

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(Q)(1)(C)
09-04-07

**OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA**

RESOLUTION No. R-983-07

RESOLUTION RETROACTIVELY AUTHORIZING COUNTY MAYOR OR HIS DESIGNEE TO NEGOTIATE AND EXECUTE CHANGE ORDERS TO THE AGREEMENT BETWEEN MIAMI-DADE COUNTY AND C. G. CHASE CONSTRUCTION MANAGEMENT, INC., ("CHASE") FOR THE CONSTRUCTION OF CRUISE TERMINALS D & E ("PROJECT"), IN AN AMOUNT NOT TO EXCEED \$1,992,181 FROM AVAILABLE, UNSPENT PROJECT FUNDS INITIALLY ALLOCATED FOR OTHER PROJECT NEEDS, TO COMPLETE THE PROJECT AND RECEIVE A CERTIFICATE OF OCCUPANCY; AND TO EXERCISE ALL RIGHTS CONFERRED THEREIN

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 retroactively authorizes the County Mayor or his designee to negotiate and execute change orders to the Agreement between Miami-Dade County and C.G. Chase Construction Management, Inc., ("Chase") for the construction of Cruise Terminals D & E ("Project"), in an amount not to exceed \$1,992,181 from available, unspent Project funds initially allocated for other Project needs, to complete the Project and receive a Certificate of Occupancy; after review and approval by the County Attorney's Office; and to exercise all right conferred therein.




MEMORANDUM

(Revised)

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

DATE: September 4, 2007

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

SUBJECT: Agenda Item No. 8(Q)(1)(C)

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

The foregoing resolution was offered by Commissioner **Jose "Pepe" Diaz** who moved its adoption. The motion was seconded by Commissioner **Dennis C. Moss** and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	aye		
Barbara J. Jordan, Vice-Chairwoman	aye		
Jose "Pepe" Diaz	aye	Audrey M. Edmonson	aye
Carlos A. Gimenez	absent	Sally A. Heyman	absent
Joe A. Martinez	absent	Dennis C. Moss	aye
Dorrin D. Rolle	aye	Natacha Seijas	absent
Katy Sorenson	aye	Rebeca Sosa	absent
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of September, 2007. 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: **KAY SULLIVAN**
Deputy Clerk



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

Jess M. McCarty

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Exhibit "A"

Item No.	Description
1.	Modifications to electrical work
2.	Add electrical work for power and lighting items.
3.	Conduits for security related access control and CCTV.
4.	Modify/adjust air handler units
5.	Modify mobile gangway electrical receptacles
6.	Conduits for cruise operations audio visual equipment.
7.	Modifications to cruise operations photo rooms.
8.	Hurricane reinforcement at overhead doors.
9.	Added fire protection at new escalators and stairs.
10.	Modify foundations for new generator fuel tanks
11.	Add roof top access ladder and safety railings
12.	Modify drain lines for condensate pumps
13.	Added emergency electrical generator components.
14.	Modify air conditioning equipment
15.	Miscellaneous modifications to HVAC, electrical and wall finishes.
16.	Support stands for new air handler units
17.	Modifications to HVAC at new vendor area.
18.	Miscellaneous modifications to fire protection system.
19.	Relocate air distribution diffusers
20.	Modifications to mobile passenger bridges
21.	Modifications to roadways for provisions and logistics.
22.	Modifications to elevator machine rooms.
23.	Modifications to public pay telephones.
24.	Cruise operations office furniture.
25.	Upgrade security fencing and access gates.
26.	Added security room at ground floor lobby.
27.	Added U. S. Customs and Border Protection (CBP) security items.
28.	Other miscellaneous items required for operational efficiency and Certificate of Occupancy.

Memorandum



Date: September 4, 2007

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

Agenda Item No. 8(Q)(1)(C)

From: George W. Burgess
County Manager

A handwritten signature in black ink, appearing to read "George W. Burgess".

Subject: Resolution Retroactively Authorizing County Mayor or His Designee to Negotiate and Execute Change Orders to Agreement Between Miami-Dade County and C.G. Chase Construction Management, Inc., ("Chase") for Construction of Cruise Terminals D & E., ("Project") in Amount Not to Exceed \$1,992,181 from Available, Unspent Project Funds

This item was amended by the Transit Committee at its meeting of July 18, 2007 to: (i) correctly state the funding source in its Fiscal Impact/Funding Source section; and (ii) seek retroactive approval for a portion of the work listed on Exhibit A which needed to start prior to Board approval in order to obtain a Certificate of Occupancy.

Recommendation

It is recommended that the Board retroactively approve the accompanying resolution authorizing the County Mayor or his designee to negotiate and execute change orders to the Agreement between Miami-Dade County and C.G. Chase Construction Management, Inc., ("Chase") for the construction of Cruise Terminals D & E ("Project"), in an amount not to exceed \$1,992,181 from available, unspent Project funds initially allocated for other Project needs, to complete the Project and receive a Certificate of Occupancy. The authorized contract ceiling of \$71,448,299 remains unchanged; and no additional funds are being requested.

Scope

The Port of Miami is located within District 5 – Chairman Bruno A. Barreiro. The impact of this agenda item is countywide as the Port of Miami is a regional asset and generates employment for residents throughout all of Miami-Dade County.

Fiscal Impact/Funding Source

There is no additional fiscal impact for this item. The \$9,453,013 funds for this Project will come from the previously authorized 2005 Sunshine State Loan proceeds as approved by the Board at its September 8, 2005, meeting via Resolution R-1043-05.

Track Record/Monitor

Chase has performed work for various County departments. In 2006, they were awarded a \$1.8 million contract with the Miami-Dade Transit Department and a \$6.5 million contract with the General Services Administration Department.

The Seaport Department staff member responsible for monitoring this contract is Fernando Alonso, Assistant Director, Engineering & Development.

Background

On May 6, 2003, the Board approved Resolution R-502-03, which among other things, authorized the negotiation of an agreement with Chase, being the highest ranked responsive and responsible proposer under the County's Request for Qualification for the construction of the Seaport Department's Deepwater Cruise Terminals Development Project – CM01-SEA-01, E, R. The Project was contracted on the basis of

a Construction Manager at Risk, a method of construction where the Construction Manager participates in negotiation of sub-contracts and value engineering and is therefore able to provide a guaranteed maximum price (GMP) for the Project. The total cost approved for the project was \$61,995,286.

Subsequently, on September 8, 2005, the Board approved Resolution R-1043-05, authorizing the County Manager to execute change orders adding certain additional work scopes up to a maximum amount of \$9,453,013, potentially increasing the contract ceiling to \$71,448,299; and increasing the contract time by an amount not to exceed ten months.

The \$9,453,013 of additional funds, approved via Resolution R-1043-05, was requested for operational enhancements which were described as part of an attachment to that item. Once the design was completed, through value engineering and negotiations with the Construction Manager actual construction costs totaled \$7,667,832; leaving an available, unspent balance of \$1,785,181.

To date, four change orders have been executed. Change Orders Nos. 1 and 2 provided for 365 day and 180 day time extensions to the agreement, respectively. Subsequently, pursuant to R-1043-05, Change Orders Nos. 3 and 4 were executed to perform the aforementioned enhancements, which included, among other things, canopies, paving and drainage, demolition of passenger boarding bridges at cruise terminals 2 & 10, late ship baggage security screens, communication infrastructure, and passenger boarding bridge runways for both terminals at the above cost of \$7,667,832.

As we approach the completion of the Project, several items related to life safety, fire protection and new U. S. Customs and Border Protection requirements have been identified during final inspections. Furthermore, during the final phases of the Project, several components related to enhanced terminal functionality and operational efficiencies, as well as other items required to receive a Certificate of Occupancy have been identified and are listed on the attached Exhibit "A". The additional work identified in Exhibit "A" can be accomplished by using the available, unspent balance of \$1,785,181 from the previously approved \$9,453,013 under resolution R-1043-05, including its unused contingency; plus \$207,000 of unspent funds transferred from the Project's dedicated Permit Allowance Account. The total amount available for the remaining work shown in Exhibit "A" is \$1,992,181.

In order to complete the project and fulfill our commitments to Carnival and Norwegian Cruise Line (NCL), this work had to commence prior to Board consideration to be completed on time. Had this not occurred, the County would have been placed in a vulnerable position for future claims and also would have failed to deliver the terminals to their principal tenant (Carnival) within the agreed upon timeframe. Furthermore, timely completion of these terminals is also required to commence improvements to Carnival's existing terminals (B and C) for use by the Port's third largest cruise line (NCL). Certain improvements to Terminals B and C must be substantially completed prior to the start of the Port's cruise season (mid November 2007) to service a repositioned ship.

It is anticipated that a Temporary Certificate of Occupancy for both Terminals will be obtained in July 2007. Upon completion of the Project, a final close out change order will be brought to the Board for its review.



Assistant County Manager

Memorandum



Date: September 04, 2007

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

From: George M. Burgess
County Manager

Subject: Supplemental Report: Resolution Retroactively Authorizing County Mayor or His Designee to Negotiate and Execute Change Orders to Agreement Between Miami-Dade County and C.G. Chase Construction Management, Inc., ("Chase") for Construction of Cruise Terminals D & E., ("Project") in Amount Not to Exceed \$1,992,181 from Available, Unspent Project Funds

Supplement to
Agenda Item No. 8(Q)1C

R-983-07

This Supplemental is provided to address the concerns raised at the Transit Committee meeting of July 18, 2007, regarding the use of the 2005 Sunshine State Loan proceeds.

On July 7, 2005, the Board approved Ordinance 05-154, authorizing a loan in aggregate not to exceed \$75 million from Sunshine State Governmental Financing Commission for purpose of paying cost or reimbursing costs of certain capital improvements for the Miami-Dade Seaport Department. One of the projects to be funded with this loan was the remaining costs of approximately \$40 million associated with the construction of Cruise Terminals D & E.

On September 8, 2005, via Resolution No. R-1043-05, the Board authorized the County Manager to negotiate and execute change orders to increase amount and time and modify scope to the agreement between the County and C.G. Chase for the construction of Cruise Terminals D & E. The amount of the change order was not to exceed \$9,453,013. Under the same resolution the Board was advised that this change order would be funded from the 2005 Sunshine State Loan proceeds, authorized in Ordinance 05-154.

Some of the projects identified and approved by the Board within the loan agreement for the 2005 Sunshine Loan had supplementary costs. For example, for the Phase II Dredging Project (Project), the Board approved Memorandum of Agreement between the County and U.S. Department of the Army (R-681-05) for the completion of the Project which required payment in the amount of \$6,819,833. Also, the aforementioned Project was supplemented by a required mitigation activity that was approved by the Board via Resolution No. R-367-02, which increased the Project funding by an additional \$2 million for the Oleta River State Park Mitigation Project. The Seaport is in the process of procuring the services of a contractor to perform this work, and the contract award will come before the Board for approval this fall. These supplementary costs and others totaled \$9.4 million.

Given that some of these supplementary costs were of a more immediate need for funding, a portion of the \$9.4 million were paid and committed to be paid (not expended), by the prior Seaport administration, from the 2005 Sunshine Loan. This resulted in additional payments and commitments to be paid in the amount of \$9.4 million in excess of the \$75 million. The supplementary projects and some of the prior commitments will be submitted for funding from the 2007 Sunshine State Loan, currently being drafted by the Finance Department to be submitted for your consideration this fall.

Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners
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Since timely completion of the Cruise Terminals D & E is crucial to avoid placing the County in a vulnerable position for future claims as well as not fulfilling prior commitments to its tenants, the Seaport conducted an analysis of the committed funds (funds committed but not yet paid) from the 2005 Sunshine State Loan and has re-prioritized the prior commitments to cover the \$9,453,013 million of improvements to Terminals D & E, as originally authorized by the Board in September 2005, via resolution R-1043-05.

A complete audit of this Project will be undertaken and provided to the Board upon completion.


Assistant County Manager

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