



## THE CITY OF KEY WEST

1300 White Street Key West, FL 33040

May 19, 2022

Ms. Xiomara Nunez, MBA, PMP  
District VI Local Program Administrator  
Florida Department of Transportation  
1000 NW 111<sup>th</sup> Avenue  
Miami FL, 33172

### **Re: Southard Street Milling and Resurfacing, FM 435497-2-58 Request for Concurrence**

Ms. Nunez,

Pursuant to the Notice to Proceed the City of Key West received from the Florida Department of Transportation (FDOT) on March 29, 2022 to advertise and competitively bid the above referenced project, city staff duly advertised the project in accordance with the guidance provided in the Local Agency Program (LAP) Manual Chapter 21.

On May 11, 2022, the City Clerk opened one (2) bid: Charley Toppino and Sons, Inc. City staff has reviewed the Bid Proposal Forms and determined that they were completed in accordance with the specified terms. In total, the City has analyzed the bids and determined the bidders were responsive and responsible. All required information was provided.

The City hereby requests concurrence to award the contract to the lowest responsive and responsible bidder; Charley Toppino and Sons, Inc. in the amount of \$1,094,457.85. City staff has reviewed the bids versus the Engineer's estimate and although the bids are approximately 120% higher than the Engineer's estimate, we believe the bid is reasonable considering the increasingly higher prices that the construction industry has been experiencing this year.

Some of the factors that contributed in the higher-than-expected prices included:

- Logistical Constraints. Key West is roughly 120 miles from the mainland where many of the construction materials are sourced. Material and mobilization costs and are generally higher down here due to transportation costs.
- Recent spikes of inflation in construction materials: Fuel and material costs have risen steadily since between the time the estimate was prepared and when the bids were received.
- Concrete supply issues: Portland cement supplies from the mainland have been constrained due to trucking issues and availability of drivers. Concrete supply is in

*Key to the Caribbean – Average yearly temperature 77° F.*

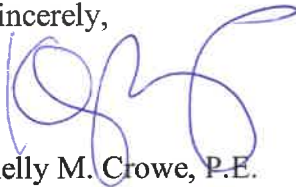
high demand with several major projects currently underway. With several adjacent FDOT projects expected to start in December 2022 (South Roosevelt); the supply could be even more constrained and prices could rise. Completing this project ahead of the major FDOT projects would be prudent.

- All of the work will be completed within the Historic District. Additional care and protection of historic resources is required per the contract which elevated the costs for sidewalk replacement. The contractors were cautioned during the mandatory pre-bid meeting of the care required adjacent to historic structures and that hand removal of concrete may be necessary.

The LAP Agreement (FM 435497-2-58-01) is currently funded in the amount of \$937,462.00. The difference between the bid amount and the encumbered construction funds is \$156,995.85. The City of Key West can commit local funds to cover the difference in order to move forward with the project.

As requested, we have prepared a bid analysis providing a comparison between received bid and the Engineer's estimate. Please feel free to contact me by e-mail at [kcrowe@cityofkeywest-fl.gov](mailto:kcrowe@cityofkeywest-fl.gov) or by phone at (305) 809-3967 if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'KCrowe', with a stylized flourish extending to the right.

Kelly M. Crowe, P.E.  
City Engineer

Cc: Alina Brito, FDOT, LAP Contract Coordinator  
Steve McAlearney, City of Key West, Director of Engineering  
Carolyn Sheldon, City of Key West, Senior Grants Manager