



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
REGULAR MEETING**

**#23-0587**

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

**FROM:** Greg Chavarria, City Manager

**DATE:** July 5, 2023

**TITLE:** Motion Approving an Agreement and Change Order No. 2 for the Design and Construction associated with the Fort Lauderdale Aquatic Center South Building – Hensel Phelps Construction Company – (\$48,742) – **(Commission District 2)**

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**Recommendation**

Staff recommends the City Commission approve an Agreement and Change Order No. 2 with Hensel Phelps Construction Co. d/b/a Hensel Phelps Corp. (“Hensel Phelps”), in substantially the forms attached, for the Design and Construction services associated with the Fort Lauderdale Aquatic Center South Building, with a retroactive effective date of December 23, 2022.

**Background**

On October 22, 2019, the City received an unsolicited proposal from Hensel Phelps Construction Company (Hensel Phelps) pursuant to Section 255.065, Florida Statutes, to demolish the existing locker room facility and to design and construct a new South Locker Room Building at The Fort Lauderdale Aquatic Center.

On July 7, 2020, the City Commission approved a \$7 Million Park Bond Funding Allocation to fund the design and construction of the Qualified Project. The proposal for the South Locker Room Building consisted of a two-story, 15,545 square foot building with an outdoor viewing area on the second floor. The public building is designed to house restrooms, locker rooms, a weight room, administrative support space, meeting rooms, first aid stations, and timing rooms.

On August 18, 2020, the City Commission approved an Interim Agreement with Hensel Phelps, pursuant to Section 255.065 (6), Florida Statutes, to begin design, permitting, and cost estimating services. Hensel Phelps received a notice to proceed on August 24, 2020, to begin design and cost estimating services. In December 2020, Hensel Phelps presented a \$9.85 Million budget to City Staff. The building design square footage had increased from the approved 15,545 square feet to 16,000 square feet, which required additional site work. After reviewing the cost estimates, staff presented the revised budget to the Parks, Recreation, and Beaches Advisory Board on February 24, 2021, and

received a recommendation for an additional \$3.5 Million of Park Bond Funding.

On March 16, 2021, the City Commission amended the Interim Agreement to facilitate abatement, demolition activities, and detailed engineering with technical trades while the budget was approved, and the comprehensive agreement was negotiated. On April 6, 2021, the City Commission approved an additional \$3.5 Million Park Bond Funding Allocation for the increased South Building square footage and related construction costs, as well as all City costs associated with the new construction of the South Building, including permit fees and IT integration.

On June 1, 2021, the City Commission awarded Hensel Phelps a Comprehensive Agreement for Design and Construction of the Fort Lauderdale Aquatic Center South Building in the amount of \$9.85 Million (CAM 21-0597). The Notice to Proceed was issued to Hensel Phelps on June 18, 2021, with a scheduled final completion of 554 days.

On January 7, 2022, City Staff approved Change Order No. 1 in the amount of \$51,692, and zero additional calendar days, to fund costs due to unforeseen conflicts with existing FPL facilities.

Substantial completion of the project was achieved on September 22, 2022, and the final Certificate of Occupancy from the building was issued on December 8, 2022. However, some of Hensel Phelps' work had to be extended beyond the original Final Completion date of December 23, 2022, including providing all closeout paperwork. This was due to unanticipated substantial delays in securing materials and delays due to City-driven initiatives such as requiring Hensel Phelps to work around the completed and operational pools including all associated events and programming (base project), IT connectivity delays which delayed the final commissioning of equipment, and the City's rollout of new ERP software which created a bottleneck in procurement towards the end of the project. The project was also delayed by the change and reassignment of the City's project manager.

On February 20, 2023, following the completion of all construction activities, including addressing all City identified punch list items, Hensel Phelps submitted the executed final change order (Change Order No. 2) which included the following:

The 7 zero-dollar changes listed below for the purpose of authorizing the use of \$58,369 from the Owner Contingency and Owner's Testing Allowance accounts as follows:

1. Install additional conduits required to obtain AT&T service to the building.
2. Provide temporary barriers along the pools, which were beyond the original scope of work. This was so the City could operate the pools while the south building was still under construction.
3. Install a gas line extension between the TECO gas meter and the spa. This was necessary as TECO's scope of work only covered the installation of a service line from the right of way to the gas meter.

4. Cover miscellaneous additional costs associated with owner directed changes to the project.
5. Cover a portion of the cost associated with the remobilization of Omega Timing due to the lack of internet service at the time of the originally scheduled installation.
6. Cover the cost for miscellaneous permit fees paid directly by Hensel Phelps and their subcontractors.
7. Cover the cost to install 3 additional hose bibbs as requested by Aquatic Center staff.

Additionally, there was a credit obtained for (\$48,742) from the remaining balance of owner's testing allowance dollars included in the contract. As Hensel Phelps did not need to use the entire testing allowance provided through the contract.

On March 9, 2023, City Staff approved the final retainage pay application.

The new Agreement is retroactive to the expiration date of the original Comprehensive Agreement and will enable the City and Hensel Phelps to process Change Order No. 2 to recoup unused funds on the project and/or pay out the final change order to Hensel Phelps, which is contingent on the approval of Change Order No. 2.

The new Agreement has an expiration date of September 22, 2023, which will extend the project's time through the correction period referenced in section 4.15 of the original Comprehensive Agreement date by 365 days from the Substantial Completion period. This Agreement will enable the City to preserve its warranty period and allow the City to process Change Order No. 2 and the final pay application for Hensel Phelps, as well as staff to close out the paperwork on the project.

The same terms and conditions of the original Agreement will apply; however, it should be noted, no further construction activities are planned. The new expiration date for the Agreement will be September 22, 2023, for a total contract time of 827 days.

**Resource Impact**

There will be a positive fiscal impact to the City in the amount of \$48,742 for Change Order No. 2.

<i>Funds available as of May 16, 2023</i>					
ACCOUNT NUMBER	COST CENTER NAME (Program)	CHARACTER/ACCOUNT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
10-353-6999-572-60-6599-P12582	GO BOND 2020 CONSTRUCTION - PARKS	Capital Outlay/ Construction	\$10,500,000	\$181,183	(\$48,742)
<b>TOTAL AMOUNT ►</b>					(\$48,742)

### **Strategic Connections**

This item is a *2022 Top Commission Priority*, advancing the Parks and Public Places initiative.

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- The Public Places Focus Area
- Goal 3: Build a healthy and engaging community.
- Objective: Improve access to and enjoyment of our beach, waterways, parks, and open spaces for everyone.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Here*

This item supports the *Advance Fort Lauderdale 2040 Comprehensive Plan* specifically advancing:

- The Public Places Focus Area
- The Parks, Recreation & Open Space Element
- Goal 2: Be a community with high quality parks and recreational facilities that highlight the character of our City.

### **Attachments**

Exhibit 1 – CAM 21-0597

Exhibit 2 – Comprehensive Agreement

Exhibit 3 – Change Order #2

Exhibit 4 – New Construction Agreement

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Prepared by: Marc Isaac, Project Manager II, Parks and Recreation

Department Director: Phil Thornburg, Parks and Recreation