



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: December 11, 2024

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE AMENDMENT NO. 3 TO THE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND CONSTRUCTION MANAGER AT RISK, KAUFMAN LYNN CONSTRUCTION, INC., FOR THE NEW FIRE STATION NO. 1, SAID AMENDMENT INCLUDES 1) TO PROVIDE FOR ADDITIONAL PRECONSTRUCTION SERVICES REQUIRED TO RELOCATE THE PROPOSED FIRE STATION NO. 1 TO THE FLAMINGO PARK SITE, ON ALTON ROAD BETWEEN 11TH AND 12TH STREETS, WEST OF THE FOOTBALL FIELD AND TRACK, IN ACCORDANCE WITH RESOLUTION NO. 2024-33345, FOR A NOT-TO-EXCEED AMOUNT OF \$194,500 AND 2) RESCINDING THE REMAINING BALANCE OF THE GMP AMOUNT FOR CONSTRUCTION WORK NOT COMPLETED IN THE CREDIT AMOUNT OF (\$24,264,381) FOR A TOTAL CREDIT IN THE AMOUNT OF (\$24,069,881); TO BE CREDITED BACK TO THE PROJECT BUDGET FOR FUTURE USE.

RECOMMENDATION

The Administration recommends that the Mayor and City Commission (City Commission) adopt the Resolution.

BACKGROUND/HISTORY

On January 15, 2020, pursuant to Request for Qualifications (RFQ) No. 2019-370-ND, the City Commission adopted Resolution No. 2020-31112 approving and authorizing the Mayor and City Clerk to execute an agreement with Kaufman Lynn Construction, Inc. (Kaufman Lynn) as Construction Manager at Risk (CMR), for the construction of the new Fire Station No. 1 facility (Fire Station) to be located at the South Shore Community Center (SSCC), 833 6th Street, in the Flamingo Park Neighborhood. Upon successful negotiations with the Administration, the Agreement was executed in the amount of \$80,000 for preconstruction phase services only. Notice to Proceed (NTP) No. 1 was issued to Kaufman Lynn on May 26, 2020, for preconstruction services for the Fire Station.

The project includes a new 29,369 square feet facility with four drive-thru apparatus bays, living spaces, offices, a kitchen, a gym, support facilities and 34 parking spaces. Construction of the proposed Fire Station required the demolition of the existing SSCC which currently houses the Rainbow Intergenerational Learning Center (Daycare). Relocation of the Daycare to a temporary location in Flamingo Park was identified in order to prevent loss of the community services due to the building demolition.

On March 27, 2023, the City Commission adopted Resolution No. 2023-32519, authorizing the Mayor and City Clerk to execute Amendment No. 1 to the agreement with Kaufman Lynn for preconstruction services to include the manufacture and installation of a temporary modular structure for use by the Daycare, relocation of the Daycare to the temporary location in Flamingo

Park and the structural and electrical infrastructure to support the Apollo Mural's installation on the facade of the Fire Station in the total amount of \$395,000.

On July 31, 2023, NTP No. 1A was issued to Kaufman Lynn for the preparation and submittal of engineered shop drawings for the prefabricated modular buildings necessary for the temporary relocation of the Daycare to 1245 Michigan Avenue, in Flamingo Park.

On September 13, 2023, the City Commission adopted Resolution No. 2023-32775, authorizing the Mayor and City Clerk to execute Amendment No. 2 to the Agreement with Kaufman Lynn, for the Guaranteed Maximum Price (GMP) for the construction of the Fire Station, the temporary Daycare and the infrastructure for the future installation of the Apollo Mural in the amount of \$24,991,845. Subject to approval of the required permits, and the relocation of the Daycare from the SSCC, construction was scheduled to begin and would be substantially complete in November 2025.

Kaufman Lynn provided preconstruction services including preparing estimates of probable construction cost, performing constructability analysis, maintaining a project schedule and contributing to several rounds of value engineering options and began reviewing site logistics. They also engaged Advanced Modular System, Inc. for the design and engineering of the modular buildings. Subsequent to the approval of the GMP, Kaufman Lynn began negotiations with subcontractors on various trade bid packages and were in the process of preparing shop drawings for long lead construction materials.

At the December 13, 2023, meeting of the City Commission, item C7 R, which proposed stopping the demolition of the SSCC, was presented and discussed. The City Commission deferred the item and discussion to the next meeting on January 31, 2024, to afford Commissioner Rosen Gonzalez the opportunity to identify alternative locations for the Fire Station.

On January 19, 2024, NTP No. 1B was issued to authorize the release of fabrication for modular buildings for the Daycare, the release of subcontractor engineering and shop drawings for the Fire Station and the Daycare, and the early procurement of long-lead construction materials for both the Daycare and the Fire Station. Subsequently, Kaufman Lynn provided the required Performance and Payment Bonds, General Liability and Builder's Risk insurances as required by the contract and initiated the released scope of work. The engineered shop drawings for the prefabricated modular buildings were submitted to the State of Florida for review and authorization to manufacture, including the railings, stairs, and roof canopy required at the entrances, and were approved. NTP No. 1B did not authorize Kaufman Lynn to perform any on site construction activities. Kaufman Lynn initiated the early purchase of long lead materials including the playground for the Daycare and electrical service items for the Fire Station. They also coordinated with FPL and ATT for the relocation of utilities at the SSCC and at Flamingo Park as required for the Daycare.

On January 31, 2024, the City Commission adopted Resolution No. 2024-32903, directing the Administration to pursue two parallel paths for the Fire Station: (1) continue to execute the Fire Station Project at the SSCC site and (2) continue to explore alternative sites for the Fire Station Project.

On February 21, 2024 the City Commission adopted Resolution No. 2024-32927, item C7 W, directing the City Administration to study the possible relocation of the new Fire Station project to a City-owned site located at the western boundary of Flamingo Park at Alton Road between 11th and 12th Streets (Flamingo Park Site), taking into account response times, portability of state grant, time and cost impacts of moving the project to the Flamingo Park Site and community input; and further, directing the administration to determine the requirements for a countywide voter referendum pursuant to Article 7 of the Miami-Dade County Charter in August 2024 should the City Commission wish to relocate the Fire Station to the Flamingo Park Site.

Also, during the February 21, 2024 City Commission meeting, the City Commission adopted Resolution No. 2024-32928, as amended from item C7 X, pausing the SSCC's demolition pending the Administration's thorough analysis and recommendations on the options and viability of alternate sites, to be presented during the City Commission meeting on May 15, 2024, and further, confirming consensus and approval from the Flamingo Park Neighborhood Association.

On March 13, 2024, the City Commission heard item C7 T which proposed suspension of any expenditures towards the Fire Station project, until the City Commission receives and evaluates recommendations on the options and viability of other suitable locations for the Fire Station. During the discussions, the Commission authorized \$60,000 to be spent for additional professional and CMR services, for the evaluation of alternate sites.

In March, the City notified Kaufman Lynn of the suspension of all expenditures pending direction from the City Commission regarding the location of the Fire Station. At that time, a sub-contract was in place for the design/engineering and manufacture of the modular buildings for the Daycare, the state permit for its manufacture had been approved, and the final shop drawings were being coordinated with the Miami Beach Building Department.

The amount earned by the CMR during the course of the project included \$80,000 for pre-construction services for the Fire Station, \$22,000 for preconstruction services related to the installation of the Apollo Mural, \$48,000 for pre-construction services for the Daycare, approximately \$57,000 for the preparation of engineered shop drawings for the modular structures and approximately \$981,000 for general conditions, bonds, and insurance. Additionally, Kaufman Lynn, as requested by the City Commission, assisted the City with the analysis to relocate the Fire Station to the Flamingo Park Site, including the development of project scope, estimates of construction cost, constructability, and feasibility analysis. These services were provided at a cost of \$14,103. The total payable to the CMR is \$1,202,464.

On June 26, 2024, the City Commission adopted Resolution No. 2024-33157, authorizing the Administration to proceed with the relocation of the Fire Station to the new proposed Flamingo Park Site, if a countywide referendum is approved by a majority of Miami-Dade County voters and more specifically, a majority of the City of Miami Beach's voters in the aggregate.

On August 20, 2024, and at the request of the City Commission, a countywide referendum was held to approve the construction of a new Fire Station at the Flamingo Park Site. An overwhelming majority of Miami-Dade County voters voted in favor of the measure, with 75.71% voting in favor and 24.29% opposed. The results for Miami Beach precincts indicated strong support from City residents, with every Miami Beach precinct voting in favor of the new location.

ANALYSIS

On September 11, 2024, the City Commission adopted Resolution No. 2024-33259, directing the Administration to collaborate with the design consultant to explore modifications to the concept plans that could prevent shifting the running track and field, provided these changes did not significantly affect cost or duration of the Fire Station construction.

On October 30, 2024, a schematic layout for placing the Fire Station at Flamingo Park was presented. The analysis of the site by the consultant indicated that the design used at the SSCC site, would not fit in Flamingo Park, west of the track, without impacting the track and field. A redesign of the facility is required to accommodate the facility at this location. During the meeting, the City Commission adopted Resolution No. 2024-33345, establishing policy that the Fire Station construction at the Flamingo Park Site shall not result in the relocation of any portion of the running track and field, or any interruption of its use. The City Commission also directed the Administration to issue a directive to the Design Consultant, Wannemacher Jensen Architects, Inc. (WJA) to

implement such modifications to the construction drawings for the Fire Station, as necessary to ensure the running track and field will remain where currently located. Finally, the City Commission directed the Administration to prepare the necessary amendment to the professional services agreement between the City and WJA to incorporate the additional design services.

WJA has submitted a proposal for additional Architectural & Engineering services associated with the relocation of the Fire Station to the Flamingo Park Site, which shall be presented for approval to the City Commission.

As the procurement method for the Fire Station is CMR, and the relocation of Fire Station requires a redesign, an amendment to the agreement with Kaufman Lynn is necessary to include additional preconstruction services during the redesign by WJA.

Kaufman Lynn has provided a negotiated proposal for preconstruction services in the amount of \$194,500, which includes an allowance of \$50,000 for preconstruction services should the 911 Call Center be added to the Fire Station project, upon direction by the City Commission.

As construction has been suspended, pending the redesign at the Flamingo Park Site, the amendment, will also include credits for all unused funds under the Agreement with Kaufman Lynn.

Kaufman Lynn's contract amount of \$25,466,845 minus a total amount earned of \$1,202,464, results in an unused balance of \$24,264,381.

Amendment No. 3 in the credit amount of \$24,069,881 includes the additional preconstruction services and the unused contract funds (Exhibit A).

As construction activities will be delayed, the CMR will issue a reimbursement to the City for Builder's Risk Insurance and Payment and Performance Bonds, once those cancellations are processed.

City staff has reviewed the negotiated proposal for the additional preconstruction services and found it reasonable for the effort required by the CMR.

FISCAL IMPACT STATEMENT

This amendment # 3 includes total additional pre-construction services in the amount of \$194,500, as well as a credit of \$24,069,881 to reduce this contract.

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-notice/>

FINANCIAL INFORMATION

Total Credit

392-0820-069357-26-410-599-00-00-00-22119	\$	978,984
302-0820-069357-00-410-599-00-00-00-22822	\$	3,498,315
303-0820-069357-00-410-599-00-00-00-53722	\$	8,220,510
304-0820-069357-26-410-599-00-00-00-22822	\$	2,791,191
301-0820-069357-26-410-599-00-00-00-22822	\$	354,638

392-0820-069357-26-410-599-00-00-00-22119	\$ 5,726,243	Subject to FY2026 GOB Tranche 2
303-0820-069357-00-410-599-00-00-00-53722	<u>\$ 2,500,000</u>	
Total	\$24,069,881	

The total credit amount of unused funds will be added to the project budget.

CONCLUSION

The Administration recommends that the City Commission adopt the Resolution.

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?**

Yes

**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

Capital Improvement Projects

Sponsor(s)

Commissioner Alex Fernandez

Commissioner Tanya K. Bhatt

Co-sponsor(s)

Condensed Title

Execute Amendment No. 3 to the Construction Manager for Fire Station No. 1 Project.
(Fernandez/Bhatt) CIP