

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE CHANGE ORDER NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND AVR CONTRACTORS, CORP., PURSUANT TO ITB-2023-299-ND, FOR CONSTRUCTION SERVICES AT FLAMINGO PARK LODGE; SAID CHANGE ORDER WILL INCREASE CONTRACT TIME BY 272 CALENDAR DAYS FOR UNFORESEEN SCOPE AND REPLENISH THE PROJECT CONTINGENCY IN THE AMOUNT OF \$65,000 TO ADDRESS FUTURE UNFORESEEN SCOPE OF WORK, UTILIZING PREVIOUSLY APPROPRIATED PROJECT FUNDING.

WHEREAS, on December 13, 2023, the City Commission approved the award of a contract for the construction services for the renovation of the Flamingo Park Lodge (Project) in the amount of \$1,019,639.30 inclusive of a 10% contingency in the amount of \$92,694.41 to AVR Contracting Corp. (AVR); and

WHEREAS, on April 10, 2024, the City issued Notice to Proceed (NTP) for construction to AVR and during the course of the renovation, AVR found evidence of live termite infestation and significant deterioration and damage to the existing wood roof rafters, sheathing, wooden floor structural members and flooring; and

WHEREAS, AVR submitted a request for information (RFI) advising the City of the existing damage and requested direction; and

WHEREAS, after assessing the existing damage, the consultant, Wolfberg Alvarez and Partners, Inc. (WAP), determined there was a need to retain a structural engineer to conduct a structural inspection of the Lodge and provide a written report which would provide direction and resolution; and

WHEREAS, structural engineer, Bliss and Nyitray, Inc. (BNI), visited the site to conduct a site observation of the existing structure and provided a report of their findings (Report) which showed that both the existing roof and floor structural members had significant termite damage that degraded the structural integrity of both the existing roof and flooring and recommended the complete replacement of both the wooden roof structure and wood flooring; and

WHEREAS, WAP provided revised architectural and new structural drawings showing complete and full replacement of both the roof and floor assemblies; and

WHEREAS, City staff requested a proposal from AVR and held discussions with AVR to determine the scope and cost of the additional work; and

WHEREAS, AVR provided a negotiated proposal for the additional scope in the amount of \$89,231.77 and a Contingency Draw was issued, utilizing the previously approved Owner's Contingency; and

WHEREAS, use of contingency funds is always subject to multilevel review and approval by the project's architectural and engineering consultants and the City's staff as to the appropriateness of the request and use of the funds; and

WHEREAS, addressing the additional scope of work has reduced the Owner's Contingency to \$3,462.64, and as a result of the extensive termite damage, the Project has expended more than ninety-six percent (96%) of the Owner's Contingency, with only 17% of the project completed; and

WHEREAS, a majority of the contingency funds have been allocated to address the unforeseen structural deficiencies; and

WHEREAS, in addition to the cost, the unforeseen conditions have led to significant delays to the Project requiring a time extension in order to analyze the issues, determine the best course of action, revise the construction drawings, negotiate with AVR and resubmit the drawings for permit, resulting in an additional 272 calendar days to complete the Project; and

WHEREAS, City staff hereby requests a change order to the contract with AVR, to replenish the Project's Owner's Contingency and increase the contract duration to allow for the performance of the additional scope and the delays associated with its resolution, ensuring that sufficient funding is available to address future unforeseen circumstances that require changes in the project scope in a timely manner; and

WHEREAS, the requested amount of \$65,000, will increase the available project contingency balance to \$68,462.64, resulting in forty-three percent (43%) of the total Owner's Contingency available for the remaining eighty-three percent (83%) of construction; and

WHEREAS, Change Order No. 1, in the amount of \$65,000 and 272 calendar days, will revise the total contract amount to \$1,084,639.30, including a revised total Owner's Contingency of \$157,694.41, and a total construction time of 542 calendar days, revising the contractual substantial completion date to September 5, 2025.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA that the Mayor and City Commission approve and authorize the City Manager to execute Change Order No. 1 to the Agreement between the City of Miami Beach, Florida and AVR Contractors, Corp., pursuant to ITB-2023-299-ND, for construction services at Flamingo Park Lodge; said change order will increase contract time by 272 calendar days for unforeseen scope and replenish the project contingency in the amount of \$65,000 to address future unforeseen scope of work, utilizing previously appropriated project funding.

PASSED and **ADOPTED** this ____ day of _____, 2025.

ATTEST:

Steven Meiner, Mayor

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Rafael E. Granado, City Clerk

City Attorney *DL* Date

3/11/2025