



## Cover Memorandum/Staff Report

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**File #:** 24-027 CRA

**Agenda Date:** 5/30/2024

**Item #:** 71.

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**TO:** CRA Board of Commissioners  
**FROM:** Ivan J. Cabrera, AICP  
**THROUGH:** Renée A. Jadusingh, Executive Director  
**DATE:** May 30, 2024

### **FIFTH AMENDMENT TO THE AGREEMENT BETWEEN THE DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY AND AHRENS COMPANIES - 95 SW 5TH AVENUE**

#### **Recommended Action:**

Approve the Fifth 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 \$17,170.62, extend the Contract Term to November 21, 2024, 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 5<sup>th</sup> 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 27, 2024, the CRA Board approved the Fourth Amendment to the Agreement. The Fourth amendment increased the Agreement amount by \$3,314.36 and accounted for materials and labor to perform necessary structural adjustments for openings at the front of the commercial building and additional sills for the openings.

Subsequent to that time, Ahrens has submitted the following change order requests (all change orders are included within Exhibit D):

Change Order	Amount	Description
10	\$10,916.03	Materials and labor to perform column adjustments as directed by Architect
11	\$2,879.85	Materials and labor to add a second-floor mop sink and wall bumper as directed by Architect
12	\$831.44	Materials and labor to remove a tree as directed by Architect and necessitated by FPL for utility installation.
13	\$1,518.30	Storage cost for glass doors and window frames due to extension of the Contract Term
14	1,025.00	Storage cost for HVAC system due to extension of the Contract Term
	\$17,170.62	Total

**Change Order 10:**

This change order accounts for the changes associated with the columns and pre-cast joists sections as requested by Architect.

**Change Order 11:**

This change order accounts for the addition of a mop sink and wall bumper on the second floor as requested by Architect.

**Change Order 12:**

This change order accounts for the removal of a tree, required for the installation of necessary utility infrastructure (a transformer and associated wiring) by Florida Power and Light and as directed by the Architect. All design, construction, and installation options were considered by the Architect, Ahrens, CRA Staff, and FPL. Change Order 12 was determined to be the option that had the lowest impact on the project design and construction schedule.

**Change Order 13:**

This change order accounts for additional storage costs for glass doors, window frames associated with the extension of the Contract Term.

**Change Order 13:**

This change order accounts for additional storage costs for the HVAC system associated with the extension of the Contract Term.

**Extension of Contract Term:**

The Agreement currently has a Contract Term with a termination date 365 days from the date of the Notice to Proceed. The Notice to Proceed was issued on June 5, 2023, and the current termination date is June 4, 2024. Ahrens has provided an updated construction schedule with a completion date of November 21, 2024. The CRA and Ahrens have agreed to an extension to the Contract Term with a new termination date of November 21, 2024.

At this time, CRA staff is requesting the CRA Board accept the change order requests in the total amount of \$17,170.62, extend the Contract Term to November 21, 2024, and approve the Fifth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency and Ahrens Companies and thereby adjusting the total Contract Price to \$2,864,253.32 for the construction of the commercial building located at 95 SW 5th Avenue.

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

**CRA Attorney Review:**

The CRA Legal Advisor will prepare the Fifth 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