

Condensed Title:

Request For Approval To Reject All Bids Received Pursuant To Invitation To Bid No. 39-08/09, For The Construction Of The 35th Street Restroom Facilities And Street End Improvements, To Include The Construction Of Two (2) 256 Square Feet Structures Connected By A Concrete Paved Plaza, New Landscaping And Irrigation, Installation Of A 250 Linear Feet Sanitary Sewer Line, And Milling And Resurfacing Of 35th Street; And Utilizing Job Order Contracting For The Construction Of The Project.

Key Intended Outcome Supported:

Ensure well maintained infrastructure.

Supporting Data (Surveys, Environmental Scan, etc.): The 2007 Community Satisfaction Survey indicated that 82% to 85% of recently completed South Pointe and South Beach area Capital Improvement Projects were ranked as good or excellent by residents. Completing this Project will add to the needed upgrades in this area and improve overall rating.

Issue:

Shall the City Commission approve the rejection of Bids?

Item Summary/Recommendation:

On May 14, 2009, Invitation to Bid (ITB) No. 39-08/09 was issued, resulting in the receipt of seven (7) responsive bids. On July 1, 2009, the Technical Review Panel (TRP) and a representative from C3TS, the Architect of Record, convened to review the bids submitted and to conduct a 30 minute interview of the contractor's key personnel.

During the interview process, Andes Construction, the lowest bidder, realized that part of the scope of work had not been included in their bid amount, leaving some landscape, plumbing and concrete work out of the scope. Andes decided to withdraw its bid from consideration. At the conclusion of the interviews, the TRP recommended the award of a contract to SA Consultants, LLC in the amount \$464,606 as the lowest and best bidder.

Special Assistant to the City Manager, Emanuel Mayer, recommended a rejection of bids based on his estimate that the project cost should be around \$400,000.

In order to ensure the lowest possible cost, three (3) JOC approved contractors were requested to provide cost proposals per plans and specs. CIP staff is currently evaluating the JOC proposals received, have engaged in value engineering to further reduce the cost of the project, and will be making a determination within the next couple of weeks.

After considering the review and recommendation of the Panel, the City Manager exercised his due diligence and recommends that the Mayor and City Commission reject all bids since the use of Job Order Contractors results in savings of at least \$59,550.50.

APPROVE THE REJECTION OF BIDS.

Advisory Board Recommendation:

N/A

Financial Information:

Source of Funds:		Amount	Account	Approved
<div style="border: 1px solid black; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center;"> OBPI </div>	1			
	2			
	3			
	4			
	Total			

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Gus Lopez Ext. 6641

Sign-Offs:

Department Director GL <u> </u> CC <u> </u>	Assistant City Manager EM <u> </u> TH <u> </u>	City Manager JMG <u> </u>
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COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: September 9, 2009

SUBJECT: **REQUEST FOR APPROVAL TO REJECT ALL BIDS RECEIVED PURSUANT TO INVITATION TO BID NO. 39-08/09, FOR THE CONSTRUCTION OF THE 35TH STREET RESTROOM FACILITIES AND STREET END IMPROVEMENTS, TO INCLUDE THE CONSTRUCTION OF TWO (2) 256 SQUARE FEET STRUCTURES CONNECTED BY A CONCRETE PAVED PLAZA, NEW LANDSCAPING AND IRRIGATION, INSTALLATION OF A 250 LINEAR FEET SANITARY SEWER LINE, AND MILLING AND RESURFACING OF 35TH STREET; AND UTILIZING JOB ORDER CONTRACTING FOR THE CONSTRUCTION OF THE PROJECT.**

ADMINISTRATION RECOMMENDATION

Rejection of all bids received.

KEY INTENDED OUTCOME SUPPORTED

Ensure well-maintained infrastructure.

FUNDING

Previously appropriated funds for this scope of work, through the Fiscal Year 2008-2009 Capital Budget, are available in the amount of \$500,000 for Construction and \$55,000 for Contingency; for a total project budget appropriated amount of \$555,000.

ANALYSIS

The Administration previously identified six (6) beachfront restroom/concession facilities, which were in critical need of replacement. The subject facilities were, at the time, located east of Collins Avenue at 21st, 29th, 46th, 53rd, 64th, and 72nd Streets. Because beach tourism is vital to the economic well being of our community, and the availability of safe, clean and accessible restrooms and concession facilities is vital to beach tourism, the Administration initiated an effort to replace the deteriorated facilities with new standardized facilities.

On April 18, 2001, Corzo, Castella, Carballo, Thompson and Salman (C3TS) was awarded a contract, via Resolution No. 2001-24348, for architectural, engineering and construction administration services, required to construct five (5) oceanfront restroom/concession facilities located at 64th, 53rd, 46th, 29th, and 21st Streets. After the completion of sixty percent (60%) construction documents, a dispute occurred between the City and C3TS and C3TS had their contract terminated for convenience by the City on January 14, 2002. Subsequently, C3TS filed a lawsuit against the City for payment of services rendered.

Resolution No. 2003-25196, dated April 30, 2003, approved the award of a contract to Tran Construction, for the delivery of these facilities using the Design/Build delivery method for the design, permitting and construction of only four of the six (6) previously identified new

restroom/concession facilities within the beachfront parks located at 21st, 46th, 53rd and 64th Streets, in accordance with the sixty percent (60%) design plans prepared by C3TS and the City's Design Criteria Specification Package.

Many of the residents and property owners in the vicinity of the 29th Street facility had voiced their opposition to the replacement of that specific restroom facility. Based on the majority opposition to the redevelopment of the restroom, plans to replace the 29th Street facility were discontinued. Therefore, Resolution No. 2003-25196 which also recommended the reallocation of the funding previously allocated to the 29th Street restroom to be used for the construction of the 46th and 53rd Street facilities. This reallocation was necessary to complete the funding for the Beach Restroom Project awarded to Tran. The Commission did not approve this recommendation and instead directed the Administration to preserve this funding for use in a potential future 35th Street Restroom Facility. The Administration was then directed to seek other sources of funding for the project.

In 2004, Tran Construction was requested to submit a revised proposal since two years had passed after the last proposal was presented to the City Commission for consideration. This request was made after resolution of the litigation between the City and C3TS.

On November 10, 2004, the City Commission adopted Resolution No. 2004-25741 authorizing the City to enter into a Design-Build Agreement with Tran Construction to construct the beachfront restrooms and concession facilities located at 21st, 46th and 64th Streets. Due to limited funding, the facility on 53rd Street, which was originally part of the package, was eliminated. The construction of these facilities was completed in 2007.

In 2007, Tran Construction was authorized, by an approved change order to their existing contract with the City, to proceed with the design of the 35th Street Restrooms facility, based on the 60% documents previously designed for the 29th Street facility. The plans were approved by the Building Department on March 26, 2009.

Since the timelines for the construction of the restrooms was not concurrent with the milling and resurfacing, and other improvements to the 35th street-end, this scope of work was eliminated from the Oceanfront Right-of-Way Improvements – Phase I Project. This scope of work has since been included as part of ITB No. 39-08/09.

BID PROCESS

On May 14, 2009, Invitation to Bid (ITB) No. 39-08/09 was issued with a bid opening date of June 11, 2009. A pre-bid conference was held on May 28, 2009. Four (4) Addenda were issued to provide additional information and to respond to all questions submitted by the prospective bidders. Bidsync and Bidnet issued bid notices to 91 prospective bidders, which resulted in the receipt of seven (7) bids from the following companies:

- ABC Construction, Inc.
- Andes Construction Group, Inc.
- Budget Construction Company, Inc.
- Carivon Construction Company
- Mexal Corporation
- SA Consultants, LLC
- Zurqui Construction Services, Inc.

The Work specified in this bid package, and corresponding contract, comprises the construction necessary to build the 35th Street Oceanfront Restroom Facilities and 35th Street End improvements. The work is comprised of two (2) 256 square feet structures connected by a concrete paved plaza, new landscaping and irrigation, installation of a 250 linear feet sanitary sewer line, and milling and

resurfacing of 35th Street.

On July 1, 2009, the Technical Review Panel (the “Panel”) and a representative from C3TS, the Architect of Record, convened to review the bids submitted for the construction of the 35th Street Restroom Facilities and Street End improvements Project and to conduct a 30 minute interview of the contractor’s key personnel. The Panel performed an extensive review and evaluation of the materials submitted as part of the bid packages, including Performance Evaluation Surveys completed by previous clients and Risk Assessment Plan/Value Added Submittals. The Panel consisted of the following individuals:

- Alberto Zamora, Director of Sanitation
- Julio Magrisso, Assistant Director of Parks and Recreation
- Mario Gonzalez-Pola, Sr. Capital Projects Coordinator
- Thais Vieira, Capital Projects Coordinator
- Michael Belush, Senior Planner

The Panel based its recommendation on the following evaluation criteria:

- **(10 points)** Risk Assessment Plan (RAP)/Value Added Submittal (VAS) - A Preliminary Project Schedule was attached to the RAP/ VAS. The description for the risks identified in the RAPs, had no additional cost or time associated with them, but are risks that the contractor will try to minimize. The VAS identified opportunities to add value to the project, as well as the corresponding cost and schedule impact.
- **(5 points)** Past Performance based on number and quality of the Performance Evaluation Surveys received.
- **(25 points)** Qualifications and Experience of Contractor’s Team and Interview of Key personnel.
- **(60 points)** Base Bid Price.

All seven companies were invited for interviews with the Panel. Mexal advised they could not attend the meeting due to prior commitments, and Zurqui declined to participate in the interview process. Although these companies did not participate in the interview process, the Panel ranked them based on the available information submitted. Budget Construction withdrew its bid from consideration (see attached letter). The Panel interviewed with ABC Construction, Andes Construction, Carivon Construction and SA Consultants.

The following table provides the bid tabulation results:

Company Name	Total Lump Sum Base Bid Amount
SA Consultants, LLC	\$464,606.00
Zurqui Construction Services, Inc.	\$468,648.12
ABC Construction, Inc.	\$469,808.00
Mexal Corporation	\$544,125.38
Carivon Construction Company	\$586,354.00

Andes Construction and Budget Construction withdrew their bids from consideration. Andes Construction failed to include part of the scope of work. Budget Construction’s estimator left the company and Budget opted to withdraw.

TECHNICAL REVIEW PANEL

During the interview process, Andes Construction, the lowest bidder, was questioned by the Panel members with respect to the omission of part of the scope of work from their bid amount. They were advised that their bid amount could not be changed, and that if the City was to award a contract to Andes, they would have to honor the bid amount, to include the omitted scope of work. Andes decided to withdraw its bid from consideration.

At the conclusion of the interviews, the Panel recommended the award of a contract to SA Consultants, LLC in the amount \$464,606 as the lowest and best bidder.

REJECTION OF BIDS

Special Assistant to the City Manager, Emanuel Mayer, recommended a rejection of bids based on his estimate that the project cost should be around \$400,000.

JOC COST PROPOSALS

In order to ensure the lowest possible cost, three (3) JOC approved contractors were requested to provide cost proposals per plans and specs. Proposals were received from the following contractors:

BDI Construction Co.	\$455,303.01
Harbour Construction, Inc.	\$405,055.50
Matrix Construction Group Inc.	\$413,643.37

CIP staff is currently evaluating the JOC proposals received; have engaged in value engineering to further reduce the cost of the project; and will be making a determination within the next couple of weeks.

CITY MANAGER'S REVIEW

After considering the review and recommendation of the Panel, the City Manager exercised his due diligence and recommends that the Mayor and City Commission reject all bids since the use of Job Order Contractors results in savings of at least \$59,550.50.

It should be noted that the City's regular process of considering the price for projects and its standard process for bidding construction projects has resulted in a price that is reflective of the current market. At present, it appears that the market is very competitive and that the City will continue to receive bids that are lower than those received in the past year or so. The public procurement process, which is an open and competitive, transparent process, has again served the City to provide a competitive price for this project, as it has in the past, with a proposed project cost which is \$94,944.50 lower than the budget.

CONCLUSION

The City Administration recommends the rejection of all bids received pursuant to Invitation to Bid No. 39-08/09 for the construction of the 35th street restroom facilities and street end improvements.

Attachment

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Budget Construction Co., Inc
12450 NW SOUTH RIVER DRIVE
MIAMI, FLORIDA 33178
PHONE (305) 883-9878 FAX (305) 888-1816

Marta Fernandez-Rubio
City of Miami Beach
1700 Convention Center Dr.
Miami Beach, Fl 33139

RE: ITB 39-08/09 35th ST
Restroom Facilities & Street end Improvements

Please withdraw our Bid for above referenced job as per our conversation. Please return our Bid Bond at your earlier convenience.

Sincerely,



Mike Jimenez
President

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