

RESOLUTION NO. 14-286

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, REJECTING THE BID RECEIVED IN RESPONSE TO INVITATION TO BID (ITB) #14-019 FOR SEAWALL REPAIRS AT ZERO DUVAL PURSUANT TO SECTION 2-834(4) OF THE CODE OF ORDINANCES; PROVIDING FOR AN EFFECTIVE DATE

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the bid received in response to ITB #14-019, for Seawall Repairs at Zero Duval is hereby rejected pursuant to city code of ordinances section 2-834(4), best interests of the City.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held
this 7th day of October, 2014.

Authenticated by the Presiding Officer and Clerk of the
Commission on 8th day of October, 2014.

Filed with the Clerk on October 8, 2014.

Mayor Craig Cates	<u>Yes</u>
Vice Mayor Mark Rossi	<u>Absent</u>
Commissioner Teri Johnston	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>
Commissioner Tony Yaniz	<u>Yes</u>



CRAIG CATES, MAYOR

ATTEST:



CHERYL SMITH, CITY CLERK



THE CITY OF KEY WEST

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

EXECUTIVE SUMMARY

Date: September 19, 2014

To: Jim Scholl, City Manager

From: Jim Bouquet, Director of Engineering

CC: Sarah Spurlock, Assistant City Manager (ACM)
Greg Veliz, ACM

Subject: **Reject Bid received for Seawall Repairs at Zero Duval
ITB #14-019**

Action Statement

This Resolution would reject the Bid received for *Seawall Repairs at Zero Duval* Invitation to Bid (ITB) #14-019. The single bid received significantly exceeded Engineer's estimate.

Background

The City of Key West issued ITB #14-019 for construction of *Seawall Repairs at Zero Duval*. Only one bid was received on July 17, 2014. Douglas N. Higgins, Inc. (Higgins) submitted a bid of \$984,000. A copy of this bid submittal is attached. The Engineer's (CH2M Hill) estimate was \$840,000.

Purpose and Justification

City Staff and CH2M Hill reviewed the single bid received and found the bid to significantly exceed (by approximately 17%) the Engineer's estimate. CH2M Hill subsequently conducted value-engineering evaluations with Higgins in an effort to reduce overall project cost. After discussions, it was decided the best course of action was to reject the single bid received. Refer to attached CH2M Hill Contactor Recommendation letter dated September 18, 2014.

The intent is to re-package the *Seawall Repairs at Zero Duval* with the *Mallory Square T-Pier Construction*. Combining the projects will result in a larger

Key to the Caribbean - Average yearly temperature 77° F.

MEMORANDUM

overall cost and economy of scale, with the intent of attracting additional contractors with marine specific experience to submit competitive bids.

Note that available funding for the Mallory Square T-Pier construction has, per City Commission Resolution 14-266, been increased by a recent grant award of \$762,000 from the Florida Department of Transportation. These Transportation Joint Participation Agreement (JPA) grant funds become available to City on July 1, 2015.

Options

Option #1: Reject the single bid received for *Seawall Repairs at Zero Duval* ITB# 14-019.

Option #2: Accept the single bid from Douglas N. Higgins, Inc. (Higgins) of \$984,000 and direct the City Manager to find the additional funds needed for construction.

Financial Issues

Account 101-1900-519-6300 (EN1002) has a balance of \$1,749,191 (including the JPA grant of \$762,000) to fund both the *Seawall Repairs at Zero Duval* and the *Mallory Square T-Pier Construction*.

Recommendation

Staff recommends Option #1 to reject the single bid received for *Seawall Repairs at Zero Duval* ITB# 14-019.



CH2MHILL.

CH2M HILL
6410 5th Street
Suite 2-A
Key West, FL 33040-5835
Tel 305.294.1645
Fax 305.294.4913

September 18, 2014

Mr. Jim Bouquet
Director of Engineering
City of Key West
3140 Flagler Avenue
Key West, FL 33040

Re: Contractor Recommendation
Seawall Repairs at Zero Duval

Dear Mr. Bouquet:

One (1) bid was received for the subject contract on July 17, 2014 and is summarized in the attached Bid Results Summary table. The single bid included a signed proposal and all the required forms.

The bidder, Douglas N. Higgins, Inc. has identified relevant construction experience working on similar projects and has a long history of completed projects for the City of Key West. However, due to only receiving one bid and that bid being significantly above the engineers estimate, we do not recommend awarding the contract at this time.

Please call me if you have any questions or need additional information.

Sincerely,

CH2M HILL

A handwritten signature in black ink, appearing to read "Andrew H. Smyth".

Andrew H. Smyth, P.E.

cc: File

Table 1
Bid Results Summary

BIDDER	Total Lump Sum Bid
DN Higgins	\$984,100
<i>Engineers Estimate</i>	<i>\$840,000</i>

**CITY OF KEY WEST
NORTH SIMONTON STORMWATER EMERGENCY OUTFALL
BID DOCUMENT SUMMARY**

BIDDER	BID SEALED	BID SIGNED	ADDEN #1	ADDEN #2	BID BOND	ANTI KICKBACK AFFIDAVIT
DN Higgins	X	X	X	X	X	X

Additional Submitted Information

BIDDER	KEY WEST INDEMNIFICATION FORM	EQUAL BENEFITS FOR DOMESTIC PARTNER AFFIDAVIT	BUSINESS LICENSE TAX RECEIPT	CONE OF SILENCE AFFIDAVIT	DISCLOSURE OF LOBBYING ACTIVITIES	NON-COLLUSION DECLARATION AND COMPLIANCE WITH 49 CFR S29
DN Higgins	X	X	X	X	X	X

INTEROFFICE MEMORANDUM

To: Terrence Justice,
CC: Sue Snider, Purchasing
From: Cheri Smith, City Clerk
Date: July 17, 2014
Subject: SEAWALL REPAIRS AT ZERO DUVAL; BID 14-019

The following bids were opened Thursday, July 17, 2014 at 3:00 p.m. in response to the above referenced project.

1.	Douglas N. Higgins 3390 Travis Pointe Road Suite A Ann Arbor, MI 48108	Total Bid:	\$ 984,100.00
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CS/amb
Bid 14-019 –Seawall repairs at Zero Duval