



Cover Memorandum/Staff Report

File #: 26-0032 CRA

Agenda Date: 2/26/2026

Item #: 7H.

TO: CRA Board of Commissioners
FROM: Christine Tibbs, Assistant Director
THROUGH: Renée A. Jadusingh, Executive Director
DATE: February 26, 2026

APPROVAL OF THE FIRST AMENDMENT TO THE CONSTRUCTION SERVICES AGREEMENT WITH WAYPOINT CONTRACTING, INC. IN AN AMOUNT NOT TO EXCEED \$258,786, FOR ADDITIONAL CONSTRUCTION SERVICES NEEDED FOR THE REPLACEMENT OF THE ROOFTOP HVAC UNITS, FOR A TOTAL CONTRACT SUM NO TO EXCEED \$852,486, FOR THE CRA-OWNED BUILDING LOCATED AT 313 NE 3RD STREET

Recommended Action:

Approve the First Amendment to the Construction Services Agreement with Waypoint Contracting, Inc. for additional construction services needed for the replacement of seven (7) rooftop HVAC units at the CRA-owned commercial building located at 313 NE 3rd Street, in an amount not to exceed \$258,786, for a total Contract Sum not to exceed \$852,486, and authorize the CRA Board Chair to execute any and all related documents for said purpose in a form that is acceptable to CRA Legal Counsel.

Background:

At the January 27, 2026, CRA Board meeting, the Board approved the Construction Services Agreement for Invitation to Bid CRA No. 2025-03 for the construction of exterior and interior repairs to the CRA-owned two-story building located at 313 NE 3rd Street, also known as the Arts Warehouse (Project), with Waypoint Contracting, Inc. (Waypoint), in an amount not to exceed \$593,700. Subsequently, the CRA entered into the Construction Services Agreement with Waypoint.

During a pre-construction meeting between CRA Staff and Waypoint, discussed the construction of the roof repairs, which include: repair and overlay of the existing roof membrane, parapets, gutters and downspouts to remedy roof leaks at both the single and two-story roofs, including all flashing, counter flashings throughout the Arts Warehouse exterior. At that time, CRA Staff highlighted the need for Waypoint to coordinate with CRA Staff during the construction of the roof repairs as CRA Staff were planning for the replacement of all seven (7) of the rooftop HVAC units that service the Arts Warehouse as they have reached their end of life. Waypoint advised that initiating a separate HVAC replacement project would conflict with their roof repair work, specifically, the replacement of the flashing and counter flashings which connect the base of the HVAC to the roof.

Due to the highly coordinated and interdependent nature of the roof repairs and the replacement of the seven (7) rooftop HVAC units, separating these scopes of work would result in scheduling conflicts, material delays, additional mobilization costs, and/or an increased risk of water intrusion. To ensure proper sequencing, optimal watertightness, and long-term performance of the roof system, CRA Staff requested that Waypoint submit a Change Order to perform the replacement of the HVAC units in conjunction with the roof repairs.

Change Order:

On February 17, 2026, Waypoint submitted a Change Order in the amount of \$258,786. The purpose of this Change Order is for the additional cost related to the full replacement of the seven (7) rooftop HVAC units. The full scope of work is attached as Exhibit C.

As part of the Change Order, Waypoint provided multiple quotes from three (3) HVAC sub-contractors to support the additional amount requested. The selected HVAC contractor represents the responsible subcontractor that submitted a quote for the scope of work required.

At this time, CRA Staff is requesting the CRA Board accept the Change Order in an amount not to exceed \$258,786, approve a First Amendment to the Construction Services Agreement between the Delray Beach Community Redevelopment Agency and Waypoint Contracting, Inc., to include the replacement of seven (7) rooftop HVAC units that tie into the construction of the roof repairs, thereby adjusting the total Contract Sum to an amount not to exceed \$852,486, for the construction of exterior and interior repairs for the CRA-owned commercial building located at 313 NE 3rd Street, also known as the Arts Warehouse, and authorize the CRA Board Chair to execute any and all related documents for said purpose in a form that is acceptable to the CRA Legal Counsel.

Attachments: Exhibit A - Location Map & Photos; Exhibit B - Construction Services Agreement with Waypoint Contracting, Inc.; Exhibit C - Change Order; Exhibit D - First Amendment to the Construction Services Agreement

CRA Attorney Review:

The CRA Legal Counsel has prepared and reviewed the First Amendment to the Construction Services Agreement for legal sufficiency and form and determined it to be acceptable.

Funding Source/Financial Impact:

Funding has been allocated from GL# 7441.

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