

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 2, TO THE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND KAUFMAN LYNN CONSTRUCTION, INC., FOR THE CONSTRUCTION OF THE NEW FIRE STATION NO. 1 PROJECT, THE CONSTRUCTION OF TEMPORARY FACILITIES FOR THE RAINBOW INTERGENERATIONAL LEARNING CENTER (DAYCARE) CURRENTLY LOCATED AT THE SOUTH SHORE COMMUNITY CENTER, AND THE PROVISION OF THE INFRASTRUCTURE FOR THE FUTURE INSTALLATION OF THE APOLLO MURAL ON THE NEW FIRE STATION'S FACADE, IN THE AMOUNT OF \$24,991,845, PLUS A FIVE PERCENT OWNER'S CONTINGENCY IN THE AMOUNT OF \$1,249,592, FOR A TOTAL OF \$26,241,437; AND AMENDING THE TIME TO ACHIEVE SUBSTANTIAL COMPLETION FROM 420 DAYS TO 720 DAYS; SUCH AMENDMENT SUBJECT TO AND CONTINGENT UPON AN APPROPRIATION OF FUNDS BY THE CITY COMMISSION.

WHEREAS, on January 15, 2020, pursuant to Request for Qualifications (RFQ) No. 2019-370-ND, the Mayor and 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, for the construction of the new Fire Station No. 1 Facility to be located at the South Shore Community Center, 833 6th Street, in the Flamingo Park Neighborhood (Fire Station) and upon successful negotiations with the Administration, the agreement was executed in the amount of \$80,000 for Pre-Construction Phase services only; and

WHEREAS, in July 2021, Architectural and Engineering consultant Wannemacher Jensen Architects, Inc. (WJA) completed the 30% Design Documents for the Fire Station project; and

WHEREAS, the new 29,369 square feet facility provides four drive-through apparatus bays, living spaces, offices, a kitchen, a gym, support facilities and 34 parking spaces; and

WHEREAS, construction for the new Fire Station No.1 requires the demolition of the existing South Shore Community Center which currently houses the Rainbow Intergenerational Learning Center (Rainbow Learning Center or Daycare); and

WHEREAS, on December 13, 2021 and January 11, 2022, the project was presented to the Historic Preservation Board (HPB) and received several comments regarding the design, including the recommendation to incorporate portions of the existing South Shore Community Center (SSCC) building (columns, canopies and planters) into the southern façade of the building and WJA revised the drawings to address HPB's concerns.; and

WHEREAS, at the March 8, 2022, HPB meeting, the updated design incorporating all modifications was approved, and the HPB recommended that the City Commission approve a Certificate of Appropriateness for the total demolition of the SSCC; and

WHEREAS, in accordance with City of Miami Beach Code of Ordinances Section 118-563 (i), on June 22, 2022, the City Commission adopted Resolution No. 2022-32201 granting a Certificate of Appropriateness for the total demolition of the SSCC; and

WHEREAS, during the HPB review process, the City expressed its commitment to assist with the relocation of the Daycare to prevent loss of the community services due to the demolition of the SSCC and on June 15, 2022, the Public Safety and Neighborhood Quality of Life Committee discussed the Rainbow Learning Center relocation from the SSCC to a temporary location in Flamingo Park in preparation for the fire station construction; and

WHEREAS, the City engaged consultant R. E. Chisholm Architects, Inc. (Chisholm) for the design of temporary Daycare facilities in Flamingo Park, utilizing a custom designed modular structure; and

WHEREAS, the Administration has committed to finding a permanent location for the Daycare and is currently evaluating its incorporation into the GOB funded Flamingo Youth Center Facility project; and

WHEREAS, Kaufman Lynn provided preconstruction services during the 30% Design Documents and 60% Construction Documents phase, including preparing estimates of probable construction cost, performing constructability analysis, maintaining a project schedule, engaging subcontractors for trade bid packages, and reviewing site logistics; and

WHEREAS, at the 60% Construction Documents phase, a notable increase in the Fire Station construction cost was noticed in cost estimates from WJA, and Kaufman Lynn; and

WHEREAS, a detailed review was conducted by CIP with WJA and Kaufman Lynn, and several value engineering options were identified and incorporated, which resulted in a decrease in the estimated construction cost and the project design continued in January 2023; and

WHEREAS, on March 15, 2023, the Mayor and City Commission adopted Resolution No. 2023-32519, authorizing the Mayor and City Clerk to execute Amendment 1 to the agreement with Kaufman Lynn for preconstruction services to include the relocation of the Daycare currently located at the Fire Station site, to the temporary location in Flamingo Park, in the amount of \$373,000. Amendment No. 1 also included additional preconstruction services to incorporate the structural and electrical infrastructure to support the Apollo Mural's installation on the facade of the Fire Station, in the amount on \$22,000; and

WHEREAS, Amendment No.1 in the total amount of \$395,000, revised the contract amount to \$475,000 for preconstruction services; and

WHEREAS, in April 2023, WJA submitted the 90% Construction Documents for the Fire Station; and

WHEREAS, the construction documents have been submitted for review by all agencies having jurisdiction to obtain required permits for construction; and

WHEREAS, in April 2023, Chisholm completed the 30% construction documents for the temporary Daycare facilities at Flamingo Park, which were submitted to the Planning Department for review and presentation at the April 11, 2023 Historic Preservation Board meeting; and

WHEREAS, the design places the proposed modular structure and the associated playground to the north of the existing playground, to the west of the existing Lodge building, and

nestled at the south end of the Butterfly Garden area proposed as a part of the Flamingo Park Master Plan; and

WHEREAS, the design was eventually approved at the June 13, 2024 HPB meeting; and

WHEREAS, Chisholm continues to work on the 60 % and 90% Construction Documents to allow permitting and construction of the temporary Daycare facility, as a part of the Fire Station project; and

WHEREAS, simultaneously, in April 2023, the Mayor and City Commission adopted Resolution No. 2023-32520, to amend the agreement with WJA to include additional Architectural and Engineering services for the structural and electrical infrastructure required to accommodate the future installation of the 92' wide by 17' high Apollo Mural by artist Jack Stewart; and

WHEREAS, the Apollo Mural was donated to the City by a developer as a condition to HPB approval of their request for modifications to their private development project and all costs for the relocation, restoration and installation of the Apollo Mural shall be borne by the developer as stipulated in the HPB order; and

WHEREAS, the design depicting the apollo Mural on the façade of the Fire Station was approved by the HPB during the July 2023 meeting; and

WHEREAS, in May 2023, the Fire Station 90% Construction Documents, the schematic design documents approved by HPB for the Daycare facility and the preliminary construction documents for the infrastructure for the Apollo Mural, were provided to Kaufman Lynn to initiate the preparation of the Guaranteed Maximum Price (GMP) proposal for the performance of the construction phase services and as part of a Construction Manager at Risk project delivery method, a GMP establishes the total maximum amount that the Construction Manager guarantees not to exceed for the completion of all work;

WHEREAS, on August 7, 2023, Kaufman Lynn submitted the first draft of the GMP proposal in the total amount of \$27,018,550 for the construction of the Fire Station, the Daycare facility and the Mural infrastructure; and

WHEREAS, following several negotiation sessions, discussions, and evaluation of value-engineering options, Kaufman Lynn submitted the final negotiated GMP in the amount of \$24,991,845, which includes construction costs for the Fire Station of \$22,865,453, the Daycare facilities of \$1,771,754 and the infrastructure for the Apollo Mural of \$354,638. A tabulated summary of the final GMP amount is included as (Exhibit A); and

WHEREAS, Kaufman Lynn's GMP proposal for the Fire Station exceeds the \$19,729,450 independent estimate of probable construction cost submitted by WJA (Exhibit B); and

WHEREAS, the WJA estimate does not include the Daycare Facility or the Apollo Mural infrastructure; and

WHEREAS, the GMP proposal submitted by Kaufman Lynn is the result of competitive bids from sub-contractors and vendors; and

WHEREAS, Kaufman Lynn cites local trends in inflation, projected cost escalation, changes in the design required for HPB approval, and structural and site design requirements specific to the locality, as triggers for observed increase in construction cost; and

WHEREAS, changes in the scope of work include historical elements from the SSCC retained and incorporated or duplicated as a part of the new facility, additional work in the right of way to include improvements on Meridian Avenue, 6th Street and Jefferson Avenue to harmonize with existing conditions, and improvements along property lines to the north of the site to harmonize with neighboring properties; and

WHEREAS, Kaufmann Lynn has provided information as to how they track and analyze the construction pricing compared to the U.S. Bureau of Labor Statistics national reports as prepared by the Chief Economist at the Associated General Contractors of America (AGC); and

WHEREAS, the U.S. inflation rates over the last 3 years has been between 12.4% and 19.4%. Kauffman Lynn stated that the cost of the Fire Station grew at a similar rate as the national index plus a slight increase due to the South Florida location over the same period; and

WHEREAS, the GMP proposal also assumes the risk of escalation in material or labor costs for the duration of the project; and

WHEREAS, Kaufman Lynn has provided as part of the GMP proposal a schedule for the duration of the construction phase of the project, updated to depict the timeline for the work associated with the Daycare facility, the demolition of the SSCC and the construction of the Fire Station and considering input from subcontractors and vendors; and

WHEREAS, the project duration has been extended by 300 days to accommodate the construction of the Daycare facility, and the Fire Station including the infrastructure required for the Apollo Mural, therefore the agreement with Kaufman Lynn shall be amended to increase the contract from 420 days to 720 days to achieve Substantial Completion; and

WHEREAS, Notice to Proceed for the construction phase is anticipated to be issued in November 2023 following award of the GMP by the City Commission; and

WHEREAS, the Daycare Facility is expected to be completed and available for occupancy by April 2024; and

WHEREAS, following the vacation of the SSCC, the contractor will commence construction activities at the proposed Fire Station site and construction is scheduled to reach Substantial Completion in November 2025;

WHEREAS, the Guaranteed Maximum Price (GMP) Amendment No.2 to the Agreement with Kaufman Lynn, includes the construction of the Fire Station, the Daycare Facility and the infrastructure for the future installation of the Apollo Mural, in the amount of \$24,991,845, plus an owner's contingency in the amount of \$1,249,592 for a total Guaranteed Maximum Price of \$26,241,437 and amends the time to achieve substantial completion from 420 days to 720 days; and

WHEREAS, the complete final negotiated GMP proposal is included in the amendment (Exhibit C); and

WHEREAS, considering the volatility of the construction industry, the Administration finds that the final GMP is competitive, fair and reasonable for the construction of the Fire Station Project, the Daycare Facility and the structural and electrical infrastructure for the future installation of the Mural.

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 hereby approve a Guaranteed Maximum Price (GMP) Amendment No. 2, to the Agreement between the City of Miami Beach, Florida and Kaufman Lynn Construction, Inc., for the construction of the new Fire Station No. 1 Project, the construction of temporary facilities for the Rainbow Intergenerational Learning Center currently located at the South Shore Community Center, and the provision of the infrastructure for the future installation of the Apollo Mural on the new fire station's facade, in the amount of \$24,991,845, plus a five percent owner's contingency in the amount of \$1,249,592, for a total of \$26,241,437; and amending the time to achieve substantial completion from 420 days to 720 days; such amendment subject to and contingent upon an appropriation of funds by the City Commission.

PASSED and **ADOPTED** this ____ day of _____, 2023.

Dan Gelber, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney *no* 9-1-23
Date