

## **RONEY PLAZA**

OCTOBER 2002 – SEPTEMBER 2004

In late 2002, Keith Simpson was contacted by the CEO of Roney Associates to assist in restarting a \$23 million construction project that had been suspended for approximately one year. The project consisted of a mixed use facility containing a 568 unit condominium, a 586 room hotel, 85,000 square feet of ground level retail space, parking garages, pools, back of house utility systems, a remote parking facility and one acre beach recreation area. The facility is located on 7.9 acres of prime beach front property on Miami Beach, Florida.

Simpson Constructors, Inc. was originally contracted to:

- evaluate the status of the work in progress
- review budgets and schedules for the work in progress and planned project elements
- provide recommendations for prioritizing the remaining work in progress
- create revised budgets and cash flows to complete the work in progress and planned project elements
- evaluate and close out 1,400 plus open permits from the previous construction phases
- settle outstanding construction liens from previous construction phases

While performing the tasks of our original contract, in early 2003, the owners requested that Mr. Simpson assume additional responsibility by having several outstanding building permits transferred to Simpson Constructors, Inc. due to their decision to terminate the existing general contractor. Mr. Simpson assumed responsibility as general contractor for over \$14 million of building permits issued by the City of Miami Beach. By taking responsibility for the work in progress, Simpson Constructors, Inc. was able to save the owners considerable project expenses.

Simpson Constructors, Inc. accomplished these saving by:

- maintaining the permits under the existing code relieving the project of having to comply with the recently revised stricter and more costly building code
- maintaining the existing design team members preserving the project programming, design efforts & fees paid to date
- preserving the sub-contractor agreements, taking advantage of their favorable contract terms and preventing the costly and time consuming process of locating and renegotiating with new subcontractors
- preserving work already in place and completing key portions of the work already in progress
- completing key portions of the incomplete fire & life safety systems that had threatened to render the facility uninhabitable

As an addition to Simpson Constructors, Inc.'s original contract, in early 2003 Mr. Simpson was given the task of qualifying a concrete restoration contractor to repair the hotel and condominium balconies and exterior concrete façade of the building. Mr. Simpson worked with

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the owner’s attorneys and management in the drafting of the contract and participated in negotiations leading to a final contract. The value of the contract was \$6.5 million.

The concrete restoration project was the largest project ever undertaken by the concrete restoration contractor. Simpson Constructors, Inc. was called upon to supplement the restoration contractor’s management team by creating and maintaining the project schedule, working along side the contractor’s project managers on a daily basis. As a part of Mr. Simpson’s CM responsibilities, Simpson Constructors, Inc. reconciled field reports by the engineer of record and quantities of work performed claimed by the contractor to arrive at certified amounts for each monthly Application for Payment submitted to the owner by the contractor.

In mid 2004, the owners decided to sell the project. During the sales process, Mr. Simpson assisted the owner and their financial representatives by producing information for the property appraisals, condominium documents and sales information to prospective buyers. The owners sold the property in late 2004 to an investment group from Chicago.

Mr. Simpson continued to consult with the legal & business representatives of the Roney Associates after the sale of the facility. Simpson Constructors, Inc. facilitated the duplication and turnover of all project records to the new owners.

Mr. Simpson provided the owners attorneys and business consultants with assistance during a post sale contract termination claim. Simpson Constructors, Inc. provided court exhibits, claim analysis and expert witness testimony.

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