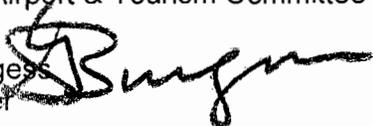


Memorandum



Date: September 11, 2008

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(D)

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). There are no contractual issues to report.
- MCM-Dragados Joint Venture (MDJV) has begun work on the North Terminal Improvements (NTI) Project. There are no contractual issues to report.

Construction Issues

POJV Workforce

- NTD POJV workforce reported 880 workers for the month of May 2008, a drop of some 90 workers from the previous month; POJV claims that this is due to the fact that the structural shell work on the A-B infill was completed on April 2008.
- NTI MDJV has approximately 75 workers and is expected to increase to about 300 workers in 30 to 45 days.
- Overall workforce at the NTD, including all contractors, is a little more than 1,100 workers.

Managing General Contractor (MGC) Baseline Schedule

- A mitigation plan has been executed with POJV which brings the program to zero delays as of April 30, 2008. Overall program completion date is as per the original First Amended and Restated Contract (FARC) schedule.
- The re-baseline schedule was submitted on June 5, has been reviewed by the NTD team and returned for comments, will be resubmitted on June 27, and we anticipate having an approved revised baseline schedule by July 10, 2008.

A-B Infill

- Work is progressing well and according to schedule. Curtain wall installation will begin in approximately 30 days. Some pre-cast panels have been installed already.
- Automated People Mover (APM) roofing metal structure framing work has begun and it is progressing well.

B-C Infill

- Annex # 3 is still in the process of achieving substantial completion. Weekly focus meetings with POJV are being held to devise the best alternative to complete the work and close this Annex.
- Previous concerns regarding Baggage Handling System (BHS) Areas 1, 2 and 3 have been coordinated with POJV and mitigated to avoid delays to Siemens. Central and West security matrices have been completed and are ready to receive the Explosion Detection System (EDS) machines
- The 756E B-C ticket counter work regarding installation of the induction belt steel plates has been resolved and plates have been ordered.
- Interior finishes are progressing very well on concourse and third levels; however, the ramp level has not progressed as anticipated. POJV has been directed to accelerate work and efforts.

C-D Infill

- Target date for substantial completion of 739A phase 1 and associated interim C-D checkpoint is August 4, 2008, when we anticipate opening of the NTD "stage one" phase of work that will combine existing checkpoints C and D into an interim one.
- 739I D-Remodel Ramp Level Improvements work phase 1 was completed ahead of the schedule. American Airlines (AA) ramp offices and break room have been relocated.
- 739C D-Remodel work is scheduled to commence around mid 2008. Submittals and coordination issues are progressing according to schedule. The area for "La Carreta" restaurant has been released for tenant improvement work to begin.
- 740A FIS work is progressing extremely well, with interior metal framing ahead of schedule. The key scope of work will be terrazzo flooring. Mechanical Electrical Plumbing (MEP) installation has begun, and the project is on schedule.
- C-D Interim Checkpoint has basically achieved substantial completion.
- Annex # 4 has been substantially completed and is in the process of being closed out. Closing documents have been routed for approvals.
- Annex # 5 Gate Control Tower: Final punch list items and plaster restoration is progressing well.

NON-POJV WORK

Concourse D Extension

- Construction documents to execute the remaining work to complete the D-Extension project are currently undergoing mandatory reviews.
- The Temporary Certificate of Occupancy (TCO) has been renewed and approved by the Board of Rules and Appeals (BORA).
- Gate D-50 opened seven days earlier than scheduled.

Terminal Wide Improvements

- Maintenance of Traffic (MOT) was successfully submitted and approved.
- Baseline schedule submitted was returned to contractor for corrections as incomplete. Contractor has reassured their commitments to execute the critical work (phase 1) on or before July 28, 2008.
- Work is progressing well.

Regional Commuter Facility (RCF)

- Project is under the cone of silence. Bid opening date is July 2, 2008.

Baggage Handling System

- Change Order # 3 was approved by the BCC on June 3, 2008.
- Work is progressing well. Area has been completed and is ready for the delivery of the EDT machines.
- Installation of conveyor work is also progressing well.

- MDAD continues mitigation efforts related to any impacts to Siemens work, in particular the ticket counters west of the central security matrix.
- Progress meetings with the Transportation Security Administration (TSA) headquarters are ongoing to ensure compliance with the most recent Baggage Screening Investment Study (BSIS) screening procedures.

Automated People Mover (APM)

- Change Order # 3 with Sumitomo Corporation of America (SCOA) was approved by the BCC on June 3, 2008.
- Work is progressing well and according to the revised schedule.
- Lifting operation to place the trains on top of the roof was successful, and it was completed two days ahead of schedule; and now all cars are home.

Civil Work

- Apron work at Gate D-50 was successfully completed, and the gate opened seven days ahead of schedule.
- Design documents for civil work for the apron area at the RCF were scheduled for 100% documents delivered by the end of June 2008.
- Aircraft Hydrant Fueling Completion. Pricing has been received from Marks Brothers and reviewed by U.S. Cost. The cost is within 3% of the estimate. MDAD has begun Change Order process.

Construction Phasing/Scoping

- The landside access road work was completed and it is now fully operational.
- A new phasing initiative regarding opening gates has been devised in order to reduce costs and mitigate and reduce delay exposures. This was part of the mitigated re-baseline schedule effort.
- The NTD team is currently exploring the possibility of opening two additional gates (D-29 and D-30) before the end of the year to accommodate American Airlines' request to provide more gates.
- No additional phasing issues to report.

SOUTH TERMINAL PROGRAM

Construction Status

- The remaining airline to be relocated, Aero Mexico, is scheduled to move in late January 2009, although all facilities are currently available and ready for their relocation.
- Punch list inspections continue to progress. B312A Concourse J has completed 3,671 of +/- 3,800 items (96%). Approximately 12,200 items of +/- 18,600 punch list items in South Terminal (B313A & A155A/S) have been completed (66%). Of the remaining Open Items, POJV has identified approximately 750 items which they have classified as 'disputed' (approximately 12% of the 'To-Go' items). The original number of 'disputed' items was 6,500.
- 38 new MDAD work orders have been prepared during the period with an estimated value of \$1.1 million through the project's process for identifying and monitoring Non-POJV (CM) work remaining on the South Terminal Program. The current estimated value of this scope is \$4-6 million. To date, 90 MDAD work orders have been prepared with an estimated value of \$2 million. This work is being performed by MDAD direct hire staff and MDAD Maintenance Contractors.

Current Issues

- The contractor has not submitted an updated South Terminal Overall Progress Schedule (OPS) in 27 weeks; however, this schedule submission is 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 90% complete with a target completion date in June

2008 for the Mechanical Systems. The Building Management System and the Security System (CCTV, Intercom and Access Control) target completion date is in the third quarter of 2008.

- In February, POJV transmitted its proposed final claim submission including certification under Ordinance 99-152 (Miami-Dade County False Claims Ordinance) a total of \$42.5 million. MDAD/DAC completed its review and provided a response. On May 13 and 16, 2008, POJV forwarded claim supplements to its February submission certifying \$65 million, a \$22.5 million increase. DAC, supported by the scheduling consultants the Kenrich Group, completed a review of this revised submission and prepared a presentation to MDAD / County Attorney Office on June 16, 2008. This evaluation was completed in a reduced timeframe to meet the overall MDAD schedule for claims resolution.
- There are approximately 330 MDAD/AE-related open items identified by the Authorities Having Jurisdiction (Building Department, Fire Department, DERM) which are requirements for obtaining permanent Certificates of Occupancy. During the reporting period, approximately 120 items were issued through the Non-POJV work order process noted above.
- There are approximately 90 list items which correlate to de-scoped or third-party (Airlines, TSA, Customs & Border Patrol) requests. These items are being evaluated through the Non-POJV work-order process noted above.

Summary

- 18 airlines have been relocated into the South Terminal concourses H and J to date. Continued focus will be required in order 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 finish work. An internal work order process for Non-POJV scope is in place to manage the completion of outstanding scope items not currently in POJV's scope, many of which have been identified through the AHJ TCO process and being performed by MDAD.



Assistant County Manager