



COMMITTEE MEMORANDUM

TO: Members of the CIP Oversight Committee

DATE: November 14, 2011

SUBJECT: **REPORT OF THE CAPITAL IMPROVEMENT PROJECTS OVERSIGHT
COMMITTEE MEETING OF OCTOBER 17, 2011**

The meeting was called to order at 5:35 p.m.

Please note: These minutes are not a full transcript of the meeting.

Full audio and visual record of this meeting available online on the City's website:

http:// www.miamibeachfl.gov/video/video.asp

1. **ATTENDANCE**

See attendance sheet copy attached.

2. **REVIEW AND ACCEPTANCE OF MINUTES**

5:36

Report of the Capital Improvement Oversight Committee Meeting of September 12, 2011

MOTION: Acceptance of Minutes of the September 12, 2011 CIPOC Meeting.

MOVED: C. Cuervo 2nd: D. Kraai

PASSED: Unanimous

3. **DISCUSSION (Prompted by question raised about minutes from Dwight Kraai)**

5:36

Dwight Kraai asked for a clarification about an item that Saul Gross raised during the discussion at the September 12 meeting on the Stormwater Master Plan. Mr. Gross had spoken to staff in the Parks Department about the use of lake water for the irrigation system, and inquired further about the status of improving this system. At the time, CIP staff indicated that they would ask Parks Department staff to provide information. Mr. Kraai wanted to know if this project was the water reclamation project (AMERESCO project). Mr. Gross clarified that he was asking about the utilization of lake water to lower the use of domestic water for irrigation, which could result in savings.

Christina Cuervo, who served on the RFQ Committee for this project, suggested that Kevin Smith, of the Parks and Recreation Department, come to a future meeting to discuss this item.

ACTION: Invite Parks staff to attend November CIPOC meeting to speak about water reclamation and other options for golf course irrigation.

Mr. Kraai wanted further information about the AMERESCO project.

ACTION: Dwight Kraai to meet with Duncan Ballantyne and Public Works staff to discuss AMARESCO project.

4. **PRESENTATIONS:**

5:46

Botanical Garden Renovation Project

Maria Palacios, Public Information Specialist for the Office of Capital Improvement Projects, presented an overview on the project, covering the project timeline and some details of construction. The presentation included photos of some of the garden's new features. The project was completed within budget and on schedule, and re-opening celebration is planned for October 25. Laura Jamieson, Executive Director of the Miami Beach Botanical Garden, spoke as well. She

thanked the Office of CIP for the work that was done, and pointed out that the process was handled efficiently once the contract was signed.

Saul Gross offered, in the interest of full disclosure, that he is on the Board of the Garden Conservancy.

5. PUBLIC COMMENTS

5:59

Carla Probus, 400 Alton Road, had come to the meeting to make certain inquiries publicly on behalf of the South of Fifth neighborhood. Aaron Sinnes, Sr. Capital Projects Coordinator, provided timelines for completion of the South Pointe III-IV-V streetscape projects. Once the newly-installed water lines on Alton Road are approved by the Department of Health (standard procedure), the project will continue with planting of the trees on Alton Road. Mr. Sinnes also clarified that the drainage system that is being installed

Trees on Alton Road, South of Fifth

Aaron Sinnes, Senior Capital Projects Coordinator, stated that the project incorporates 23 new drainage wells, which are closed-head, not gravity wells. They will not be put into service until CIP turns the project over to Public Works, the owner department that will maintain the stormwater system. Currently, if water is not draining, it is because the system is not connected yet. Installation of the replacement trees on Alton Road is scheduled to begin the week of October 24.

Status of South Pointe Pier

6:03

Mattie Reyes, Senior Capital Projects Coordinator, explained that the construction documents are complete, and the permitting process with all agencies is expected to take about one year, once the documents are reviewed by City agencies. Construction is expected to begin in September 2012.

6. COMMISSION ITEM

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, REJECTING ALL BIDS RECEIVED PURSUANT TO INVITATION TO BID (ITB) NO. 39-10/11, RIGHT-OF-WAY INFRASTRUCTURE IMPROVEMENT PROGRAM – VENETIAN ISLANDS BID PACKAGE 13C, AND AUTHORIZING THE ADMINISTRATION TO ISSUE A NEW BID FOR SAID PROJECT

Staff recommends rejection of bids because the plans came in approximately \$2 million above the budget and staff believes that through a value engineering process with the consultant, they can reduce the cost there rather than ask for adjustments through a contractor once they are hired. Staff is therefore asking that the current contractor bids be rejected, that the new cost estimate be worked out with the engineer, and then go out to bid with the revised cost. This renegotiation should not hold off the commencement of construction, mainly because the City wants to coordinate construction with the County construction on the causeway. Completion of the causeway project is anticipated to be May 2012.

Dwight Kraai asked if the City is concerned about the rising costs of construction in re-bidding this project. The City feels that more savings can be identified in researching value engineering options and that is the best way to proceed. An independent constructability consultant gave a probable cost estimate of \$7.5 million and the best-qualified lowest bid was over \$8 million (13%).

The item that results in the overage is the lighting component. Schwebke Shiskin, the consultant who provided the cost estimate overall, included the lighting component that was originally estimated by Hillers Electrical Engineering.

Eleanor Carney asked if the design services for the water line work on the causeway was charged to the Venetian Island project. Engineering design services included \$1.3 million, which incorporated the design for the water main crossings. An additional \$700,000 was allocated for construction management services. Mrs. Carney asked that when the project is re-bid, to split it so that work is done on the north side of the islands first, so as not to conflict with the County work, and then continue the work on the south side.

The value engineering process should not take more than a few months to complete. An additional four months internal review process follows and then the process through Commission approval, etc. Staff is still confident that the project can still be re-bid by the spring of 2012.

MOTION: Approve rejection of all bids provided the staff presents a timeline to the Commission that shows the reengineering, re-bidding and awarding of the contract and commencement of construction by May of 2012 and also provides for exploring the option of construction on the north side of the causeway first should the County not complete construction on the causeway in time.

MOVED: E. Carney 2nd: C. Cuervo
PASSED: UNANIMOUS

7. OLD BUSINESS / REQUESTED REPORTS 6:30

Web Site (Not on agenda, verbally requested by Committee)

Maria Palacios, Public Information Specialist stated that the CIP web site is expected to be online in three to four months (January 2012).

Status Report: Normandy Isle Neighborhood 6:32

Mattie Reyes, Senior Capital Project Coordinator, stated that a proposal was received for additional lighting. Funding is to be increased, and comes out of the Peoples Transportation Plan fund (PTP). This fund is earmarked for transportation and roadway projects. The County has agreed to help with the Normandy Isle project through these funds. Lighting is not a typical component that receives these dollars.

Rick Saltrick, Acting City Engineer, also stated that cities will likely not be eligible in the future for the PTP money when the County restructures the allocations.

Eleanor Carney asked if it would be possible to obtain PTP money for use on the Venetian Islands project (since the outstanding component is lighting).

ACTION: Inquire with the County if PTP money can be used for components on the Venetian Island projects and bring answer back to CIPOC.

ACTION: Inquire if "Safe Neighborhoods" grant funding is still available for projects to cover lighting. (Judy Hoansheldt).

The City has received a proposal for the pavers at the crosswalks and that project should commence soon, using funding from PTP as well.

Budgets were approved for the other components as well, including swales on Marseille Drive and pavers and landscaping in the commercial district, as well as driveway apron improvements.

The retrofit parking on Bay Drive is currently under review by Public Works and the Fire Department. Also on Bay Drive, the Royal Palms are to be replaced with more acceptable trees

under power lines. This will be paid for with funds from the Reforestation Program. The administration is seeking additional funding as well. All of the components in the Normandy Isle project come to a total of approximately \$1 million.

Status Report: Sunset Islands I & II

6:38

Maria Hernandez, Senior Capital Project Coordinator, informed the Committee that the Technical Review Panel (TRP) to select an RPR for the Sunset Islands I & II neighborhood project was held on October 10. The Manager's recommendation based on that TRP was to go to Commission on October 17. The contract with the lowest responsive bidder is expected within the next present months, following the recommendation to Commission and their subsequent (assumed) approval to negotiate with the number one pick. The contract cannot be awarded until December because there is no November Commission meeting. Construction is anticipated no sooner than January. (Original estimate was that construction would begin in October).

Ms. Hernandez noted that construction is also commencing in the Bayshore and Lower North Bay Road neighborhoods, as well as Lake Pancoast, so there will be simultaneous construction in all the Bayshore neighborhoods. The project team is holding off on issuing Notice to Proceed 2 (NTP 2) in effort to send out encroachment notices and go through the encroachment removal process, which will be extensive on Sunset Islands I & II.

Committee members asked why the item was not brought to them in detail first. Common practice has been that only items dealing with construction costs, not soft costs nor consulting, are brought to the Committee. The item brought to Commission is to ask permission to negotiate a price. There is no set price associated. The inclusion of Resident Project Representative (RPR) used to be under the engineer's contract, but new processes, coordinated under the guidance of the CIPOC, led to the new procedure of hiring the RPR as a separate entity working in the City's interest.

ACTION: Bring the information about the selected RPR for Sunset Islands I & II for the Committee.

Questions were raised about the selection of the RPR for Sunset Islands I & II because the same consultant conducted the cost estimate for Venetian, which resulted in a \$1.3 million deficiency, the Committee asked if this should be a further concern for selecting this consultant as the RPR for the Sunset Islands I & II project.

Status Report: Sunset Islands III & IV

6:53

Mattie Reyes, Senior Capital Project Coordinator, stated that staff is bringing an item to Commission for approval of a Request for Qualifications (RFQ) to select a Design Criteria Professional. With approval, anticipated at the October 19 Commission meeting, staff will immediately put out the RFQ. A selection committee would be scheduled for the end of November. The HOA requested to have the design build firm on board by the summer of 2012. If all goes well, construction could commence with a design/build firm as early as fall 2012.

Plans are similar for moving forward into construction with other neighborhoods. For certain neighborhoods, the process is to take existing plan documents, turn them over to consultants who create design criteria packages and then the City hires a design/build firms to carry out construction. This model is an attempt to update existing plans that for one reason or another would fall short of constructability under a design/bid/build procurement. A common issue with recent projects is that plans have been sitting for some time before construction and requires updating. Often, certain design issues are discovered during construction and the process is

slowed. Addressing projects as design/build is one of several procurement methods that CIP is implementing in an attempt to move projects forward. Additionally, CIP staff members are capable of conducting constructability reviews. (Costing reviews, Mr. Vazquez pointed out, are usually evaluated through private outside firms). Saul Gross reiterated that he would like to see a more integrated process for cost analysis and design. This point was made because he was thinking about the stormwater master plan and how the new criteria may likely affect cost on the upcoming neighborhood projects. Mr. Vazquez stated that CDM, the engineering firm working on the master plan, was brought in as part of the peer review process on current projects.

Saul Gross asked if the City has established a list of preferred engineers, and has the City moved toward a more evaluative process to weed out engineers that do not meet expectations. There is a rating sheet now that is used to review performance. This process is being formalized along with other procedures.

Status Report: Lower North Bay Road

7:05

Maria Hernandez, Senior Capital Project Coordinator, explained that staff is reviewing the recently received change order, (which was the result of peer review, held in order for the second notice to proceed to be issued), and that Atkins North America has been hired as the Resident Project Representative (RPR) for this project, as well as for Central Bayshore and Lake Pancoast. CH2MHill is the Engineer of Record (for all three projects). The Central Bayshore and Lake Pancoast projects will break ground the first week in November. The change order includes additional drainage, but the concern on the part of staff is scheduling and not cost. CIP is working closely with the contractor and the RPR to schedule the work efficiently on Lower North Bay Road.

Status Report: Venetian Islands

7:11

Eleanor Carney asked about the status of encroachment notices for the homes on San Marino Island. The City has completed the survey, and initial notices were sent out to all Venetian Island homes. The encroachment letters with specific details will go out within the next few months, ahead of construction.

Status Report: Palm & Hibiscus Island Undergrounding

7:13

Grace Escalante, Senior Capital Projects Coordinator, reported that the HOA paid the tariff for engineering fees to FPL for the undergrounding of utilities. The binding estimate and revised drawings are expected by the week of October 24. Once received, the drawings will be sent to AT&T and Atlantic Broadband for their review and to obtain an updated estimate for the HOA.

The neighborhoods are responsible to pay FPL for the engineering fees; the City cannot pay for those costs. The County will float a bond for the undergrounding of utilities. The City does not have funding for engineering fees and/or the cost of undergrounding the utilities.

Currently, CIP is negotiating an agreement for a Design Criteria Professional with Camp, Dresser and McKee (CDM). This item is expected to go to the December Commission meeting if negotiations are successful.

Status Report: Flamingo Park Project

7:16

Grace Escalante, Senior Capital Projects Coordinator, stated that the pre-construction services contract was awarded to Pirtle Construction for the Flamingo Park Tennis Center. The schedule is anticipated so that a guaranteed maximum price will be submitted in February and construction can begin in March. The project will be phased so that some courts will be open during the work and the center will not be completely shut down.

Mattie Reyes reported that the football field A/E has commenced design and was performing a feasibility study. Assistant City Manager Hilda Fernandez and the Parks and Recreation Department made a request to upgrade the running track to eight lanes (from the current six). A cost estimate for additional work will be included in the submitted report.

The handball courts project includes relocation of the bathrooms to be at a central location convenient to both the handball courts and other sports fields. This will address the restroom requirements for the entire park.

These projects are being addressed now, and the remaining items in the park master plan are being addressed at a later time, including the lodge, the fencing and the “teenage component,” which was at one time identified in the plans as a skatepark. (Now the component has to be identified as something else for teen activity).

Status on Stormwater Master Plan

7:21

Rick Saltrick, Acting City Engineer, reported that the plan is still in draft form, staff will meet with the Florida Department of Transportation to iron out some issues with the use of their proposed pump stations on Alton Road. These are expected to be constructed in 2014. The City wants to see if efforts can be combined.

Saul Gross asked if the current state of the stormwater master plan is an issue for any of the projects that are moving forward prior to its completion. Mr. Saltrick explained that the plan gives an overall look at the system citywide, but that CIP is able to import the consultants’ design into the process of current construction.

The plan shows that Biscayne Point is within the 5-year, 1-day criteria. There are some areas in the Biscayne Point neighborhood that are outside of the priority basin that require stormwater remedies. These are being addressed within the Biscayne Point project. Public Works and CDM have looked at neighborhoods that are in construction and have identified where work is needed, and are looking at upcoming projects.

Mr. Gross asked at what point does the City decide to not move forward and wait for outcomes of the study. Mr. Saltrick replied that the decision would be made on a policy level. There is a possibility, said Mr. Gross, that some areas could be identified in neighborhoods where work had been completed and streets would have to be torn up again.

Mr. Saltrick said that there are three large neighborhoods that are being held off in anticipation of the plan findings. He assured Mr. Gross that the city looked at Biscayne Point (Biscayne Beach) and the Bayshore neighborhoods and identified any of the changes that had to be made to the existing plans for those neighborhoods. (The three neighborhoods, Biscayne Point, Bayshore and South of Fifth – all meet criteria).

Dwight Kraai asked what sea-level rise numbers are being used to determine the new projects for the master plan.

ACTION: Bring clarified numbers to the Committee, to show what numbers are being used in the calculations of sea-level rise in the Stormwater Master Plan.

Meeting Adjourned:

7:36 p.m.

Next CIPOC meeting is scheduled for Monday, November 14, 2011 at 5:30 p.m. in Commission Chambers.