Department Mission/Purpose Statement:

We are dedicated to the management of the City’s capital construction efforts and to provide the platform to comprehensively address the goals set forth in the General Obligation Bond program, the Water and Wastewater Bond program, the Stormwater Bond program, and the Redevelopment Area Infrastructure Program to improve the City’s infrastructure, public facilities, parks, beaches, golf courses and public safety equipment.

Department Description:

The City established the Office of Capital Improvement Projects (CIP) in the summer of 2001 to consolidate the City’s capital construction effort into a single entity that would serve as a focal point for planning and construction program management activities. The Office of CIP’s current program includes unparalleled investments in quality of life infrastructure including prioritization of sea level rise with storm water and ROW Improvement projects, Parking facilities, Parks improvement projects and Sustainability & Resiliency projects necessary to improve, enhance and maintain facilities and infrastructure to meet the service demands of residents and visitors of the City of Miami Beach. The Capital Improvement program is mostly funded by authorized bonds including, General Obligation, water/sewer, and storm water funding. Other sources of funding may include grants, resort tax, parking bonds, etc. CIP is presently managing nearly 60 active projects in planning, design and construction phases. CIP’s goal is to advance the majority of these projects to completion within the next five years.

CIP staff is composed of senior management, project managers in different categories of experience and responsibility, financial managers, field inspectors, public information specialists and administrative personnel. Over the years, the department has instituted new and innovative means of procurement of contractors and consultants. The procurement methods for projects the department is now managing include: job order contracting, design-build, construction management at risk, and design-bid-build. This has brought new contractors and consultants to the City, which has proven to enhance the current pool of vendors performing the immense task of constructing the City’s infrastructure and facilities.

See attached Table of Organization
Assistant City Manager

Capital Improvement Department
Director's Office
Formulates direction and policies for department and the CIP program; oversees all divisions and all projects; coordinates and works to resolve interdepartmental issues with projects; approves all financial transactions (payments, encumbrances, etc.); develops and enforces all City policies, processes and procedures.

Administration

Finance/Administrative
Provides financial and administrative support for the Department; includes development and monitoring of operating and capital budget, processing payroll, processing invoices/applications for payment; encumbering funds, receptionist responsibilities, scheduling of meetings, and other support as maybe required.

Performance Measures/Records Management
Provides project control support in the areas of records management, project management software applications, construction scheduling systems, work processes and reports needed to support construction management efforts for all Capital Projects.

Construction Management Division

Construction Management
Manages the development and implementation of capital projects during the planning, design, permitting and construction phases, including coordination with City Departments, Consultants, Regulatory Agencies and Community groups; responsible for estimating, scheduling and quality control of all capital projects, reviews and approves consultants' contractors' payment applications, change orders, budget allocations, construction schedules, and compliance with contract documents.

Community Outreach
Overseas and coordinates communications for all capital projects, from the planning through the construction phase; updates and maintains the departmental website; builds relationships with HOA's, NA's, and other civics groups within the City and updates these groups as it relates to capital projects; develops, execute and overseas communication strategies for the department; coordinates projects closely with internal City Departments, including the Office of Communication, and produces materials for distribution through internal City media (MB Magazine and City Vision).

Quality Assurance/Quality Control/inspections
Standardization of quality control practices and processes during planning, design and construction; field inspections of project construction sites and reporting observations to Project Managers.
CAPITAL IMPROVEMENT PROJECTS

Fiscal Environment:  
CIP is funded by chargebacks to capital projects managed by the office. Project budgets are finite, and the chargeback allocations calculated from those budgets are also finite. Although a significant percentage of the right-of-way (ROW) neighborhood projects have been completed or are in construction, future project funding needs will require the City to issue additional Water/Sewer and Stormwater Bonds. Additional funding from General Obligation Bonds may also be required in order to fully complete the construction of the many projects in the Capital Program and to fulfill the promises made to the residents. In 2014, the City Commission approved the recommendation of the Flooding Mitigation Committee to amend the City’s Stormwater Management Master Plan by modifying the design criteria to reduce vulnerability and risk of flooding throughout the City. The Stormwater Management includes the raising of streets and sidewalks and upgrading from a gravity based stormwater system to a pump based system. Subsequently, City Commission approved the recommendations of the Mayor’s Blue Ribbon Panel on Flooding and Sea Rise to design and implement the upgrade of the City’s Stormwater Management systems to meet the new design criteria with a potential estimated additional cost of over $300 million and with a target completion timeframe between 3 to 5 years. The estimated cost includes the Stormwater portion of future neighborhood projects, the retrofit of some previously constructed neighborhood Stormwater systems, and miscellaneous Stormwater upgrades. The issuance of Stormwater Revenue Bonds in 2015 provided the first $100 million in funds to finance the enhancements to the Stormwater System.

Business Environment:  
The Office of Capital Improvement Projects (CIP) is a construction management organization managing large Capital Projects from project inception to project completion. The principal goal of the department is to meet the expectations of the City of Miami Beach residents and Client Departments. Internal “client” departments include Public Works, Parking, Parks and Recreation, Property Management, Office of Housing and Community Services, Fire Department, Police Department, etc. The delivery of large Capital Projects involves a myriad of processes and requires a high level of coordination among all stakeholders which includes residents, Home/Neighborhood Owner Associations, elected officials, owner agencies, regulatory agencies, etc. Stakeholders often play a significant role in the definition and the design of a project from its inception to its construction. CIP also works with all Commission Committees and appointed boards such as Finance and Citywide, Neighborhoods/Community Affairs, Sustainability & Resiliency, Design Review Board, Historical Preservation Board, etc. in the development and successful implementation of all Capital Projects.

Significant Prior Accomplishments:  
- Developed a 5-year recurring implementation schedule for funded projects.
- Addressed a general policy for the under-grounding of franchised utilities in neighborhoods interested in the matter and currently implementing the process in two neighborhoods in conjunction with the residents, Florida Power and Light, AT&T and Atlantic Broad Band (ABB).
CAPITAL IMPROVEMENT PROJECTS

- Completed the renovation of the London House Apartments, located at 1965-1975 Washington Avenue, the first of the City-owned and operated affordable rental housing properties to be fully rehabilitated under CIP project management. Originally built in 1949, the London House Apartments were operated as a hotel for many years until it finally closed in 2007. The City took ownership of the property in March 2014 and began the rehabilitation in December 2014. This was a federally funded project.

- Completed the Lower North Bay Road Neighborhood Improvements, a project designed and constructed under the current City of Miami Beach’s stormwater management criteria that addresses sea level rise and high tides.

- **Completed and/or Substantially Completed the following projects:**
  - 7th Street Parking Garage Renovation
  - Audible Pedestrian Countdown Signals Ph. II
  - Bayshore B – Lower North Bay Road Neighborhood Improvements
  - Flamingo Park Soccer Field
  - South Pointe Neighborhood LED Lighting Installation
  - London House Renovation
  - Lifeguard Stands Replacements (11 lifeguard towers)
  - North Beach Domino Park
  - Normandy Shores Neighborhood – Phase II
  - Property Management Facility
  - South Pointe Park – Landscape and Turf Rehabilitation
  - South Pointe Crosswalks – Washington Ave at Commerce and First Street
  - South Pointe Crosswalks – Washington Ave at 2nd, 3rd, and 4th Streets

- **Projects Under Construction include:**
  - Allison Park Redesign
  - Bayshore D – Sunset Islands III & IV Neighborhood Improvements
  - Biscayne Point Island Entrance Renovation
  - Central Bayshore South Neighborhood Improvements
  - Crosswalks at Ocean Drive & 5th and Collins & South Point Drive
  - Española Way Pedestrian Conversion between Washington and Drexel
  - Flamingo Park Restrooms Facility
  - Kayak Launch Docks – Dickens and 73rd Street
  - Lifeguard Stands Replacement (9 lifeguard towers)
  - Meridian Avenue between 28th Street and Dade Boulevard (off road pathway)
  - Middle Beach Recreational Corridor Ph. 2– Section 1
  - Muss Park Pavilion
  - Normandy Isle Neighborhood – Phase II
  - Palm & Hibiscus Neighborhood Improvements
  - Senior Center HVAC Project
  - South Pointe Drive Medians Uplighting
CAPITAL IMPROVEMENT PROJECTS

- South Pointe Landscaping Ph. II
- South Pointe Park – Water Feature Remediation
- Stormwater Pump Station at 19 Street East of Meridian
- Venetian Islands Neighborhood Improvements
- West Avenue – Phase II Improvements South of 14th St.

- Projects in the bidding phase include:
  - Beachwalk II - Phase II
  - Flamingo Park Handball Courts
  - Middle Beach Recreational Corridor Ph. 2 – Section 2

- Projects in the design phase include:
  - Altos del Mar Park
  - Carl Fisher Clubhouse Restoration
  - Collins Park Parking Garage
  - Protected Bike Lane Euclid Avenue between 5th Street and 16th Street
  - Fairway Park (Artificial Turf Soccer Field, Drainage & Playground Replacement
  - First Street ROW Improvements
  - Flamingo Park Master Plan – Parkwide Improvements
  - Kayak Launch Docks – Crespi and 81 Street
  - Lighting – Bayshore Lower North Bay Road
  - Lincoln Road Improvements - Collins Av to Lenox Ave
  - Lincoln Rd Connectors
  - Maurice Gibb Park Renovation
  - Mid Beach Community Park (formerly Par 3)
  - Mid Beach Recreational Corridor Ph. 3
  - North Shore Open Space Park Renovation
  - North Shore Park Restroom Building
  - North Shore Tennis Center Upgrade
  - Normandy Isle Park Turf Replacement
  - Palm & Hibiscus Landscaping
  - Parks Maintenance Facility
  - Parking Garage at Parking Lot P16
  - Public Works Facility
  - Relocation of Fire Hydrants at Biscayne Beach Neighborhood
  - Seawall-Muss Park Rehabilitation
  - Shared Path on Parkview Island Park 73rd - 77th St
  - Seawall Reconstruction - Fleet Management
  - Sunset Islands I & II Guardhouse
  - Surface Parking Lot P2 (1A) – Penrods at One Ocean Drive
  - Surface Parking Lot P91 (22x) North Shore Youth Center

- Projects in the planning phase include:
CAPITAL IMPROVEMENT PROJECTS

- 51st Street bike lane between Alton Road and Pine Tree Drive
- Alton Road between Chase Avenue and North Michigan (off road pathway)
- Brittany Bay Park Outlooks & Living Shoreline
- Convention Center District ROW Improvements
- Fire Station No. 1 Renovation
- Green Bike Lanes – Prairie Ave (28 St – 34 St)
- New Fire Station No. 1
- Interceptor Garage at Surface Lot P23 at 16th Street and West Avenue
- La Gorce Neighborhood Improvements
- Lifeguard Stands Replacements (13 lifeguard towers)
- North Shore Bandshell Tent (Canopy)
- North Shore Neighborhood Improvements
- Parking Garage at Parking Lot P13
- Parking Garage at Biscayne Beach
- Parking Garage at Parking Lot P-55 (Collins & 27 St)
- Police Station Firing Range Renovation
- Rue Vendome Public Plaza
- Soundscape Park Concession and Restrooms
- Surface Parking Lot P48 Bass Museum

Critical Success Factors:

- **Availability of project funding sources**

  CIP is solely funded by charge backs to the particular projects managed by the office.

- **Delivering construction projects within budget while meeting the required level or service**

  CIP has implemented a model for constructability reviews which provides a standardized or consistent process for reviewing construction documents for constructability as well as re-evaluating control budgets prior to the issuance of invitations to bid or requests for proposal. Constructability reviews also identify opportunities for alternate construction means and methods which could shorten the projected construction schedule.

- **Delivering construction projects within approved schedules**

  In order to maximize the utilization of our project management teams, CIP has implemented more sophisticated software and measures for project scheduling, planning and tracking.

- **Meeting expectations of Client Departments**
CAPITAL IMPROVEMENT PROJECTS

CIP has worked with the internal “client” departments and other reviewing departments to streamline the processes related to the planning, design and construction of the Capital Improvement Projects. CIP continues to look at ways in which the processes are further improved to achieve better efficiency and effectiveness. Discussions are frequently held with the client departments to evaluate the current project status and to look for opportunities to implement a more effective and efficient way to address regulatory requirements, as well as client department operational items. Addressing these requirements early in the process is key to maintaining project schedules as well as identifying budget impacts, if any.

- Meeting expectations of residents by expanding Communications Efforts and Community Outreach

Another key component to the department’s critical success is meeting the expectations of the City’s residents. CIP has a very successful Community Outreach Program which coordinates communications with residents and businesses for all capital projects, from the planning through the construction phase; updating and maintaining the departmental website; building relationships with home owners associations (HOAs), neighborhood associations (NAs), and other civic groups within the City to provide updates to these groups as it relates to capital projects.

Communication is a key to success and the City has many tools to increase community awareness. Construction in a dense, urban, coastal barrier island surrounded by a national aquatic preserve poses many challenges to the designers and the contractors. Anti-degradation policies for Biscayne Bay, coupled with high levels of naturally occurring ammonia and existing contamination due to man-made activities and sea level rise issues, increase the difficulty of complex infrastructure projects. Increased efforts to communicate these difficulties have raised awareness in the community and have helped explain how they impact the community during construction. The City’s Capital Improvement Program is one of the most ambitious programs in the South Florida area. Communicating the accomplishments as well as the challenges is a means to raising the awareness of the constituency. Gaining the support of the constituency is critical, as they are the end users who receive the benefit of the many projects which are being constructed in pursuit of improving the resident’s quality of life. Communicating the work to be performed and the work completed is also a communication strategy that needs to be implemented more effectively so that residents and visitors alike are aware of forthcoming activities and can plan appropriately so that they can mitigate their perceived impacts. Media such as the internet, print and video will be used to communicate the department’s message in collaboration with the City’s Communications Department so that communications are streamlined, accurate and concise.
CAPITAL IMPROVEMENT PROJECTS

Future Outlook:

In the next five years the CIP office will continue to deliver projects and advance the design and construction of Parks, Parking Garages, Beachwalks, Bike Paths, Infrastructure Improvements, Streetscape Improvements, and other City Facilities.

With nearly 22 projects in construction and over 30 additional projects in design, permitting, and procurement phases, with a construction value of approximately $400 million (not including planning projects), construction activity is expected to peak within the next two to three years.

Other possible issues which continue to affect the program include the feedback from the community as projects come on line and additional improvements which arise, after the fact, from internal owner departments. The streamlining of internal reviews will continue, and CIP will continue to make every necessary effort towards reducing review times, expediting comments, and reducing comments which are not relative to the established scope and budget of projects. These issues continue to be managed by the team to determine appropriate and expedient solutions.
## CAPITAL IMPROVEMENT PROJECTS

### Performance Plan Highlights

<table>
<thead>
<tr>
<th>Key Intended Outcome</th>
<th>Performance Indicator</th>
<th>Actual FY 13/14</th>
<th>FY 14/15</th>
<th>FY 15/16</th>
<th>FY 16/17</th>
<th>FY 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ensure That a Universal Culture of High Quality Customer Service is Driving the Conduct of the City Commission and All City Employees</strong></td>
<td>Average # of days to process invoices from contractors and consultants</td>
<td>26</td>
<td>26</td>
<td>17.5</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>% of contractors evaluated</td>
<td>*</td>
<td>*</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>% of consultants evaluated</td>
<td>*</td>
<td>*</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Ensure Reliable Stormwater and Resiliency Against Flooding by Implementing Select Short and Long-Term Solutions Including Addressing Sea-Level Rise</strong></td>
<td>% of active ROW projects meeting the most current stormwater management criteria</td>
<td>*</td>
<td>*</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Build and Maintain a Priority Infrastructure With Full Accountability</strong></td>
<td>KPI: % of projects with substantially completed construction and in beneficial use within 120 days of construction schedule</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>KPI: % of residents rating recently completed capital improvements projects on Miami Beach as excellent or good</td>
<td>77%</td>
<td>*</td>
<td>56%</td>
<td>*</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>KPI: % of businesses rating recently completed capital improvements projects on Miami Beach as excellent or good</td>
<td>80%</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>Total change order value as percent of original contracted construction amount</td>
<td>8.4%</td>
<td>11.7%</td>
<td>11.0%</td>
<td>6.0%</td>
<td>8.0%</td>
</tr>
<tr>
<td></td>
<td>% of CIP projects for which the close-out procedure was completed</td>
<td>*</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

A Key Performance Indicator (KPI) is a type of performance measure that expresses the results that the City intends to achieve toward accomplishing its vision in measurable terms. KPIs are included on the Citywide Work Plan, as well as on individual Department Performance Plan Highlights.

*Indicates measure was not tracked and/or conducted during reporting period

**Data not available until end of year
CAPITAL IMPROVEMENT PROJECTS

General Fund
Departmental Financial Summary

<table>
<thead>
<tr>
<th>Expenditure Area</th>
<th>2015 Actual</th>
<th>2016 Actual</th>
<th>2017 Adopted</th>
<th>2018 Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>3,714,159</td>
<td>3,812,131</td>
<td>4,231,000</td>
<td>4,169,000</td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>229,795</td>
<td>252,720</td>
<td>278,000</td>
<td>278,000</td>
</tr>
<tr>
<td>Internal Services</td>
<td>490,774</td>
<td>508,528</td>
<td>542,000</td>
<td>643,000</td>
</tr>
<tr>
<td>Capital</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 4,434,728</strong></td>
<td><strong>$ 4,573,379</strong></td>
<td><strong>$ 5,051,000</strong></td>
<td><strong>$ 5,090,000</strong></td>
</tr>
</tbody>
</table>

Total Budgeted Positions 36.00 36.00 36.00 34.00
CAPITAL IMPROVEMENT PROJECTS (CIP)

Budget Highlights

- A significant component of the increase for all departments are increases in employee costs including a 3 percent cost of living adjustment in July 2018, as well as a maximum of 2 percent merit increase for employees, with the exception of the members of FOP and IAFF bargaining units, which include a 5 percent step increase. Merit, step, and cost of living increases apply within existing pay ranges.

- The department’s operating budget increased by $39,000 or 1% percent, primarily due to a personnel cost increases as described above, as well as a $101,000 increase in internal service expenditures, which is based on historical use of service.

FY2017/18 Efficiencies/Reductions

- Due to increased efficiency and productivity within the department, the FY2017/18 budget includes the elimination of one vacant Financial Analyst I position, and one vacant Field Inspector Supervisor position, resulting in a combined saving of $173,000.