



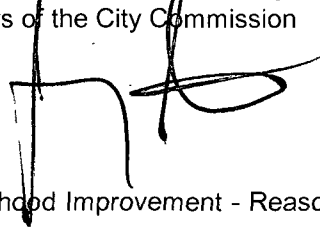
# MIAMIBEACH

OFFICE OF THE CITY MANAGER  
NO. LTC # 285-2013

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LETTER TO COMMISSION  
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CITY CLERK'S OFFICE

**TO:** Mayor Matti Herrera and Members of the City Commission

**FROM:** Jimmy L. Morales, City Manager 

**DATE:** August 15, 2013

**SUBJECT:** Lower North Bay Road Neighborhood Improvement - Reason for Proceeding by way of Design Build

The purpose of this Letter to Commission (LTC) is to provide the reasoning behind the City Administration's decision to move forward via design-build method of procurement for the Lower North Bay Road Right of Way Project.

The Lower North Bay Road project was previously awarded to Trans Florida Development Corporation (TFDC) as a design-bid-build contract. Not long after the issuance of NTP #2 to TFDC, a Letter to Commission (LTC) provided the City Commission with information regarding the recent arrest of the City's Former Procurement Director and the Affidavit in Support of his Arrest Warrant (Affidavit). Subsequently, City Administration decided to review the City's existing contracts with those vendors and/or contractors named in the Affidavit. As a result of TFDC being named in the Affidavit, City Administration decided to terminate their contract for the Lower North Bay Road Project for convenience.

Because the original design for Lower North Bay Road was completed several years ago, city staff determined it would be prudent to re-evaluate and update this design using the recently completed Storm Water Management Master Plan, along with the criteria established with the updated 'Storm Water Design Guidelines', as provided by the Public Works Department. In addition, the latest design criteria proposed by the Public Works Department provides for an adaptable stormwater drainage system that could be expanded to address future needs. Staff has also evaluated the condition of the 23 Street seawall and believes it needs to be added to the scope of work.

Due to its inherent flexibility, design-build lends itself well to incorporating the seawall and addressing all of the necessary updates to the Lower North Bay Road project, without significantly impacting the projected schedule for commencement of this project. Design-build can offer numerous advantages over other methods of project delivery. These include:

- **Schedule** - Construction can begin before the design is complete, in contrast to design-bid-build, in which the Owner must wait for 100% design and then wait further while advertising, receiving, and evaluating bids.
- **Cost** - Full cost of the project is established prior to award of any work including the design.
- **Single-point responsibility** - In case of an issue, the Owner does not have to mediate between the contractor and the Design Firm; the Design-Builder has full responsibility.
- **Collaboration** - Design-build involves an integrated team working collaboratively with a common interest towards meeting the project goals.
- **Transference of Risk** - Owner transfers risk for design errors and omissions to design-build entity.
- **Faster project completion** - Design-build projects can be completed in a shorter amount of time because bid time is reduced; construction of certain aspects of the project can begin before design is finalized, potential construction problems are uncovered early; and enhanced communication limits delays.

- **Quality Control** – The design build method helps to remove ambiguity that may arise in plans and construction specifications, since the designer/engineer and builder are on the same team.

A major factor in selection of the design-build delivery method is knowing that the City will be able to deliver the best possible end product to the residents of Lower North Bay Road without sacrificing the timely commencement of construction for a project that has already experienced delays due to unfortunate circumstances surrounding a prior contractor. The City's intention is to deliver a sustainable project that will benefit this neighborhood.



JMT/DM/EB