



Cover Memorandum/Staff Report

File #: 23-288 CRA

Agenda Date: 2/27/2024

Item #: 7J.

TO: CRA Board of Commissioners
FROM: Ivan J. Cabrera, AICP
THROUGH: Renée A. Jadusingh, Executive Director
DATE: February 27, 2024

FOURTH AMENDMENT TO THE AGREEMENT BETWEEN THE DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY AND AHRENS COMPANIES - 95 SW 5TH AVENUE IN AN AMOUNT NOT TO EXCEED \$3,314.36

Recommended Action:

Approve the Fourth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency (CRA) and Ahrens Enterprises DBA Ahrens Companies (Ahrens) for the construction of a commercial building located at 95 SW 5th Avenue in an amount not to exceed \$3,314.36 and authorize the CRA Board Chair to execute all related documents for said purpose.

Background:

At the January 24, 2023, CRA Regular Board Meeting, the Board awarded the Invitation to Bid CRA 2022-01-R - 95 SW 5th Avenue Commercial Building Construction Project ("ITB") to Ahrens, the lowest responsive and responsible bidder, in the amount of \$2,739,968.00. Subsequently, the CRA entered into an Agreement with Ahrens, dated February 28, 2023.

On April 25, 2023, the CRA Board approved the First Amendment to the Agreement. The First Amendment included the following provisions: Payment Procedures, Liquidated Damages, No Damages for Delay, Public Records, and Independent Contractor.

On September 28, 2023, the CRA Board approved the Second Amendment to the Agreement. The Second Amendment increased the Agreement amount by \$1,500 and accounted for increases in costs for materials and labor to perform necessary structural adjustments to the foundation of the commercial building.

On January 23, 2024, the CRA Board approved the Third Amendment to the Agreement. The Third amendment increased the Agreement amount by \$102,300.34 and accounted for materials and labor for: a modified roofing system, structural changes, and additional stucco work for finishes.

On February 8, 2024, Ahrens submitted a change order request in the amount of \$3,314.36. The purpose of this change order request is for materials and labor to perform necessary structural adjustments for openings at the front of the commercial building and additional sills for the openings.

At this time, CRA staff is requesting the CRA Board accept the change order request in the total amount of \$3,314.36 and approve the Fourth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency and Ahrens Companies and thereby adjusting the total Contract Price to \$2,847,082.70 for the construction of the commercial building located at 95 SW 5th Avenue.

Attachments: Exhibit A - Fourth Amendment to Agreement; Exhibit B - Location Map; Exhibit C - Agreement and Amendments; Exhibit D - Change Order

CRA Attorney Review:

The CRA Legal Advisor will prepare the Fourth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency and Ahrens Companies in a legally sufficient and acceptable form.

Finance Review:

N/A

Funding Source/Financial Impact:

Funds allocated from General Ledger # 6216 - 95 SW 5th Avenue Commercial Building Construction

Overall need within the Community Redevelopment Area from Delray Beach CRA

Redevelopment Plan:

Removal of Slum and Blight

Land Use

Economic Development

Affordable Housing

Downtown Housing

Infrastructure

Recreation and Cultural Facilities