

**CITY OF MIAMI BEACH
COMMISSION ITEM SUMMARY**



Condensed Title:

A Resolution approving and authorizing the negotiation of a contract with the lowest and best bidder, Williams Paving, Inc, pursuant to Invitation to Bid No. 19-01/02, for the construction of the Marseille Drive Streetscape Improvements Project; and if successful, authorizing the execution of a contract for an amount not to exceed \$1,349,717 for the cost of construction.

Issue:

Whether to negotiate a contract with the lowest and best bidder, Williams Paving, Inc, pursuant to Invitation to Bid No. 19-01/02, for an amount not to exceed \$1,349,717 for the construction of the Marseille Drive Streetscape Improvements Project, and if successful, to award such contract.

Item Summary/Recommendation:

On March 6, 2002, Invitation to Bid No. 19-01/02 was issued for the construction of the Marseille Drive Streetscape Improvements Project. On April 12, 2002, the City received one (1) responsive bid from Williams Paving, Inc. The Contractor's base bid proposal to complete the work specified in the bid documents is one million three hundred and fifty-six thousand, nine hundred and thirteen dollars (\$1,356,913).

City staff and the City's Consultant, Gambach Architects, have evaluated the bid, the bidder's references, and the City's available budget for the Project. The bidder's proposal exceeds the available budget for construction. The City's Consultant recommends that the city value engineer the project to bring it within budget. After reviewing the options available for the Project, the Administration concurs with Gambach Architect's recommendation and intends to conduct negotiations with the Contractor to bring the Project within budget.

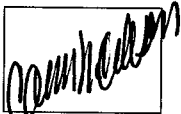
Therefore the Administration recommends the adoption of the Resolution by the Mayor and City Commission, authorizing the negotiation of a contract with Williams Paving, Inc. for the construction of the Marseille Drive Streetscape Improvements Project.

Advisory Board Recommendation:



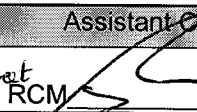
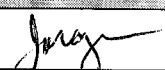
N/A

Financial Information:

Amount to be expended:

Source of Funds:	Amount	Account	Approved	
 Finance Dept.	1	\$1,000,000	115.2384.064357 HUD Section 108 Loan Fund	
	2	\$223,473	428.2384.060357 Storm Water Bond Fund	
	4	\$126,244	424.2384.062357 Water & Sewer Bond Fund	
	Total	\$1,349,717		

Sign-Offs:

Department Director		Assistant City Manager		City Manager	
GL	TH 	 for Tim Hemstreet	RCM 		

AGENDA ITEM R7E

DATE 5-29-02

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
www.ci.miami-beach.fl.us



COMMISSION MEMORANDUM

To: Mayor David Dermer and
Members of the City Commission

Date: May 29, 2002

From: Jorge M. Gonzalez
City Manager

A handwritten signature in black ink, appearing to read 'Jorge'.

Subject: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO NEGOTIATE A CONTRACT WITH THE LOWEST AND BEST BIDDER, WILLIAMS PAVING, INC, PURSUANT TO INVITATION TO BID NO. 19-01/02, FOR THE CONSTRUCTION OF THE MARSEILLE DRIVE STREETScape IMPROVEMENTS PROJECT; AND IF THE NEGOTIATIONS ARE SUCCESSFUL, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A CONTRACT FOR AN AMOUNT NOT TO EXCEED \$1,349,717; AND FURTHER APPROPRIATING \$8,664 FROM THE STORM WATER BOND FUND AND \$5,199 FROM THE WATER AND SEWER BOND FUND AS BUDGETED TO COMPLETE THE BALANCE OF THE FUNDING FOR THE PROJECT.**

ADMINISTRATION RECOMMENDATION:

Adopt the Resolution.

FUNDING:

Funding in the total amount of \$1,349,717 is available as follows:

- \$1,000,000 from the HUD Section 108 Loan Fund No. 115.2384.064357 (Previously appropriated)
- \$223,473 from the Storm Water Bond Fund No. 428.2384.060357 (of which \$8,664 is being appropriated herein)
- \$126,244 from the Water and Sewer Bond Fund No. 424.2384.062357 (of which \$5,199 is being appropriated herein)

ANALYSIS

The Marseille Drive Streetscape Improvements Project has been a vision of the community since 1995 when the City of Miami Beach entered into a Professional Services Agreement with Gambach-Sklar Architects, Inc. In 1996, the City issued a Service Order for the provision of architectural, engineering and land surveying services, for the proposed Marseille Drive Streetscape Improvements.

Preliminary drawings and a cost estimate for the project were submitted to City staff for review. However, the design presented was rejected as a result of conflicts with the adjoining properties. In 1997, due to inadequate funding, the Project was placed on hold. Later that year, \$263,650 in Community Development Block Grant Funds (CDBG), was identified and reserved for the Project.

Thereafter, a second design was submitted by the City's Consultant and rejected by the City, as it did not meet the design criteria. In October 1998, additional CDBG Funds were reserved for the Project, making available a total of \$426,357. In 1998, with the submission of the third set of drawings, the construction cost for the Marseille Drive Streetscape Improvements Project was estimated at \$600,000. Because the estimated cost of the project exceeded the amount of funds available through the CDBG program, those funds (\$426,357) were reallocated to other projects and the new project costs for Marseille Drive were included in the City's Section 108 Loan application. The City was approved for a \$4,000,000 Section 108 Loan from the Department of Housing and Urban Development on September 26, 2000. Of the \$4,000,000, a total of \$1,000,000 was allocated for the Marseille Drive street improvements.

On January 26, 2000, the City Commission adopted Resolution No. 2000-23768 amending the Professional Services Agreement between the City and Gambach-Sklar Architects, Inc., to provide additional services in the amount of \$18,392.

On September 28, 2001, Gambach-Sklar Architects, Inc. notified the City that the firm had ceased its operations. The Administration informed both Mr. Gambach, and Mr. Sklar of its intent to assign the Contract to Gambach Architects, Inc. Subsequently, the Mayor and City Commission adopted Resolution 2002-24701 authorizing the assignment of the existing Agreement between the City and Gambach-Sklar Architects, Inc, to Gambach Architects, Inc. for the provision of architectural and engineering services for the Marseille Drive Streetscape Improvements Project. Additionally, the City Commission approved an amendment to the Agreement with Gambach Architects, Inc. in the amount of \$10,990. Such amendment was executed for the provision of construction administration, and management, bidding and other related professional services necessary to complete the water main replacements, and street lighting portions of the Project, previously undertaken

and completed by the Public Works Engineering staff. On March 6, 2002, Invitation to Bid No. 19-01/02 was issued. One thousand seven hundred and twenty-nine (1,729) vendors were notified which resulted in thirty-seven (37) requests for plans and specifications. A pre-bid conference was held on March 21, 2002, and on April 12, 2002, the City received one (1) bid from Williams Paving, Inc. The Contractor's total base bid proposal for the construction of the Project as stipulated in the bid documents is one million three hundred and fifty-six thousand, nine hundred and thirteen dollars (\$1,356,913).

The bidder's proposal includes the furnishing and provision of all labor, supervision, tools, equipment, materials, supplies, and manufactured articles, transportation, and services, including fuel, power, water, essential communications, and performing all the work, or other operations necessary to complete the Marseille Drive Streetscape Improvement Project, in strict accordance with the Contract Documents. The work includes all tie-in, testing, applicable permit fees, taxes, insurance, miscellaneous costs, overhead and profit.

The work on the Marseille Drive Streetscape Improvements Project is to be completed under a single prime contract. The contract document stipulates that the contractor shall attain substantial completion within one hundred-fifty (150) calendar days after the date of issuance of the Notice to Proceed. Additionally, the project must be completed and ready for final payment thirty (30) calendar days following the substantial completion date.

The Scope of Work encompasses the construction of 5' wide sidewalks, with 6" deep valley gutter system to catch basins; paved angled parking (including handicap parking); paving, re-grading and striping of roadways; landscaping, including shade trees; irrigation; improvement of the drainage system; installation of water mains; and street lighting. The Project Limits include Marseille Drive, from Bay Drive to Rue Notre Dame; Rue Versailles, and Rue Notre Dame north of Marseille Drive.

The following table illustrates the bid amount and the City's available funding for construction, including contingency.

Marseille Drive Streetscape Project Costs	Williams Paving Inc's Base Bid	Available Funding for Construction & Contingency	Unfunded
Total Base Bid	\$1,356,913	\$1,349,717	\$7,196

The City's Procurement Division conducted a survey to determine the reasons contractors did not submit bid proposals. A total of 44 responses were received as part of this survey. Twenty-three companies replied that they do not handle this type of construction services. Eleven companies responded that they were too busy with other projects. Three companies responded that the bid guaranty requirements were too high. Two companies replied that they were not interested in bidding at the time, and two other companies that the Performance and Payment Bonds or Insurance requirements were too high. One company replied that they were never notified of this bid opportunity by Demandstar. Two companies provided other reasons for not submitting a bid for this project: "We ordered this bid by mistake from DemandStar" and "We were missing the Electrical plans from the bid set and could not get the electrical sub prices to complete the bid".

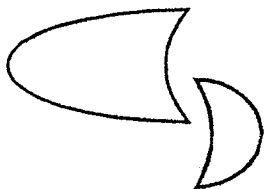
CONCLUSION:

City staff and the City's Consultant, Gambach Architects, have evaluated the bid, the bidder's references, and the City's available budget for the Project. The bidder's proposal is \$1,356,913; and exceeds the available budget for construction. The City's Consultant recommends that the City value engineer the project to bring it within budget. After reviewing the options available for the Project, the Administration concurs with Gambach Architect's recommendation and intends to conduct negotiations with the Contractor to bring the Project within budget. (Attachment 1)

The Administration recommends the adoption of the Resolution by the Mayor and City Commission, authorizing the negotiation of a contract with Williams Paving, Inc. for the construction of the Marseille Drive Streetscape Improvements Project.

Attachment

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GAMBACH ARCHITECTS, INC.

ARCHITECTURE
INTERIOR DESIGN
P L A N N I N G

1132 Kane Concourse
Level Two
Bay Harbor Islands
Florida 33154

A A C 0 0 1 0 0 5

Tel 305/866-2096
Fax 305/866-2099

arkitekts@aol.com

April 24, 2002

Mr. Michel Magloire
Capital Improvement Projects Office
City of Miami Beach
1700 Convention Center Dr.
Miami Beach, FL 33139

Re: Marseille Drive Streetscape Improvements

Dear Mr. Magloire:

I have evaluated the bid presented by Williams Paving Co., Inc. for the referenced project. While the bid is 7% over the City's available budget for construction, I believe that, among other options available to the City, value engineering the project should be considered a good option to bring this project within budget.

Therefore, I recommend to the City to value engineer the project with the Contractor.

Sincerely,

Roberto J. Gambach
President

RJG/bg

RECEIVED
CITY OF MIAMI BEACH
02 APR 26 PM 3:42
PUBLIC WORKS DEPARTMENT

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO NEGOTIATE A CONTRACT WITH THE SOLE BIDDER, WILLIAMS PAVING, INC, PURSUANT TO INVITATION TO BID NO. 19-01/02, FOR THE CONSTRUCTION OF THE MARSEILLE DRIVE STREETScape IMPROVEMENTS PROJECT; AND IF THE NEGOTIATIONS ARE SUCCESSFUL, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A CONTRACT, FOR AN AMOUNT NOT TO EXCEED \$1,349,717; AND FURTHER APPROPRIATING \$8,664 FROM THE STORM WATER BOND FUND; AND \$5,199 FROM THE WATER AND SEWER BOND FUND AS BUDGETED TO COMPLETE THE BALANCE OF THE FUNDING FOR THE PROJECT.

WHEREAS, the Marseille Drive Streetscape Improvements Project has been a vision of the Mayor and City Commission, the Administration and community since 1995, when the City entered into a professional services agreement with Gambach-Sklar Architects, Inc; and

WHEREAS, in 1997, due to inadequate funding, the Project was placed on hold and later that year, \$263,650 in Community Development Block Grant (CDBG) funds were reserved for the Project; and

WHEREAS, additional CDBG funds were reserved in 1998, for a total of \$426,357; and

WHEREAS, the Project construction cost increased to \$600,000, which exceeded the amount available through the CDBG Program; and

WHEREAS, the CDBG funds were reallocated to other projects, and the costs for the Marseille Drive Project included in the City's Section 108 Loan application; and

WHEREAS, the City was approved for \$4,000,000 in a Section 108 Loan from the Department of Housing and Urban Development on September 26, 2000, and of that amount, \$1,000,000 was allocated for the Project; and

WHEREAS, on January 9, 2002, pursuant to the dissolution of the firm of Gambach-Sklar Architects, Inc., the Mayor and City Commission adopted Resolution 2002-24701, authorizing the assignment of the existing agreement between the City and the former firm, to Gambach Architects, Inc; and

WHEREAS, in addition, the City Commission approved an amendment to the Agreement with Gambach Architects, Inc, in the amount of \$10,990, for the provision of construction administration, and management, bidding and other related professional

services necessary to complete the water main replacements, and street lighting portions of the Project, previously undertaken and completed by the Public Works Engineering staff; and

WHEREAS, the construction documents for the Marseille Drive Streetscape Project were completed, thereafter, on March 6, 2002, and Invitation to Bid No. 19-01/02 was issued, which resulted in thirty-seven requests for plans and specifications; and

WHEREAS, on March 21, 2002, a pre-bid conference was held, and on April 12, 2002, the City received one (1) bid from Williams Paving, Inc; and

WHEREAS, Williams Paving, Inc.'s base bid proposal for the completion of the work, as specified in the bid documents, is \$1,356,913; and

WHEREAS, City staff and Gambach Architects, Inc, have evaluated the bid and the bidder's references, and have determined that the contractor's bid proposal, although responsive, is above the City's available budget for construction, and recommend that the Administration value engineer the Project to bring it within budget; and

WHEREAS, Section 2-367 Paragraph (c) of the City Code, pertaining to the negotiation of bids, states that "the City Commission, by simple majority vote, for contracts in excess of \$25,000, shall have the power to negotiate those contracts and purchases where only one bid response is received"; and

WHEREAS, funding, in the total amount of \$1,349,717, is available as follows: \$1,000,000 from the HUD Section 108 Loan Fund; \$223,473 from the Storm Water Bond Fund; and \$126,244 from the Water and Sewer Bond Fund.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve and authorize the City Manager or his designee to negotiate a contract with the sole bidder, Williams Paving, Inc, pursuant to Invitation to Bid No. 19-01/02, for the construction of the Marseille Drive Streetscape Improvements Project; and if the negotiations are successful, authorizing the Mayor and City Clerk to execute a contract, for an amount not to exceed \$1,349,717; and further appropriating \$8,664 from the Storm Water Bond Fund; and \$5,199 from the Water and Sewer Bond Fund, as budgeted to complete the balance of the funding for the Project.

PASSED and ADOPTED this _____ day of May, 2002

MAYOR

ATTEST:

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**

CITY CLERK

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City Attorney

5-21-02

Date