

# MIAMI BEACH

## 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 NEGOTIATE AND EXECUTE CHANGE ORDER NO. 1 TO THE CONTRACT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND AVR CONTRACTORS, CORP., PURSUANT TO ITB-2023-321-DF, FOR CONSTRUCTION SERVICES AT THE COLLINS PARK PERFORMING ARTS VENUE - ROTUNDA, WITH SAID CHANGE ORDER IN THE NOT TO EXCEED AMOUNT OF \$2.1 MILLION, PLUS A 10% OWNER'S CONTINGENCY, AND 300 CALENDAR DAYS INCREASE IN THE PROJECT CONSTRUCTION TIME, TO ADDRESS UNFORESEEN STRUCTURAL DEFICIENCIES AND REPAIRS TO THE EXISTING SANDCAST PANELS AROUND THE EXTERIOR OF THE BUILDING, WATERPROOFING TO ADDRESS WATER INFILTRATION AND REPAIRS TO THE EXTERIOR STRUCTURAL WALLS, SUBJECT TO THE APPROVAL OF THE SECOND CAPITAL BUDGET AMENDMENT TO THE FY 2025 CAPITAL BUDGET.

### **RECOMMENDATION**

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

### **BACKGROUND/HISTORY**

Designed by Herbert A. Mathes, the Collins Park Rotunda (Rotunda) was completed in 1961 and originally functioned as a reading room and auditorium for the local Miami Dade County Library. The Rotunda's distinctive cylindrical form is clad in textured sand cast concrete panels, created by artist Albert Vrana. These panels, which encircle the building, feature an abstract design called The Story of Man. Vrana crafted the panels by casting concrete into wet sand which he molded by hand.

In the 1990s, the library and the walkway connecting to the Rotunda were demolished, leaving the Rotunda. However, the building became uninhabitable after the removal of its plumbing, HVAC, electrical systems, and all interior finishes during the library demolition. The building has not been used since then, except for a few events through special event permits.

On April 26, 2017, the City Commission directed the Administration to proceed with the Cultural Arts Council's plan to convert the Rotunda into a performing arts space. The City contracted M.C. Harry Associates to design an addition and connection that would seamlessly integrate with the existing structure. The scope of work consists of renovating the interior of the existing 1,960-square-foot Rotunda, which will include selective demolition, new interior finishes, and upgrades to mechanical, electrical, and ADA systems within the existing structure. An 895-square-foot addition features an entrance lobby and restrooms. The project also includes the installation of new exterior glazing and doors, a new roofing system, accessible exterior concrete walkways,

pedestrian-scale exterior LED lighting, as well as landscaping and irrigation improvements. The new design aims to support various functions, enhance accessibility, and ensure a thoughtful, aesthetic integration with the original Rotunda building.

To engage a contractor for the renovation and addition, ITB 2023-321-DF was issued on August 24, 2023. AVR Contractors, Corp (AVR) was selected as the lowest responsive and responsible bidder and a contract was awarded on January 26, 2024 with a construction cost in the amount of \$2,237,664.50 plus a 10% owners contingency of \$223,766.45 for a total of \$2,461,430.95.

Upon issuance of all required permits, Notice to Proceed (NTP) with construction was issued on April 1, 2024, and mobilization to the site for commencement of construction work began on April 8, 2024. Construction is currently underway and is approximately 25% complete.

## **ANALYSIS**

On June 12, 2024, while performing interior framing at the Rotunda, AVR encountered water infiltration at the interior perimeter of the existing Rotunda building as a result of heavy rainfall. The Facilities and Fleet Department (Facilities), responsible for maintenance of the existing building, engaged a roofing contractor to address a suspected roof leak.

An assessment by roofing contractor, A & J Roofing, Corp. concluded that the roof was not the source of the water infiltration. They identified areas along the building perimeter where water was entering the building through the exterior walls, behind the sand cast panels. The water that entered the building damaged the new materials and finishes that were being installed as a part of the renovation of the Rotunda.

Facilities contacted consultants Wood/O'Donnell & Naccarato Structural Engineers (WON), who were already under contract to provide the professional services required for the 40/10 year recertification of the existing building. Further investigation by WON revealed significant structural issues with the panels and their connections to the building, including cracks, spalling, and corroded anchors, which required repair. See attached report including photos (Exhibit A). These panels, exposed to the elements near the ocean for 62 years, have experienced extensive deterioration and WON has expressed concern that panels could dislodge from the building's façade.

Several concrete columns, tie beams and edge of slabs behind the panels are cracked and spalled, requiring repair as well. To ensure the building's structural integrity, WON has provided preliminary construction documents and details for the replacement of the damaged connectors. All 162 sand cast panels will have to be removed from the building's façade to replace the connectors, repair the panels, repair the concrete wall and beams, and apply proper waterproofing to the exterior masonry walls.

The extent of the structural issues and damages on the panels and their connections to the building were not evident during the design of the renovation project, and only became noticeable after the June 2024 rain event and water infiltration which led to further investigations. The renovation and addition to the Rotunda project only included minor spall repairs at the bottom of the panels. The structural and waterproofing repairs to the building, and the removal, repair and reinstallation of the panels were not part of the scope for the renovation project.

The project was initially expected to be substantially complete in February 2025. An extension of the project construction period will be required to complete the additional scope of work.

## **COST**

AVR has provided a proposal (Exhibit B) to remove the panels, repair the damage to the panels, replace the connectors with new stainless-steel anchors, repair the masonry walls and columns, waterproof the existing concrete masonry walls and reinstall the panels at a construction cost of \$2,160,277. This change order is subject to final negotiation with the contractor in the not to exceed amount of \$2,100,000 plus 10% owner's contingency for a total of \$2,310,000.

The total impact to the project cost includes the change order, 10% owner's contingency, additional construction administration services and project management fees resulting in an additional project cost of \$2,640,000.

AVR has estimated that these structural and waterproofing repairs will increase the construction time by 300 calendar days.

City staff has reviewed the preliminary estimate and scope and find them appropriate for the level of development of the construction documents, and the contractor's initial concept of the means and method for executing the work. WON has reviewed the documents and suggests further negotiations of the cost based on possible efficiencies in means and methods, and the final documents. The final proposal shall be negotiated upon completion of the construction documents by WON.

Change Order No.1 will be negotiated and finalized, not to exceed an amount of \$2,100,000, plus a 10% owner's contingency, and an increase in the contract time not to exceed 300 calendar days.

## **FISCAL IMPACT STATEMENT**

The total amount of the Change Order is \$2,100,000, plus a 10% owner's contingency, for a grand total of \$2,310,000.

## **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**

Subject to the 2<sup>nd</sup> Capital Budget Amendment to the FY2025 Capital Budget.

## **CONCLUSION**

The Administration recommends that the City Commission approve the resolution.

## **Applicable Area**

Middle Beach

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

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

Yes

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**

Capital Improvement Projects

**Sponsor(s)**

**Co-sponsor(s)**

**Condensed Title**

Execute Change Order 1, Collins Park Performing Arts Venue - Rotunda Project. CIP