

Office of Facilities Design & Construction
Raul F. Perez, Chief Facilities Design & Construction Officer

SUBJECT: AUTHORIZE THE SUPERINTENDENT TO FINALIZE NEGOTIATIONS AND EXECUTE AN AMENDED AND RESTATED INTERLOCAL AGREEMENT (“ILA”) BETWEEN THE SCHOOL BOARD AND THE CITY OF NORTH MIAMI (“CITY”), AND A COMPANION AMENDED AND RESTATED ESCROW AGREEMENT BETWEEN THE CITY AND BOARD, FOR THE DESIGN, CONSTRUCTION AND JOINT FUNDING OF RECREATIONAL FACILITIES TO BE CONSTRUCTED BY THE CITY ON BOARD-OWNED LAND

COMMITTEE: FACILITIES AND CONSTRUCTION

LINK TO STRATEGIC PLAN: EFFECTIVE & SUSTAINABLE OPERATIONAL PRACTICES

Background

The City of North Miami (“City”) and the Board entered into an Amended and Restated Interlocal Agreement on October 25, 2006, that provided for the replacement of North Miami Senior High School, and the development and construction of new educational and recreational facilities within the City (“2006 Amended and Restated ILA”). In compliance with the provisions of the 2006 Amended and Restated ILA, the Board constructed a replacement North Miami Senior High School at an alternate location on land owned by the Board and City, and demolished the old high school facility. In further compliance with the 2006 Amended and Restated ILA, the land adjacent to Arch Creek Elementary School and North Miami Middle School (the “Schools”) is to be developed as open space and recreation for joint use by the Board and by the City under a Joint Use Agreement (“JUA”). Funding in the amount of \$3,500,000 was previously approved by the Board to be used towards that purpose.

In 2019, the City expressed a desire to augment the type of recreational facilities to be constructed and agreed to provide funding to bridge the gap between the \$3,500,000 available from the District, and the \$10,500,000 estimated total cost of the work. Based on that premise, the Board and City entered into an Interlocal Agreement For Design, Construction and Joint Funding of Recreational Facilities (“2019 ILA”) to facilitate construction of the proposed recreational improvements. As part of the proposed 2019 ILA, the City assumed responsibility for the design and construction of the work. As set

forth in the 2019 ILA, the District's funds (\$3,500,000) were deposited into an escrow account, along with the City's \$7,000,000 ("2018 Escrow Agreement").

The City has further developed its plans for the proposed recreational improvements to be constructed (the "Project"), and is seeking to amend and restate certain changes and modifications to the conceptual plan and other provisions included in the 2006 Amended and Restated ILA and the 2019 ILA, including the improvements to be constructed by the City. The budget for the current scope of work is now \$18,000,000, to be funded in part by the initial \$3,500,000 in funds provided by the Board. The City will be responsible for any and all costs over that amount. To accomplish this, it will be necessary to enter into an Updated Amended and Restated Interlocal Agreement (2025 ILA") and an Updated Amended and Restated Escrow Agreement ("2025 Escrow Agreement").

Proposed Interlocal Agreement and Escrow Agreement

The Chief Facilities Design and Construction Officer and the Chief Operating Officer recommend entering into the proposed 2025 ILA and 2025 Escrow Agreement. Accordingly, it is recommended that the Board authorize the Superintendent to finalize negotiations and execute the proposed 2025 ILA and 2025 Escrow Agreement with the City, under, substantially, the following terms and conditions:

- the scope of the Project will include site preparation of the area immediately east and south of the Schools; installation of an artificial turf playfield/soccer field(s) immediately to the east of the Schools; construction of a minimum of 80 parking spaces, including spaces for the handicapped, south of the Schools adjacent to N.E. 135 Street; installation of fencing to properly secure and separate the newly constructed playfield area east of the Schools and parking lot south of the Schools from the balance of the site; installation of a new playground with shade cover; construction of a new swimming pool and splash pool; and installation of landscaping, fencing, signage and site lighting, within the balance of the site;
- any additional improvements the City may wish to make to the site beyond those set forth in the Project scope, will require mutual agreement of the Parties, and will be facilitated through either an amendment to the 2025 ILA or by a separate written agreement;
- in the event of Project cost overruns beyond the \$18,000,000 budget, the City acknowledges and agrees that the Board's contribution is capped at and shall not exceed \$3,500,000 (Soft and Hard costs, combined), and that the City alone shall be solely responsible for said cost overruns;
- the City shall be responsible for the design, construction and successful completion of the Project, including selection of the architect, contractor and other professional consultants. The District shall assign a Project Manager to monitor construction activities and ensure compliance with Project scope and other provisions of the ILA;

- prior to the commencement of construction, and in conformance with Section 255.05 F.S., the City shall cause its contractor to provide a certified copy of a recorded payment and performance bond, in an amount sufficient to cover the cost of the Project;
- the City shall cause any contractor doing work on the site or elsewhere on the School properties to be pre-qualified by the Board, in accordance with School District and Board Policies, and to indemnify, defend and hold harmless the Board, its employees and representatives from any and all liability, damages and claims of any nature whatsoever;
- concurrent with the execution by the Parties of the 2025 ILA, the Parties shall also execute the above referenced 2025 Escrow Agreement, under which the balance of \$10,500,000 now deposited in the Escrow Account (\$3,500,000 from the Board and \$7,000,000 from the City) shall be utilized, in part, to fund the Project. Under the proposed 2025 Escrow Agreement the balance of \$10,500,000 shall be distributed proportionately over the life of the Project, with a portion of the escrow balance (not to exceed 58% of the requested draw amount) to be utilized to fund each draw request submitted;
- distribution of funds from the 2025 Escrow Agreement shall be made subsequent to receipt by the Escrow Agent of a properly completed Payment Authorization Form executed by both the Board's and the City's authorized designees, accompanied by all applicable invoices and Releases of Lien from all applicable parties for all work performed, in full compliance with applicable Florida lien statutes, and any other applicable documentation as reasonably required by the Escrow Agent;
- the base term of the above referenced JUA shall be no less than twenty years, and include mutually acceptable terms and conditions including but not limited to renewals, periods of use and maintenance responsibilities. The proposed JUA shall be brought to the Board for approval prior to completion of the work;
- upon completion of the work and proper close-out of the Project, all permanent improvements or facilities installed or constructed by the City pursuant to the 2025 ILA shall become the property of the City for the term specified in the JUA. Title to and ownership of all such improvements shall automatically vest in the Board at the termination, cancellation or expiration of the JUA;
- the 2025 ILA shall terminate upon the latest of the following events to occur: 1) commencement of the JUA; 2) completion of the Project; or 3) full disbursement of the Escrow Funds from the 2025 Escrow Account and reconciliation of the Escrow Agreement;

- for purposes of the 2025 ILA, the Superintendent of Schools or his/her designee shall be the party designated by the Board to review and approve all matters related to the City's construction of the Project; and
- in addition to the above, the Superintendent of Schools shall also be the party designated by the Board to grant or deny all approvals required under the 2025 ILA, including amending the exhibits to the 2025 ILA, executing ancillary documents required to effectuate completion of the Project, placing the City in default, and canceling or terminating the 2025 ILA.

The proposed 2025 ILA and 2025 Escrow Agreement have been reviewed by the School Board Office of the General Counsel and the Office of Risk and Benefits Management for legal sufficiency and risk management issues, respectively, and found to be in compliance. A copy of the 2025 ILA and 2025 Escrow Agreement in final form is attached hereto.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the Superintendent to:

- 1) finalize negotiations and execute an Amended and Restated Interlocal Agreement ("ILA") between the School Board and the City of North Miami ("City"), and a companion Amended and Restated Escrow Agreement between the City and the Board, for the design, construction and joint funding of recreational facilities to be constructed by the City on Board-owned land; and
- 2) execute any other documents that may be required to facilitate construction by the City of the recreational improvements; and
- 3) grant or deny all approvals required under the ILA, including modifying the exhibits under the ILA, finalizing project scope and timeline, canceling or terminating the ILA, and placing the City in default, as may be applicable.

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