



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

Date: July 26, 2013

To: Bob Vitas, City Manager

From: Karen Olson, Special Projects Designer

CC: David Fernandez, ACM
Mark Finigan, ACM
Doug Bradshaw, Senior Project Manager

Subject: **Reject all Bid's received for the Cemetery Sexton's House
ITB#13-019 (CE1002)**

Action Statement

This Resolution would reject all Bids received for the Cemetery Sexton's House ITB #13-019. Bids were inconsistent with typical local square foot pricing.

Background

The City of Key West issued ITB #13-019 for the construction of the new Cemetery Sexton's House. Bids were received on July 17, 2013 from three contractors.

D.L. Porter Construction, Inc.

Base Bid: \$532,000.00 (\$551s.f. base bid minus allowance)

Overholt Construction Corporation

Base Bid: \$616,601.00 (\$648s.f. base bid minus allowance)

E.L.C.I. Construction Group, Inc.

Base Bid: \$642,075.00 (\$677s.f. base bid minus allowance)

A \$50,000.00 allowance was added to the project to cover any unknown conditions discovered during demolition of the existing facility and permitting fees. There had been previous discussions with the City Sexton that human remains may be discovered below the facility and adjacent concrete slab. If remains are

MEMORANDUM

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

discovered the contractor would need to employ an Archeologist and provide ground penetrating radar to locate and preserve any additional remains.

Michael Miller was the Architect for the project.

Purpose and Justification

City staff, along with Michael Miller, analyzed the documents prior to bid to determine a range from \$375s.f. to \$475s.f. for construction minus the \$50,000.00 allowance. Staff had anticipated bids would come in at mid-range of \$423s.f. or \$370,000.00.

With the low bid at \$532,000.00 or \$551s.f. base bid minus allowance the City cannot justify that amount for an 875s.f footprint. In reviewing the bid schedule it was apparent that there were items within the original design that could be modified to help reduce costs.

After discussions with management it was determined the best course of action was to reject all bids and re-bid project with modifications. Though not prohibited and always encouraged to bid, local general contractors more than likely found it difficult, if not impossible, to meet several of the solicitation requirements. It is probable that by removing the requirements for builder's risk and eliminating the need for a payment and performance bond local builders will be able to meet the requirements of the documents and submit a bid.

Additional measures to be taken are the storeroom cabinetry and impact front door/transom will be replaced with shelving and non-impact door/transom with shutter. City staff will also perform demolition of existing facility and site preparation.

Options

Option #1 Accept D.L. Porter Construction, Inc. low base bid of \$532,000.00 and direct City Manager to find the additional funds needed for construction.

Option #2 Reject all bids received for the Cemetery Sexton's House ITB #13-019 and re-bid modified documents.

Financial Issues

Account 101-1905-6200 (CE1002) has a balance of \$338,000 and a projected budget increase in FY2013 of \$25,000 for a total balance of \$363,000.

Recommendation

Staff recommends option #2, Reject all bids received for the Cemetery Sexton's House ITB #13-019 and re-bid modified documents.