



**COMMISSION MEMORANDUM**

TO: Honorable Mayor and Members of the City Commission

FROM: Rickelle Williams, Interim City Manager

DATE: July 24, 2024

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING SUPPLEMENTAL NOS. 2 AND 3 TO THE CONSTRUCTION CONTRACT BETWEEN THE CITY AND LEE CONSTRUCTION GROUP, INC., PURSUANT TO CONTRACT NO. 19-257-06 FOR THE COMMISSION CHAMBER RENOVATION PROJECT, INCREASING THE TOTAL CONTRACT AMOUNT TO \$2,405,481.91; AND FURTHER, WAIVING, BY A 5/7TH VOTE, THE FORMAL COMPETITIVE BIDDING REQUIREMENT, FINDING SUCH WAIVER TO BE IN THE CITY'S BEST INTEREST, FOR THE PURCHASE, IN THE AMOUNT OF \$262,862.65, FOR THE REMAINDER OF THE NON-CONTRACT ITEMS NECESSARY TO COMPLETE THE PROJECT.

**RECOMMENDATION**

It is recommended that the Mayor and City Commission approve the Resolution.

**BACKGROUND/HISTORY**

Pursuant to Resolution No. 2023-32674, adopted by the Mayor and City Commission on July 26 2023, any task order executed through the Job Order Contracting (JOC) Services Agreement (No. 2023-096-KB) with a value greater than \$2 million; and any task order including items non pre-priced in the construction price catalog for this contract, with an aggregate value in excess of \$300,000.00 must be subject to approval by the Mayor and City Commission. This provision applies uniformly to all JOC Service Agreements.

On July 31, 2023, the City entered into a contract agreement (Contract No. 23-459-01) with Lee Construction Group, Inc. for the renovation of the City Hall Commission Chambers via JOC Master Service Agreement (No. 19-257-06). The original contract between the City and Lee Construction Group, Inc. was \$1,484,786.08, which included non-pre-priced items in the construction price catalog in the amount of \$611,451.00. All non-pre-priced items included complied with the contract, which requires the contractor to obtain three (3) quotes for each non-contract item.

**ANALYSIS**

In May 2024, the Facilities and Fleet Management Department (the Department) executed Supplemental No. 1 in the amount of \$343,412.71 for the project to accommodate several construction change directives issued by the Architect of Record, increasing the total for Contract No. 23-459-01 to \$1,828,198.79. Subsequently, the Department initiated Supplemental No. 2 in the amount of \$424,196.44 for the project to accommodate the integration of a new owner-requested digital queuing system for the dais and lecterns, requiring additional infrastructure and coordination efforts by multiple subcontractors; and including items not pre-priced in the construction price catalog in the amount of \$200,150.49. Additionally, the Department initiated Supplemental No. 3 in the amount of \$153,086.68 for the purchase and installation of seven

additional lighting fixtures and one additional high-definition camera, which included items not pre-priced in the construction price catalog in the amount of \$62,712.16.

In aggregate, Supplemental Nos. 2 and 3 for the Commission Chamber Renovation Project will increase the total contract sum for Contract No. 23-459-01 to \$2,405,481.91, including items not pre-priced in the construction price catalog in the total amount of \$262,862.65.

The Department has reviewed the cost proposals for both Supplemental Nos. 2 and 3 and determined them to be fair and reasonable. As such, the Administration recommends approval of these contract amendments in order to ratify the Contract for construction associated with the Commission Chamber Renovation project as was previously approved in the budget amendment during the May 15, 2024 Commission meeting.

### **FISCAL IMPACT STATEMENT**

The total contract amount is \$2,405,481.91, including \$874,313.65 in non-contract items necessary to complete the project. On May 15, 2024, the Mayor and City Commission approved Resolution No. 2024-33069, the Sixth Capital Budget Amendment, which provided funding to execute Supplementals Nos. 2 and 3.

### **Does this Ordinance require a Business Impact Estimate?**

(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

### **FINANCIAL INFORMATION**

Funding for this request is budgeted in City Hall Chamber Renovation project (#61621).

### **CONCLUSION**

Based on the foregoing, the Administration recommends the Mayor and City Commission adopt the Resolution approving Administration to execute Supplemental Nos. 2 and 3 to Contract No. 23-459-01 between the City and Lee Construction Group, Inc. for the Commission Chamber Renovation Project, pursuant to Contract No. 19-257-06, increasing the total contract amount to \$2,405,481.91; and further waive, by a 5/7ths vote, the formal competitive bidding requirement for the final \$262,862.65 of non pre-priced items, finding such waiver to be in the City's best interest.

### **Applicable Area**

South Beach

**Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

Yes

**Is this item related to a G.O. Bond Project?**

No

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

**Department**

Facilities and Fleet Management

**Sponsor(s)**

**Co-sponsor(s)**

**Condensed Title**

Commission Chamber Renovation Contract Ratification. FF 5/7