



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

18-1172

TO: CRA Chairman & Board of Commissioners
Fort Lauderdale Community Redevelopment Agency

FROM: Lee R. Feldman, ICMA-CM, Executive Director

DATE: December 18, 2018

TITLE: Motion Approving Funding of Change Order No.2 for Las Olas Boulevard Corridor Improvement Project – Skanska USA Building, Inc. – \$1,517,486 and to Increase the Project GMP to \$50,896,910

Recommendation

It is recommended that the Community Redevelopment Agency (CRA) Board of Commissioners approve funding for Change Order No.2 for scope revisions to the Las Olas Corridor Improvement Project Construction Manager-At-Risk Contract with Skanska USA Building, Inc. (Skanska) in an amount not to exceed \$1,517,486 and an adjustment of the guaranteed maximum price to \$50,896,910.

Background

On January 18, 2017 the City Commission approved a Construction Manager-At-Risk contract with Skanska with a guaranteed maximum price (GMP) in the amount of \$49,379,324 for construction of the Las Olas Boulevard Corridor Improvement Project (P11900). On May 2, 2017 the City Commission approved a two month extension to the Skanska contract increasing the duration from 24 months to 26 months. On June 8, 2017 the City issued a notice to proceed to Skanska to begin construction.

The City awarded a contract to Skanska based on its proposal and GMP estimate of 90% construction documents. Any changes to the construction documents or any unforeseen conditions are identified by Skanska as a Cost Event (CE) and documented. After the cost event is documented, Skanska creates an Authorization Request (AR) which consists of a narrative, a dollar value, and backup information associated with the change from the 90% construction documents. EDSA, Inc. (the architect of record), City of Fort Lauderdale staff, and Skanska meet and review the AR's and sign off once all parties agree on the dollar value. The approved AR's are then funded through either contingency funds within the construction contract budget or through an executed change order which adds additional funds to the construction contract budget and increases the GMP value.

On September 6, 2018 and September 12, 2018 the City Commission and the CRA Board of Commissioners approved a budget transfer of \$1,500,000 into the Las Olas Boulevard Corridor Improvement Project. The purpose of the budget transfer was to fund Change

Order No. 2 which consists of approved AR's which are summarized on Exhibit 1. The change order can be broken out into the following categories:

- **Life Safety Enhancements and Operational Enhancements:**
The City requested security enhancements to the project which include security cameras, license plate readers, and Code Blue Emergency Phone systems. The drawings were revised to add these items along with uninterruptable power sources and the necessary power, conduit, cabling, and electrical panels to make them function. The City also requested additional traffic rated bollards along the sidewalk and roadway for pedestrian protection. The parking garage fire alarm system was enhanced with additional horns and strobes to make the system comply with the construction drawings. Finally, the City requested garage operational enhancements which include additional vehicle counters within the garage and digital signage that displays available parking by level. The financial impact of incorporating these enhancements is \$1,079,195.
- **Hurricane and Franchise Utility Delays:**
Hurricane Irma impacted the project in September 2017. The hurricane delayed Skanska because the construction site shut down to prepare for the storm. After the storm passed, all franchise utilities were focused on repairing utilities in heavily damaged parts of the state and the project was unable to disconnect utilities, demolish the existing Las Olas Marina building and finally, relocate the associated underground primary electrical power, all of which were on the critical path of the construction schedule. The project suffered delays waiting for the franchise utility to relocate the primary power, which was out of the City and Skanska's control. The financial impact of these delays is \$207,009, with a time impact of an additional 89 calendar days on the construction schedule.
- **Unforeseen Conditions:**
The existing conditions, especially the utilities in the field, have differed greatly from what was shown on the construction documents. The drawings have been revised to accommodate proposed improvements to the unforeseen existing conditions. In some cases, Skanska demolished unforeseen conflicts to install the proposed improvements. The financial impact of these unforeseen items is \$231,282.

The aggregate cost for all the changes described above is estimated to cost an additional \$1,517,486 and will increase the GMP to \$50,896,810.

Compliance to the Beach Community Redevelopment Plan

The Las Olas Boulevard Corridor Project is listed as one of the four major public improvement projects in the Beach Community Redevelopment Plan's Redevelopment Plan Concept and incorporates many of the planned public improvements that the CRA considers important to the successful redevelopment of Fort Lauderdale's central beach area.

Resource Impact

There will be a fiscal impact to the CRA in the amount of \$1,517,486, contingent upon City Commission review and approval at its November 6, 2018 Regular Meeting. There is an associated item on the November 6, 2018 City Commission Regular Meeting (CAM 18-1174) requesting approval of Change Order No.2 for the Las Olas Boulevard Corridor Improvement Project.

| Funds available as of October 30, 2018 | | | | | |
|--|---|---------------------------------|----------------------------------|-------------------------------------|-------------|
| ACCOUNT NUMBER | INDEX NAME (Program) | CHARACTER CODE/ SUBJECT NAME | AMENDED BUDGET (Character) | AVAILABLE BALANCE (Character) | AMOUNT |
| 346-P11900.346-6599 | LAS OLAS BLVD CORRIDOR IMPROVEMENTS | Capital Outlay/ Construction | \$42,595,708 | \$3,220,024 | \$1,517,486 |
| PURCHASE TOTAL ► | | | | | \$1,517,486 |

Strategic Connections:

This item is a Commission Annual Action Plan top priority advancing the Beach Community Redevelopment Agency.

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included in 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.
- Objective 1: Improve access to and enjoyment of our beach, Riverwalk, waterways, parks, and open spaces for everyone.

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

Attachments

Exhibit 1 – AR Summary Table

Exhibit 2 – AR Backup

Exhibit 3 – Schedule Delay Backup

Exhibit 4 – Change Order No. 2

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