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OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA



Memorandum

Date: November 6, 2007

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

From: George M. Burgess
County Manager

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

Subject: Resolution Ratifying the County Manager's Actions in Settling Claims under One
Million Dollars pursuant to Resolution R-224-06

R-1209-07

STAFF RECOMMENDATION

It is recommended that the Board adopt the attached resolution ratifying settlement agreements between the County and certain contractors that performed work on the North Terminal Development Project (NTD) at Miami International Airport (MIA), pursuant to the delegated authority provided by the Board in Resolution No. R-224-06.

On February 21, 2006, the Board approved R-224-06 which delegated authority to negotiate and settle NTD claims in an amount not-to-exceed \$1 million subject to the review and approval by the Aviation Department's Owner's Review Board (ORB), the County Attorney, and ratification by this Board. This item covers the period January 1, 2007 through August 31, 2007 as listed in the attached Exhibit A.

MANAGER'S BACKGROUND

As part of the NTD Program, the County and American Airlines (American) entered into a Lease, Construction and Finance Agreement (LCF) for American to design and construct the NTD and the County to pay the costs thereof as a tenant improvement project. American hired the Turner-Austin Airport Team (TAAT) as its construction manager.

On June 21, 2005, the Board approved the Fourth Amendment to the LCF with American that transferred the responsibility of completing the NTD Program to the County. Concurrently, the Board approved a Claims Administration Agreement with American giving the County authority to defend, settle and/or adjudicate claims against American on the NTD program. As a result of the Amendment, on June 27, 2005, American terminated TAAT's contract effective July 27, 2005.

When American terminated TAAT's contract, TAAT in turn terminated the subcontracts. Subsequently, numerous contractors filed claims against American and TAAT with the County. Pursuant to the Claims Administration Agreement, the County directed its claims consultant, Alpha Corporation, to review the merits of the claims and recommend settlement amounts commensurate with the merits to a team of Aviation Department staff members designated as the Owner's Review Board ("ORB"). Following this review process, the County entered into extensive negotiations with claimants to resolve the claims in benefit of all parties.

For the period covered under this item (January 1, 2007 – August 31, 2007) the Miami-Dade Aviation Department (MDAD) has settled eleven (11) claims to ten (10) contractors for \$3,642,730.40. These claims originally totaled \$14,821,116.43 as listed on Exhibit A. Of the \$3,642,730.40 settlement amount, \$230,672.96 has been paid to CSBE Subcontractors. The settlements were with the following ten (10) Contractors:

- Acousti Engineering Company
- Architectural Graphics, Inc. (AGI)
- John Caretti, Inc. (Construction)
- C. L. Elias Construction, Inc. (Prime CSBE)
- Compton Construction Company, Inc.
- Gate Precast (Precast Concrete)
- Siemens Energy & Auto. (Baggage Handling Systems)
- Snapp Industries, Inc. (Concrete Restoration)
- Thornton Construction Company, Inc. (Prime SBE)
- Wildcat (Demolition)

Each of the settlement agreements with the above-referenced claimants was executed in accordance with the requirements of Resolutions No. R-119-06, review and resolution of CSBE claims, and R-397-06, the amended claims process which requires that payment of any settlement amount is contingent upon the claimant paying any portion of the settlement owed to CSBE subcontractors to such CSBE subcontractors. A copy of each of the settlement agreements listed in the attached exhibit is on file with the Clerk of the Board.

The following table reflects the total amount of all claims processed, settled, paid to prime contractors, and paid to CSBE sub-contractors under R-224-06 and under all Resolutions approved by the Board since the inception of the Claims Payment Program from May 1, 2005 through August 31, 2007:

NTD SETTLEMENTS UNDER ALL BOARD-APPROVED AUTHORITIES

MAY 1, 2005 – AUGUST 31, 2007

AUTHORITY	ORIGINAL CLAIM AMOUNT	SETTLEMENT AMOUNT	CSBE AMOUNT
R - 224-06	\$29,406,545.72	\$11,562,45.68	\$1,342,082.47
ALL BOARD APPROVED RESOLUTIONS (INCLUSIVE OF R-224-06)	\$125,890,476.05	\$62,391,181.61	\$8,174,080.57

This delegation of authority has helped the Aviation Department comply with the Board's directive to expedite the resolution and payment of NTD claims and, as a result, has greatly helped CSBEs and the many small businesses that have been impacted by the protracted payment for their work.



Assistant County Manager

EXHIBIT A

NTD RATIFICATION - UNDER R-224-06 - JANUARY 1, 2007 - AUGUST 31, 2007

CLAIMANT COMPANY	ORIG. CLAIM AMOUNT	SETTLEMENT AMOUNT	DATE PAID	CSBE NAME AND DATE PAID	CSBE AMOUNT
Acousti	\$1,002,537.95	\$435,927.24	6/15/2007	Miami Design Builders received payment 6/18/07	\$54,226.08
Sub-Total	\$1,002,537.95	\$435,927.24		None	\$54,226.08
AGI	\$370,983.21	\$282,942.72	3/29/2007		\$0.00
Sub-Total	\$370,983.21	\$282,942.82			\$0.00
Caretti, John	\$1,185,534.33	\$549,930.52	1/30/2007	None	\$0.00
Sub-Total	\$1,185,534.33	\$549,930.52			\$0.00
CL Elias	\$9,267.69	\$9,267.69	3/22/2007	CL Elias	\$9,267.69
Sub-Total	\$9,267.69	\$9,267.69			\$9,267.69
Crompton	\$1,881,299.14	\$978,828.08	8/14/2007	Everett received payment 8/20/07 ELCI received payment 8/21/07 DKG received payment 8/21/07	\$50,000.00 \$81,000.00 \$21,474.18
Sub-Total	\$1,881,299.14	\$978,828.08			\$152,474.18
Gate Precast	\$24,679.00	\$24,679.00	4/24/2007	None	\$0.00
Gate Precast	\$52,645.80	\$52,645.80	6/27/2007	None	\$0.00
Sub-Total	\$77,324.80	\$77,324.80			\$0.00
Siemens	\$9,440,805.00	\$999,900.00	7/5/2007	None	\$0.00
Sub-Total	\$9,440,805.00	\$999,900.00			\$0.00
Snapp	\$30,050.00	\$30,050.00	3/22/2007	None	\$0.00
Sub-Total	\$30,050.00	\$30,050.00			\$0.00
Thornton	\$293,827.49	\$14,705.01	4/24/2007	Thornton	\$14,705.01
Sub-Total	\$293,827.49	\$14,705.01			\$14,705.01
Wildcat	\$823,314.31	\$263,854.24	2/6/2007	None	\$0.00
Sub-Total	\$823,314.31	\$263,854.24			\$0.00
TOTAL	\$14,821,116.45	\$3,642,730.40			\$230,672.96



MEMORANDUM

(Revised)

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

DATE: November 6, 2007

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

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

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)(H)
11-06-07

RESOLUTION NO. R-1209-07

RESOLUTION RELATING TO NORTH TERMINAL DEVELOPMENT PROJECTS AT MIAMI INTERNATIONAL AIRPORT; RATIFYING THE COUNTY MANAGER'S ACTIONS IN SETTling CLAIMS UNDER ONE MILLION DOLLARS PURSUANT TO RESOLUTION R-224-06 DURING THE PERIOD JANUARY 1, 2007 THROUGH AUGUST 31, 2007.

WHEREAS, on February 21, 2006, the Board approved Resolution R-224-06 which delegated authority to the County Manager or his designee to negotiate and settle North Terminal Development Project (NTD) claims at Miami International Airport (MIA) not-to-exceed \$1 million; and

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 ratifies the County Manager's actions in negotiating and settling NTD claims not exceeding \$1 million during the period January 1, 2007 through August 31, 2007.

The foregoing resolution was offered by Commissioner **Dorrian D. Rolle**, who moved its adoption. The motion was seconded by Commissioner **Joe A. Martinez** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of November, 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.

A handwritten signature in black ink, appearing to be "EWF".

Eduardo W. Gonzalez