item No:
7(C)

The Miami-Dade County Board of County Commissioners (BCC) adopted a Master Plan for Miami International Airport (MIA) and approved a \$6.2 billion Capital Improvement Program (CIP). The CIP at MIA 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 Miami Intermodal Center (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.

The 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
 - No change from previous update
- The Terminal Wide Improvement (TWI) project is being advertised for bids; bid date was extended until October 17, 2007. Two major contractors have expressed interest and have picked up plans.
- On October 17, 2007, as previously expected, two (2) bids from MCM-Dragado Joint Venture and The Tower Group were received. The CSBE related documents (Envelop A) were given to SBA. The reading of the bid prices (Envelop B) was conducted on Friday, October 19, 2007, at 1:00 p.m. on the 18th floor of the Government Center Building. The low bidder was approximately 15 percent higher than the owner's estimate. Permission to reject these bids and negotiate will be requested from the BCC.

Construction Issues

- Daily North Terminal Development (NTD) POJV workforce is approximately 600 workers.
 - There are approximately 700 workers counting all Contractors working at the NTD construction site.
- The A-B project has completed almost all of the pile work; with the exception 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.
 - The project has substantially completed all auger piles; pile caps, and has continued to build columns. Demolition of stair towers #1 and #2 has been completed, but not according to the schedule. A mitigation strategy will be devised upon closure of Concourse A on November 10.
- FPL took over the NTD vault for permanent power on June 13, 2007. Permanent power for the job site was up and running September 30, 2007.
 - Permanent power is currently up and running for the C-D project area. Work was completed as scheduled.

- In spite of the fire accident on July the 11 at the Ramp Control Tower at Concourse D, work was still on schedule to be completed and turned over to American Airlines (AA) by the end of October 2007. Beside the fire repairs, which were begun promptly, there are other issues, which need to be addressed and resolved, but we do not foresee any major obstacles. AA has confirmed that consoles for the tower will be delivered on schedule.
 - Target date for the Temporary Certificate of Occupancy (TCO) is December 18, 2007. American Airlines will probably not move until the end of the year. This does not affect the schedule as there are close to 160 days of floating.

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 was the modification to the storm water drainage, which was conflicting with the finish ceiling elevations. The pre-cast exterior panels have been installed and the clerestory and curtain wall is current being installed, which will complete the dry-in.

- Work is progressing according to schedule, glass panels are being installed, and it is anticipated the building dry-in will follow schedule.
- Potential time delay impacts have been mitigated. The most significant was the modification to the storm water roof drainage, which was in conflict with the finished ceiling. Turn over of Baggage Handling System (BHS) area 1 has been performed; and the BHS contractor (Siemens) has been diligently working on installation of conveyors.
- Annex # 4 the C-D Infill and Automated People Mover (APM) Maintenance and Service Facility completion project has been substantially completed pending only payment of the final payment requisition that POJV is preparing. This item will be closed in the next report.
- Turner-Austin Airport Team (TAAT) completion projects 737G and 737E have achieved substantial completion; and received a Temporary Certificate of Occupancy in August.
 - A few remaining items to complete are still being addressed. The team decided to obtain the final Certificate of Occupancy (CO) in lieu of a temporary one. The new date to obtain a CO has been established, and work will be executed concurrently with project 739A as Annex #4 has been closed.
- Project 769A is on schedule for the first time in the NTD program, and achieved substantial completion; and punch list items and are being finished as of this writing
- 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. Towers were demolished, and this work is substantially complete. Civil work continues, and apron work has begun for the opening of Gate D-50.

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.



Construction Phasing/Scoping

- Concourse A is scheduled to close in November 2007.
- The engineer has submitted Drawings; and the NTD Construction Access Road has been approved by police, security, fire, and other pertinent Departments. This work will be bid under POJV.
 - A new traffic plan has been devised to avoid the need to build the construction access road and will save the program approximately \$3 million.
 - The new traffic plan has been reviewed and approved by all key players, including but not limited to MDAD landside operations, POJV, NTD Team, and others.
 - Access to Concourse A landside requires minor modifications to the fence and building a bridge to go over some existing utilities. 100% Construction Documents have been submitted and turned over to POJV for bids.
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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.

Overall NTD Claims

NTD CLAIM STATUS	Number of Claims	Claim Amount	Settlement Amount	Settlement Check Amount	Status
PAID STATUS Claimants have picked-up Checks	190	\$ 122,009,609.66	\$ 55,826,971.60	\$ 55,300,324.50	Paid
PAYMENT IN PROCESS STATUS - (PROFESSIONAL COMPLIANCE DIVISION) With Professional Compliance Division - will be paid within 30 days	0	\$ -	\$ -	N/A	Next 30 Days
CLAIMS READY FOR BCC APPROVAL Next BCC meeting is 11/06/07 then 30 days with Professional Compliance	0	\$ -	\$ -	N/A	Next 60 Days
SUBTOTAL OF SETTLEMENTS:	190	\$ 122,009,609.66	\$ 55,826,971.60	\$ 55,300,324.50	Next 60 Days

	Number of Claims	Claim Amount	Offer Amount	
SETTLEMENT AGREEMENTS IN PROCESS County Attorneys Office	2	\$ 14,765.32	\$ 13,548.85	
ORB APPROVED Other Approvals in Process	1	\$ 85,000.00	\$ 85,000.00	
CLAIMANT STATUS Awaiting Claimant Action	26	\$ 10,163,150.70	\$ 1,707,640.46	
SUBTOTAL OF OFFERS:	29	\$ 10,262,916.02	\$ 1,806,189.31	

	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	0	\$ -	\$ -	

	Total Number of Claims	Total Claim Amount	Total Settlement Amounts	Total Outstanding Offers	Status
GRAND TOTALS - NTD CLAIMS PROCESS:	343	\$ 162,785,791.33	\$ 55,826,971.60	\$ 1,806,189.31	

CSBE Claims

NTD CLAIM STATUS	Number of Claims	Claim Amount	Settlement Amount	Settlement Check Amount	Status
PAID STATUS Claimants have picked-up Checks	27	\$ 3,599,167.57	\$ 2,425,126.38	\$ 2,062,443.82	Paid
PAYMENT IN PROCESS STATUS - (PROFESSIONAL COMPLIANCE DIVISION) With Professional Compliance Division - will be paid within 30 days	0	\$ -	\$ -	n/a	Next 30 Days
CLAIMS READY FOR BCC APPROVAL Next BCC meeting is 11/06/07 then 30 days with Professional Compliance	0	\$ -	\$ -	n/a	N/A
SUBTOTAL OF SETTLEMENTS:	27	\$ 3,599,167.57	\$ 2,425,126.38	\$ 2,062,443.82	N/A

	Number of Claims	Claim Amount		Offer Amount	
SETTLEMENT AGREEMENTS IN PROCESS County Attorneys Office	0	\$ -		\$ -	
ORB APPROVED Other Approvals in Process	0	\$ -		\$ -	
CLAIMANT STATUS Awaiting Claimant Action	2	\$ 20,412.79		\$ 10,673.15	
SUBTOTAL OF OFFERS:	2	\$ 20,412.79		\$ 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	\$ 2,425,126.38	\$ 10,673.15	

AS OF 10/31/2007

SOUTH TERMINAL PROGRAM

Construction Status

- Six additional airlines were relocated to the South Terminal, thereby completing 11 of the 20 airline relocations. Due to programming issues encountered on the baggage messaging system, all airline relocations will be completed by January 2008. The current plan is still to complete all relocations from Concourse A on November 8, 2007, in order to facilitate NTD construction. The six airlines relocated within the last month are: US Air, Avianca, United, TAM, Aerolineas Argentinas, Alitalia.
- Contractor is currently working on completing the remaining Customs & Border Protection (CBP) booths, elevators, escalators and moving walks, Authorities Having Jurisdiction (AHJ) items, Americans with Disabilities Act (ADA) items, and finishes.
- Punch list inspections are progressing and are tracking towards completion on December 2007. The contractor is required by contract to complete all items within 90 days after substantial completion is granted. More than 10,000 items are anticipated to be included.

Current Issues

- A significant list of Building and Fire Department comments as well as remaining base contract work is pending in order to maintain TCO status and obtain final COs.
- There remains a concern with the contractors providing proper staffing on the project in order to complete all the remaining work. Some of the sub-contractors as well as POJV are shifting personnel to other airport projects.

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- Contractor continues to be behind schedule and is forecasting on its August update achieving substantial completion for Phase I on November 27, 2007, and Phase II on September 11, 2009, due to AHJ modifications. This is being reviewed.
- POJV has forwarded to MDAD copies of letters and attachments from its Trade Contractors regarding claims to POJV for time extensions and additional compensation in the amount of \$100 million for events occurring from May 5, 2006 to May 31, 2007. MDAD has requested POJV to evaluate its Trade Contractors' claims and certify any resulting claims in accordance with County requirements as soon as possible for resolution. POJV communicated they are targeting to complete their evaluation and submit any certified claims by November 2007. MDAD required a response by no later than October 31, 2007, in correspondence sent to POJV.
- Due to the impending claims, additional operational requirements by the airlines and federal agencies, and the delayed completion of base contract work partially attributed to the contractor, MDAD is requesting to exercise a final one-year option to extend the DAC contract starting December 16, 2007. The contract is only being extended for limited staffing and for the purpose of closing out Phase 1 work and resolving outstanding claims. As the tasks are completed, the staff will be reduced accordingly. This amendment was approved by the ATC in October and is scheduled for consideration of the BCC in November. MDAD staff will assume all Phase 2 project management work originally being handled by DAC prior to December 15 when the original DAC contract expires.

Summary

The Program Team followed the prior achievements of the First Domestic Flight, First International Flight, and First Concourse J Flight with the achievement of relocating 11 airlines to the South Terminal to date. 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. Continued focus will be required in order to complete the remaining airline relocations by January, and to complete the remaining portions of the facility for Substantial Completion. The Team continues to meet weekly to mitigate any schedule slippages. Contractor must provide further emphasis on their subcontractors, with productivity and craft staffing being essential requirements to complete the required schedule for completion.



Assistant County Manager