



**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Lee Feldman, ICMA-CM, City Manager

**DATE:** September 17, 2013

**TITLE:** South Side School Update

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The purpose of this memorandum is to provide an update on the South Side School project.

**Northeast Area:**

- Nova Southeastern University (NSU) and the City are engaged in conversations regarding the potential lease of the parcel of land containing the South Side School structure as well as land to the west of the school building and north of the tennis courts. There are conditions attached to the potential lease which are further described in CAM #13-0690 (exhibit 1). Commission action on that item was deferred at the May 7, 2013 meeting and will be placed on a future meeting agenda. All remaining land will remain under City control as part of Hardy Park with no changes due to the NSU agreement.
- NSU consultants have reviewed the existing school and subject site conditions and established a budget to complete improvements to the building and site. The total cost based on NSU's budget is \$3,788,000. The City engaged an independent consultant, CMS-Construction Management Services, Inc., to prepare a current cost estimate of the work to be completed under the original NSU revisions developed in May 2011. The cost estimate received is \$2,165,000. Staff has analyzed and compared the cost breakdowns to determine the differences. Most of the differential is based on NSU increasing the scope of work from their previous requests in 2011.

A meeting including NSU representatives and Public Works staff was held on August 7, 2013, to review and discuss in detail the differences in the two cost estimates. As referenced above, most of the cost increase is based on increases in project scope required or requested by NSU. The building cost differential of \$975,000, over \$675,000 is a result of additional scope, including design fees of \$210,652. The site differential of \$669,000, over \$420,000 is a result of additional scope including design fees of \$58,547. The additional scope was largely based on the increased use of the building in comparison to previous operating pro

formas. This added substantially to the mechanical and electrical costs, the site parking, and security issues throughout the building and site. Security costs alone are estimated at \$300,000.

These costs do not include the proposed additional building to the rear between the original school building and the tennis courts which will be constructed for the “dirtier” art forms, such as pottery, stone and wood sculpting. This building will be constructed and fully funded by NSU and the costs are estimated at \$1,000,000.

- Additional meetings are being planned between the City and NSU to discuss this proposed agreement details and costs. These meetings have not yet been scheduled.

Should the City not reach an acceptable agreement with NSU regarding a lease, there will be additional costs that the City will incur to complete the building for the ultimate tenant / end user. These costs cannot be accurately estimated until an end user and operator is determined. If the City is the ultimate end user, the operating costs are estimated at \$400,000 per year. If NSU leases the building and adjacent site, they will pay all operational and maintenance costs.

- A meeting was held with the Broward County Historical Commission to review the proposed NSU changes in anticipation of amendments to the Broward County Interlocal Agreement and Florida Communities Trust (FCT) Management Plan. Broward County has no issues with the proposed NSU lease and improvements should the parties come to agreement, as long as the agreements are amended to reflect the changes and the original provisions, with respect to the historical nature of the site.
- The City has initiated work with Florida Power and Light (FPL) to provide necessary power to the site. The transformer slab and underground conduit have been installed utilizing City construction crews. FPL will set the transformer in the next 4 weeks to supply power at Southwest 7<sup>th</sup> Street for the future building hook-up.
- As of September 3, 2013, current available funding is \$2,227,546.

#### **Southeast Area:**

- MBR Construction, Inc., has completed the foundation, plumbing rough under the slab, and is erecting the masonry walls for the restroom building. Foundation work has started on the pavilion.
- Plumbing for the restroom building has been upgraded to low-flow plumbing fixtures at no cost to the City as per negotiations with the contractor. The plumbing fixture and fitting costs are now eligible for reimbursement under Broward County Parks for People 2013 grant.

- The Broward County Engineering permit for the sidewalk will require dedication of additional right-of-way. The City Commission approved the dedication on July 2, 2013, (CAM #13-0951) subject to approvals from outside agencies with contractual interests. Permission was sought from three agencies, Florida Communities Trust (FCT), Florida Division of Historical Resources (FDHR), and Broward County Historic Commission as the dedication may impact the Management Plan and Interlocal Agreement. FDHR and the County Historic Commission have responded positively with respect to the easement, noting only continued compliance with previous conditions of the agreement. FCT has indicated, if the dedication is approved and granted, they will request payment based on the market value of the property subject to the easement. Based on tentative calculations utilizing the Broward County Property Appraisers Fair Market Value (FMV) of \$55 / square foot, the land value is \$389,180. The City would be responsible for 50% of the valuation. An independent property appraisal will be required to obtain a more accurate market value. Before seeking an appraisal, City staff is working with Broward County to assist in dealing with the FCT issue as the County actually administers the management plan. Staff is also working with Broward County to prepare the response to the State to support the City's request to grant the easement to the County without paying money back to the State since area will be used as a public sidewalk.
- In addition to an easement dedication, Broward County is also requiring the execution of a "Beautification Agreement" between the City and County placing the burden of maintenance upon the City. Staff has been informed that this agreement may take up to a year to complete and record. A permit cannot be issued until this Beautification Agreement process is complete.
- Based on the issues surrounding the sidewalk permitting, the contractor has been advised to proceed with the rest of the work while sidewalk permitting is being delayed. The City continues to have the option to delete the sidewalk portion of the work from the contract.

Related CAM: #13-0951

Attachment: Exhibit 1 – CAM #13-0690

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