



THE CITY OF KEY WEST

1300 White Street Key West, FL 33040

July 20, 2022

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

Re: Final Mile Bike Parking Facilities, FM #446126-1-58-01 Request for Concurrence to Award

Ms. Nunez,

Pursuant to the Notice to Proceed the City of Key West received from the Florida Department of Transportation (FDOT) on May 11, 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 July 6, 2022, the City Clerk opened one (1) bid: Coral Construction Company. City staff reviewed the Bid Proposal Forms and determined that they were completed in accordance with the specified terms. In total, the City has analyzed the bid and determined the bidder was responsive and responsible. All required information was provided.

The City hereby requests concurrence to award the contract to the lowest responsive and responsible bidder, Coral Construction Company, in the amount of \$992,268.00; however, the contract amount is significantly higher than the funds available through the LAP Agreement. City staff has reviewed the bid versus the Engineer's estimate and although the bid is approximately 65% higher than the Engineer's estimate, we believe the bid is reasonable considering the increasingly higher prices that the construction and manufacturing industries have been experiencing this year. The City of Key West is requesting additional LAP funding, if available, to complete the project.

Some of the factors that contributed to the higher-than-expected prices include:

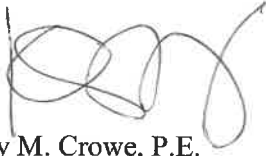
- **Logistical Constraints.** Key West is roughly 120 miles from the mainland where many of the construction materials are sourced. Labor and material costs are generally higher here due to transportation costs. The work will be completed at various locations across the Lower Keys. As the sites are spread across a large area, there are inefficiencies with the logistics such that several individual mobilizations will be required.

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

- A prolonged period of inflation has significantly impacted costs for construction and manufacturing materials. Fuel and material costs have increased dramatically between the time the estimate was prepared and when the bids were received.

Included is a Bid Analysis providing a comparison between the received bid and the Engineer's estimate. Please feel free to contact me by e-mail at kcrowe@cityofkeywest-fl.gov or by phone at (305) 809-3967 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kelly M. Crowe', with a vertical line to the left of the signature.

Kelly M. Crowe, P.E.
Utilities Director/LAP Responsible Charge

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