



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

TO: Jim Scholl, City Manager

FROM: Jim Bouquet, P.E., Director of Engineering

CC: Greg Veliz, Assistant City Manager
Sarah Spurlock, Assistant City Manager

DATE: Revised March 28, 2016

SUBJECT: **Bid Award for Repairs and Improvements at Zero Duval and Mallory Square in the amount of \$1,418,469.00 to Shoreline Foundation, Inc.**

ACTION STATEMENT:

Authorize the City Manager to execute a contract for construction of *Repairs and Improvements at Zero Duval Seawall and the Mallory Square T-Pier* in the amount of \$1,418,469.00 to Shoreline Foundation, Inc. and provide for any necessary budget transfers/amendments. Waiving Key West Code Section 2-845 and authorize the City Manager to allocate the Unforeseen Conditions Allowance as necessary.

BACKGROUND:

CH2M Hill, under Resolution 12-168, substantially completed the design and permitting for the Repairs at Zero Duval and Mallory Square T-Pier. The projects were placed on hold while awaiting grant funding. Subsequently, the City Commission (Resolution 14-266) accepted \$762,000 in Florida Department of Transportation (FDOT) Joint Participation Agreement grant funding for the Mallory Square portion of the project. With grant funding now available, CH2M Hill (under Resolution 15-138) updated/finalized a single set of bid documents (dated January 2016) encompassing both the Zero Duval Seawall and the Mallory Square T-Pier projects. The project was subsequently bid as Invitation to Bid (ITB) 002-16.

The following base bids for construction were received:

Shoreline Foundation, Inc.	\$1,618,469.00
Orion Marine Construction, Inc.	\$2,028,628.00
Douglas N. Higgins, Inc.	\$2,121,400.00
American Bridge	\$2,143,000.00
Inland Construction & Engineering, Inc.	\$2,772,000.00

The formal bid tabulation dated March 2, 2016 is attached.

MEMORANDUM

Bids received were reviewed by CH2M Hill (see attached recommendation letter dated March 9, 2016 and cost estimate dated March 10, 2016) and City staff. Based on this review, Shoreline Foundation, Inc. is recommended for contract award in the amount of:

Lump Sum Base Bid Zero Duval:	\$815,694.00
Lump Sum Base Bid Mallory:	\$562,775.00
Permit Allowance:	<u>\$ 40,000.00</u>
Total Contract Award	\$1,418,469.00

An Unforeseen Condition Allowance of \$125,000.00 is recommended by CH2M Hill to address possible unforeseen conditions (e.g., unsuitable soils, buried structures, petroleum contamination, etc.) and conflicts (e.g., underground utilities) encountered during construction. City Manager execution of change orders necessary to allocate this allowance in accordance with the ITB requires waiving Key West Code Section 2-285. This code section limits the City Manager's authority to approve change orders to 5% of the contract price or \$25,000.00, whichever is less. Allowing the City Manager to approve up to \$125,000.00 will provide for timely processing of change requests for unforeseen conditions, minimizing project delays in this time critical project and mitigating contractor general conditions charges to the City.

Staff is not recommending inclusion of the Concrete and Utility Allowance (\$75,000) due to budgetary constraints and that adequate project contingency should be available via the Unforeseen Conditions Allowance. Staff reserves the option to exercise Add Alternate No. 1 to replace timber piles at a later date following procurement of additional permits.

PURPOSE & JUSTIFICATION:

This project supports Goal #4 of the 2011 Key West Strategic Plan, specifically: *Long term sustainability of the City's hard assets.*

The seawall bulkhead and stormwater outfall pipe located at Zero Duval are in poor condition and undermining of the adjacent roadway is occurring. Under this project component, the bulkhead will be replaced, outfall repaired (including tide valve installation) and roadway stabilized.

The northern section of the T-Pier is cracked due to cruise ship movement while docked. This action is compromising the integrity of the entire pier. This project component will remove the damaged section of pier and construct a new section designed to withstand cruise ship action

Approval of this Task Order will facilitate construction to commence late April 2016 and conclude November 2016. Work has been coordinated with effected parties including Ports (cruise ship schedules), Fury Watersports (tenant at Zero Duval), Ocean Key and the Pier House.

FINANCIAL IMPACT:

This project will be funded as Project EN1002 Zero Duval Seawall Replacement/Mallory Pier Fender Rearrangement under account #101-1900-519-6300. The available funds of \$1,745,873.00 include

the \$762,000 FDOT grant. Additionally, \$85,000.00 for repairs to the stormwater outfall will be funded from Project ST1301, Storm Flow Way Maintenance, under account #402-3802-538-6500.

RECOMMENDATION:

Staff recommends authorizing the City Manager to execute a contract for construction of *Repairs and Improvements at Zero Duval Seawall and the Mallory Square T-Pier* in the amount of \$1,418,469.00 to Shoreline Foundation, Inc. and provide for any necessary budget transfers/amendments. Also, recommend waiving Key West Code Section 2-845 and authorize the City Manager to allocate the Unforeseen Conditions Allowance as necessary.