Memorandum

MIAMI-DADE COUNTY

Date: March 4, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 8(A)(1)(B)

From: George M. Burgess
County Manager

Subject: Change Order No. 1 to Miami International Airport (MIA) Building Management System, MDAD Project No. I114A in the amount of $8,271,866

The attached Change Order No. 1 to the contract between Honeywell, Inc. and Miami-Dade County has been prepared by the Miami-Dade Aviation Department (MDAD) and is recommended for approval by the Board.

CHANGE ORDER NO.: One (1)

Scope

PROJECT NAME: MIA Building Management System

PROJECT NO.: I114A

CONTRACT NO.: I114A

PROJECT DESCRIPTION: The scope of this Change Order is to provide materials, tools, labor, new equipment, hardware, firmware, software (including any and all required software licenses), and the design, development, delivery, configuration completion, installation, testing, commissioning, training, warranty and maintenance/tenant support of a fully operational Building Management System for Miami International Airport.

PROJECT LOCATION: Miami International Airport

PRIMARY COMMISSION DISTRICT: The services to be performed will be located within Commission District 6; however, the impact of this agenda item is countywide in nature as Miami International Airport is a regional asset.

APPROVAL PATH: Board of County Commissioners

USING DEPARTMENT: Miami-Dade Aviation Department

MANAGING DEPARTMENT: Miami-Dade Aviation Department

Fiscal Impact/Funding Source

CHANGE ORDER FUNDING SOURCE:	Airport Revenue Bonds, FAA AIP Grant, Operations and Maintenance Funding
PTP FUNDING:	No
GOB FUNDING:	No
CHANGE ORDER DESCRIPTION:	Increase the contract amount by $8,271,866

BACKGROUND:

MDAD advertised an Invitation to Bid for the MIA Building Management System in June 2003 and Honeywell was the only vendor that responded. The contract was awarded by the Board in December 2003 for a total of $26,609,803.64. The contract was given a notice-to-proceed on March 1, 2004 for a period of five years and is set to expire on February 28, 2009. The contract contains a base contingency account and three dedicated allowance accounts. The B3 Dedicated Allowance Account is for the purpose of performing corrective maintenance, large-scale repairs, upgrades, projects and procurement of parts with a current allocation of $7.5 million dollars. This overall contract is used as well to make improvements to our aging facilities and complete projects required by the Authorities Having Jurisdiction (AHJ) within MIA's facilities designed and installed with Honeywell equipment.

The Airport Building Management System is comprised of automation, fire alarm, and security sub-systems; as a whole, it is one of the largest Honeywell installations in the world. Honeywell's software and hardware is proprietary in nature and requires Underwriters Laboratory (UL) and Factory Mutual (FM) listing as one system per the National Fire Protection Association (NFPA) Code. This integration requirement is applicable to all systems extended or modified within the architecture of the Honeywell systems. Therefore, the work scope being requested will be in full compliance with NFPA, UL and the Florida Building Code.

The MIA Terminal and General Aviation (GA) Facilities Building Management System is comprised of approximately 1000 air conditioning units each having an average of 15 controls and monitoring points for a total of 16,000 points reporting to the data control panels and the main Building Management System.

The MIA Terminal & GA Facilities Fire Alarm System encompass approximately 120 fire alarm panels with an average of 500 controls and monitoring points per panel for a total of 60,000 reporting points to the fire alarm panels and the main Honeywell Fire Control System. It is estimated that the total BMS point counts will surpass 100,000 points upon completion of the Capital Improvement Program (CIP).

JUSTIFICATION FOR CHANGE ORDER

The Aviation Department recommends an increase to the B3 Allowance Account in the amount of $8,271,866. This amount is comprised of five major categories of work:

1. **Allocation for Work Completed, Paid or Encumbered $2,174,096.00**
A recent internal review of this contract revealed that work was authorized in excess of the maximum allocation of the B3 Allowance Account. Specifically, work in the amount of $2,174.096.00 was authorized over the $7.5 million allocation. However, it must be noted that a major portion of this excess work was related to life safety aspects of the system and were caused by several external factors including increased frequency of life safety inspections performed by the Building and Fire Departments and life safety related work associated with the opening of the South Terminal and the continued operation of the North Terminal Development program. These external factors were not anticipated at the time the original contract allocations were established. The Aviation Department also acknowledges that decentralized projects controls for this contract were also partially responsible for the over expenditures in this contract and has now centralized the management oversight and controls under one project manager. The Department believes the proper management oversight and controls are now in place to assure proper accountability. It should be noted that while work authorized under the B3 Allowance Account exceeded the allocated amount, the overall contract value has not been exceeded. Notwithstanding, it is necessary to retroactively replenish the B3 Allowance Account and supplement it with the additional funding required for the additional work load for the balance of the term of this contract.

2. **Maintenance Repair Costs through Contract Expiration 2/28/09 - $1,200,000**
MDAD has identified work required for corrective maintenance and large scale repairs and replacement to the terminal and other facilities at MIA and the GA Airports in excess of what was originally contemplated when the contract was established. All activities include preparations for maintenance and repair, all needed permits, all software and systems support, labor, overtime, insurance, all salaries, benefits, tools to maintain site and miscellaneous costs such as compiling reports and daily trending analysis, test equipment and other expenses associated with unplanned/emergency on-site visits by the contractor or third party factory experts to fix problems with the existing system not repairable by MDAD staff. This is comprised of the following:

   The Authorities Having Jurisdiction (AHJ) (Building & Fire Departments) have been actively inspecting all MIA existing and new facilities, which has significantly increased the number of Notice of Violations (NOV's), and priority work included as part of this change order request. MDAD has received a substantially higher rate of work orders for correction of Notices of Violation for priority repairs to MIA's large fire alarm and smoke evacuation systems that are critical to airport and passenger safety. Some NOV repairs must be completed within 90 days in order to comply with code requirements, others are due for completion before October 1, 2008.

3. **South Terminal Remedial Work - $2,000,000**
The South Terminal Project has identified over 1700 Life Safety System modifications that will have to be addressed by this contract within the next 8 months for the project to reach completion and obtain a Final Certification of Occupancy. This was not anticipated when the contract was originally established.

The deficiencies include design omissions that did not install all devices, systems, or interfaces required by code or the Authority Having Jurisdiction. These deficiencies also include the required capability to monitor emergency equipment, life safety devices, and other essential systems within the building.

In addition there are office space modifications and remodeling that require BMS work to allow MIA to relocate tenants. In order to save money and not incur extended overhead or further claims from the South Terminal contractors, it was recommended that the required work be performed through this BMS contract instead of the South Terminal project. The savings are realized by not having to pay overhead and profit for multiple layers of contractors and also through the pricing structure of this agreement, which provides fixed parts cost and hourly rates for the duration of the contract.

4. **North Terminal Remedial Work - $1,000,000**

The North Terminal project is mobilizing to start construction and has identified some gaps in their construction documents left over from the Turner Construction contracts. This additional work was not anticipated when the contract was originally established. The deficiencies include design omissions that did not install all devices, systems, or interfaces required by code or the Authority Having Jurisdiction. These deficiencies also include the required capability to monitor emergency equipment, life safety devices, and other essential systems with in the building. Some other systems such as Aircraft Pre-conditioned air, waste separators, lift stations, power monitoring, temperature controls, fire alarm, and lighting controls also have design and specification gaps that will require work to be done so MIA can have a fully compliant and functional infrastructure. This requires remedial work for the Building Management System to be done under this contract. A savings is realized by not having to pay overhead and profit for multiple layers of contractors and also through the pricing structure of this agreement, which provides fixed parts cost and hourly rates for the duration of the contract.

5. **MDAD Scheduled Life Safety Projects - $1,897,770**

MDAD has a schedule of life safety projects which need to be performed. This additional work was not anticipated when the contract was originally established. The following projects are scheduled through the February 28, 2009 expiration of the contract:

Flamingo Garage Phase II	$ 730,000
Building 40 OPF Fire Alarm	80,000
Skyport BMS	40,053
Concourse E Greyhound BMS	48,732
Concourse E Phase II BMS	173,985
Concourse G Fire Alarm	825,000
Total	**$1,897,000**

This Change Order does not increase the overall contract time for completion. The current equipment installation and modification of facilities completion date for this contract is February 28, 2009, which covers the final acceptance of all the installed systems under the current contract.

The recommended Change Order is the most expeditious method for the acquisition and installation of the required modifications and equipment.

The equipment and services, work already performed or to be performed is budgeted and will be paid from various operational funding sources already included in the Fiscal 2008 and 2009 budgets and the Capital Improvement Program North and South Terminal budgets.

		Original Contract Values at Assignment	Previous Adjustments to Values	This Change Order Values	Current Totals	Total Paid	Balance After Change Order
BASE:		$16,373,759	$0.00	$0.00	$5,713,29	$10,660,469	$5,713,290.23
CONTINGENCY-		$516,044.41	$0.00	$0.00	$301,281.	$214,763.00	$301,281.41
DEDICATE	**B2**	$20,000.00	$0.00	$0.00	$0.00	$20,000.00	$0.00
	B3	$7,500,000.	$0.00	$8,271,866.	$0.00	$7,500,000.	$8,271,866.00
	B4	$2,200,000.	$0.00	$0.00	$2,063,54	$136,450.49	$2,063,549.51
TOTALS		26,609,803.	$0.00	$8,271,866.	8,078,121.	$18,531,682	16,349,987.15

	Original Contract Duration	Previous Adjustments to Duration	This Change Order Duration	Current Totals
BASE DURATION:	1,825 day (5 yrs)	0	0	1825 days
CONTINGENCY:	0	0	0	0
TOTAL DURATION:		0		

INITIATING FACTOR(S) FOR CHANGE ORDER

Reason	Cost	Duration
Regulatory Change	$0.00	0
Other Agency Requested Change	$0.00	0
Design Errors Change	$0.00	0
Design Omissions Change	$0.00	0
County Requested Change	$8,271,866.00	0
Unforeseen/Unforeseeable Change	$0.00	0
Other	$0.00	0
Total	$	

Track Record/Monitor

PRIME CONTRACTOR: Honeywell International, Inc.

CONTRACTOR PERFORMANCE: No evaluations shown in CIIS database.
Performance on existing contract is satisfactory.

COMPANY PRINCIPAL(S):	David Cote, President; Larry Kittleberger, Vice President; Thomas Larkins, Secretary, James Gelly, Treasurer
COMPANY QUALIFIER(S):	David C. Lay, Harry James Joyce
COMPANY STREET ADDRESS:	3261 Executive Way
COMPANY CITY-STATE-ZIP:	Miramar, FL 33025
YEARS IN BUSINESS:	123 Years
PREVIOUS EXPERIENCE WITH COUNTY IN THE LAST FIVE YEARS:	Yes
DBE MEASURE AT AWARD	12%
CURRENT DBE STATUS	**7%** *(it is expected that the balance of the DBE measure will be achieved through the performance of the remaining work by the expiration of the contract.)
SUBCONTRACTORS AND SUPPLIERS (SECTION 10-34 MIAMI-DADE COUNTY CODE)	DC Electric, Inc.; Clearview Electric, Inc.; Dato Electric, Chi Alarms, Inc., Accura Electrical Contractors, James P. Moran; Ruben Electric Technology, Inc., Florida Electrical Contractors, Inc.
CONTRACT/PROJECT MANAGER:	Ray Davalos, (305) 876-7868
PREVIOUS CONTRACTS WITH COUNTY IN THE PAST FIVE YEARS:	Two expired contracts in 2004. One for $750,000 and current contract for $26,609,803.64 for a total of $27,359,803.64
PRE-NEGOTIATION COST ESTIMATE:	$27,373,160.93
ORIGINAL CONTRACT AMOUNT:	$26,609,803.64
CONTINGENCY FUND USAGE: (B3)	Original Account Amount: $7,500,000.00 Account Increase: $8,271,866.00 Current Balance Remaining: $ 0.00
ADJUSTED CONTRACT AMOUNT INCLUDING THIS CHANGE ORDER:	$34,881,669.64

PERCENTAGE OF INCREASE THIS CHANGE ORDER FROM ORIGINAL CONTRACT AMOUNT:	32%
TIME EXTENSION ON PREVIOUS CHANGE ORDERS:	0 days
CONTRACT COMPLETION DATE:	February 28, 2009
USING AGENCY:	Miami-Dade Aviation Department
FUNDING SOURCE:	Airport Revenue Bonds, CIP, O&M, Grants
APPROVED AS TO LEGAL SUFFICIENCY:	Yes
DBD REVIEW:	Yes

Assistant County Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

DATE: March 4, 2008

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(A)(1)(B)

Please note any items checked.

_____ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised

_____ 6 weeks required between first reading and public hearing

_____ 4 weeks notification to municipal officials required prior to public hearing

_____ Decreases revenues or increases expenditures without balancing budget

_____ Budget required

_____ Statement of fiscal impact required

_____ Bid waiver requiring County Manager's written recommendation

_____ Ordinance creating a new board requires detailed County Manager's report for public hearing

_____ Housekeeping item (no policy decision required)

_____ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(A)(1)(B)
03-04-08

RESOLUTION NO. _____

RESOLUTION AUTHORIZING CHANGE ORDER NUMBER ONE TO MDAD PROJECT NO. I114A BETWEEN MIAMI-DADE COUNTY AND HONEYWELL INC; INCREASING THE CONTRACT AMOUNT BY $8,271,866; AUTHORIZING COUNTY MAYOR OR DESIGNEE TO EXECUTE SAME FOR AND ON BEHALF OF MIAMI-DADE COUNTY

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves Change Order No. 1 in substantially the form attached hereto and made a part hereof; which among other things increases the contract amount by $8,271,866.00, and which includes retroactive approval of work previously authorized and performed in the amount of $1,700,000.00. This Board hereby authorizes the Mayor or his designee to execute Change Order No. 1 and any and all other documents necessary to give effect to this resolution.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice-Chairwoman

Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of March, 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. DMM

David M. Murray

MIAMI - DADE COUNTY
CHANGE ORDER TO ORIGINAL CONTRACT

CHANGE ORDER NO 1 **PROJECT NO.** I114A **DATE:** 02/18/05

PROJECT NAME: MIA BUILDING MANAGEMENT SYSTEMS

TO CONTRACTOR: HONEYWELL INTERNATIONAL, INC.

YOU ARE HEREBY REQUESTED TO MAKE THE FOLLOWING CHANGES TO THE CURRENT CONTRACT, AND TO PERFORM THE WORK SUBJECT TO ALL CONTRACT STIPULATIONS AND COVENANTS.

ITEM NO.	DESCRIPTION	AMOUNT
1	See Attached	

SUMMARY OF CONTRACT AMOUNT

ORIGINAL CONTRACT AMOUNT..... ..... $26,609,803.64

COST OF CONSTRUCTION CHANGES PREVIOUSLY ORDERED..... $_

ADJUSTED CONTRACT AMOUNT PRIOR TO THIS CHANGE ORDER... $ 0.00

COST OF CONSTRUCTION CHANGES THIS ORDER.....$ 8,271,866.00

ADJUSTED CONTRACT AMOUNT INCLUDING THIS CHANGE ORDER. $34,881,669.64

PER CENT INCREASE, THIS CHANGE ORDER ..... 31.1 %

TOTAL PER CENT INCREASE TO DATE 0%

EXTENSION OF TIME ALLOWED BY THIS CHANGE 0 CALENDAR DAYS TO 414_

REASON FOR CHANGE:

- Regulatory Change
- Other Agency Requested Change
- Design Errors Change
- Design Omission Change
- **County Requested Change**
- Unforeseen or Unforeseeable Change

CERTIFYING STATEMENT: *I hereby certify that the supporting cost data included is, in my considered opinion, accurate; that the prices quoted are fair and reasonable and in proper ratio to the cost of the original work contracted for under benefit competitive bidding.*

N/A
SIGNATURE CONSULTING ARCHITECT OR ENGINEER

TO BE FILLED OUT BY DEPARTMENT INITIATING CHANGE ORDER

DEPARTMENT	FUNDS BUDGETED CODE	CERTIFIED BY
MDAD	729005 – 2263, 2264, 2265 700708 – ✓ ✓ ✓	

ACCEPTED BY: RANDY POLSON
CONTRACTOR

SURETY

RECOMMENDED: 2/4/05 N/A
PROJECT MANAGER CHIEF ARCHITECT/CHIEF ENGINEER

APPROVED: Ray Davalos
HNTB (CONSULTING ENGINEER). DEPT. BUSINESS DEVELOPMENT

APPROVED:
DEPARTMENTAL DIRECTOR

APPROVED:
BUDGET DIRECTOR

DADE COUNTY, Florida
By its BOARD OF COUNTY COMMISSIONERS

By:
County Manager DATE

ATTEST:

By:
Deputy Clerk

cc: A/E Consultant, General Contractor, Surety, Project Manager, HNTB, DAC Projects Control, Contracts Administration

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FD5.115 2/99

MIAMI - DADE COUNTY
CHANGE ORDER TO ORIGINAL CONTRACT

CHANGE ORDER NO 1 **PROJECT NO.** I114A **DATE:** 1/11/2008

PROJECT NAME: MIA BUILDING MANAGEMENT SYSTEMS

TO CONTRACTOR: HONEYWELL INTERNATIONAL, INC.

ITEM NO.	DESCRIPTION	AMOUNT
1	Increase allocation of B3 allowance account.	$8,271,866.00
	Note: See Attachment 1	

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Attachment 1

FUNDING FOR WORK AUTHORIZED IN EXCESS OF B3 ALLOCATION	
Retroactive Allocation for work assigned, completed and paid after the B3 allocation was exhausted on July 31, 2007	$ 623,018.89
Work assigned, completed and invoiced but not yet paid after the B3 allocation was exhausted on July 31, 2007	$ 169,763.25
Work assigned after 7/31/07, completed but not yet invoiced	$ 70,191.71
Work assigned after 7/31/07 in progress	$ 1,164,102.16
Work Orders issued, but not started	$ 147,019.99
TOTAL	$ 2,174,096.00

REQUIRED ADDITIONAL FUNDING FOR B3 ACCOUNT

Corrective Maintenance & Large Scale Repair and Replacement		$ 1,200,000.00
South Terminal Remedial Work		$ 2,000,000.00
North Terminal Remedial Work		$ 1,000,000.00
MDAD Scheduled Life Safety Projects		$ 1,897,770.00 *
Flamingo Garage Phase II	***$730,000***	
Bldg. 40 OPF Fire Alarm	***$ 80,000***	
Skyport BMS	***$ 40,053***	
CC. E Greyhound BMS	***$ 48,732***	
CC. E Phase II BMS	***$173,985***	
CC. G Fire Alarm	***$825,000***	

Total Change Order No. 1 (B3 FUNDING) **$ 8,271,866.00**