



**Joseph M. Centorino**, Inspector General

December 14, 2020

TO: Honorable Mayor and Members of the City Commission  
FROM: Joseph Centorino, Inspector General  
  
RE: Inspector General G.O. Bond Third Quarterly Report  
OIG No. 21-12

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## **INTRODUCTION**

This report is written in compliance with Miami Beach Ordinance 2019-4239 which requires the Office of the Inspector General (OIG), on a quarterly basis, to prepare and submit to the City Commission a written report concerning the planning and execution of the General Obligation Bond Program including, but not limited to, progress reports, financial analyses and potential risks. The review is based on official city records, OIG attendance at implementation and oversight committee meetings, interviews with staff and other department personnel as well as regular discussions with the Program Director. This report is intended to provide the Mayor, City Commission and public with useful information and periodic evaluations regarding the implementation of the G.O. Bond projects to date.

## **PROGRESS REPORT**

With limited exceptions, the 38 projects in Tranche 1 remain on track and within and/or under budget. As of this report, a total of 30 out of 38 Tranche 1 projects are active and six have been completed. Approximately, \$33 million has been spent and another \$24 million is encumbered for a total of \$57 million. There is \$93 million still available. The program has realized nearly \$3 million in savings. The savings comes from Parks and Recreation (\$2 million) and Public Safety (approximately \$1 million). The current savings is being set aside to be used if other larger projects need additional funding in the future due to cost increases or other unknown reasons.

It was noted in the second quarterly report that three "quick wins" from the public safety projects would not be completed on time. Those projects included the Public Radio System, License Plate Readers and Cameras on the Beachwalk. The license plate readers are now complete. With respect to the public radio system, the programming process is 90% complete and the installation process of the vehicle radios is ongoing. Three of the four radio transmitting sites are currently

operational. As noted in the last quarterly report, the Commission added scope to the Mid-beach Beachwalk project to add security cameras which delayed the project. It remains under construction.

## **HIGHLIGHTED PROJECTS**

### **Fire Station #1**

This quarter the scope of the new Fire Station project changed significantly. The project scope calls for the replacement of the Fire Station with a new and larger building which would house a 911 call center. The 911 call center, however, was added at the end of the implementation process without adjusting the budget. The belief was that there would be additional money in the budget to cover the cost of including the 911 call center which was estimated to be \$3 million. However, as a consequence of the impact of COVID-19 on the City's budget, there is no additional money available. The Program Director reported that the project estimate was over budget after the construction manager and architect provided cost estimates based on the conceptual floor and site plans. The only viable solution was to remove the 911 call center. In late November, CIP received the revised plans for the layout of the building. During the next few months, the project will be reviewed by the Planning Department and the Historic Preservation Board. The effort to decrease costs while maintaining the 911 call center has delayed the project approximately five months.

### **41<sup>st</sup> Street Corridor**

In 2018, the Mayor's 41<sup>st</sup> Street Blue Ribbon Committee approved the 41<sup>st</sup> Street Urban Design Vision Plan by Alta Planning and Design and Gehl Architects. The Alta-Gehl Vision Plan provided an analysis of the 41<sup>st</sup> Street corridor including traffic patterns and walkability studies. The Mayor's 41<sup>st</sup> Street Blue Ribbon Committee used the plan as its guide when considering investments in lighting, streetscaping, parking and other quality of life improvements to revitalize this street, which is a gateway into the city from the Julia Tuttle Causeway as well as the business center for the neighborhood. The total project budget is \$15,000,000.

In this quarter, the City's consultant, AECOM, created two schematic designs that are feasible within the project's budget. The designs were presented to the 41<sup>st</sup> Street Blue Ribbon Committee as well as to the G.O. Bond Oversight Committee and the public. The public meeting was well attended with more than 270 residents viewing the proposed designs. The City followed up the public presentation with a survey that netted 180 responses. As a consequence of the feedback from the Committees and the public, AECOM created a hybrid design which was presented to the Mayor's Blue Ribbon Committee. The Committee approved of the conceptual design objected to the removal of the Royal Palm trees that line 41<sup>st</sup> Street. In its advisory capacity, the Blue-Ribbon Committee sent a motion to the Commission asking that it approve the conceptual design with the caveat that only 10%-15% of the palms be removed. The Commission will hear the matter at its January meeting.

It is important to note that the City is shifting away from palm trees in all neighborhoods in favor of canopy shade trees that require less fertilizer and water and provide better coverage from the sun. This is part of the urban forestry master plan. With respect to the 41<sup>st</sup> Street corridor, without the removal of the palms, the project cannot proceed as currently designed.

Additionally, in this quarter, the Program Director reported that a subproject was being created within the 41<sup>st</sup> Street Corridor project. The new subproject replaces the luminaires on the 48 existing pedestrian light poles located within the corridor. In a letter to the Commission, the City Manager explained that the existing luminaires are obsolete and replacement parts cannot be acquired. The new fixtures will improve public safety, reduce energy and maintenance costs and bring the system up to the city's recently approved lighting standards. The upgrade requires approval from the Florida Department of Transportation and the work will be performed in-house by the Public Works Department. FDOT has advised that the work does not need to be permitted as the City has a maintenance agreement with FDOT. The subproject is in the procurement process for the light fixtures.

Finally, this project is currently scheduled across all four Tranches with Tranche 4 ending in 2031. The City has recommended advancing the funds allocated for Tranches 3 and 4 into Tranche 2 which would put the entire project on track for full completion by 2025. The G.O. Bond Oversight Committee and the Mayor's 41<sup>st</sup> Street Blue Ribbon Committee are in favor of fast tracking this project. It will be heard at the January Commission meeting.

### **Bayshore/Par 3**

The Inspector General is closely monitoring G.O. BOND #15, the Par 3/Bayshore Park project. The project is nearly a year behind schedule due to contamination in the ground, efforts to comply with DERM's remedial measures and permitting delays. The Oversight Committee previously expressed concern that this project is not moving forward and had considered whether to bring it to the Commission for guidance as it had been expected that Savino Miller Studio, P.A., the consultant, and DERM would have reached an agreement earlier this year. It was anticipated that the consultant and DERM would have an agreement in March 2020. When that did not happen, the City predicted an additional six month delay due to the permitting issues. That time frame has also passed and the permitting issues have not been resolved. While this project requires the consultant to obtain the permits, the City Administration is attempting to assist the consultant by reaching out to the permitting agencies in an effort to move the process forward.

Additionally, the cost estimates that the consultant provided at the 90% design stage are much higher than the estimates received from the consultant when it presented its 60% design. The City hired its own cost estimate expert to review the proposals and the expert is in agreement with the given estimates. Consequently, the Program Director has instructed CIP to begin cutting the scope of the project to bring it within the budget parameters.

## **Skate Park**

The North Beach skate park expansion was originally planned for Tranche 3. This quarter the G.O. Bond Oversight Committee voted to advance it to Tranche 1 in compliance with Protocol Number #6, which was discussed in the OIG's last quarterly report. The protocols were created by the Program Director to address various scenarios that might happen as the G.O. Bond program continues, including the movement of projects between Tranches. In this case, G.O. Bond project #13, the North Shore Path and Fields, a Tranche 1 subproject, cannot proceed until the parking garage at the 72<sup>nd</sup> Street Complex is completed. It is anticipated that the 72<sup>nd</sup> Street Complex will be completed in 2023. Consequently, this was an opportunity to advance the design and construction of the skate park.

## **Implementation Team Innovations**

The Program Director continues to find ways to improve transparency and accuracy in the public information that is disseminated. All G.O. Bond Projects and Sub-Projects are now archived within the City's e-Builder project management system once the projects are completed and closed out. The G.O. Bond Team has created individual project folders by Department which are located on the following link: [M:\\\$CMB\TEMP\G.O. Bond Program\G.O. Bond Closed Out Projects](M:\$CMB\TEMP\G.O. Bond Program\G.O. Bond Closed Out Projects). Each department has been asked to place the consultant agreements and amendments (fully executed), construction contracts and change orders (fully executed), surveys and construction documents, all permits, approved submittals, as-built documents, warranties/maintenance procedures, and any other relevant documents into these folders for the public to review. The departments are in compliance.

In addition, the Program Director has implemented a new process for project dashboard updates. This effort is in response to concerns raised by the OIG in the last quarterly report that there were inaccuracies on the dashboard which did not reflect the actual status of a particular project. The Program Director acknowledged that program managers would often attend committee meetings where they would be asked to perform certain tasks related to a project without the Program Director's knowledge. This was not an intentional withholding of information, but, nevertheless, was an impediment to the Director's ability to have a comprehensive understanding of the procedural status of all the pending projects. The Program Director recognized that better communication between project managers and her team was needed so that the public could access the most current and correct information. On a weekly basis now, project packages are sent to Project Managers and Department Heads who update and advise the implementation team of the current status of their projects. Updates must include Commission and Committee Actions and the date they occurred. The responses are then added to the project updates on the G.O. Bond dashboard so the public has the most current information.

Additionally, the G.O. Bond community outreach continues to be a highlight of the program. This quarter, the team began reaching out to business groups, construction companies and developers that are members of the Chamber of Commerce, to inform them of the G.O. Bond's projects. Many have expressed an interest in the procurement of future projects.

Finally, the Neighborhood Affairs Division has launched a new website portal for project updates and information. This is separate from the G.O. Bond dashboard but is another way for the public to access information about projects impacting their neighborhoods, many of which include G.O. Bond dollars. The NAD has been working with city departments to collaborate on ways to increase consistency of communications within the community to ensure that residents are fully informed. The new web portal is a “one stop shop” where all community projects are housed. The web portal provides residents with contact information for the city personnel responsible for the area (North, Midbeach or South) or a particular project. This will streamline engagement with residents and maintain transparency.

### **New Legal Issue**

Ordinance Number 2020-4353 may impact G.O. Bond projects, delaying their delivery schedule. The Ordinance was passed and adopted in September 2020. Section 118-252(c)(1) of the Ordinance requires the Design Review Board to review certain enumerated neighborhood projects and to provide recommendations to the City Commission. Those projects include:

- c. The design of new street lighting
- d. The above-ground design of non-standard materials for newly constructed sidewalks, streets and crosswalks
- e. The above-ground design of new roadway medians, traffic circles, and plazas
- f. Protected bike lanes
- h. Pedestrian bridges

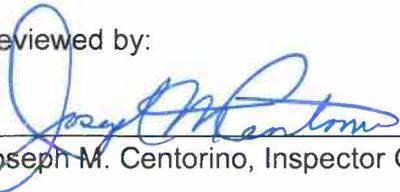
It is the timeframe for review pursuant to 118-252(2) that could interrupt schedules on the G.O. Bond projects. That section says, “the Design Review Board shall review the project and provide an advisory recommendation within 35 days of the first Design Review Board meeting at which the project is reviewed. Any recommendations of the Design Review Board shall be transmitted to the City Commission via Letter to Commission.”

The OIG discussed this ordinance with Assistant City Attorney, Nick Kallergis, to ascertain whether the G.O. Bond projects could be delayed as a result of this new process. Assistant City Attorney Kallergis stated that the Ordinance provides that the DRB has 35 days (following its first meeting on the item) to provide an advisory recommendation. This effectively means the DRB has two meetings (i.e. two opportunities) to transmit a recommendation. If the Board does not weigh in, it will be assumed that the Board has no objection to a project’s design. The Program Director, anticipating potential delays, has indicated that the DRB review time will be added into the construction schedules and should not be a reason for concern.

**CONCLUSION**

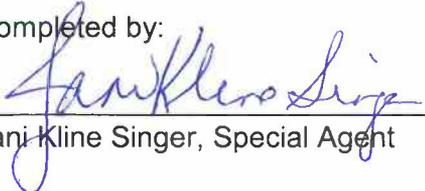
The OIG wants to highlight and commend the City staff for saving \$3 million to date for all completed subprojects. This includes \$2 million in the Parks category and \$1 million in the Public Safety category. In the last quarterly report, the OIG noted that the Program Director and staff planned on doing an in-depth analysis of the remaining projects to see where they will be in one year. The G.O. Bond requires the City to start or complete all 38 Tranche 1 projects before the three years expires. The City is now seeing a number of active projects facing budget shortfalls. As previously noted, one explanation for this is that, prior to the G.O. Bond referendum, budgets were cut but the scope of projects did not change. This quarter those shortfalls have forced the scope of certain projects to be adjusted. It is likely that the savings incurred to date will be used to complete projects. A more comprehensive plan is anticipated.

Reviewed by:

  
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Joseph M. Centorino, Inspector General

12/14/2020  
Date

Completed by:

  
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Jani Kline Singer, Special Agent

12/14/2020  
Date

cc: Raul Aguila, Interim City Manager