

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Jimmy L. Morales, City Manager
DATE: April 11, 2018

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER, PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 2016-166-KB, FOR DESIGN/BUILD SERVICES FOR RIGHT-OF-WAY INFRASTRUCTURE IMPROVEMENT PROGRAM FOR NEIGHBORHOOD NO. 5 LA GORCE, AS FOLLOWS: AWARDING THE GROUP 1 - SOUTH AREA AND GROUP 2 - MIDDLE AREA WORK, TO LANZO CONSTRUCTION CO. OF FL., WITH THE TOTAL CONTRACT PRICE IN THE AGGREGATE AMOUNT OF \$49,823,019; AND AUTHORIZING A TEN PERCENT (10%) OWNER'S CONTINGENCY FOR THE GROUP 1 AND GROUP 2 WORK IN THE AMOUNT OF \$4,982,302; AND AWARDING THE GROUP 3 - NORTH AREA, TO DAVID MANCINI AND SONS INC., WITH THE TOTAL CONTRACT PRICE IN THE AMOUNT OF \$20,314,050; AND AUTHORIZING A TEN PERCENT (10%) OWNER'S CONTINGENCY FOR THE GROUP 3 - NORTH AREA WORK IN THE AMOUNT OF \$2,031,405; FURTHER, PROVIDING THAT THE FOREGOING CONTRACT AWARDS INCLUDE THE "BELOW GROUND" SCOPE OF WORK AND THE BASIC "ABOVE GROUND" SCOPE OF WORK REQUIRED TO CLOSE OUT PERMITS; FURTHER, PROVIDING THAT ADDITIONAL "ABOVE GROUND" WORK, INCLUDING INSTALLATION OF STREET LIGHTING POLES, LANDSCAPING, IRRIGATION AND RELATED WORK, IN THE AGGREGATE AMOUNT OF APPROXIMATELY \$13,218,188 FOR THE ENTIRE PROJECT (GROUPS 1 THROUGH 3), SHALL BE CONTRACTED FOR SEPARATELY OR BY CHANGE ORDER AT A LATER DATE, IF FUNDING IS SUBSEQUENTLY IDENTIFIED FOR SUCH ABOVE GROUND WORK; AND FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A DESIGN BUILD AGREEMENT WITH EACH OF THE FOREGOING PROPOSERS.

RECOMMENDATION

Adopt the Resolution.

ANALYSIS

The City of Miami Beach requested proposals from qualified firms to design and build right of way infrastructure improvements in the LaGorce Neighborhood No.5 (the "Project"). The Project boundaries are between North Bay Road from 51st Street to Pine Tree Drive, area north of 63rd Street to LaGorce Island and the area to east of Alton Road bounded on the north by the LaGorce Golf Course, on the east by Surprise Waterway and Pine Tree Drive and on the south by Surprise Waterway. The design/build firm (DBF) is to coordinate the work including but not limited to site preparation, earthwork, roadway reconstruction, water main installation and water services relocation, and storm drainage infrastructure installation, street lighting, pedestrian lighting, signalization, landscaping and streetscape improvements. Additionally, the DBF will be responsible for providing architectural, structural engineering, electrical, landscape architecture, construction costs estimating, surveying and geotechnical services for the Project.

RFP PROCESS-PHASE I

On July 13, 2016, the City Commission approved the issuance of Request for Proposals (RFP) No. 2016-166-KB Design/Build Services for Right of Way Infrastructure Improvement for Neighborhood No. 5 LaGorce. On July 15, 2016, the RFP was issued. A voluntary pre-proposal conference to provide information to the proposers submitting a response was held on July 27, 2016.

In accordance with Section 287.055 of the Florida Statutes, the RFP provided for a two-step, phased evaluation process. The Phase I selection process, related to the qualifications of the firms through the process outlined in RFP Section 00305, Evaluation Methodology. Only those Proposers deemed to be qualified during Phase I are authorized to proceed to Phase II of the RFP selection process, in which price and detailed technical proposals based on the approved Design Criteria Package (DCP) were considered.

Phase I responses were due and received on August 31, 2016. The City received proposals from the following six (6) firms:

- Bergeron Land Development, Inc.
- David Mancini and Sons, Inc.
- Lanzo Construction Co.
- Layne Heavy Civil
- Ric-Man Construction, Inc.
- Ric-Man International, Inc.

The Evaluation Committee appointed by the City Manager convened on October 13, 2016 to consider proposals received under Phase I. The Committee was provided an overview of the project, information relative to the City's Cone of Silence Ordinance and the Government Sunshine Law. The Committee was also provided general information on the scope of services, references, and a copy of each proposal. The Committee was instructed to score and rank each proposal pursuant to the evaluation criteria established in the RFP. The evaluation process resulted in the ranking of proposers as indicated in Exhibit "A" attached.

The City's engineering staff determined that all six (6) responding firms were qualified to perform the work outlined in the RFP. Therefore, as stipulated in the RFP, the City Manager approved for all firms to proceed into Phase II of the solicitation process in which technical proposals and cost are to be considered.

RFP PROCESS – PHASE II

Phase II could not proceed until the Public Works Department engineering team completed the Design Criteria Package (DCP), which is a requirement of Florida law. In view of the large scope for this Project, the DCP divided the work into three segments: Group 1 – South Area, Group 2 – Middle Area, and Group 3 – North Area. Accordingly, upon receipt of the DCP, on March 30, 2017, the Procurement Department issued Phase II of the RFP process to the short-listed proposers. A pre-proposal conference to provide information to the short-listed proposers was held on April 7, 2017. On November 21, 2017, the City received proposals in response to Phase II of the RFP from the following short-listed proposers:

- David Mancini and Sons, Inc.
- Lanzo Construction Co.
- Reynolds Construction LLC
- Ric Man Construction FL, Inc.
- Ric Man International, Inc.

Bergeron Inc., did not submit a proposal for Phase II of the Project. Layne Heavy Civil, who submitted in Phase I, has changed its name to Reynolds Construction LLC.

The Evaluation Committee, appointed by the City Manager via LTC # 011-2018, convened on January 31, 2018 to consider the technical proposals received under Phase II. The Committee was comprised of Eric Arencibia, Capital Projects Coordinator, Capital Improvement Projects Office, City of Miami Beach; Eugene Egemba, Civil Engineer III, Public Works Department, City of Miami Beach; Jack Finglass, Resident, City of Miami Beach; Rodney Knowles, Director, Greenspace Division, Public Works Department, City of Miami Beach; Jose Rivas, Civil Engineer III, Public Works Department, City of Miami Beach; and Margarita Wells, Environmental Resource Manager, Environment and Sustainability, City of Miami Beach.

The Committee was provided an overview of the project, information relative to the City's Cone of Silence Ordinance and the Government Sunshine Law. The Committee was also provided general information on the scope of services, a copy of each proposal, and engaged in a question and answer session with each

proposer. The Committee was instructed to score and rank each proposal pursuant to the evaluation criteria established in the RFP for Phase II. The evaluation process resulted in the ranking of proposers as indicated in Exhibit B, in the following order:

Group 1 South Area

- 1st Lanzo Construction Co. of FL.
- 2nd Ric Man Construction FL Inc.
- 3rd David Mancini and Sons Inc.
- 4th Reynolds Construction
- 5th Ric Man International Inc.

Group 2 Mid Area

- 1st Lanzo Construction Co. of FL.
- 2nd David Mancini and Sons Inc.
- 3rd Ric Man Construction FL Inc.
- 4th Reynolds Construction
- 4th Ric Man International Inc.

Group 3 North Area

- 1st David Mancini and Sons Inc.
- 2nd Ric Man Construction FL Inc.
- 3rd Lanzo Construction Co. of FL.
- 4th Reynolds Construction
- 4th Ric Man International Inc.

DMSI

According to the information provided by the firm, DMSI's key partners bring expertise and first-hand knowledge in their respective fields, as well as successfully provided consistent, predictable, and repeatable results on similar D/B projects as a Team. The proposed team for this project depicts the structure and line of authority and communication which is included on the following page; it indicates the Team's Key members, their intended functions, their responsibilities and percentage of time commitment for this project.

The DMSI/APCTE team considers that a properly prepared, well executed Project Management Plan is essential to the success of this design-build project. From previous experience, they have identified certain principles that have repeatedly proven key to successful Project Management; achieved a fully integrated team with a high standard of accountability and technical excellence; and have provided strict adherence and compliance with the terms of this RFP. Some of these principles include: (1) Establishing clear definitions and authority, (2) Maintain open communication and coordination with all team members and stakeholders, (3) Explicit definition of the work breakdown structure, and the schedule to the Team, and (4) Start with a realistic base line schedule upon which performance can be measured and controlled.

DMSI and APCTE, are experienced and well-known contractors to the City of Miami Beach together have designed and constructed seven (7) Neighborhood Improvement D/B Projects for the City of Miami Beach (Washington Avenue; Lummus; Nautilus West and Orchard Park; Biscayne Point - Biscayne Point & Stillwater Drive; Flamingo - 11th Street; Crespi Boulevard; and Prairie Avenue).

Lanzo

According to the information provided by the DBF, Lanzo has been in this industry for more than 45 years as an underground, structural, and trenchless construction contractor, offering public and private, hard-bid, negotiated, and design-build services. Lanzo is certified General and Underground Contractor, and also have engineering and surveying capabilities.

Lanzo offers the City of Miami Beach a design-build team that combines the experience and local construction know-how of Lanzo, as the DBF, as well as the Contractor with six mainline crews, a number of support crews, and availability that aligns with the contract timing, all located here in Southeast Florida. Wade Trim, as the Lead Design Consultant, is a well-established engineering firm that also offers unparalleled design-build experience that only a large firm can bring, along with the capabilities to understand local challenges and solutions that can come with first-hand experience in working with and alongside local residents and government entities.

The Lanzo/Wade Trim Team will be supported by other local team members experienced in streetscape, stormwater, and water system neighborhood improvements throughout Southeast Florida.

Both firms have completed prior projects for the City. The Public Works Department finds that the prior work has been satisfactory.

CONCLUSION

The scope of work for each Group includes raising of streets and sidewalks, pump station below ground structures, water service connections and water main relocations, gravity sewer service connections, sanitary sewer pump stations and related work, and includes the basic road and other work necessary to restore streets and sidewalks to a usable condition ("Below Ground Work").

The scope of work for each Group also includes separate neighborhood right-of-way enhancements, including installation of street lighting poles, landscaping, irrigation and related streetscape work ("Above Ground Enhancements"), work which would be most efficient (and least disruptive to the neighborhood) to accomplish as part of the same project for the Below Ground Work.

At the time the City issued the RFP, the City recognized that identifying sufficient funding for the Above Ground Enhancements would be a challenge, as the Above Ground Enhancements were not contemplated as part the Stormwater Utility Capital Improvement Program or Water & Sewer Utility Capital Improvement Program, as identified in the Stormwater or Water & Sewer bond offering documents.

Based on the funding constraints, the RFP required bidders to separately identify their pricing for the Below Ground Work and Above Ground Enhancements, to permit the City maximum flexibility in awarding work within available budgeted amounts, as required by Section 166.241(3) of the Florida Statutes.

The RFP further specified that bidders are required to hold their bid pricing for the Above Ground Enhancements for a period of six (6) months following contract execution, so that if the City Commission was inclined to award the "Below Ground Work, the "Above Ground Enhancements" may be awarded by Change Order, at the bidder's fixed bid pricing for the Above Ground Enhancements, once sufficient funding is identified.

The results of the RFP were as follows:

Group 1 – South Area work, to Lanzo Construction Co. of FL., the highest ranked proposer for the Group 1 – South Area, with the contract price in the amount of \$29,643,755.00 (for Below Ground, General Conditions, and Misc. bid items); and further recommends an associated ten percent (10%) Owner's Contingency for the Group 1 – South Area in the amount of \$2,964,376.

Group 2 – Middle Area work, to Lanzo Construction Co. of FL., the highest ranked proposer for the Group 2 – Middle Area, with the contract price in the amount of \$20,179,264 (for Below Ground, General Conditions, and Misc. bid items); and further recommends a ten percent (10%) Owner's Contingency for the Group 2 – Middle Area in the amount of \$2,017,926; and

The total combined contract price for the Group 1 and Group 2 work is \$49,823,019, with an associated ten percent (10%) Owner's Contingency of \$4,982,302.

Group 3 - North Area work, to David Mancini and Sons Inc., the highest ranked proposer for the Group 3 – North Area, with the contract price in the amount of \$20,314,050 (for Below Ground, General Conditions, and Misc. bid items); and further recommends a ten percent (10%) Owner's Contingency for the Group 3- North Area in the amount of \$2,031,405.

The total cost for the currently unfunded Above Ground Enhancements associated with Groups 1 through 3 for the La Gorce project is \$13,218,188.

Although the City Commission has not made a final determination about which projects to include in its proposed General Obligation Bond program (G.O. Bond), the Administration anticipates that Above Ground Enhancements for neighborhood-right-of-way projects (including La Gorce) would be included as part of the G.O. Bond program, subject to approval by a majority of voters voting in a City-wide referendum, and if the G.O. Bond Program is not approved, the Above Ground Enhancements would be separately contracted for if "Pay-As-You-Go" funding is identified.

On February 23, 2018, the Finance and Citywide Projects Committee ("Finance Committee") discussed Item No. 23, relating to future appropriations for Above Ground Work associated with neighborhood projects in

anticipation of General Obligation bond funding, and based on a concern for identifying \$13 million for the La Gorce project should the G.O. Bond program not be approved by the voters, the Finance Committee recommended that funding be identified for the above ground work before proceeding with the La Gorce project.

CITY MANAGER'S RECOMMENDATION

In view of the Finance Committee's recommendation, the Administration seeks direction with regard to the award of the Below Ground Work for Groups 1 through 3, with the Above Ground Enhancements to be contracted for separately or by Change Order (at each bidder's fixed bid pricing for such work), if sufficient funding is identified at a later date.

If the City Commission desires to proceed now with the Below Ground Work for Groups 1 through 3, the City Manager, having considered the proposals and the results of the evaluation process, recommends award of the Group 1 and Group 2 in the amount of \$49,823,019, with an associated ten percent (10%) Owner's Contingency of \$4,982,302; and further recommends award of Group 3 - North Area work, to David Mancini and Sons Inc., the highest ranked proposer for the Group 3 - North Area, with the contract price in the amount of \$20,314,050 (for Below Ground, General Conditions, and Misc. bid items); and further recommends a ten percent (10%) Owner's Contingency for the Group 3- North Area in the amount of \$2,031,405; further, providing that the foregoing contract awards include the "below ground" scope of work and the basic "above ground" scope of work required to close out permits; further, providing that additional "above ground" work, including installation of street lighting poles, landscaping, irrigation and related work, in the aggregate amount of approximately \$13,218,188 for the entire project (groups 1 through 3), shall be contracted for separately or by change order at a later date, if funding is subsequently identified for such above ground work; and further authorizing the mayor and city clerk to execute a design build agreement with each of the foregoing proposers.

<u>KEY</u>	<u>INTENDED</u>	<u>OUTCOMES</u>	<u>SUPPORTED</u>
Build And Maintain Priority Infrastructure With Full Accountability			

FINANCIAL INFORMATION

Grant Funding will not be utilized for this project.

Amount 1	\$40,000,000	Account 1	Series 2017 Stormwater Bond Proceeds to be appropriated in a future capital budget amendment
Amount 2	\$30,430,278	Account 2	Series 2017 Water and Sewer Bond Proceeds to be appropriated in a future capital budget amendment
Amount 3	\$6,720,498	Account 3	Stormwater Projects MDC Fund to be appropriated in a future capital budget amendment
Amount 4	\$14,540,007	Account 4	Currently unfunded -funding to be determined

<u>Legislative</u>	<u>Tracking</u>
Public Works/Procurement	

ATTACHMENTS:
Description

- ▢ [EXHIBIT A Evaluation Phase I](#)
- ▢ [EXHIBIT B Evaluation Phase II](#)
- ▢ [Resolution](#)