



## THE CITY OF KEY WEST

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### **EXECUTIVE SUMMARY**

**Date:** October 6, 2021

**To:** Patti McLauchlin, City Manager

**From:** Kelly Crowe, P.E., City Engineer

**Cc:** Todd Stoughton, Assistant City Manager  
Mark Finigan, Finance Director  
Steve McAlearney, Engineering Director

**Subject:** Rejection of Bids for ITB #21-015 Southard Street Milling and Resurfacing, FM #435497-2-58

### **ACTION STATEMENT**

Reject bids for ITB #21-015 Southard Street Milling and Resurfacing, FM #435497-2-58. Direct staff to readvertise the project for public bid.

### **BACKGROUND**

The Southard Street Milling and Resurfacing project is part of the overall Bahama Village Connectivity project that has been funded by the Florida Department of Transportation (FDOT) Local Agency Program (LAP). The original project was designed by Kimley Horn and Associates in 2011 and encompassed much of Bahama Village. The proposed improvements included new sidewalks, signage, lighting, street furniture, repaving and pavement markings. Due to public sentiment, the project scope was reduced, and staff coordinated with FDOT on a revised scope. A portion of the resulting project scope is Southard Street from Duval Street to Thomas Street with improvements that include new sidewalks, signage, repaving and pavement markings.

On June 11, 2021, city staff issued an Invitation to Bid (ITB #21-015) for the construction contract of the project. On July 8, 2021, the City Clerk opened two (2) bids: Charley Toppino and Sons, Inc (CTS) and General Asphalt, Inc. (General). CTS was the apparent lowest responsible and responsive bidder.

Staff reviewed the bids and initially discovered several potential issues which include the following:

1. An error in the bid quantities which was a significant over-estimate
2. Both prime contractors listed each other as subcontractors on their proposals
3. Significant differences between the Engineer's Cost Estimate unit prices and the proposed unit prices

City staff coordinated with the city's Legal Department and LAP staff to determine a reasonable path forward for the award of a construction contract. City staff resolved the discrepancies and agreed on a path forward to awarding a contract to the lowest responsible and responsive bidder. Ultimately LAP staff has to concur with the decision to award a construction contract.

On August 18, 2021, city staff requested concurrence to award a construction contract to Charley Toppino and Sons, Inc. (CTS) in the amount of \$669,940.90. Per their e-mail dated September 22, 2021; LAP staff did not concur with the city's request to award. City staff had a follow up phone conference with LAP staff on October 6, 2021 to discuss possible ways to move forward. LAP staff clarified that the three (3) issues cited above in aggregate was the reason for their decision not to concur and reiterated their decision outlined in the e-mail dated September 22, 2021.

### **PURPOSE AND JUSTIFICATION**

The project is part of the original Bahama Village Connectivity project and is funded by the LAP program. Approximately 95% of the construction costs will be reimbursed by the Federal Highway Administration (FHWA). Constructing this portion of Southard Street will complete the final gap in the Southard Street improvements that were constructed in 2018 and spanned from White Street to Duval Street.

This project supports Key West Forward Priority 3: Roads and sidewalks, Goal 1: 5 year pavement plans.

### **FINANCIAL**

Rejection of the bids does not have a direct cost impact. City staff will readvertise for public bid with the intent that LAP staff will concur and FHWA funds will be released for construction.

### **RECOMMENDATION**

Staff recommends that the City Commission reject both bids for ITB #21-015 Southard Street Milling and Resurfacing, FM #435497-2-58 and direct staff to readvertise the project for public bid.