

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

OFFICE OF THE CITY MANAGER

LTC # **477-2016**

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: November 8, 2016

SUBJECT: **Miami Beach Convention Center Construction Project Update**

The purpose of this LTC is to update the Mayor and City Commission on the Miami Beach Convention Center Renovation and Expansion Project. Financial information provided is through the month of September 2016. Project dashboard is attached as Exhibit A and a corresponding Budget Summary Breakdown is attached as Exhibit B. In addition, narrative updates are as follows:

CURRENT CONSTRUCTION ACTIVITIES

All current construction activities are targeted toward turnover of the building to Art Basel on November 17th for the 2016 art fair:

- North Addition: Continued construction of the east helix (ramp to parking deck) and elevator. Completed the erection of structural steel and deck for the grand ballroom and parking deck; began backup steel framing for the curtain wall. Continued installation of the exterior monumental stair; finalized work in the northwest electrical FPL vault and main switchgear room; Continued loading dock construction and prepared for paving.
- Exhibit Halls A and B: Completed removal of the fire wall between halls A/B and C/D and completed the placement of the transition slab. Pulling electrical cables to floor boxes. Painting walls, and catwalk level areas. Installing drywall column cover wraps. Installing electrical devices and audio speakers.
- East Concourse: Installing stucco, removing temporary plywood protection, and painting on east concourse exterior walls; installing entrance doors; installing drywall all levels; constructing new restrooms; installing precast terrazzo stair treads; installing ceilings in East Kitchen. Installing service corridor sprinkler drops. Continue incorporating overhead/in-wall electrical. Continue installing fire alarm system. Pulling cable for fire alarm and Building Management Systems (BMS), installing aspirator system; placing CAT6 in Telecommunication rooms; pulling cable for power and data; FPL / Mastec working in the southeast electrical vault.
- Site Work: Installed all injection wells for dewatering on Convention Center Drive. Installing Washington Avenue exterior ramps, stairs and sidewalks; Began site cleanup and consolidation of stored materials in anticipation of turnover on November 17th, for Art Basel.

CURRENT SCHEDULE

The project consists of three main phases. The first phase, which concludes with the turnover of the Convention Center to Art Basel for the 2016 show, is in the process of being completed on November 17. On December 9, after the load out period of the event, Phase 2 begins. Over the next 5 months until May 2017, the building will be closed to all events and Clark will prepare the building for the turnover of Phase two areas consisting of the completion of Halls A & B, the east side pre-function concourse, and north loading lock as well as Washington Avenue.

As stated last month, certain construction activities that Clark originally planned to occur in Phase 1 (2016) were deferred until Phase 2 (2017) during the closed period and beyond. To compensate for deferring work, Clark continues to rework its plan to recover time and turn over the east side of the project in May 2017, and then to turn over the entire Convention Center again for the 2017 Art Basel event, and to complete the entire project, (Phase 3) in 2018.

The overall recovery schedule to address the 2018 project completion is still being prepared by Clark and is expected to be submitted and agreed to in December, 2016.

GUARANTEED MAXIMUM PRICE (GMP)

GMP Reconciliation Process

The reconciliation process assesses the difference in cost between the documents used in the preparation of the GMP and the final permitted construction documents. Certain costs are included within the GMP and any owner driven changes will utilize the Owner's Contingency.

As previously reported, the City established a \$29.7 million Construction Manager's contingency and a \$35.0 million Owner's Contingency. As of September 30, Clark estimated that the project needs to utilize approximately \$47 million of the combined \$64.7 million in contingency to reconcile the GMP. The City's independent third party estimator, U.S. Cost, is evaluating the proposals to determine the reasonable cost of each.

Concurrently, the City's design team, Owner's Representative and Consultant are preparing a detailed entitlement analysis to determine whether Clark is entitled to additional compensation. Any additional compensation would be funded out of owner's contingency pursuant to the contract.

Meetings with Clark staff, subcontractors and the project's dispute avoidance panel commenced in September and will continue through early 2017 in an effort to bring closure to the GMP reconciliation process.

Construction Draw

Taking into account direct purchases and payments for the construction, a total of \$144.3 million, or 28.11%, of the total updated GMP amount of \$513.4 million has been paid through September 2016. For a detailed breakdown, refer to Exhibit B (GMP + Direct Purchases Line Item).

Construction Manager's (CM) Contingency

Refer to Exhibit B1 for a summary of the total CM Contingency use to date.

For the month of September, an additional \$1.37 million was utilized to bring the total to \$11.4 million out of the \$29.7 million CM contingency. \$1.35 million were for trade costs and \$14,800 were for general requirement costs. To date, \$1.8 million has been used for trade contract buyout, \$7.9 million for trade costs change orders, and \$1.7 million for general requirements.

As previously discussed in past Project Update LTCs, costs related to the construction of the project that are identified as "interim funding" on Exhibit B1 (Trade Costs) are being audited to determine if they are costs to be borne by the trade contractors, the CM Contingency, or the Owner's Contingency.

Direct Purchase

The City continues its direct purchase of materials for the project, heading toward a budgeted sales tax savings of \$6 million. Through September 30, the City has directly purchased \$55 million in materials resulting in an estimated sales tax savings of \$3.3 million.

There are certain materials that were planned for direct purchase that have not materialized due to a variety of reasons such as risk to the City, risk to the CM, disagreement on purchasing terms, and disagreement on early deposit requirements. The team is in the process of reassessing the direct purchase budget. Any shortfalls in realization of direct purchase savings would be funded by project contingencies or other resources available pursuant to the contract.

OWNER COSTS

A total of \$43.8 million, or 65.81%, of the owner cost budget has been expended to date. For a full detailed breakdown of the owner costs, refer to Exhibit B.

OWNER CONTINGENCY

A total of \$34.5K of the available owner contingency of \$35.9 million has been utilized. For a full detailed breakdown, refer to Exhibit B2.

OVERALL COSTS

From an overall project perspective, \$188.1 million, or 32.44%, has been spent on the \$615.9 million project.

LOCAL HIRE

Clark Construction continues their commitment to maximizing workforce opportunities for City of Miami Beach and Miami-Dade County residents. A total of 2,543 workers have been employed by the project. This includes all certified payroll from October 2015 to September 30, 2016. The labor force includes full-time, part-time, and temporary labor and also includes daytime and nighttime shifts.

Attached, as Exhibit C, is a summary of the local hiring efforts to date, for Clark and its subcontractors. The current report shows a summary of all employees on the project thus far, sorted by zip code. Clark is currently 63.27% local hire by individual (Miami Beach, with a total of 27 employees, and Miami-Dade County with a total of 1,582).

PUBLIC INFORMATION

During the month of September the City's communications efforts were focused on Zika virus information and alerts. Due to this, all social media postings for the project were limited to traffic advisories and construction updates only. A weekly advisory was sent on the City's social media outlets including Twitter, Facebook, and Constant Contact. Attached as Exhibit D is an example of one of the four posts.

If there are any questions, please do not hesitate to contact myself or Maria Hernandez at Extension 2584.

Attachments:

Exhibit A – Project Dashboard and Site Photos

Exhibit B – Budget Summary Breakdown

Exhibit B1 – Contractor Contingency Log

Exhibit B2 – Owner Contingency Log

Exhibit C – Clark Construction Local Hiring Summary

Exhibit D – Public Outreach Report

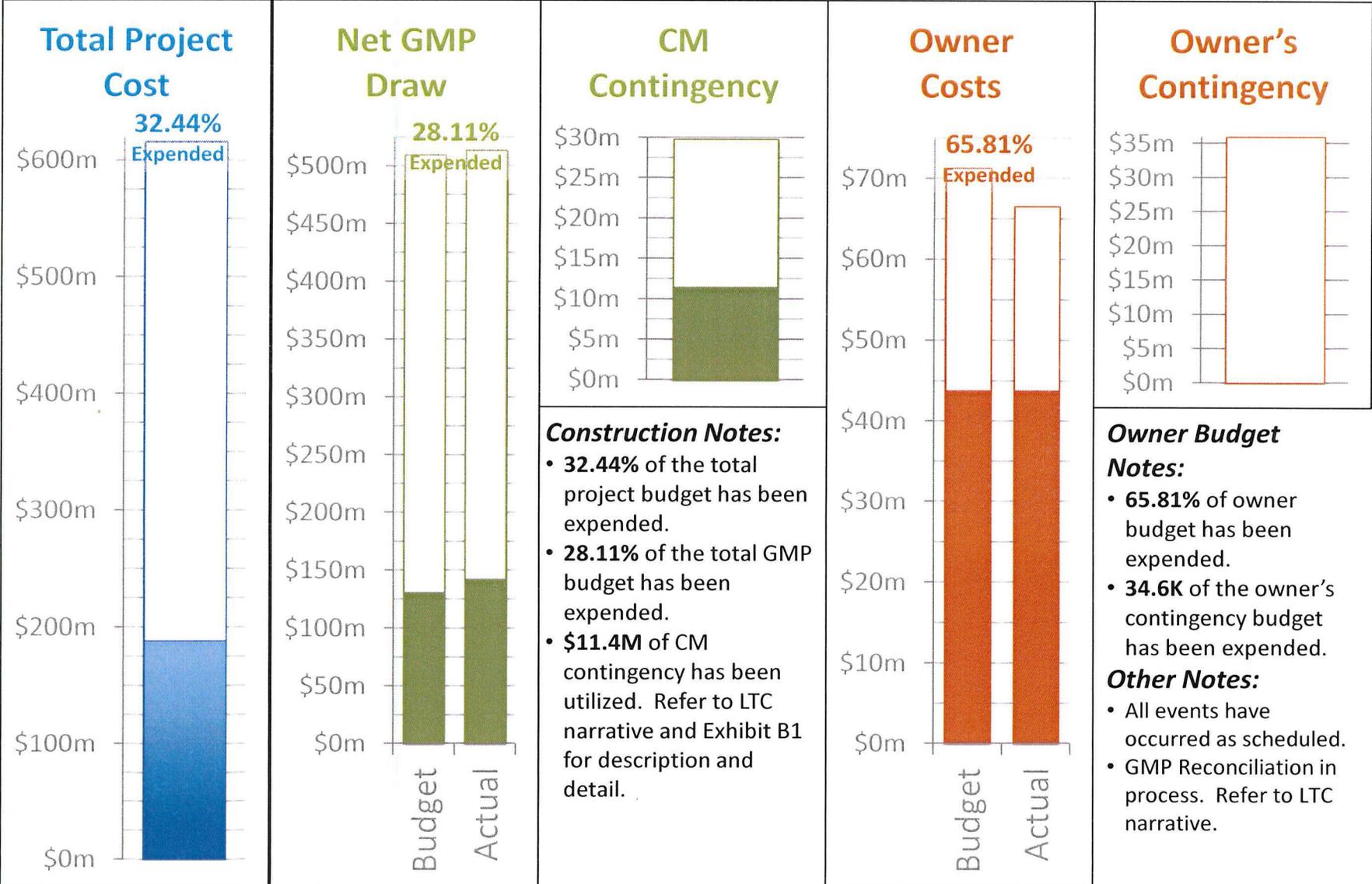
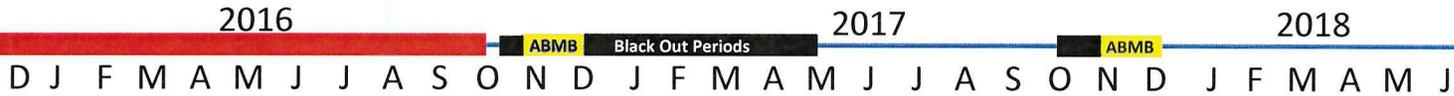
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Convention Center Renovation & Expansion Project Dashboard

September, 2016

EXHIBIT A



Convention Center Renovation & Expansion Project Dashboard

September 30, 2016

EXHIBIT A



O-071.01
Helix 1.06.02 – View E from Grids R & 4.8



O-071.02
Stair 1.07.01 – View S from Grids 4 & Q.18



O-071.03
East Area 21 Ramp – View SW from G's 18 & U



O-071.04
NE Loading Ramp – View S from G's P.64 & 3.68



O-071.05
Hall A – View E from Grids P.35 & 8



O-071.06
(E) Open St 1.16.01 – View S from G's 13.6 & S.75



O-071.07
Existing RR 2.06.05 – View W from Grids T & 7.32



O-071.08
Meeting R 2.26.10 – View W from G's S.61 & 24



O-071.09
Meet 2.21.10 & 11 – View SW from G's 21.44 & S.6



Convention Center Renovation & Expansion Project Dashboard

September 30, 2016

EXHIBIT A



O-072.01
Helix 1.06.02 – View NW from Grids 4 & S.1



O-072.02
Helix 1.06.02 – View S from Grids Q.31 & 3



O-072.03
NE ADA Site Ramp – View S from Grids 7 & U



O-072.04
NE Site Steps – View S from Grids 8.32 & U



O-072.05
Hall A – View NW from Grids P & 10



O-072.06
East Conc Area 16 – View S from Grids 14 & T



O-072.07
Existing RR 2.06.06 – View E from Grids 7.6 & S.32



O-072.08
Stair 1.16.03 – View W from Grids S.38 & 14.5



O-072.09
East Conc L1 – View NE from Grids 23.33 & R

EXHIBIT B

Miami Beach Convention Center Expansion & Renovation Project

| Approved Budget | | | | Dashboard Summary | | | | |
|--|-------------------------------|----------------|--------------------|---------------------------------|------------------------|----------------------|---------------|----------------------|
| | 10/7/15 Original Budget | % Total | Budget Variance | Current Forecasted Budget | Current Budget % | Current Expenses | % Spent | Balance Remaining |
| Trade Costs | \$410,205,803 | 66.62% | 1,695,299 | \$411,901,102 | 66.88% | | | \$411,901,102 |
| Direct Purchase | 0 | 0.00% | -55,031,445 | -55,031,445 | -8.94% | | | -55,031,445 |
| Storm Water Drainage Culvert | 0 | 0.00% | 3,309,692 | 3,309,692 | 0.54% | | | |
| Change Orders | 0 | 0.00% | 7,575,961 | 7,575,961 | 1.23% | | | 7,575,961 |
| Subtotal | 410,205,803 | 66.62% | -42,450,492 | 367,755,311 | 59.71% | 99,785,666 | 27.13% | 364,445,619 |
| Contractor Soft Costs | | | | | | | | |
| General Conditions (Clark Staffing) | 24,465,886 | 3.97% | 0 | 24,465,886 | 3.97% | 8,260,000 | 33.76% | 16,205,886 |
| General Requirements | 14,760,103 | 2.40% | 1,671,882 | 16,431,985 | 2.67% | 5,957,187 | 36.25% | 10,474,798 |
| Payment & Performance Bond | 3,708,000 | 0.60% | -677,185 | 3,030,815 | 0.49% | 3,029,459 | 99.96% | 1,356 |
| GL Insurance | 1,807,650 | 0.29% | 54,290 | 1,861,940 | 0.30% | 559,684 | 30.06% | 1,302,257 |
| CMr Fees (3.8%) | 17,288,003 | 2.81% | 547,449 | 17,835,452 | 2.90% | 4,826,553 | 27.06% | 13,008,899 |
| CCIP GL Wrap | 0 | 0.00% | 4,740,576 | 4,740,576 | 0.77% | 4,740,576 | 100.00% | 0 |
| CM Contingency | 29,747,613 | 4.83% | -11,453,293 | 18,294,320 | 2.97% | 148,999 | 0.81% | 18,145,321 |
| Base GMP | 501,983,058 | 81.53% | -47,566,773 | 454,416,285 | 73.78% | 127,308,124 | 28.02% | 423,584,136 |
| Other GMP Items (Including all mark ups) | | | | | | | | |
| P-Lot Park (allowance) | 10,000,000 | 1.62% | 0 | 10,000,000 | 1.62% | 0 | 0.00% | 10,000,000 |
| Storm water Drainage Culvert | 3,475,000 | 0.56% | -3,475,000 | 0 | 0.00% | 0 | 0.00% | 0 |
| Subtotal | 13,475,000 | 2.19% | -3,475,000 | 10,000,000 | 1.62% | 0 | 0.00% | 10,000,000 |
| Total GMP (Clark) | 515,458,058 | 83.72% | -51,041,773 | 464,416,285 | 75.41% | 127,308,124 | 27.41% | 433,584,136 |
| Direct Purchase Tax Savings | -6,000,000 | -0.97% | 0 | -6,000,000 | -0.97% | 0 | 0.00% | -6,000,000 |
| Total Net GMP | 509,458,058 | 82.74% | -51,041,773 | 458,416,285 | 74.43% | 127,308,124 | 27.77% | 427,584,136 |
| Direct Purchases | 0 | 0.00% | 55,031,445 | 55,031,445 | 8.94% | 17,032,118 | 30.95% | 37,999,327 |
| GMP + Direct Purchases | 509,458,058 | 82.74% | 3,989,672 | 513,447,730 | 83.37% | 144,340,242 | 28.11% | 465,583,463 |
| Owner's Cost | | | | | | | | |
| City Staffing & Expenses | 1,561,000 | 0.25% | 793,318 | 2,354,318 | 0.38% | 1,107,228 | 47.03% | 1,247,090 |
| Consultant Fees (SAG) | 1,047,725 | 0.17% | 0 | 1,047,725 | 0.17% | 881,999 | 84.18% | 165,726 |
| Owner's Rep (Hill) | 5,585,673 | 0.91% | 0 | 5,585,673 | 0.91% | 2,086,128 | 37.35% | 3,499,545 |
| Design Fees (Fentress) | 26,669,442 | 4.33% | 470,096 | 27,139,538 | 4.41% | 24,010,598 | 88.47% | 3,128,940 |
| Owner's Cost Estimator (US Cost) | 400,030 | 0.06% | 66,448 | 466,478 | 0.08% | 465,696 | 99.83% | 782 |
| Pre GMP CM Fee (Clark) | 2,594,073 | 0.42% | 0 | 2,594,073 | 0.42% | 1,556,444 | 60.00% | 1,037,629 |
| Testing & Inspections | 2,328,943 | 0.38% | 0 | 2,328,943 | 0.38% | 532,575 | 22.87% | 1,796,368 |
| Permit & Plan Reviews | 2,400,000 | 0.39% | 0 | 2,400,000 | 0.39% | 1,901,614 | 79.23% | 498,386 |
| Other | 783,526 | 0.13% | 1,700,882 | 2,484,408 | 0.40% | 473,929 | 19.08% | 2,010,479 |
| Other - Legal / DAP Board | 63,515 | 0.01% | 150,000 | 213,515 | 0.03% | 87,318 | 40.90% | 126,197 |
| Other - Spectra | 0 | 0.00% | 500,000 | 500,000 | 0.08% | 246,591 | 49.32% | 253,409 |
| Public Art (AIPP) | 6,900,000 | 1.12% | 160,797 | 7,060,797 | 1.15% | 7,060,797 | 100.00% | 0 |
| MBCC FF&E | 6,830,945 | 1.11% | 250,000 | 7,080,945 | 1.15% | 0 | 0.00% | 7,080,945 |
| Insurance: | | | | | | | | |
| OCIP GL Wrap | 9,000,000 | 1.46% | -9,000,000 | 0 | 0.00% | 0 | 0.00% | 0 |
| Builder Risk/Building (net) | 1,600,000 | 0.26% | -450,000 | 1,150,000 | 0.19% | 2,587,503 | 225.00% | -1,437,503 |
| Professional Liability Umbrella | 1,000,000 | 0.16% | -382,117 | 617,883 | 0.10% | 617,883 | 100.00% | 0 |
| Carl Fisher Renovation Allowance | 2,500,000 | 0.41% | 1,000,000 | 3,500,000 | 0.57% | 162,400 | 4.64% | 3,337,600 |
| Subtotal | 71,264,872 | 11.57% | -4,740,576 | 66,524,296 | 10.80% | 43,778,702 | 65.81% | 22,745,594 |
| Total Without Owner's Contingency | 580,722,930 | 94.32% | -750,904 | 579,972,026 | 94.17% | 188,118,944 | 32.44% | 456,329,730 |
| Owner's Contingency | 35,000,000 | 5.68% | 898,353 | 35,898,353 | 5.83% | 0 | 0.00% | 35,898,353 |
| Total Owner's Contingency | 35,000,000 | 5.68% | 898,353 | 35,898,353 | 5.83% | 0 | 0.00% | 35,898,353 |
| Total Budget With Owner's Contingency | \$615,722,930 | 100.00% | \$147,449 | \$615,870,379 | 100.0% | \$188,118,944 | 32.44% | \$492,228,083 |

1. The property insurance portion of the Builders Risk policy to be reimbursed \$2,000,004 by CMB Risk Dept.
2. The bond offering resulted in additional proceeds that were not included in the original budget. This amount has been added to the Owner's Contingency.
3. A portion of the savings from insurance was allocated to AiPP to provide for actual costs. Pursuant to Sec. 82-587 of the CMB Code, the total amount allocated to AiPP has been transferred to the Art in Public Places Fund.
4. The remaining insurance savings is temporarily allocated to "Other" until other budget line items are refined.
5. Insurance Savings as a result of implementing a CCIP (Contractor Controlled Insurance Program) rather than an OCIP (Owner Controlled Insurance Program)
6. A portion of the savings from insurance was allocated to City Staffing to cover costs from Fiscal Year 2014 through December 2018. The previous budget estimate included only Fiscal Years 2015 through part of 2018.
7. Additional Cost Estimating services to support GMP reconciliation negotiations with Construction Manager – Clark Construction.
8. Savings from Clark Bond on Direct Purchases executed to date. These savings are added to Owner's Contingency.
9. \$4.7M in general liability insurance was originally to be purchased directly by the owner, but was actually purchased by the contractor. Also refer to Footnote No. 5.
10. Total use of Contractor Contingency to Date. Refer to Exhibit B1 for detailed summary.
11. Additional design fees required for re-grading of streets, GMP reconciliation services, and future design contingency replenishment.
12. Additional Costs for Dispute Avoidance Panel and outside legal counsel.
13. Moving expenses, parking fees and other expenses for relocation of building operator for approximately 18 months.
14. Costs for additional lift equipment for curtainwall maintenance not originally budgeted.
15. Estimate for raising the building to account for sea level rise, not previously accounted for.
16. Total use of Owner Contingency to Date. Refer to Exhibit B2 for detailed summary.

EXHIBIT B1
Miami Beach Convention Center Expansion & Renovation Project
Construction Manager's (CM) Contingency Report
Through September 2016

SUMMARY

Total CM Contingency **\$29,747,613.00**

USES

| | |
|-------------|-----------------|
| May 2016 ** | \$ 3,516,099.28 |
| Jun 2016 | \$ 3,539,694.47 |
| Jul 2016 | \$ 2,345,812.72 |
| Aug 2016 | \$ 678,014.32 |
| Sep 2016 | \$ 1,373,672.21 |
| Oct 2016 | |
| Nov 2016 | |
| Dec 2016 | |
| Total Uses | 11,453,293.00 |

REMAINING CM CONTINGENCY

\$18,294,320.00

Trade Contract Buyout

| MONTH | SUBCONTRACTOR | DESCRIPTION | AMOUNT | MARK-Ups* | TOTAL COST |
|------------------------------|-------------------------|----------------------------------|-----------------------|--------------------|-----------------------|
| MAY | ACOUSTI | Temporary Walls | \$1,706,560.00 | \$84,734.24 | \$1,791,294.24 |
| MAY | ALPHA DEMO | Demolition | -203,020.00 | -10,080.36 | -213,100.36 |
| MAY | AMERICAN FIRE PROFF | Spray Fireproofing | -177,812.00 | -8,828.73 | -186,640.73 |
| MAY | BANKER | Structural Steel | -334,138.00 | -16,590.64 | -350,728.64 |
| MAY | BARING INDUSTRIES | Food Service | 33,244.00 | 1,650.63 | 34,894.63 |
| MAY | CAMARATA | Masonry | -171,200.00 | -8,500.43 | -179,700.43 |
| MAY | CDPW | Dewatering | -118,399.00 | -5,878.76 | -124,277.76 |
| MAY | DAVID ALLEN | Tile | -142,590.00 | -7,079.89 | -149,669.89 |
| MAY | DUFFY & LEE | Carpet | -19,965.00 | -991.30 | -20,956.30 |
| MAY | FORD AV | Audio/Visual | -10,642.00 | -528.40 | -11,170.40 |
| MAY | HAYWOOD BAKER | Soil Stabilization | 434,185.00 | 21,558.18 | 455,743.18 |
| MAY | HONEYWELL | Low Voltage | -713,361.00 | -35,419.85 | -748,780.85 |
| MAY | HUFCOR | Operable Partions | -267,272.00 | -13,270.61 | -280,542.61 |
| MAY | ISEC | Expansion Joints | 160,317.00 | 7,960.07 | 168,277.07 |
| MAY | JAFFER | Dewatering - Wells | 1,421.00 | 70.56 | 1,491.56 |
| MAY | * NASH | Dewatering - Underground Utility | 95,531.00 | 4,743.31 | 100,274.31 |
| MAY | NFP | Fire Suppression | -102,500.00 | -5,089.34 | -107,589.34 |
| MAY | RITE HITE | Loading Dock | -6,600.00 | -327.70 | -6,927.70 |
| MAY | R&M | Structural Concrete | 1,115,752.00 | 55,399.40 | 1,171,151.40 |
| MAY | SPECIFIED ARCH SYS | Operable Partions | -4,568.00 | -226.81 | -4,794.81 |
| MAY | TECTA | Roofing | 9,075.00 | 450.59 | 9,525.59 |
| MAY | TRIDENT | Resilient Flooring | -25,560.00 | -1,269.11 | -26,829.11 |
| MAY | WON DOOR | Operable Doors | 5,650.00 | 280.53 | 5,930.53 |
| MAY | WPM | Site Civil | 1,164,378.00 | 57,813.78 | 1,222,191.78 |
| | SUBTOTAL | | 2,428,486.00 | 120,579.36 | 2,549,065.36 |
| JUNE | WPM | Site Civil | -429,292.00 | -21,315.24 | -450,607.24 |
| | SUBTOTAL | | -862,646.00 | -42,832.16 | -905,478.16 |
| JULY | ACOUSTI | Temporary Walls | 4,480.00 | 222.44 | 4,702.44 |
| JULY | AERIAL PHOTOGRAPHY INC. | Aerial Job Site Photos | 43.00 | 2.14 | 45.14 |
| JULY | GEOSYNTEC | Environmental Consultant | 5,800.00 | 287.98 | 6,087.98 |
| JULY | MICHEAL WOOD | FDEP Consultant | 10,200.00 | 506.45 | 10,706.45 |
| JULY | MODSPACE | Owner Trailer | -3,197.00 | -158.74 | -3,355.74 |
| JULY | GOAL ASSOCIATES | MOT | 46,500.00 | 2,308.82 | 48,808.82 |
| JULY | SMITH FENCE | Fencing | -367.00 | -18.22 | -385.22 |
| JULY | TR PERMITTING | Permitting | 66,000.00 | 3,277.04 | 69,277.04 |
| | SUBTOTAL | | 129,459.00 | 6,427.91 | 135,886.91 |
| AUGUST | NO CHANGES | | 0.00 | 0.00 | 0.00 |
| | SUBTOTAL | | 0.00 | 0.00 | 0.00 |
| TOTAL SINCE INCEPTION | | | \$1,695,299.00 | \$84,175.11 | \$1,779,474.11 |

Trade Costs

| MONTH | SUBCONTRACTOR | DESCRIPTION | AMOUNT | MARK-Ups* | TOTAL COST |
|-----------------|--------------------------|--|---------------------|-------------------|---------------------|
| MAY | Baring Industries | Temporary Kitchen | \$321,004.66 | \$0.00 | \$321,004.66 |
| MAY | * CDPW | Cost associated with dewatering due to the tremmie seal pumping water disposal - Initial set up and monthly disposals. | 186,092.37 | 9,239.87 | 195,332.24 |
| MAY | * HAYWOOD BAKER | Additional costs for soil stabilization at the northwest Florida Power & Light vault that was unable to be quantified at the time of GMP. | 23,000.00 | 1,142.00 | 24,142.00 |
| MAY | * HJ FOUNDATION | Additional costs for soil stabilization at the northwest Florida Power & Light vault that was unable to be quantified at the time of GMP. | 33,846.80 | 1,680.56 | 35,527.36 |
| MAY | * HJ FOUNDATION | Additional costs for soil stabilization at the northwest Florida Power & Light vault that was unable to be quantified at the time of GMP. | 38,823.07 | 1,927.65 | 40,750.72 |
| MAY | Honeywell | Building Separation | 289,721.73 | | 289,721.73 |
| SUBTOTAL | | | 892,488.63 | 13,990.08 | 906,478.71 |
| JUNE | ACOUSTI | Additional costs for the mechanical fastening of the insulation due to inability to remove via air compressors by demo subcontractor | 300,000.00 | 14,895.62 | 314,895.62 |
| JUNE | ALPHA WRECKING | INTERM FUNDING - costs associated with extended dump hours, additional demolition or parapet walls, structural members and block removal | 420,000.00 | 20,853.87 | 440,853.87 |
| JUNE | BARRING INDUSTRIES | Cost reallocated to CM expense | -321,004.66 | 0.00 | -321,004.66 |
| JUNE | CDPW | Cost associated with dewatering due to the tremmie seal pumping water disposal - monthly expenses and contaminated water fees. | 89,312.00 | 4,434.53 | 93,746.53 |
| JUNE | HARMON | INTERM FUNDING - Costs associated with the design and engineering associated with modifications to the exterior of the building | 160,000.00 | 7,944.33 | 167,944.33 |
| JUNE | HONEYWELL | Cost reallocated to CM expense | -289,721.73 | 0.00 | -289,721.73 |
| JUNE | HJ FOUNDATION | INTERM FUNDING - Costs for work in place associated with the additional piles and ties from the design completion | 141,000.00 | 7,000.94 | 148,000.94 |
| JUNE | JAFFER | INTERM FUNDING - Costs associated with the 3 additional dewatering required for the project | 85,000.00 | 4,220.43 | 89,220.43 |
| JUNE | NASH | Additional dewatering costs associated with the temporary FPL ductbank being routed from Washington Ave to NW FPL Vault | 221,426.00 | 10,994.26 | 232,420.26 |
| JUNE | NASH | INTERM FUNDING - Costs associated with work in place for replacement of the existing restrooms, misc material changes to the sanitary, storm and chilled water systems made during design completion, and new duct Heaters | 500,000.00 | 24,826.04 | 524,826.04 |
| JUNE | NATIONAL FIRE PROTECTION | INTERM FUNDING - Costs associated with work in place for the implementation and installation of the higher density sprinklers requested by the AHJ | 400,000.00 | 19,860.83 | 419,860.83 |
| JUNE | ROBINS & MARTIN | INTERM FUNDING - Costs for completed work for tremmie seals as requested by CM and rebar bending; costs for work in place including structural changes to the vault, shearwalls, footings and elevated beams. | 2,000,000.00 | 99,304.14 | 2,099,304.14 |
| SUBTOTAL | | | 3,706,011.61 | 214,334.98 | 3,920,346.59 |
| JULY | ALPHA WRECKING | INTERM FUNDING - costs associated with | 330,000.00 | 16,385.18 | 346,385.18 |
| JULY | ALPHA WRECKING | Deletion of scope for the removal of the insulation. | -396,962.00 | -19,709.99 | -416,671.99 |
| JULY | CAMARATA | Deletion of integral water repellent per contract | -163,000.00 | -8,093.29 | -171,093.29 |

| | | | | | |
|-------------------------------------|-------------------|---|------------------------------|----------------------------|------------------------------|
| JULY | FL CIVIL | Dewatering permit | 23,452.21 | 1,164.45 | 24,616.66 |
| JULY | MC DEAN | INTERM FUNDING -FPL ductbank | 250,000.00 | 12,413.02 | 262,413.02 |
| JULY | MC DEAN | INTERM FUNDING - Costs for completed work for electrical changes to the FPL vaults and camera infrastructure. | 500,000.00 | 24,826.04 | 524,826.04 |
| JULY | ROBINS & MARTIN | INTERM FUNDING - Costs for completed work for structural changes to the vault, shearwalls, footings and elevated beams. | 700,000.00 | 34,756.45 | 734,756.45 |
| JULY | WPM / R&M | FINE GRADING - SCOPE CHANGE | -766.71 | -38.07 | -804.78 |
| <u>SUBTOTAL</u> | | | <u>1,242,723.50</u> | <u>61,703.80</u> | <u>1,304,427.30</u> |
| AUGUST | JAFFER | ADDITIONAL DRAINAGE WELLS - PHASE 2 | 358,500.00 | 17,800.27 | 376,300.27 |
| AUGUST | TRU-STEEL | MISCELLANEOUS METALS SCOPE | 50,000.00 | 2,482.60 | 52,482.60 |
| <u>SUBTOTAL</u> | | | <u>408,500.00</u> | <u>20,282.87</u> | <u>428,782.87</u> |
| SEPTEMBER | HONEYWELL | INTERIM FUNDING - Engineering | 200,000.00 | 9,930.41 | 209,930.41 |
| SEPTEMBER | HONEYWELL | INTERIM FUNDING - (Not billed) | 250,000.00 | 12,413.02 | 262,413.02 |
| SEPTEMBER | ACOUSTI | INTERIM FUNDING - Additional drywall scope | 500,000.00 | 24,826.04 | 524,826.04 |
| SEPTEMBER | ALPHA | INTERIM FUNDING - credit for moneys paid under OCO #35 | -42,821.00 | -2,126.15 | -44,947.15 |
| SEPTEMBER | ALPHA | INTERIM FUNDING - additional demo scope | 42,821.00 | 2,126.15 | 44,947.15 |
| SEPTEMBER | R&M | SCOPE GAP - Additional labor for floor boxes formwork | 69,998.00 | 3,475.55 | 73,473.55 |
| SEPTEMBER | BANKER | SCOPE CHANGE - Cutting out grating for new AHU | 152,037.00 | 7,548.95 | 159,585.95 |
| SEPTEMBER | ACOUSTI | TEMP EXT IMPACT PARTITION - GR | 87,061.00 | 4,322.76 | 91,383.76 |
| SEPTEMBER | FIRE EXTINGUISHER | SCOPE GAP - Installation for FEC with NFP/Mardale | 35,513.00 | 1,763.29 | 37,276.29 |
| <u>SUBTOTAL</u> | | | <u>1,294,609.00</u> | <u>64,280.02</u> | <u>1,358,889.02</u> |
| <u>TOTAL SINCE INCEPTION</u> | | | <u>\$7,544,332.74</u> | <u>\$374,591.75</u> | <u>\$7,918,924.49</u> |

General Requirements

| MONTH | SUBCONTRACTOR | DESCRIPTION | AMOUNT | MARK-Ups* | TOTAL COST |
|------------------------------|---|--|-----------------------|--------------------|-----------------------|
| MAY | * GEOSYNTEC | DERM APPROVAL | \$57,690.75 | \$2,864.47 | \$60,555.22 |
| SUBTOTAL | | | 57,690.75 | 2,864.47 | 60,555.22 |
| JUNE | LIFE SAFETY | Costs associated with the separation and life safety costs | 500,000.00 | 24,826.04 | 524,826.04 |
| SUBTOTAL | | | 500,000.00 | 24,826.04 | 524,826.04 |
| JULY | ACOUSTI | Procurement reallocation from CM for temporary wall | 132,953.01 | 6,601.39 | 139,554.40 |
| JULY | BISCAYNE ENGINEERING | Procurement reallocation from CM for Surveying | 75,000.00 | 3,723.91 | 78,723.91 |
| JULY | GEOSYNTEC | Procurement reallocation from CM for NPDES PERMITS | 13,348.06 | 662.76 | 14,010.82 |
| JULY | GEOSYNTEC | Procurement reallocation from CM for NPDES PERMITS | 88,355.59 | 4,387.04 | 92,742.63 |
| JULY | HURRICANE PROTECTION | Procurement reallocation from CM for Hurricane Preparation | 50,000.00 | 2,482.60 | 52,482.60 |
| JULY | MICHEAL WOOD | Procurement reallocation from CM for FDEP PERMITS | 3,192.90 | 158.53 | 3,351.43 |
| JULY | MODSPACE | Procurement reallocation from CM for Owner Trailer | 30,893.69 | 1,533.94 | 32,427.63 |
| JULY | OWNER COST | Reallocation from CM for Life Safety expenses (ie Fire Watch) | 320,922.14 | 15,934.45 | 336,856.59 |
| JULY | OWNER - Fentress Architects Onsite Visits | CM expense for additional Design Team site visits and alternate design configurations | 148,000.00 | 7,348.51 | 155,348.51 |
| SUBTOTAL | | | 862,665.39 | 42,833.12 | 905,498.51 |
| AUGUST | BISCAYNE ENGINEERING | Procurement reallocation from CM for additional Surveying | 150,000.00 | 7,447.81 | 157,447.81 |
| AUGUST | VALLEY FIELD | Cost for the repair of damaged irrigation lines at Filmore | 1,538.00 | 76.36 | 1,614.36 |
| AUGUST | OWNER COST | Reallocation from CM for Life Safety expenses (ie Fire Watch) | -320,922.14 | -15,934.45 | -336,856.59 |
| AUGUST | OWNER COST | Reallocation from CM for Life Safety expenses (ie Fire Watch) | 370,138.10 | 18,378.12 | 388,516.22 |
| AUGUST | BRAND ENERGY | Procurement reallocation from CM for SCAFFOLDING | 35,689.00 | 1,772.03 | 37,461.03 |
| AUGUST | OWNER - Fentress Architects Onsite Visits | CM expense for additional Design Team site visits and alternate design configurations - ERROR | -148,000.00 | -7,348.51 | -155,348.51 |
| AUGUST | OWNER - Fentress Architects Onsite Visits | CM expense for additional Design Team site visits and alternate design configurations - ACTUAL | 148,999.00 | 7,398.11 | 156,397.11 |
| SUBTOTAL | | | 237,441.96 | 11,789.49 | 249,231.45 |
| SEPTEMBER | OWNER COST | Reallocation from CM for Life Safety expenses (ie Fire Watch) | -370,138.10 | -18,378.12 | -388,516.22 |
| SEPTEMBER | OWNER COST | Reallocation from CM for Life Safety expenses (ie Fire Watch) | 391,261.00 | 19,426.92 | 410,687.92 |
| SEPTEMBER | MICHEAL WOOD | Procurement reallocation from CM for FDEP PERMITS | 10,080.00 | 500.49 | 10,580.49 |
| SEPTEMBER | BRAND ENERGY | Procurement reallocation from CM for SCAFFOLDING | -35,689.00 | -1,772.03 | -37,461.03 |
| SEPTEMBER | GLE | HAZ-MAT SURVEY WEST CONCOURSE | 18,570.00 | 922.04 | 19,492.04 |
| SUBTOTAL | | | 14,083.90 | 699.29 | 14,783.19 |
| TOTAL SINCE INCEPTION | | | \$1,671,882.00 | \$83,012.40 | \$1,754,894.40 |

TOTALS

| | | | |
|---------------------------------|------------------------|---------------------|------------------------|
| Buyout | \$1,695,299.00 | \$84,175.11 | \$1,779,474.11 |
| Trade Costs | 7,544,332.74 | 374,591.75 | 7,918,924.49 |
| General Requirements | 1,671,882.00 | 83,012.40 | 1,754,894.40 |
| Total CM Contingency Use | \$10,911,513.74 | \$541,779.26 | \$11,453,293.00 |

* Mark ups include insurance, bond and CM fees.

**May amounts are \$156,070 lower than reported in May due to the reconciliation/audit process.

EXHIBIT B2
Miami Beach Convention Center Expansion & Renovation Project
Owner's Contingency Report
Through September 2016

SUMMARY

| | |
|--|-------------------------------|
| ORIGINAL OWNER'S CONTINGENCY | \$35,000,000.00 |
| | |
| MODIFICATIONS (ADDS) | |
| Bond offering additional proceeds | \$147,449.00 |
| DPO Payment & Performance Bond Savings | <u>\$785,501.16</u> |
| Total Modifications | <u>\$932,950.16</u> |
| | |
| CLARK CHANGE ORDERS | |
| Jun 2016 | \$ (4,630.28) |
| Jul 2016 | \$ - |
| Aug 2016 | \$ (29,967.01) |
| Sep 2016 | |
| Oct 2016 | |
| Nov 2016 | |
| Dec 2016 | |
| Total Change Orders | <u>\$ (34,597.29)</u> |
| | |
| TOTAL CONTINGENCY USE | \$ 898,352.87 |
| | |
| REMAINING OWNER'S CONTINGENCY | <u>\$35,898,352.87</u> |

Clark Change Orders

| MONTH | CHANGE ORDER # | DESCRIPTION | Trade Cost | Mark-ups | AMOUNT |
|------------------------------|----------------|--|------------------------|----------------------|----------------------------|
| JUNE | 32 | Deductive change order against CM's contingency for extra site visits by design team | - | - | \$ 148,999.00 ¹ |
| JUNE | 34 | Deductive change order against's CM's fee for design remediation work | - | - | \$ 6,000.00 ² |
| JUNE | 35 | New fire rated 2nd floor service corridor wall | (107,849.83) | (5,354.97) | \$ (113,204.80) |
| JUNE | 36 | New construction fence panels | (44,228.45) | (2,196.03) | \$ (46,424.48) |
| SUBTOTAL | | | \$ (152,078.28) | \$ (7,551.00) | \$ (4,630.28) |
| AUGUST | 40 | New 8" sanitary sewer line on Washington Avenue | (28,549.47) | (1,417.54) | \$ (29,967.01) |
| SUBTOTAL | | | \$ (28,549.47) | \$ (1,417.54) | \$ (29,967.01) |
| TOTAL SINCE INCEPTION | | | \$ (180,627.75) | \$ (8,968.54) | \$ (34,597.29) |

1. Credit to Owner Contingency from CM Contingency in month of August.
2. Credit to Owner Contingency from CM Fee.

EXHIBIT C



CLARK - #113451 - MIAMI BEACH CONVENTION CTR LOCAL WORKER UTILIZATION REPORT BY PROJECT

Project: #113451 - Miami Beach Convention Center
 Project Code: 2015-29028
 Contractor(s): Multiple Contractors
 Craft(s): Multiple Crafts

From Date: 10/1/2015
 To Date: 9/30/2016

| Area | Total Number of Workers | % of Total Workers | Total Hours Worked | % of Total Hours Worked | Wages w/ Benefits | Wages w/o Benefits | Number of Apprentices | Number of Journeymen | Number of Foreman | Number of Owner Operators | Number of Super |
|--------------------------------------|-------------------------|--------------------|--------------------|-------------------------|---------------------|---------------------|-----------------------|----------------------|-------------------|---------------------------|-----------------|
| Zip Lists | | | | | | | | | | | |
| Miami Beach | 27 | 1.06 % | 10,699 | 1.30 % | \$266,001 | \$257,384 | 1 | 26 | 0 | 0 | 0 |
| Miami Dade County | 1,582 | 62.21 % | 454,715 | 55.16 % | \$9,871,018 | \$9,264,361 | 62 | 1,521 | 0 | 0 | 0 |
| Employees Not In Specified Zip Lists | 934 | 36.73 % | 358,927 | 43.54 % | \$10,506,863 | \$9,372,174 | 37 | 898 | 0 | 1 | 0 |
| Demographic Profile | | | | | | | | | | | |
| African American | 520 | 20.45 % | 139,064 | 16.87 % | \$2,395,658 | \$2,316,219 | 18 | 502 | 0 | 0 | 0 |
| Native American | 2 | 0.08 % | 404 | 0.05 % | \$9,707 | \$9,407 | 1 | 1 | 0 | 0 | 0 |
| Asian | 7 | 0.28 % | 507 | 0.06 % | \$12,962 | \$12,703 | 0 | 7 | 0 | 0 | 0 |
| Hispanic | 1,065 | 41.88 % | 341,577 | 41.44 % | \$8,026,412 | \$7,750,153 | 10 | 1,055 | 0 | 0 | 0 |
| Caucasian | 322 | 12.66 % | 92,976 | 11.28 % | \$2,959,566 | \$2,488,047 | 13 | 308 | 0 | 1 | 0 |
| Other | 627 | 24.66 % | 249,813 | 30.30 % | \$7,239,577 | \$6,317,390 | 58 | 572 | 0 | 0 | 0 |
| Male | 2,461 | 96.78 % | 803,016 | 97.41 % | \$20,142,181 | \$18,464,217 | 100 | 2,363 | 0 | 1 | 0 |
| Female | 82 | 3.22 % | 21,325 | 2.59 % | \$501,701 | \$429,703 | 0 | 82 | 0 | 0 | 0 |
| Total Employees | 2,543 | | 824,341 | | \$20,643,882 | \$18,893,919 | 100 | 2,445 | 0 | 1 | 0 |



September 2016 - Social Media/Newsletter Report

Miami Beach Convention Center Renovation Project

Social Media Posts were suspended due to Zika Outreach.

Newsletter & Infographic: Sent via Mail Chimp



Miami Beach Convention Center Renovation & Expansion Project

Upcoming Construction Detours Ahead

August 30, 2016

What's New:

On Tuesday, August 23, 2016, FPL began work along Washington Avenue which requires a road closure between 20 Street and Dade Boulevard. Motorists have been detoured through 20 Street to Park Avenue. All signs have been clearly marked. This closure will last approximately two weeks.

Increase of noise will occur at various locations during the duration of the project. The contractor has implemented noise reduction measures to minimize the impact to the community.

Work Hours:

Work hours on this project are from 7 a.m. to 9 p.m., Monday through Friday. Extended work hours and weekend work is approved in order to expedite the construction schedules.

This schedule may change due to inclement weather and/or any other unforeseen circumstances.

