

# City of Delray Beach

100 N.W. 1st Avenue Delray Beach, FL 33444

# Cover Memorandum/Staff Report

File #: 18-0363 CRA Agenda Date: 6/11/2019 Item #: 8C.

TO: CRA Board of Commissioners

FROM: Patrick McCullough, Project Manager THROUGH: Jeff Costello, CRA Executive Director

**DATE:** June 11, 2019

#### AWARD OF BID FOR 2019-04 - 121 SW 10th AVENUE DUPLEX RENOVATION

#### **Recommended Action:**

- 1. Award the bid to Hatcher Construction & Development, Inc. in the amount of \$119,757.23 for the 121 SW 10th Avenue Duplex Renovations Project.
- Authorize the Board Chair to execute an agreement with Hatcher Construction & Development, Inc., for the Project in a form acceptable to General Counsel, and providing for an exemption to providing the Performance and Payment Bond.

#### **Background:**

The subject property at 121 SW 10<sup>th</sup> Avenue is located within the Southwest Neighborhood (CRA Sub-Area #8) and is zoned RM (Medium Density Residential). The existing 2,400 sq. ft. duplex was built in 1992 and currently, one of the units is occupied and the other unit is vacant. The CRA purchased the property on January 15, 2019, for \$240,000.

At the April 9, 2019 CRA Board Meeting, the Board approved the Scope of Work to be included with the standard Bid documents. The ITB (2019-04) was prepared and issued on April 22, 2019 with a submittal deadline of May 22, 2019.

The renovation in each unit of the duplex includes the following:

- New Kitchen cabinets, countertops, and appliances
- New Bathroom vanity, sink, bathtub, and plumbing fixtures
- New Interior and Exterior Doors
- New Impact Windows
- Re-painted Exterior
- New Wood Plank Ceramic Tile flooring throughout
- New Plumbing Lines
- Upgraded Electrical, Lighting Fixtures, and Ceiling Fans
- Troubleshoot & Repair of HVAC systems and Clean of Ductwork
- General Site Improvements

### **Invitation for Bids Analysis:**

On May 22, 2019, the CRA received three (3) responses to the ITB:

BIDDER	CONTRACT PRICE
HATCHER CONSTRUCTION AND DEVELOPMENT, INC	\$ 119,757.23
MERAKI DESIGN & CONSTRUCTION	\$ 99,737.66
RANDOLPH CONSTRUCTION GROUP	\$ 120,976.84

CRA Staff reviewed each bid based on the criteria listed in the ITB as well as the CRA's Purchasing & Procurement Policies Manual; specifically, as it relates to Section 5.6 Competitive and/or Sealed Bids (Proposals) Procedures.

Examination of the apparent Low Bidder's (Meraki Design & Construction) documentation revealed several deficiencies including an incomplete bid form, not meeting the Minimum Qualifications, and insufficient References; thus resulting in a determination the submittal was nonresponsive and disqualified from further consideration.

The remaining two Bidders (Hatcher Construction & Development, Inc. & Randolph Construction Group) were equally rated in the ITB qualifications. In light of the fact that Hatcher Construction & Development's bid is lower than the bid submitted by Randolph Construction Group, CRA staff recommends that the CRA Board award the bid to Hatcher Construction & Development, Inc., subject to the negotiation of an acceptable agreement.

Also, original cost estimates for this project were below \$100,000.00; therefore, there was no requirement for a Performance and Payment Bond included in the ITB. Pursuant to Section 255.05(1)(d), Florida Statutes, :

At the discretion of the official or board awarding such contract when such work is done for any county, city, political subdivision, or public authority, a person entering into such a contract that is for \$200,000 or less may be exempted from executing the payment and performance bond.

Pursuant to Section 255.05(1)(d), Florida Statutes, it is Staff's recommendation to grant an exemption to the Performance and Payment Bond requirement since the construction costs for this project are for less than \$200,000.00

Based on the above, CRA Staff recommends award of the bid to Hatcher Construction & Development, Inc. in the amount of \$119,757.23, subject to the negotiation of an acceptable agreement, and to provide an exemption to the requirement to provide a Performance and Payment Bond. Also, CRA Staff recommends that the CRA Board authorize the Board Chair to execute an agreement with Hatcher Construction & Development, Inc. for the Project in a form acceptable to General Counsel.

Attachment(s): Exhibit A - Location Map

# **CRA Attorney Review:**

The CRA Attorney has prepared the attached draft Agreement and determined it to be acceptable as to form.

#### **Finance Review:**

N/A

## **Funding Source/Financial Impact:**

Funding is available through the reallocation of funds (\$120,000) from General Ledger #5610 - Other-Land Acquisitions

## **Timing of Request:**

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N/A