

CAPITAL IMPROVEMENT PROJECTS OVERSIGHT COMMITTEE
MEETING MINUTES
May 4, 2009

The meeting was called to order at 5:31 p.m.

1. **Attendance – See Attendance Sheet attachment.**

2. **Review and Acceptance of Minutes**

5:41 p.m.

MOTION: Acceptance of Minutes of the April 6, 2009 CIPOC Meeting

MOVED: Undetermined 2nd: inaudible

PASSED (Unanimous) – no objection – Mayor Bower announced that the minutes were accepted

Full audio and visual records of the meetings held in the Commission Chambers are available online on the City's website <http://www.miamibeachfl.gov/video/video.asp>

Note: Meeting conducted out of order from published agenda. Please note times alongside each item.

3. **Public Comments**

7:05 p.m.

Denis Russ, (945 Pennsylvania Avenue) representing the Flamingo Neighborhood Association, invited all CIPOC members to the kickoff event of an exhibit of the images of drawings for both the Flamingo Neighborhood improvement project and the Flamingo Park renovation project. The kick-off meeting is held May 11, in celebration of the 30th Anniversary of the designation of the Art Deco Historic District.

4. **Consent Agenda: Items for Commission**

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT WITH PARSONS BRINCKERHOFF AMERICAS FOR PROFESSIONAL CONSTRUCTION ENGINEERING AND INSPECTION (CEI) SERVICES OF THE WATER MAIN AND SANITARY SEWER MAINS, AND MILLING AND RESURFACING IMPROVEMENTS ALONG INDIAN CREEK DRIVE BETWEEN 26TH AND 41ST STREETS; PURSUANT TO REQUEST FOR QUALIFICATIONS 03-08/09 IN THE AMOUNT OF \$550,000.00 OUT OF WHICH \$136,000.00 TO BE ASSIGNED FROM FDOT FUNDING PURSUANT TO A JOINT PARTICIPATION AGREEMENT (JPA) BETWEEN THE CITY OF MIAMI BEACH AND FDOT AND SUBSEQUENTLY EXECUTED PER RESOLUTION 2007-26694; AND THE REMAINDER \$414,000.00 TO BE ALLOCATED FROM FUND 423 2006 GULF BREEZE; AND FURTHER APPROPRIATING \$55,000.00 IN CONTINGENCY

5:33 p.m.

Fernando Vazquez, City Engineer, presented informatio on the work that PB Americas would perform for the Indian creek reconstruction project, which includes water line upgrades, sewer line improvements as well as resurfacing of Indian Creek from 26th Street to 41st Street. The underground work is to be done by the City and the street resurfacing is to be done by FDOT. As part of the City's General Participation Agreement with FDOT, there is a requirement for CEI (Construction, Engineering and Inspection) Services. The PowerPoint presentation outlining the scope of the project and the responsibilities of the CEI consultant is attached. All the engineering design for this project was performed in-house, saving the City a significant amount of money. The entire project is anticipated to take approximately 10 months.

Eduardo Rodriguez, representing PB Americas, gave a presentation on the CEI services for the Indian Creek project.

The Committee inquired as to who would assume risk for this oversight if the project goes longer than anticipated.

The Committee requested an itemized breakdown of costs, specifically, an hourly breakdown and the cost for additional services. The Committee also asked to see a copy of the contract. Mr. Vazquez will bring this information back to CIPOC for review.

NO ACTION TAKEN.

5. Old Business

a. CIP Project Status Report

Included in agenda packet, but not discussed.

b. **Construction update: Normandy Shores Neighborhood Improvement Project** 7:30 p.m.
Fred Beckmann, Interim Director of CIP, presented information concurrent with the written report submitted with the agenda packet. A board showing construction progress was also presented.

As rainy season approaches, the contractor and project team have plans in place to address spot flooding until the drainage system is fully installed and operating.

c. **Status Report: Venetian Island Neighborhood Improvement Project** 6:31 p.m.
Fred Beckmann explained that the City Commission on April 22 gave Administration direction to re-design the Venetian Islands stormwater system. Whoever is chosen as the next A/E will be tasked with determining if complete reconstruction is feasible within the budgeted GO Bond funds.

William Goldsmith, (1829 West 25th Street), referred to the two items that were included in the CIPOC agenda packet for this meeting. Item 2a, an addendum to the minutes, is a memo drafted by the Venetian Islands HOA and was submitted to CIPOC at the April 6, 2009 meeting. Item 6c (Report on the CIPOC Venetian Island Sub-Committee) includes a later memo, which was presented at the Sub-Committee meeting on April 21, 2009, and submitted to the City Commission for consideration at the April 22, 2009 City Commission meeting.

Mr. Goldsmith is seeking sufficient funding in the budget in order to complete all of the items listed in the RFQ. Mr. Goldsmith requested a breakdown of costs, because he sees potential funding that could be pulled from contingency on above ground items that could be used to complete the project.

Fred Karlton asked if the contingency money for above-ground improvements (GO Bond) could be used for storm water improvements. The GO Bonds define above-ground improvements. Mr. Karlton asked if the contingency money in the Venetian project that is slated for above-ground could be moved for use for certain components of stormwater such as valley gutters. If the request is to move any contingency money into construction cost category, the decision would have to come from Commission because this would be a change in policy.

Mr. Karlton noted further that over \$750,000 was spent on fees for Hazen & Sawyer. Both he and Mr. Goldsmith indicated that they (speaking on behalf of Venetian Island residents) felt that this was excessive for the work that was done and were seeking a way to put that money back into the pot.

Tim Hemstreet, Assistant City Manager, at the request of Mayor Bower, explained the definition of contingency. The Contingency money represents typically around 10% of construction budget, and is set aside for unforeseen circumstances, additional requests that come up in construction (from either staff or residents) and other items that are added during the course of construction.

Staff advises against including money allocated for contingency in the estimate for construction.

Speaking to the argument that Hazen & Sawyer was overpaid for work done on this project. Mr. Hemstreet clarified that the Hazen & Sawyer agreement was not based on the effort put forth per project or on an hourly basis. Costs were allocated against budgets and they have already been spent. If it is decided that there is a need in the Venetian project for an additional \$750,000, that request would have to go before Commission in order to allocate the funds.

Mr. Hemstreet suggested that the project team look at the above-ground budget and see what could be used for above-ground construction. He further suggested that additional funds be sought for the project.

Mr. Goldsmith stated that if the money spent for Hazen & Sawyer was not pursuant to the contract, the money should be returned.

Eleanor Carney (440 West Dilido Drive), the HOA President for Venetian Islands, stated that she had a concern about the description of the work in the RFQ. She and Mr. Goldsmith have been working together to make changes to the RFQ.

The direction from City Commission was for the HOA and the City to work out the details of the RFQ and send it out (as long as it is legal and meets proper requirements). It does not have to come back to Commission before it is issued. If there is a request for additional funding, it would have to come back to Commission.

- d. **Status Report: Sunset Islands I & II** 7:18 p.m.
Dr. Ben Shore, (2532 Regatta Avenue), expressed his concern with the current conditions of the roads in Sunset Island. Water does not drain off the road; there is standing water in the streets after rain, which could potentially be a health risk. He is pleased that Mr. Goldsmith is working with the City to remedy the situation.

Mayor Bower commended William Goldsmith for his efforts, which could lead to changes in City construction processes. She stated that she looks forward to his working with all the neighborhoods to ensure that all areas get their fair share.

William Goldsmith expressed displeasure with not having received timely information as the engineering documents are developed.

Fred Beckmann stated that the A/E has been following the stipulations in the RFQ, which is to present the documents when they are at 50%. The A/E, Chen and Associates, was close to 50% design (as of this meeting) which would put them about two months ahead of schedule. (note: the 50% benchmark is the point where the City pays the consultant, upon acceptance of the documents after review).

Arrangements were made for Mr. Goldsmith to see the documents as soon as possible. **David Bolger**, (1440 North View Drive) asked that the Sunset Island I & II HOA also be given the opportunity to view the plans as well.

Mr. Goldsmith wanted to state for the record, with acknowledgment from City staff, that the current project budget of approximately \$4.2 Million includes approximately \$400,000 of soft costs for Chen and an additional amount for construction management, with the remaining to go toward hard construction costs. This is to show that there would be no "surprises" as Mr. Karlton put it, with additional soft costs for unrelated expenses.

- e. **Status Report: 44th Street & Royal Palm Avenue Drainage Improvements** 7:31 p.m.
This item is going to the Finance and Citywide Projects Committee for funding approval. There is nothing further to report at this time.
- f. **Status Report: Normandy Shores Golf Course Clubhouse** 7:32 p.m.
Contractor selection is on the May 13 City Commission agenda for approval.

June 1, 2009

MEETING MINUTES May 4, 2009 Capital Improvement Projects Oversight Committee Meeting

Page 4 of 4

- g. **I & I Report** 7:33 p.m.
Written report distributed as a supplement to the agenda packet. Committee was instructed to read this report and to bring any questions to the next CIPOC meeting.
- 6. **Sub-Committee Meeting Reports**

 - a. **ITB Minimum Qualifications Sub-Committee** 7:34 p.m.
Briefly discussed.
 - b. **Flood Mitigation Sub-Committee** 7:35 p.m.
A full report on this meeting and the May 7th meeting will be discussed at the June 1 CIPOC meeting.
 - c. **Venetian Islands Sub-Committee** 6:32 p.m.
This item was discussed with item 5c. See above.
- 7. **Staff Action Report**
Included in agenda packet, but not discussed.
- 8. **Calendar** 7:03 p.m.
- 9. **Adjournment:** 7:35p.m.
The next meeting of the Capital Improvement Projects Oversight Committee will be held at 5:30pm, Monday, June 1, 2009.

ATTACHMENT

JMG/TH/FHB/shl

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