



Cover Memorandum/Staff Report

File #: 24-048 CRA

Agenda Date: 7/23/2024

Item #: 7H.

TO: CRA Board of Commissioners
FROM: Ivan J. Cabrera, AICP
THROUGH: Renée A. Jadusingh, Executive Director
DATE: July 23, 2024

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

Recommended Action:

Approve the Sixth 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 \$40,843.42 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 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.

On May 30, 2024, the CRA Board approved the Fifth Amendment to the Agreement. The Fifth Amendment increased the Agreement amount by \$17,170.62 and accounted for material and labor for: column adjustments, adding a mop sink on the second floor, removal of a tree, storage costs for glass doors, window frames and HVAC system, and extended the Contract Term to November 21, 2024.

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

Change Order	Amount	Description
15	\$1,049.01	Materials and labor to add drywall header at ceiling as directed by Architect
16	\$6,281.29	Materials and labor to add a metal frame and anchors for louvers at garage entrance as directed by Architect
17	\$2,967.47	Materials and labor to increase the beam width from 8" to 12" on East and West sides of the roof as directed by Architect
18	\$30,545.65	Builders Risk Insurance for extended Contract Term
	\$40,843.42	Total

Change Order 15:

This change order accounts for adding drywall header at ceiling as directed by Architect.

Change Order 16:

This change order accounts for the addition of a metal frame and anchors for louvers at garage entrance as directed by Architect.

Change Order 17:

This change order accounts to increase the beam width from 8" to 12" on East and West sides of the roof as directed by Architect.

Change Order 18:

This change order accounts for additional Builders Risk Insurance as the Contract Term was extended from June 4, 2024, to November 21, 2024.

At this time, CRA staff is requesting the CRA Board accept the change order requests in the total amount of \$40,843.42 and approve the Sixth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency and Ahrens Companies and thereby adjusting the total Contract Price to \$2,905,096.74, for the construction of the commercial building located at 95 SW 5th Avenue.

Attachments: Exhibit A - Sixth 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 Sixth 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