



Broward County

Legislation Details (With Text)

File #: 22-979 **Version:** 1

Status: Agenda Ready

In control: AVIATION DEPARTMENT

On agenda: 6/14/2022 **Final action:** 6/14/2022

Title: A. MOTION TO APPROVE Change Order No. 21 to the Agreement between Broward County and Tutor Perini Building Corporation, Agreement No. PNC2116805C1, for Terminal 4 Federal Inspection Services Facility Expansion at Broward County's Fort Lauderdale-Hollywood International Airport, to resolve claims alleged to be associated with extended time, delays, and other disputed costs, in the amount of \$4,800,000, increasing the Agreement amount from \$45,372,649 to \$50,172,649; and authorize the Mayor and Clerk to execute.

ACTION: (T-12:56 PM) Approved. (Refer to minutes for full discussion.)

VOTE: 8-0. Commissioner Ryan was out of the room during the vote.

B. MOTION TO APPROVE increase to the Unforeseen Conditions and Stakeholder Changes allowance account, by \$850,000, increasing the allowance amount from \$6,410,550 to \$7,260,550, increasing the total Agreement amount from \$50,172,649 to \$51,022,649.

ACTION: (T-12:56 PM) Approved. (Refer to minutes for full discussion.)

VOTE: 8-0. Commissioner Ryan was out of the room during the vote.

Sponsors:

Indexes: Established Commission Goals

Code sections:

Attachments: 1. Exhibit 1 - Tutor Perini CO 21, 2. Exhibit 2 - OESBD Memorandum, 3. Exhibit 3 - Agreement History

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Capital Development

Information

Requested Action

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ACTION: (T-12:56 PM) Approved. (Refer to minutes for full discussion.)

VOTE: 8-0. Commissioner Ryan was out of the room during the vote.

Why Action is Necessary

Motion A: In accordance with the Broward County Procurement Code ("Procurement Code"), as waived and modified by the Broward County Board of County Commissioners ("Board") on June 5, 2018, Board approval is required for change orders for the Airport Expansion Program, for a value of \$500,000 or more.

Motion B: In accordance with the Procurement Code, Section 21.47.a., Board approval is required for all changes to an agreement.

What Action Accomplishes

Motion A: Provides funding to resolve pending claims associated with the Terminal 4 ("T4") Federal Inspection Services ("FIS") Facility Expansion project at Broward County's Fort Lauderdale-Hollywood International Airport ("FLL").

Motion B: Provides for an increase to the Unforeseen Conditions and Stakeholder Changes allowance account, for the remaining construction work associated with the T4 FIS Expansion project ("Project") at FLL.

Is this Action Goal Related

Yes

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTIONS.

This item supports the Board's Value for "Ensuring economic opportunities for all people and businesses in Broward County," its Goal to "Increase the economic strength and impact of revenue-generating County enterprises balancing economic, environmental, and community needs" and its Objective to increase passenger facilities in T4 at FLL.

The Office of Economic and Small Business Development ("OESBD") established a County Business Enterprise ("CBE") goal of 23% for this Agreement. Tutor Perini Building Corporation ("Tutor Perini") committed to 23.22% CBE participation, which was revised to 24.88%. To date, Tutor Perini has been paid \$40,921,035 and has paid CBE firms \$8,295,439, for a 20.27% participation. To compensate for the participation shortfall, Tutor Perini will identify change order and base work that can be completed by CBE firms and will work with OESBD to identify other subcontracting opportunities (Exhibit 2).

On June 5, 2018 (Item No. 31A), the Board authorized the Director of Purchasing to award the Agreement between Broward County ("County") and Tutor Perini for the T4 FIS Facility Expansion at FLL, Agreement No. PNC2116805C1. In addition (Item No. 31B), the Board waived the County Procurement Code in part, and modified the application of the administrative change order allowance specifically for the South Runway Expansion construction contracts, increasing the administrative change order allowance from 5% to 25% of the original contract value, and authorizing the Director of Aviation to approve individual change orders up to the value of \$500,000. Additional information on the Agreement and subsequent actions is included in Exhibit 3.

Motion A

This action provides funding to settle pending claims associated with the Project.

The Project has experienced design and construction changes to the original scope of work, which resulted in an adverse impact to the schedule and increased the cost of the Project. The changes include unforeseen conditions encountered during demolition and renovation activities, changes requested by regulatory agencies having jurisdiction ("AHJ") to comply with building and fire codes, security changes requested by U.S. Customs and Border Protection, repairs of concrete slabs and a concrete beam improperly poured by others, and Owner-directed changes to accommodate airport operations. Additional changes include re-design of a temporary hurricane wall at the new Meet and Greet area, re-design to accommodate a new electrical room, and design of a new bi-directional antennae system to facilitate first responders' communication. The County will investigate the recovery of costs that were incurred as a result of actions by others, including the Project designer and Magnum Construction Management, LLC.

To date, a total of 20 Change Orders and 148 Construction Price Element Adjustment Memorandum ("CPEAM") have been processed from existing contract funds, for total changes in the amount of \$2,635,649, which increased the contract duration to 1006 days. Substantial Completion for this Project is estimated to occur in August 2022, with Final Completion by November 2022.

The proposed Change Order No. 21 (Exhibit 1) will fund the cost to settle all pending claims associated with extended time, delays, compensation, and other unresolved disputed costs associated with Task 2B, South Baggage Hall; Task 3A, Primary Processing Facility; and Task 3B, Meet and Greet Lobby, Passenger Queuing Hall and North Baggage Claim Device. Work continues in Tasks 3B, 3C and 3D and is expected to be substantially complete in August 2022. The proposed Change Order No. 21 in the amount of \$4,800,000, increases the Agreement amount from \$45,372,649 to \$50,172,649.

Motion B

This action provides for an increase to the Unforeseen Conditions and Stakeholder Changes allowance account, for the remaining construction work associated with the Project at FLL.

During the course of construction, Tutor Perini encountered multiple unforeseen conditions. The proposed increase will address any future Unforeseen Conditions and Stakeholder Changes that may arise for the remainder of the construction contract, allowing staff to immediately address the requested change in a timely manner to maintain the Project timeline. Work will be authorized by use of the CPEAM, which will be issued by the Contract Administrator as deemed necessary, per the terms of the Agreement.

Approval of Motion B increases the Unforeseen Conditions and Stakeholder Changes allowance

account in the amount of \$850,000, increasing the total allowance account from \$6,410,550 to \$7,260,550, and increasing the total Agreement amount from \$50,172,649 to \$51,022,649.

The proposed actions have been reviewed and approved as to form by the Office of the County Attorney.

Source of Additional Information

Mark Gale, A.A.E., CEO/Director of Aviation, (954) 359-6199

Fiscal Impact

Fiscal Impact/Cost Summary

This project is budgeted in the Aviation Department's FLL Capital Fund, 40350.