

#15-0718

**TO:** Honorable Mayor & Members of the

Fort Lauderdale City Commission

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

**DATE**: July 7, 2015

TITLE: South Side School Update

The purpose of this memorandum is to provide an update regarding some recent complications with the South Side School project.

## **Northeast Area:**

The bid opening occurred on June 22, 2015 (please see Exhibit 1 for details). The bid opening was postponed from the original date on June 8, 2015 to accommodate three prebid meetings as requested by the contractors. The purpose of the additional pre-bid meetings was to allow the contractors additional time to evaluate the existing conditions of the building.

The lowest bidder is Di Pompeo Construction in the amount of \$3,141,000, including all allowances and \$130,000 for alternate parking. This amount exceeds the current available funding for this project. Accordingly, staff is currently evaluating why the bids came in higher than expected based on the estimate that was generated by a third party consultant while also working to resolve the funding shortfall.

Additionally, Broward County's bond counsel has conducted an initial review of the drawings in response to the Notice of Intent, dated March 23, 2015, to lease the building to the Friends of South Side, Inc. (see Exhibit 2, letter from County Administrator Bertha Henry). The County's bond counsel issued a preliminary opinion stating that the use of the second floor of the building as an office area for the City's Parks and Recreation Department may not be a permissible use under Broward County's Park Bond Resolution. The bond counsel also requested additional information regarding the nature of the center as a cultural, educational, and wellness center in order to make a determination as to whether such use is acceptable. Staff has requested an opinion from the City's bond counsel, which may or may not agree with the County. However, staff has not received this opinion as of yet.

Furthermore, the City's consultant, Synalovski Romanick and Saye (SRS) and staff have been working with the State of Florida, Department of State Division of Historical Resources (FDHR), Broward County, the City of Fort Lauderdale Historical Preservation Board, and the Department of Sustainable Development to obtain the required approvals and permits.

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The drawings were approved by the City's Historical Preservation Board on January 5, 2015 and by Broward County on March 18, 2015. However, FDHR was not in agreement and has requested additional changes. In order to receive approval from FDHR, some minor changes needed to be made to the exterior of the building. Staff has addressed the comments and FDHR issued a final approval on May 26, 2015.

As a result of the changes required by FDHR, the documents are subject to further review by the City's Historical Preservation Board, Broward County, and the Department of Sustainable Development. Staff met with all reviewers prior to the submission to go over all comments and to expedite the review process. If any changes are requested by the reviewers, they will need to be negotiated with the contractor after the award. In addition, the approvals from the Fort Lauderdale Historical Board and Broward County bond counsel are needed prior to the start of the construction.

Staff anticipates identifying the additional funding needed, gaining concurrence from Broward County's bond counsel regarding the proposed use of the facility, and obtaining the required approvals and permits while the City Commission is on break. Furthermore, staff currently plans on bringing the contract forward for consideration of award by the City Commission at the August 18, 2015 Regular City Commission meeting. These unanticipated setbacks, beyond the control of staff, will put the overall project schedule behind by two months.

## Southeast Area:

Staff is working with the City's lobbyist in an attempt to get Florida Communities Trust to waive or reduce the current payment requirement of \$123,360 associated with the Restrictive Covenants that accompany the property. This work is currently on hold and it is not part of the current bid package.

## **Strategic Connections:**

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Public Places Cylinder of Excellence, specifically advancing:

• Goal 3: Be a community that finds opportunities and leverages partnerships to create unique, inviting, and connected gathering places that highlight our beaches, waterways, urban areas, and parks.

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

Attachments:

Exhibit 1 – Bid Tabulation

Exhibit 2 - Broward County's Bond Counsel Review Letter

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