

Date: February 14, 2008

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

ATC
Agenda Item No.
7 (D)

From: 
George M. Burgess
County Manager

Subject: Miami-Dade Aviation Department Capital Improvement Program Report

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.
- On October 17, 2007, as previously expected, two (2) bids were received for the Terminal Wide Improvement (TWI) project; one from MCM-Dragados Joint Venture and other from The Tower Group (TTG). The CSBE related documents (Envelope A) were given to SBA. The reading of the bid prices (Envelope 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% higher than the owner's estimate.
 - MDAD requested to reject the bids and to negotiate scope and costs with both bidders in order to bring the project within budget. A notice has been sent to both bidders informing them of intent to negotiate with both.
 - Best and Final Offer (BAFO) negotiations were held with both bidders (subject to BCC ratification of the process); and BAFO proposals were received by both bidders; TTG was the low bidder with a bid of \$108 million (Budget is \$113 million). The item was presented to the ATC; and it was decided to accept the offer by the initial low bidder (MCM) to execute the original scope of the work for the sum of \$118.6 million and have MCM waive their rights to any future claims arising from any delays; and also guarantee that the work will be executed without exceeding the budget amount, including allowance accounts. The language of the contract is being drafted by CAO and MCM. It is anticipated to have this item in the agenda for the February 5th BCC meeting.

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.
 - Workforce at the NTD has increased to close to 800 persons.
- The A-B project has completed almost all of the pile work; with the exemption of the area under stair tower # 2 which is ongoing 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 both stair towers #1 and #2 has been completed, but not according to the schedule. A mitigation strategy will be devised.
- Concourse A was successfully closed on Friday, November the 9th (one day ahead of schedule).
- Mitigation plan has been executed with POJV to eliminate the delay incurred in demolition of the stair towers.
- A-B project is progressing well according to schedule.
- FPL took over the NTD vault for permanent power on June 13, 2007.
 - Permanent power is currently up and running for the C-D project area. Work was completed as scheduled.
 - This item will be closed in the next report.
- Upon activation of the HVAC unit which was installed by the previous contractor it was found that the variable frequency drive was defective; and needed to be replaced, it has been order; delivery is expected by January 29. As soon as re-installed Test and Balance of the system will be performed. TCO will be obtained as soon as all necessary tests are successfully completed.

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. 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 the clerestory and curtain wall is current being installed, which will complete the dry-in.

- Work is progressing according to schedule, glass panels are undergoing installation, and it is anticipated to have the portion of the building dry-in as per the schedule.
- The project has been able to successfully mitigate a number of probable time delay impacts. The most significant was the modification to the storm water 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
- Excellent progress has been achieved on the ETD room and the 756E ticket counter area. Annex # 4 the C-D Infill and Automated People Mover (APM) Maintenance and Service Facility completion project has achieved substantial completion.
- Annex # 4 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. A draft of the Final invoice was reviewed by the NTD and returned to POJV for corrections and final invoice submittal.
- Annex # 4 has been officially closed and this item will be removed for the next ATC update.
- 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.
 - A number of 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

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.

obtain a CO has been established, and work will be executed concurrently with project 739A as Annex # 4 has been closed, pending only final invoice and payment.

- TCO has been approved and obtained for the D extension project.
- Project 769A is on schedule for the first time in the NTD program, also achieved substantial completion; and punch list items and issues are progressing extremely well.
 - We are still finishing punch list items as of this writing.
 - Work has been completed. This item will be removed for the next ATC update.
- Project 739H, Concourse D rotunda has obtained substantial completion, and work is progressing to obtain a TCO by April 2008.
 - POJV and the NTD Team are focused in opening gates D-37 and D-38 by April 2008. No major obstacles are foreseen at this time.
- 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.
 - Towers were demolished, and this work is substantially complete. Civil work continues, and apron work has begun for the opening of Gate D-50 in April 2008.
 - Apron work at gate D-50 is ahead of schedule; and opening of gate will be as originally scheduled.
- The next milestone is opening of Gates D-37 and D-38 which are scheduled to open on the second quarter of 2008.
 - The NTD team is focused and on track for the opening of both gates as scheduled.

Construction Phasing/Scoping

Concourse A was closed on November the 9th as scheduled.

- 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.
 - A new traffic plan has been devised that will 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.
 - The work order was executed with POJV, project was bid within the NTD budget, and work is progressing extremely well. 90% of the AOA (Airport Operations Area) fence has been installed, and it will be finished by the end of February 2008 as scheduled.

All claims have been settled.

SOUTH TERMINAL PROGRAM

Construction Status

- Operating issues encountered on the baggage system continue to impact the final airline relocation, but progress is being made. The remaining two airlines to be relocated, Aero Mexico and El Al, are scheduled to move in mid-April 2008 and February 28, 2008 respectively. Final coordination on the El Al move is being completed.
- Contractor continues to work on the completion of the remaining elevators, escalators and moving walks, AHJ items, Punch List Items, Finishes, H4 Apron Restoration, Commissioning, and Smoke Testing.
- Punchlist inspections continue to progress. B312A Concourse J has 3,727 total punch list items, all of which have been approved by the A/E. Physical completion / sign-off of these items have been underway for 3.5 months and to date, approximately 3,071 items have been completed / signed off (82%). South Terminal (B313A & A155A/S) has approximately +/-

18,950 punch list items, more than 60% of which have been approved by the A/Es. Minimal effort has been made to date to work off the South Terminal punch list and thus far very few items have been requested to be signed off within B313A and A155A/S (less than 1%). The contractor is required by contract to complete all items within 90 days after substantial completion is granted. Additional punch list identification for B313A is still ongoing and MDAD anticipates substantial completion in the next 15-20 days. All B313A punch list items will be to the contractor by February 15.

Current Issues

- Building and Fire Department comments as well as remaining base contract work are 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.
- The contractor has not submitted an updated South Terminal Overall Progress Schedule (OPS) in 8 weeks; however, this schedule submission at this point is being viewed as essentially a commercial entitlement schedule. POJV requested substantial completion in late August 2007, which initiated the Punch List process. The POJV Commissioning Schedule, which is currently independent of the OPS submission, reflects approximately 70% complete with a target completion date in April 2008.
- 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 \$135 million for events occurring from May 5, 2006, to present. POJV is required to evaluate its trade contractors' claims and certify to MDAD any resulting claim in accordance with County requirements as soon as possible for resolution. POJV has slipped on its schedule to complete its evaluation from November 2007 to February 28, 2008. POJV is submitting periodic updates on progress by way of partial claims analysis. MDAD has advised POJV that it will only enter into negotiations upon receiving its certified claim, but MDAD and its consultants continue to evaluate all information provided.
- MDAD has begun to approve release of retainage on projects that have been completed and especially those where Minority Contractors are widely involved.

Summary

Seventeen airlines have been relocated into the South Terminal concourses H & J to date. Continued focus is required to complete the remaining airline relocations by mid-April 2008, and to complete the remaining portions of the facility for substantial completion. Contractor must provide further emphasis on their subcontractors, with productivity and craft staffing being essential requirements to complete all remaining work. A new work order process for non-POJV scope is underway to manage the completion of outstanding scope items not currently in POJV's scope, many of which have been identified through the AHJ (Authorities Having Jurisdiction) TCO process.



Assistant County Manager