

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. 2 TO THE CONSTRUCTION CONTRACT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND H.G. CONSTRUCTION DEVELOPMENT AND INVESTING, INC., FOR THE FLAMINGO PARK HANDBALL COURTS RENOVATION PROJECT, WHICH CHANGE ORDER NO. 2 INCLUDES ADDITIONAL CONSTRUCTION SERVICES ASSOCIATED WITH THE PHASING OF CONSTRUCTION AND THE REMEDIATION OF DEFICIENT STUCCO, WITH AN ASSOCIATED CONTRACT TIME EXTENTION OF 150 CALENDAR DAYS, IN THE NOT-TO-EXCEED AMOUNT OF \$191,724.79, PLUS AN OWNER'S CONTINGENCY IN THE AMOUNT OF \$60,000, FOR A TOTAL AMOUNT OF \$251,724.79, FOR A NEW CONTRACT VALUE OF \$2,131,948.31, SUBJECT TO THE CITY COMMISSION'S APPROPRIATION OF FUNDS WITH THE THIRD CAPITAL BUDGET AMENDMENT FOR FY 19/20 CAPITAL BUDGET.

WHEREAS, on July 25th, 2018, the City Commission awarded the contract for construction services for the renovation of the Joe Rubin and Robert C. Hass handball courts at Flamingo Park ("Project") to HG Construction Development & Investment, Inc. ("Contractor") pursuant to ITB2018-223-ZD, in the amount of \$1,783,973.52, including owner's contingency; and

WHEREAS, the Joe Rubin and Robert C. Hass handball courts are comprised of six, four-walled courts, and four single-walled courts; and

WHEREAS, the scope of work for this Project includes various electrical upgrades including the addition of sports lighting, new general lighting, stucco repairs, court resurfacing, new frameless windows and doors, new fencing, connection of existing seating area to flat roof to improve drainage, site and court drainage, painting and removal of staircase, and the courts will also include seating areas and water drinking fountains for players and spectators; and

WHEREAS, commission and staff received many requests from residents and users of the handball courts expressing concerns regarding the complete closure of the handball courts for the duration of construction activities; and

WHEREAS, in response to those requests, and in an effort to accommodate the users of the facility, the Project proceeded to phase the construction activities so that one of the two buildings would be open and accessible throughout the renovation (Phases I and II); and

WHEREAS, during the paint removal process of the Joe Rubin building (Phase I), it was discovered that the existing stucco presented extensive fractures and, in some areas, delamination; and

WHEREAS, this was a hidden condition, as the existing walls had multiple layers of paint that covered the actual state of the stucco, and this type of unforeseen condition is one of the downfalls of renovation projects, as there was no way of knowing the poor condition of the stucco without significant exploratory work which would have made the courts unusable; and

WHEREAS, this finding triggered several investigations to determine the extent and severity of the failing stucco; and

WHEREAS, selective areas of stucco were removed to verify and confirm the condition of the substrate, and this investigative process included the hiring of a specialty consultant to evaluate the stucco and determine the extent of failure, and in addition, the Robert C. Haas building (Phase 2) was also examined and the stucco was found to be similarly deficient; and

WHEREAS, in July 2019, the contractor submitted a proposal to remediate the deficient stucco at both buildings, and upon review and exhaustive negotiations by the engineer of record and city staff, the proposal was found to be inconsistent with the work effort and the value of work, exceeding available funding in the owner's contingency; and

WHEREAS, the Project team, as a result of the impasse with the contractor, evaluated several systems to determine the most effective and efficient system that will deliver the correct finished product and useful life for this use and budget; and

WHEREAS, following this extensive evaluation, the consultant has recommended the option which involves the complete removal of the existing stucco which is not properly adhered and the application of a new three coat stucco system to both Joe Rubin and Robert C. Haas buildings (Exhibit A); and

WHEREAS, a proposal was submitted at the City's request by HG Construction Development & Investment, Inc. (Exhibit B) to provide additional construction services associated with the removal of the existing cracked and/or delaminated stucco and installation of a new three coat stucco system at all of the surface walls and ceilings of the Joe Rubin and Robert C. Haas buildings; and

WHEREAS, the Engineer of Record (Wolfberg Alvarez and Partners) reviewed the proposal for scope and price and found the scope of work consistent with recommended remediation option and recommends acceptance of the proposal; and

WHEREAS, the cost for the removal of the stucco at the Joe Rubin building (Phase I), in the amount of \$88,242.70, is being covered by the Project contingency, and the cost for the application of the stucco will be covered through a separate Change Order 1 executed under the City Manager's authority, in the amount of \$96,250.00 and a 365 calendar day time extension; and

WHEREAS, this Change Order No. 2 is to include the stucco remediation at the Robert C. Haas building (Phase II), subject to City Commission approval, in the amount of \$107,804.60, with a 60 calendar day time extension; and

WHEREAS, this Change Order No. 2 also includes the additional costs and contract time associated with the multiple mobilizations and phasing of the project, and at the request of the City, the contractor submitted a proposal in the amount of \$83,920.19 with a 90 calendar day time extension (Exhibit C), which was found to be fair and reasonable; and

WHEREAS, finally, Change Order No. 2 will also increase the Owner's Contingency in the amount of \$60,000; and

WHEREAS, this Change Order No. 2 will increase the contract value for this Project by \$251,724.79, for a new contract total of \$2,131,948.31; and

WHEREAS, the contract time will also be increased by a total of 150 calendar day; and

WHEREAS, the Administration recommends that the City Commission approve the resolution authorizing the City Manager to execute Change Order No. 2, subject to the City Commissions appropriation of funds with the Third Capital Budget Amendment for FY 19/20 Capital Budget; and

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. 2 to the construction contract between the City of Miami Beach, Florida and H.G. Construction Development and Investing, Inc., for the Flamingo Park Handball Courts Renovation Project, which Change Order No. 2 includes additional construction services associated with the phasing of construction and the remediation of deficient stucco, with an associated contract time extension of 150 calendar days, in the not-to-exceed amount of \$191,724.79, plus an Owner's Contingency in the amount of \$60,000, for a total amount of \$251,724.79, for a new contract amount of \$2,131,948.31, subject to the City Commission's appropriation of funds with the Third Capital Budget Amendment for FY 19/20 Capital Budget.

PASSED and ADOPTED this ____ day of _____, 2020.

ATTEST:

Dan Gelber, Mayor

Rafael E. Granado, City Clerk

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**



City Attorney

 4/15/20

Date