

RESOLUTION NO. 11-226

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA RESCINDING RESOLUTION 11-191; APPROVING A TASK ORDER IN PARTNERSHIP WITH MONROE COUNTY, UNDER THE CITY'S GENERAL SERVICES CONTRACT WITH DOUGLAS N. HIGGINS, INC. IN AN AMOUNT NOT TO EXCEED \$418,655.79 (CITY SHARE \$241,827.90) TO MILL AND PAVE EATON STREET FROM SIMONTON STREET TO WHITE STREET; AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT WITH THE COUNTY AND THE CONTRACTOR; AUTHORIZING A BUDGET TRANSFER FROM SEWER FUND RESERVES; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution No. 10-319, the City Commission approved a three-year General Services contract with Douglas N. Higgins, Inc.; and

WHEREAS, City staff, upon advice of consultants at CH2MHILL has determined that to work with Monroe County to mill and pave Eaton Street between Simonton and White Street would be more cost-effective and yield better results than a project previously approved in Resolution 11-191 to repair sewer trenches on just one segment of Eaton Street; and

WHEREAS, on July 20th, 2011, the Monroe County Board of County Commissioners approved an expenditure of \$176,827.89 of County funds toward the Eaton Street Mill and Pave Project;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That Resolution No 11-191 is hereby rescinded.

Section 2: That a Task Order in partnership with Monroe County for Douglas N. Higgins, Inc. to Mill and Pave Eaton Street from Simonton Street to White Street is hereby approved in an amount not to exceed \$418,655.79 (City Share \$241,827.90, County Share \$176,827.89).

Section 3: That the City Manager is authorized to enter into an interlocal agreement, upon advice and consent of the City Attorney, among the City, the County and D.N. Higgins, for this project.

Section 4: That necessary budget transfers, including \$100,000.00 from budget line 401-3501-535-46 for emergency sewer repairs, and \$141,827.90 from the sewer fund reserves 401-3501-535-99.

Section 5: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

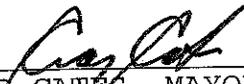
Passed and adopted by the City Commission at a meeting held this 2nd day of August, 2011.

Authenticated by the presiding officer and Clerk of the Commission on August 3, 2011.

Filed with the Clerk August 3, 2011.

ATTEST:


CHERYL SMITH, CITY CLERK


CRAIG CATES, MAYOR



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
E. David Fernandez, Asst. City Manager

FROM: Jay Gewin, Utilities Manager

DATE: July 20, 2011

SUBJECT: Awarding a Task Order for Douglas N. Higgins to Mill and Pave Eaton St. from Simonton St. to White St. in Partnership with Monroe County in the Amount of \$418,655.79 (City Share \$241,827.90) Utilizing the City's General Services Contract. Rescinding City Commission Resolution 11-191. Authorizing the City Manager to Enter into an Agreement with Monroe County and the Contractor to Proceed with the Project.

ACTION STATEMENT:

This resolution will approve a General Services Contract task order in the amount of \$418,655.79 from Douglas N. Higgins to complete repairs to sewer trenches on Eaton St. The Project will be in partnership with Monroe County. The City Share of this task order is not to exceed \$241,827.90. This resolution will rescind City Commission Resolution 11-191. The City entered into a General Services contract with DN Higgins via City Commission Resolution 10-319. This resolution will authorize the City Manager to enter into an agreement with Monroe County and DN Higgins to proceed with the project, with the City share not-to-exceed \$241,827.90.

BACKGROUND:

While Monroe County owns Eaton St., the City of Key West is responsible for its sewer laterals that exist beneath the County roadway. Approximately 50 of these sewer trenches between William St. and White St., and 300 lf of sewer force main are subsiding to varying degrees. This has resulted in a roadway that has become increasingly unsafe for vehicles. The City therefore seeks to

Key to the Caribbean – Average yearly temperature 77° F.

M E M O R A N D U M

repair the sewer trenches on Eaton St. in a timely manner.

The City Commission approved Resolution 11-191 that authorized the City to approve the repair of the sewer lateral trenches and its sewer main by DN Higgins utilizing the City's General Services contract in the amount of \$306,843.13. The scope of work for this task order included a repair of 50 sewer trenches and a section of sewer main. Due to the urgent need for repairs on Eaton St., Staff decided to use our General Services contract rather than take the extra months that would likely be required to formally bid this project.

Upon further examination and consultation with Monroe County and City Engineering consultants, City Staff has decided to recommend a less expensive solution that will result in an improved final product. Staff therefore seeks to rescind the previous resolution for this repair work, in favor of a revised project.

PURPOSE & JUSTIFICATION:

City Staff engaged CH2M Hill to determine whether a full excavation and repair of the sewer lateral trench was required to adequately address the trench failure that currently exists for many laterals on Eaton St. The geologist from CH2M Hill evaluated value engineering performed by the contractor and agreed that excavation of the trench could pose new soil compaction issues. The value engineering would allow the project scope to be expanded from the approved White to Williams St. repair to a White St. to Simonton St. repair while reducing the total cost for the larger scope from \$725,230.88 to \$418,655.79. The alternate mill and pave and trench repair provides the City and County the opportunity to partner on a rebuilding of Eaton St. while reducing cost to both governments.

This solution will also result in a completed project that will be much more satisfactory to our residents and visitors. Rather than a patch repair of the individual sewer laterals and main, we will now completely mill and pave the entire Eaton St. roadway curb-to-curb from the East side of Simonton St. to the West side of White St.

At the July 20th Monroe Board of County Commissioners meeting, the Board approved spending \$176,827.89 of County funds towards the project. The City share will be \$241,827.89. The City share includes \$176,827.90 towards the Mill and Pave, and \$65,000 to provide additional compaction and a leveling course as required to adequately repair the sewer lateral trenches and sewer main.

Therefore, the overall cost to the City will be \$65,015.23 less than the amount approved via Resolution 11-191. This resolution will also authorize the City Manager to enter into an agreement with Monroe County and DN Higgins to proceed with the project, with the City's cost not to exceed \$241,827.90.

OPTIONS:

1. Authorize the task order with DN Higgins to proceed with the mill and pave of Eaton St. from Simonton St. to White St. This option will help improve the safety of a road that is becoming increasingly dangerous for the vehicles of

residents and visitors. It will also allow an improved fully-paved final product at a lesser cost than the original scope of work approved by the City Commission.

2. The City can decline the task order. This option is not recommended due to the increasingly dangerous condition of Eaton St., which will continue to deteriorate.

FINANCIAL IMPACT:

The total cost to the City will be \$241,827.90. Of that amount, \$100,000 will be funded through sewer budget line item 401-3503-535-46 for emergency sewer repairs. The remaining \$141,827.90 will be funded from sewer fund reserve line item 401-3501-535-99.

RECOMMENDATION:

The staff recommends option # 1, that the City awards the task order in the amount of \$418,655.79 from DN Higgins to proceed with the mill and pave of Eaton St. The City share for this project will be not to exceed \$241,827.90.

BID SCHEDULE - EATON STREET MILL AND PAVE

Douglas N. Higgins, Inc. 7-18-11					
Item	Mill And Pave Eaton St (White St to William St)	Quantity	Unit	Unit Price	Total
1A	Performance and Payment Bonds	1	EA	\$4,678.91	\$4,678.91
1B	Mobilization/Demobilization/MOT, etc.	1	EA	\$13,230.92	\$13,230.92
2A	2" Mill (White Street to William Street)	6760	SY	\$5.00	\$33,800.00
2B	2" Asphalt Surface	785	Ton	\$190.00	\$149,150.00
3A	Stop Bars (Temporary and Final)	8	EA	\$97.75	\$782.00
3B	Parking Spaces (Temporary and Final)	2000	EA	\$7.00	\$14,000.00
3C	Double Yellow Lines (Temporary and Final)	1685	LF	\$8.00	\$13,480.00
3D	Crosswalks (Temporary and Final)	480	LF	8.00	\$3,840.00
3E	Parking Stencils	50	EA	97.75	\$4,887.50
	Subtotal				\$237,849.33
	Allowance				\$40,000.00
	Bid Total				\$277,849.33
Mill and Pave Eaton St (William St to Simonton St)					
1A	Performance and Payment Bonds	1	EA	\$2,371.14	\$2,371.14
1B	Mobilization/Demobilization/MOT, etc.	1	EA	\$6,705.07	\$6,705.07
2A	2" Mill (William Street to Simonton Street)	3310	SY	\$5.00	\$16,550.00
2B	2" Asphalt Surface	365	Ton	\$190.00	\$69,350.00
3A	Stop Bars (Temporary and Final)	6	EA	\$97.75	\$586.50
3B	Parking Spaces (Temporary and Final)	1120	LF	\$7.00	\$7,840.00
3C	Double Yellow Lines (Temporary and Final)	885	LF	\$8.00	\$7,080.00
3D	Crosswalks (Temporary and Final)	360	LF	8.00	\$2,880.00
3E	Parking Stencils	25	EA	97.75	\$2,443.75
	Subtotal				\$115,806.46
	Allowance				\$25,000.00
	Bid Total				\$140,806.46

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT is entered into as of this 2nd day of August, 2011, between Monroe County, a political subdivision of the State of Florida (hereinafter, the COUNTY) and the City of Key West, a municipal corporation organized and existing under the laws of the State of Florida (hereinafter, the CITY).

WITNESSETH:

WHEREAS, Eaton Street is a County road within the municipal limits of the City of Key West; and

WHEREAS, Monroe County is responsible for the maintenance of the roadway from curb to curb; and

WHEREAS, City of Key West and other utility trenches have subsided as a result of Hurricane Wilma flooding; and

WHEREAS, both the County and the City of Key West recognize that Eaton Street will be heavily traveled during the anticipated Florida Department of Transportation construction project on North Roosevelt Boulevard;

NOW THEREFORE, in consideration of the mutual promises and conditions contained herein, the parties agree as follows:

1. The City of Key West will enter into a contract with a construction contractor to mill, resurface and stripe the full width of Eaton Street from the west side of White Street to the east side of Simonton Street. The work will include paving 2 foot turnouts at each cross street. The City's Contractor will mill 2 inches and construct a leveling course and surface course for a total 2 inches of asphalt.
2. The Work will be performed in accordance with Monroe County road paving standards.
3. Monroe County will reimburse the City of Key West for 50% of the cost to mill, pave and stripe the road up to a not to exceed maximum amount of \$176,903.23.
4. The City will submit a copy of the construction contract including a schedule of values upon execution of the contract. Requests for reimbursements will include copies of all contractor pay applications, evidence of payment by the City, and releases of liens from the contractor(s).
5. The contract for construction will be between the City of Key West and its Contractor; Monroe County may monitor the work but is not a party to the contract.

6. This agreement in no way relieves or alters the City's liability or responsibility regarding its utility trenches and future subsidence related thereto nor does this alter the County's liability or responsibility regarding maintenance of the road.
7. This Agreement shall become effective immediately upon execution.
8. In the event of any failure of compliance by either party hereto with any of its material obligations to the other party as provided for herein such action shall constitute a default under this Agreement.
9. Upon any such default, the non-defaulting party shall provide to the defaulting party a written Notice of such default, which Notice (a "Default Notice") shall state in reasonable detail the actions the defaulting party must take to cure the same. The defaulting party shall cure any such default, within 30 days following the date of the Default Notice.
10. Notwithstanding the provisions of this Section, if any such default by the defaulting party remains uncured at the conclusion of any specified 30 day cure period, and if the nature of the defaulting party's obligations are such that more than 30 days is required to effect cure, then the defaulting party shall not be in default hereunder and the non-defaulting party shall not have the right to exercise its termination rights granted herein as a result of any such default, if the defaulting party commences cure within the applicable cure period and thereafter diligently pursues cure to completion of performance.
11. In the event the defaulting party fails to affect any required cure as provided for herein, the defaulting party shall be deemed to be in uncured default hereunder, and the non-defaulting party shall have the right, but shall not be obligated, upon written Notice to the defaulting party, to terminate this Agreement.
12. If such Notice is given, this Agreement shall terminate on the date set forth in the Notice and the parties shall be relieved of all rights and obligations hereunder, except for any rights and obligations that expressly survive termination.
13. To the extent permitted by law and subject to the provisions and monetary limitations of Section 768.28, Florida Statutes, the CITY does hereby agree to defend, indemnify and hold the COUNTY, its officers, agents, or employees, harmless from and against any and all liability, damages, costs or expenses (including reasonable attorneys' fees, costs, and expenses at both the trial and appellate levels) arising from the acts or omissions of the CITY or any third party vendor contracted by the CITY in connection with this Agreement.

14. Notices.

All notices, requests, demands, elections, consents, approvals and other communications hereunder must be in writing and addressed as follows, or to any other address which either party may designate to the other party by mail:

If to County: Roman Gastesi, Jr.
County Administrator
Monroe County
Historic Gato Building
1100 Simonton Street
Key West, Florida 33040

With a copy to: Suzanne Hutton, Esq.
Monroe County Attorney's Office
P.O. Box 1026
Key West, Florida 33041-1026

If to City: James Scholl
City Manager
P.O. Box 1409
Key West, Florida 33041

With a copy to: Shawn Smith, Esq.
City Attorney
P.O. Box 1409
Key West, Florida 33041

Any Notice required by this Agreement to be given or made within a specified period of time, or on or before a date certain, shall be deemed to have been duly given if sent by certified mail, return receipt requested, postage and fees prepaid; hand delivered; or sent by overnight delivery service.

15. Attorneys Fees and Waiver of Jury Trial.

In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover its attorneys' fees and costs, including the fees and expenses of any paralegals, law clerks and legal assistants, and including fees and expenses charged for representation at both the trial and appellate levels.

In the event of any litigation arising out of this Agreement, each party hereby knowingly, irrevocably, voluntarily and intentionally waives its right to trial by jury.

16. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Florida. Exclusive venue for any litigation arising out of this Agreement shall be in Monroe County, Florida, Lower Keys Division of the Circuit Court or the Southern District of Florida. This Agreement is not subject to arbitration.

17. Entire Agreement/Modification/Amendment.

This writing contains the entire Agreement of the parties and supersedes any prior oral or written representations. No representations were made or relied upon by either party, other than those that are expressly set forth herein.

No agent, employee, or other representative of either party is empowered to modify or amend the terms of this Agreement, unless executed with the same formality as this document.

18. Nonassignability.

This Agreement shall not be assignable by either party unless such assignment is first approved by both parties.

19. Severability.

If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

20. Independent Contractor.

The CITY and its employees, volunteers, agents, vendors and subcontractors shall be and remain independent contractor and not agents or employees of the COUNTY with respect to all of the acts and services performed by and under the terms of this Agreement. This Agreement shall not in any way be construed to create a partnership, association or any other kind of joint undertaking, enterprise or venture between the parties.

21. Waiver.

The failure of either party to this Agreement to object to or to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach, or of any future violation, breach or wrongful conduct.

22. Funding.

The parties agree that the COUNTY's responsibility under this Agreement is to provide funding only.

23. Survival of Provisions.

Any terms or conditions of either this Agreement that require acts beyond the date of the term of the Agreement, shall survive termination of the Agreement, shall remain in full force and effect unless and until the terms or conditions are completed and shall be fully enforceable by either party.

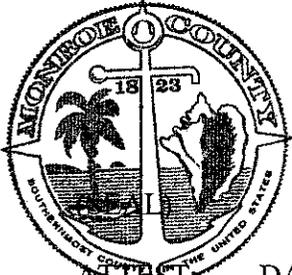
24. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have set their hands and seal the day and year first written above.

BOARD OF COUNTY COMMISSIONERS
MONROE COUNTY, FLORIDA



BY:

[Signature]
Mayor/Chairperson

ATTEST: DANNY L. KOLHAGE, CLERK

BY: [Signature]
Deputy Clerk

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

[Signature]
CHRISTINE M. LIMBERT-BARROWS
ASSISTANT COUNTY ATTORNEY
Date 8/1/11

BY: _____
ATTORNEY'S OFFICE

THE CITY OF KEY WEST, FLORIDA

[Signature]
Craig Cates, Mayor



APPROVED AS TO FORM AND LEGALALITY FOR THE USE
AND RELIANCE OF THE CITY OF KEY WEST, FLORIDA ONLY:

BY: [Signature]
City Attorney

CONSTRUCTION WORK ORDER

Contract Title: General Services Contract for the City of Key West
Work Order Title: Eaton St. Mill and Pave
Work Order No: 3
Project Number: N/A

This Work Order is an authorization to proceed with a mill and pave project on Eaton St. between Simonton St. and White St. under the General Services Contract between the City of Key West and **Douglas N. Higgins, Inc.** dated **November 4, 2010**. All work shall be executed under the provisions of the General Services Contract except as adjusted within this work order.

The Scope of Work is described as follows:

The purpose of this project is to mill and pave Eaton Street between the West side of White Street to the East side of Simonton Street. There are approximately fifty (50) sewer lateral trenches and 300 lf of sewer main trench to needs to be filled with a leveling course utilized as needed. 2" of 9.5" Asphalt shall be used for final paving, with striping included for double yellow centerline, crosswalks, parking spaces and stencils.

Total Cost of Work Order #3 \$418,655.79 (Including a \$65,000 contingency)

CONTRACTOR'S DECLARATION AND UNDERSTANDING

The contractor declares that he has carefully examined the General Services Contract Documents, including this Work Order, that he has personally inspected the potential sites and the overall project area in general, that he has satisfied himself as to the quantities that may be involved which are listed in the Contractor's Bid Schedule, including materials and equipment, and conditions of work that may be involved, including the fact that the description of the work and materials, as included herein, is brief and is intended only to indicate that general nature of the work and to identify the said quantities with the detailed requirements of the Contract Documents, and that this Work Order is made according to the provisions and under the terms of the General Services Contract Documents between the City of Key West and **Douglas N. Higgins, Inc.** which this Work Order is hereby made a part of. The Contractor will be paid for the actual quantities used on the project.

CONSTRUCTION WORK ORDER

UNIT PRICE ITEMS

The contractor further proposes to accept as full payment for the work proposed herein the amounts computed under the provisions of the Contract Documents and based on the following unit price amounts, it being expressly understood that the unit prices are independent of the exact quantities involved. The amount shall be shown in both words and figures. In case of a discrepancy, the amount shown in words shall govern.

Unit prices for items already established in the General Services Contract shall be identical to those provided in this Work Order.

The cost of items not established in the General Services Contract shall be established according to the Contract Documents. The contractor shall provide with this Work Order submittal a complete breakdown of the costs for labor, equipment, and material for these supplemental work items. Unit prices for labor and equipment shall be identical to those established in the General Services Contract, where applicable. Costs for labor, equipment, and materials not established in the General Services Contract shall be supported by documentation submitted with this Work Order.

Liquidated Damages: The Contractor recognizes that time is of the essence and that the Owner will suffer financial loss if the Work is not completed within the times specified in paragraph above, plus any extensions thereof allowed in accordance with the General Conditions.

Owner and Contractor also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by the Owner, if the Work is not completed on time. Accordingly, instead of requiring any such proof, the Owner and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay the Owner **\$1,000.00** for each day that expires after the time specified for substantial completion. After Substantial Completion if Contractor shall neglect, refuse or fail to complete the remaining Work within the contract time or any proper extension thereof granted by the Owner, Contractor shall pay the Owner **\$750.00** for each day that expires after the time specified for completion and readiness for final payment. Liquidated damages shall run concurrent.

CONSTRUCTION WORK ORDER

ACCEPTANCE

By signature, the parties each accept the provisions of this work order and authorize and **Douglas N. Higgins, Inc.** to proceed at the direction of the City's representative in accordance with the General Services Contract between the City of Key West and **Douglas N. Higgins.**

The City of Key West in issuing the above described Work Order authorizes **Douglas N. Higgins** to proceed with the work as of this day **8/8/2011** and to achieve substantial completion within 48 days, and fully complete the work within **60** days. The completion date for this Work Order is **October 13, 2011.**

DOUGLAS N. HIGGINS, INC.

By: James H. Sargent
Print Name: JAMES H. SARGENT
Title: VICE-PRESIDENT
Date: 3 AUGUST 2011

CITY OF KEY WEST

J. K. Scholl
By: Jim Scholl
Title: Key West City Manager
Date: 8/4/11



PERFORMANCE BOND

BOND NO. 35BCSEP0667
AMOUNT: \$ 418,655.79

KNOW ALL MEN BY THESE PRESENTS, that in accordance with Florida Statutes Section 255.05, Douglas N. Higgins, Inc.

with offices at 3390 Travis Pointe, Suite A, Ann Arbor, MI 48108

hereinafter called the CONTRACTOR (Principal), and

Hartford Accident and Indemnity Company

with offices at P.O. Box 2103, 690 Asylum Ave., Hartford, CT 06115

a corporation duly organized and existing under and by virtue of the laws of the State of Florida, hereinafter called the SURETY, and authorized to transact business within the State of Florida, as SURETY, are held and firmly bound unto **CITY OF KEY WEST**, represented by its _____, hereinafter called the CITY (Obligee), in the sum of: Four Hundred Eighteen

Thousand Six Hundred Fifty-Five and 79/100 DOLLARS (\$418,655.79), lawful money of the United States of America, for the payment of which, well and truly be made to the CITY, the CONTRACTOR and the SURETY bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the CONTRACTOR has executed and entered into a certain Contract hereto attached, with the CITY, dated _____, 20____, to furnish at his own cost, charges, and expense all the necessary materials, equipment, and/or labor in strict and express accordance with said Contract and the Contract Documents as defined therein, all of which is made a part of said Contract by certain terms and conditions in said Contract more particularly mentioned, which Contract, consisting of the various Contract Documents is made a part of this Bond as fully and completely as if said Contract Documents were set forth herein;

NOW THEREFORE, the conditions of this obligation are such that if the above bounden CONTRACTOR:

1. Shall in all respects comply with the terms and conditions of said Contract and his obligation there under, including the Contract Documents (which include the plans, drawings, specifications, and conditions as prepared by the CITY, invitation to bid, instructions to bidders, the CONTRACTOR'S bid as accepted by the above CITY, the bid and contract performance and payment bonds, and all addenda, if any, issued prior to the opening of bids), being made a part of this bond by reference, at the times and in the manner prescribed in the contract; and
2. Promptly makes payments to all claimants, as defined in Section 255.05(1), Florida Statutes, supplying PRINCIPAL with labor, materials, or supplies, used directly or indirectly by PRINCIPAL in the prosecution of the work provided for in the contract; and

3. Pays CITY all losses, costs, expenses, damages, attorney's fees, including appellate proceedings, injury or loss of whatever kind and however arising including, without limitation, delay damages to which said CITY may be subject by reason of any wrongdoing, misconduct, want of care or skill, negligence, failure of performance, breach, failure to petition within the prescribed time, or default, including patent infringements, on the part of said CONTRACTOR, his agents or employees, in the execution or performance of said Contract; and

4. Performs the guarantee of all work and materials furnished under the contract for the time specified in the contract, then this obligation shall be void; otherwise, to remain in full force and effect for the term of said Contract.

AND, the said Surety for value received, hereby stipulates and agrees that no change involving any extension of time, or addition to the terms of the Contract Documents, or to the work to be performed, or materials to be furnished there under shall affect said obligation of said Surety on this Bond, and the said Surety does hereby waive notice of any such changes, extension of time, alterations, or additions of the terms of the Contract Documents, or to the work.

Any action instituted by a claimant under this bond for payment must be in accordance with the notice and time limitation provisions in Section 255.05(2), Florida Statutes.

IN WITNESS WHEREOF, the above parties bonded together have executed this instrument this 3rd day of August, 2011, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.



WITNESS: R. Suzanne Hawker
R. SUZANNE HAWKER

(SEAL)

ATTEST: [Signature]

CONTRACTOR Douglas N. Higgins, Inc.

By: [Signature]
JAMES H. SWEET
VICE-PRESIDENT

SURETY Hartford Accident and Indemnity Company

By: [Signature]
Heather M. Johnson
Attorney in Fact



PAYMENT BOND

BOND NO. 35BCSEP0667

AMOUNT: \$ 418,655.79

KNOW ALL MEN BY THESE PRESENTS, that in accordance with Florida Statutes Section 255.05, Douglas N. Higgins, Inc.

with offices at 3390 Travis Pointe, Suite A, Ann Arbor, MI
hereinafter called the **CONTRACTOR**, (Principal), and

Hartford Accident and Indemnity Company
with offices at P.O. Box 2103, 690 Asylum Ave., Hartford, CT 06115

a corporation duly organized and existing under and by virtue of the laws of the State of CT, hereinafter called the **SURETY**, and authorized to transact business

within the State of Florida, as **SURETY**, are held and firmly bound **CITY OF KEY WEST**, represented by its _____, hereinafter called the **City (Obligee)**, in the sum of: Four Hundred

Eighteen Thousand Six Hundred Fifty-Five and 79/100 **DOLLARS** (\$ 418,655.79), lawful money of the United States of America, for the payment of which, well and truly be made to the **CITY**, and the **CONTRACTOR** and the **SURETY** bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

Eaton Street **WHEREAS**, the **CONTRACTOR** has executed and entered into a certain Contract for Mill and Pave/Task Order #3 attached hereto, with the **CITY**, dated 20____, to furnish at his own cost, charges, and expense the necessary materials, equipment, and/or labor in strict and express accordance with said Contract and the plans, drawings (if any), and specifications prepared by the **CITY**, all of which is made a part of said Contract by certain terms and conditions in said Contract more particularly mentioned, which Contract, consisting of the various Contract Documents specifically mentioned herein and relative hereto, is made a part of this Bond as fully and completely as if said Contract Documents were set forth herein.

NOW THEREFORE, the conditions of this obligation are such that if the above bounden **CONTRACTOR** shall in all respects comply with the terms and conditions of said Contract and his obligation thereunder, including the Contract Documents (which include the plans, drawings, specifications, and conditions prepared by the **CITY**, invitation to bid, instructions to bidders, the **CONTRACTOR'S** bid as accepted by the **CITY**, the bid and contract and payment bonds, and all addenda, if any, issued prior to the opening of bids), and further that if said **CONTRACTOR** shall promptly make payments to all persons supplying materials, equipment, and/or labor, used directly or indirectly by said **CONTRACTOR** or subcontractors in the prosecution of the work for said contract in accordance with Florida Statutes, Section 255.05 or Section 713.23, then this obligation shall be void; otherwise to remain in full force and effect for the term of said contract, including and all guarantee periods as specifically mentioned in said Contract Documents.

AND, the said **SURETY** for value received, hereby stipulates and agrees that no change involving any extension of time, or addition to the terms of the Contract or to the work to be performed, or materials to be furnished thereunder, or in the Contract Documents and specifications accompanying the said contract shall affect said obligation of said **SURETY** on

this Bond, and the said SURETY does hereby waive notice of any such changes, extension of time, alternations, or additions of the terms of the Contract, or to the work, to the Contract Documents, or to the specifications.

Claimant shall give written notice to the CONTRACTOR and the SURETY as required by Section 255.05 or Section 713.23, Florida Statutes. Any action instituted against the CONTRACTOR or SURETY under this bond for payment must be in accordance with the notice and time limitation provisions in Section 255.05(2) or Section 713.23, Florida Statutes.

IN WITNESS WHEREOF, the above parties bounded together have executed this instrument this 3rd day of August, 2011, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.



CONTRACTOR Douglas N. Higgins, Inc.

By: James H. Sweet
JAMES H. SWEET
VICE-PRESIDENT

ATTEST: R. Suzanne Hawker
R. SUZANNE HAWKER

SURETY Hartford Accident and Indemnity Company

By: Heather M. Johnson
Heather M. Johnson
Attorney in Fact

(SEAL)

ATTEST: George R. Ritts

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

BOND, T-4

P.O. BOX 2103, 690 ASYLUM AVENUE
HARTFORD, CONNECTICUT 06115

call: 888-266-3488 or fax: 860-757-5835

Agency Code: 35-350851

KNOW ALL PERSONS BY THESE PRESENTS THAT:

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, up to the amount of unlimited:

Dan Hines, Heather M. Johnson, Judy K. Macklem, Carol J. Youngs
of
Ann Arbor, MI

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on January 22, 2004 the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Paul A. Bergenholtz

Paul A. Bergenholtz, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Assistant Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 3rd day of March, 2008, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Scott E. Paseka

Scott E. Paseka
Notary Public

My Commission Expires October 31, 2012

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of August 3, 2011.

Signed and sealed at the City of Hartford.



Gary W. Stumper

Gary W. Stumper, Assistant Vice President



CERTIFICATE OF LIABILITY INSURANCE

OP ID: AV

DATE (MM/DD/YYYY)

11/19/10

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hylant Group Inc - Ann Arbor 24 Frank Lloyd Wright Dr J4100 Ann Arbor, MI 48105 David Harlock	734-741-0044 734-741-1850	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID # HIGGI-5	FAX (A/C, No):
INSURED Douglas N. Higgins, Inc. 3390 Travis Pointe, Suite A Ann Arbor, MI 48108		INSURER(S) AFFORDING COVERAGE INSURER A: Continental Insurance Company NAIC # 035289 INSURER B: Nat'l Fire Ins Co of Hartford 020478 INSURER C: Valley Forge Insurance Co 020508 INSURER D: Continental Casualty Company 020443 INSURER E: RSUI Indemnity Co 22314 INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Includes XCU <input checked="" type="checkbox"/> Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			U1061922047	12/10/09	12/10/10	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 200,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			U1061922033	12/10/09	12/10/10	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
D	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000			U1061922050	12/10/09	12/10/10	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) if yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC161922016	12/10/09	12/10/10	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E	Professional and Pollution Liab			PEC0025095	12/10/09	12/10/10	2,000,000 25,000 ded

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Job - General Services Contract, ITB #10-015. Additional insureds for General Liability and Automobile Liability, as required by written contract - City of Key West, Florida, Engineer, their officers, agents and employees.

CERTIFICATE HOLDER

CANCELLATION

KEYWE01 City of Key West, Florida City Hall 525 Angela Street Key West, FL 33040	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	---

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CITY OF KEY WEST, FLORIDA

Business Tax Receipt

This Document is a business tax receipt
Holder must meet all City zoning and use provisions.
P.O. Box 1409, Key West, Florida 33040 (305) 809-3955

Business Name DOUGLAS N HIGGINS INC. CtLNbr:0004241
Location Addr 3390 TRAVIS POINTE STE A RD
Lic NBR/Class 12-00004242 CONTRACTOR - CERT UNDERGROUND UTILITY
Issue Date: July 15, 2011 Expiration Date: September 30, 2012
License Fee \$309.75
Add. Charges \$0.00
Penalty \$0.00
Total \$309.75
Comments:

This document must be prominently displayed.

DOUGLAS N HIGGINS INC.
3390 TRAVIS POINTE RD STE A

ANN ARBOR MI 48108

DOUGLAS N. HIGGINS, INC

Oper: CWALKER Type: DC Drawer: 1
Date: 7/18/11 54 Receipt no: 86071
2012 4242
OR LIC OCCUPATIO 1 \$309.75
Trans number: 2652600
CK CHECK 15938 \$619.50
Trans date: 7/18/11 Time: 8:41:36

CONSTRUCTION WORK ORDER

Contract Title: General Services Contract for the City of Key West
Work Order Title: **Eaton St. Mill and Pave**
Work Order No: 3
Project Number: N/A

This Work Order is an authorization to proceed with a mill and pave project on Eaton St. between Simonton St. and White St. under the General Services Contract between the City of Key West and **Douglas N. Higgins, Inc.** dated **November 4, 2010**. All work shall be executed under the provisions of the General Services Contract except as adjusted within this work order.

The Scope of Work is described as follows:

The purpose of this project is to mill and pave Eaton Street between the West side of White Street to the East side of Simonton Street. There are approximately fifty (50) sewer lateral trenches and 300 lf of sewer main trench to needs to be filled with a leveling course utilized as needed. 2" of 9.5" Asphalt shall be used for final paving, with striping included for double yellow centerline, crosswalks, parking spaces and stencils.

Total Cost of Work Order #3 \$418,655.79 (Including a \$65,000 contingency)

CONTRACTOR'S DECLARATION AND UNDERSTANDING

The contractor declares that he has carefully examined the General Services Contract Documents, including this Work Order, that he has personally inspected the potential sites and the overall project area in general, that he has satisfied himself as to the quantities that may be involved which are listed in the Contractor's Bid Schedule, including materials and equipment, and conditions of work that may be involved, including the fact that the description of the work and materials, as included herein, is brief and is intended only to indicate that general nature of the work and to identify the said quantities with the detailed requirements of the Contract Documents, and that this Work Order is made according to the provisions and under the terms of the General Services Contract Documents between the City of Key West and **Douglas N. Higgins, Inc.** which this Work Order is hereby made a part of. The Contractor will be paid for the actual quantities used on the project.

CONSTRUCTION WORK ORDER

UNIT PRICE ITEMS

The contractor further proposes to accept as full payment for the work proposed herein the amounts computed under the provisions of the Contract Documents and based on the following unit price amounts, it being expressly understood that the unit prices are independent of the exact quantities involved. The amount shall be shown in both words and figures. In case of a discrepancy, the amount shown in words shall govern.

Unit prices for items already established in the General Services Contract shall be identical to those provided in this Work Order.

The cost of items not established in the General Services Contract shall be established according to the Contract Documents. The contractor shall provide with this Work Order submittal a complete breakdown of the costs for labor, equipment, and material for these supplemental work items. Unit prices for labor and equipment shall be identical to those established in the General Services Contract, where applicable. Costs for labor, equipment, and materials not established in the General Services Contract shall be supported by documentation submitted with this Work Order.

Liquidated Damages: The Contractor recognizes that time is of the essence and that the Owner will suffer financial loss if the Work is not completed within the times specified in paragraph above, plus any extensions thereof allowed in accordance with the General Conditions.

Owner and Contractor also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by the Owner, if the Work is not completed on time. Accordingly, instead of requiring any such proof, the Owner and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay the Owner **\$1,000.00** for each day that expires after the time specified for substantial completion. After Substantial Completion if Contractor shall neglect, refuse or fail to complete the remaining Work within the contract time or any proper extension thereof granted by the Owner, Contractor shall pay the Owner **\$750.00** for each day that expires after the time specified for completion and readiness for final payment. Liquidated damages shall run concurrent.

CONSTRUCTION WORK ORDER

ACCEPTANCE

By signature, the parties each accept the provisions of this work order and authorize and **Douglas N. Higgins, Inc.** to proceed at the direction of the City's representative in accordance with the General Services Contract between the City of Key West and **Douglas N. Higgins.**

The City of Key West in issuing the above described Work Order authorizes **Douglas N. Higgins** to proceed with the work as of this day **8/8/2011** and to achieve substantial completion within 48 days, and fully complete the work within **60** days. The completion date for this Work Order is **October 13, 2011.**

DOUGLAS N. HIGGINS, INC.

By: *James H. Sweet*
Print Name: JAMES H. SWEET
Title: VICE-PRESIDENT
Date: 3 AUGUST 2011

CITY OF KEY WEST

J. K. Scholl
By: Jim Scholl
Title: Key West City Manager
Date: 8/14/11



PERFORMANCE BOND

BOND NO. 35BCSEP0667
AMOUNT: \$ 418,655.79

KNOW ALL MEN BY THESE PRESENTS, that in accordance with Florida Statutes Section 255.05, Douglas N. Higgins, Inc.

with offices at 3390 Travis Pointe, Suite A, Ann Arbor, MI 48108

hereinafter called the CONTRACTOR (Principal), and

Hartford Accident and Indemnity Company

with offices at P.O. Box 2103, 690 Asylum Ave., Hartford, CT 06115

a corporation duly organized and existing under and by virtue of the laws of the State of Florida, hereinafter called the SURETY, and authorized to transact business within the State of Florida, as SURETY, are held and firmly bound unto **CITY OF KEY WEST**, represented by its _____, hereinafter called the CITY (Obligee), in the sum of: Four Hundred Eighteen

Thousand Six Hundred Fifty-Five and 79/100 DOLLARS (\$418,655.79), lawful money of the United States of America, for the payment of which, well and truly be made to the CITY, the CONTRACTOR and the SURETY bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the CONTRACTOR has executed and entered into a certain Contract hereto attached, with the CITY, dated _____, 20____, to furnish at his own cost, charges, and expense all the necessary materials, equipment, and/or labor in strict and express accordance with said Contract and the Contract Documents as defined therein, all of which is made a part of said Contract by certain terms and conditions in said Contract more particularly mentioned, which Contract, consisting of the various Contract Documents is made a part of this Bond as fully and completely as if said Contract Documents were set forth herein;

NOW THEREFORE, the conditions of this obligation are such that if the above bounden CONTRACTOR:

1. Shall in all respects comply with the terms and conditions of said Contract and his obligation there under, including the Contract Documents (which include the plans, drawings, specifications, and conditions as prepared by the CITY, invitation to bid, instructions to bidders, the CONTRACTOR'S bid as accepted by the above CITY, the bid and contract performance and payment bonds, and all addenda, if any, issued prior to the opening of bids), being made a part of this bond by reference, at the times and in the manner prescribed in the contract; and
2. Promptly makes payments to all claimants, as defined in Section 255.05(1), Florida Statutes, supplying PRINCIPAL with labor, materials, or supplies, used directly or indirectly by PRINCIPAL in the prosecution of the work provided for in the contract; and

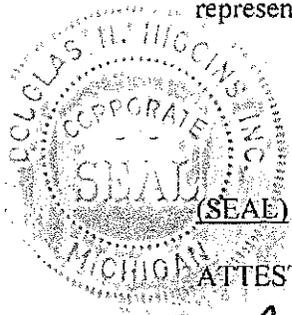
3. Pays CITY all losses, costs, expenses, damages, attorney's fees, including appellate proceedings, injury or loss of whatever kind and however arising including, without limitation, delay damages to which said CITY may be subject by reason of any wrongdoing, misconduct, want of care or skill, negligence, failure of performance, breach, failure to petition within the prescribed time, or default, including patent infringements, on the part of said CONTRACTOR, his agents or employees, in the execution or performance of said Contract; and

4. Performs the guarantee of all work and materials furnished under the contract for the time specified in the contract, then this obligation shall be void; otherwise, to remain in full force and effect for the term of said Contract.

AND, the said Surety for value received, hereby stipulates and agrees that no change involving any extension of time, or addition to the terms of the Contract Documents, or to the work to be performed, or materials to be furnished there under shall affect said obligation of said Surety on this Bond, and the said Surety does hereby waive notice of any such changes, extension of time, alterations, or additions of the terms of the Contract Documents, or to the work.

Any action instituted by a claimant under this bond for payment must be in accordance with the notice and time limitation provisions in Section 255.05(2), Florida Statutes.

IN WITNESS WHEREOF, the above parties bonded together have executed this instrument this 3rd day of August, 2011, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.



CONTRACTOR Douglas N. Higgins, Inc.

By: James H. Sweet
JAMES H. SWEET
VICE-PRESIDENT

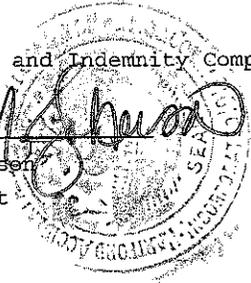
ATTEST: R. Suzanne Hawker
R. SUZANNE HAWKER

(SEAL)

ATTEST: Joseph Rittle

SURETY Hartford Accident and Indemnity Company

By: Heather M. Johnson
Heather M. Johnson
Attorney in Fact



PAYMENT BOND

BOND NO. 35BCSEP0667

AMOUNT: \$ 418,655.79

KNOW ALL MEN BY THESE PRESENTS, that in accordance with Florida Statutes Section 255.05, Douglas N. Higgins, Inc.

with offices at 3390 Travis Pointe, Suite A, Ann Arbor, MI
hereinafter called the **CONTRACTOR**, (Principal), and

Hartford Accident and Indemnity Company
with offices at P.O. Box 2103, 690 Asylum Ave., Hartford, CT 06115

a corporation duly organized and existing under and by virtue of the laws of the State of CT, hereinafter called the **SURETY**, and authorized to transact business

within the State of Florida, as **SURETY**, are held and firmly bound **CITY OF KEY WEST**, represented by its _____, hereinafter called the **City (Obligee)**, in the sum of: **Four Hundred**

Eighteen Thousand Six Hundred Fifty-Five and 79/100 DOLLARS (\$ 418,655.79), lawful money of

the United States of America, for the payment of which, well and truly be made to the **CITY**, and the **CONTRACTOR** and the **SURETY** bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the **CONTRACTOR** has executed and entered into a certain Contract for Eaton Street Mill and Pave/Task Order #3 attached hereto, with the **CITY**, dated , 20____, to furnish at his own cost, charges, and expense the necessary materials, equipment, and/or labor in strict and express accordance with said Contract and the plans, drawings (if any), and specifications prepared by the **CITY**, all of which is made a part of said Contract by certain terms and conditions in said Contract more particularly mentioned, which Contract, consisting of the various Contract Documents specifically mentioned herein and relative hereto, is made a part of this Bond as fully and completely as if said Contract Documents were set forth herein.

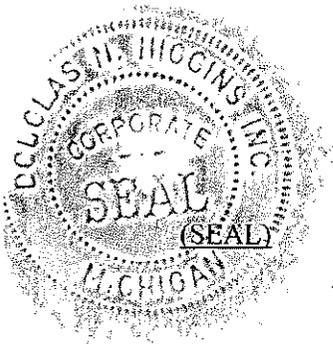
NOW THEREFORE, the conditions of this obligation are such that if the above bounden **CONTRACTOR** shall in all respects comply with the terms and conditions of said Contract and his obligation thereunder, including the Contract Documents (which include the plans, drawings, specifications, and conditions prepared by the **CITY**, invitation to bid, instructions to bidders, the **CONTRACTOR'S** bid as accepted by the **CITY**, the bid and contract and payment bonds, and all addenda, if any, issued prior to the opening of bids), and further that if said **CONTRACTOR** shall promptly make payments to all persons supplying materials, equipment, and/or labor, used directly or indirectly by said **CONTRACTOR** or subcontractors in the prosecution of the work for said contract in accordance with Florida Statutes, Section 255.05 or Section 713.23, then this obligation shall be void; otherwise to remain in full force and effect for the term of said contract, including and all guarantee periods as specifically mentioned in said Contract Documents.

AND, the said **SURETY** for value received, hereby stipulates and agrees that no change involving any extension of time, or addition to the terms of the Contract or to the work to be performed, or materials to be furnished thereunder, or in the Contract Documents and specifications accompanying the said contract shall affect said obligation of said **SURETY** on

this Bond, and the said SURETY does hereby waive notice of any such changes, extension of time, alternations, or additions of the terms of the Contract, or to the work, to the Contract Documents, or to the specifications.

Claimant shall give written notice to the CONTRACTOR and the SURETY as required by Section 255.05 or Section 713.23, Florida Statutes. Any action instituted against the CONTRACTOR or SURETY under this bond for payment must be in accordance with the notice and time limitation provisions in Section 255.05(2) or Section 713.23, Florida Statutes.

IN WITNESS WHEREOF, the above parties bounded together have executed this instrument this 3rd day of August, 20 11, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.



CONTRACTOR Douglas N. Higgins, Inc.

By: James H Sweet
JAMES H SWEET
VICE-PRESIDENT

ATTEST: R. Suzanne Hawker
R. SUZANNE HAWKER

SURETY Hartford Accident and Indemnity Company

By: Heather M Johnson
Heather M. Johnson
Attorney in Fact



(SEAL)

ATTEST: Jennifer Little

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

BOND, T-4

P.O. BOX 2103, 690 ASYLUM AVENUE
HARTFORD, CONNECTICUT 06115

call: 888-266-3488 or fax: 860-757-5835

Agency Code: 35-350851

KNOW ALL PERSONS BY THESE PRESENTS THAT:

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of unlimited:**

Dan Hines, Heather M. Johnson, Judy K. Macklem, Carol J. Youngs
of
Ann Arbor, MI

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on January 22, 2004 the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Paul A. Bergenholtz

Paul A. Bergenholtz, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Assistant Vice President

STATE OF CONNECTICUT }
 } ss. Hartford
COUNTY OF HARTFORD }

On this 3rd day of March, 2008, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Scott E. Paseka

Scott E. Paseka
Notary Public

My Commission Expires: October 31, 2012

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of August 3, 2011.

Signed and sealed at the City of Hartford.



Gary W. Stumper

Gary W. Stumper, Assistant Vice President

CITY OF KEY WEST, FLORIDA

Business Tax Receipt

This Document is a business tax receipt
Holder must meet all City zoning and use provisions.
P.O. Box 1409, Key West, Florida 33040 (305) 809-3955

Business Name DOUGLAS N. HIGGINS (CGC) CtlNbr:0018021
Location Addr 3390 TRAVIS POINTE STE A RD
Lic NBR/Class 12-00022114 CONTRACTOR - CERT GENERAL CONTRACTOR
Issue Date: July 15, 2011 Expiration Date: September 30, 2012
License Fee \$309.75
Add. Charges \$0.00
Penalty \$0.00
Total \$309.75
Comments:

This document must be prominently displayed.

DOUGLAS N. HIGGINS, INC

DOUGLAS N. HIGGINS (CGC) .
3390 TRAVIS POINTE STE A RD

ANN ARBOR MI 48108

User: CWALKER Type: OC Drawer: 1
Date: 7/18/11 54 Receipt no: 86071
2012 22114
OR LIC OCCUPATIO 1 \$309.75
Trans number: 2652607
CK CHECK 15938 \$619.50
Trans date: 7/18/11 Time: 8:41:36

RESOLUTION NO. 11-191

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA APPROVING A TASK ORDER UNDER THE GENERAL SERVICES CONTRACT WITH DOUGLAS N. HIGGINS, INC. IN AN AMOUNT NOT TO EXCEED \$306,843.13 FOR REPAIR OF SEWER LATERAL TRENCHES ON EATON STREET; AUTHORIZING A BUDGET TRANSFER FROM SEWER FUND RESERVES; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution No. 10-319, the City Commission approved a three-year General Services contract with Douglas N. Higgins, Inc.; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That a Task Order for Douglas N. Higgins, Inc. for repair of sewer lateral trenches on Eaton Street is hereby approved in an amount not to exceed \$306,843.13.

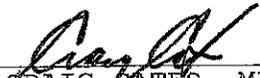
Section 2: That a budget transfer in the amount of \$206,843.13 for this project is hereby authorized from sewer fund reserves, acct #401-3501-535-99 to account 401-3503-535-46.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held
this 21 day of June, 2011.

Authenticated by the presiding officer and Clerk of the
Commission on June 22, 2011.

Filed with the Clerk June 22, 2011.



CRAIG CATES, MAYOR

ATTEST:



CHERYL SMITH, CITY CLERK



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
E. David Fernandez, Asst. City Manager

FROM: Jay Gewin, Utilities Manager

DATE: June 3, 2011

SUBJECT: Awarding the Base Bid Task Order for Douglas N. Higgins to Repair Sewer Lateral Trenches on Eaton St. in the Amount of \$306,843.13 Utilizing the City's General Services Contract.

ACTION STATEMENT:

This resolution will approve a General Services Contract base bid task order in the amount of \$306,843.13 from Douglas N. Higgins to complete repairs to sewer trenches on Eaton Street and make all necessary budget transfers for completion of the project. The bid includes a \$50,000 allowance. The City entered into a General Services contract with DN Higgins via City Commission Resolution 10-319.

BACKGROUND:

While Monroe County owns Eaton St., the City of Key West is responsible for its sewer laterals that exist beneath the County roadway. Approximately 50 of these sewer trenches between William St. and White St., and 300 lf of sewer force main are subsiding to varying degrees. This has resulted in a roadway that has become increasingly unsafe for vehicles. The City therefore seeks to repair its sewer trenches in a timely manner.

The City currently has a General Services contract with two firms, DN Higgins and Charley Toppino and Sons. The City requested quotes for this repair work from both firms utilizing their figures from the General Services contract. DN Higgins provided the lowest bid for the scope of work. Additionally, Toppinos bid had several unit price discrepancies compared to their General Services contract (See attached bid comparison prepared by Perez Engineering).

PURPOSE & JUSTIFICATION:

Due to the urgent need for repairs on Eaton St., Staff decided to use our General Services contract rather than take the extra months that would likely be required to formally bid this project.

Key to the Caribbean - Average yearly temperature 77° F.

The base bid trench repair work will consist of removing material down to about one foot above the sewer pipe. The material shall be replaced with stone wrapped in geotextile fabric and installed in 12-inch compacted lifts. A minimum of 12-inches of flowable fill shall be installed above the stone and shall extend a minimum of 2-feet beyond both sides of the trench wall.

In addition to the base bid, there are other improvements that could be done so that the roadway would be repaired "like new". Otherwise, current problems outside the sewer work on Eaton St. would remain. The City therefore requested Bid Alternate quotes for the following projects:

1. Mill and Pave (White Street to William Street)
2. Mill and Pave (William Street to Simonton Street)
3. Water Main Trench Restoration (Margret Street to Grinnell Street)

The City has contacted Monroe County and the Florida Keys Aqueduct Authority for possible cost-sharing opportunities.

OPTIONS:

1. Approve the contract authorizing the task order with DN Higgins to proceed with the base bid repairs for Eaton St. and make the necessary budget transfers. This option will help improve the safety of a road that is becoming increasingly dangerous for the vehicles of residents and visitors.
2. The City can decline the task order. This option is not recommended due to the increasingly dangerous condition of Eaton St. which will continue to deteriorate.

FINANCIAL IMPACT:

Fees for this base bid will be funded through sewer budget line item 401-3503-535-46 (\$100,000), and a budget transfer from sewer fund reserves 401-3501-535-99 in the amount of \$206,843.13.

RECOMMENDATION:

The staff recommends option # 1, that the City awards the base bid task order in the amount of \$306,843.13 from DN Higgins and make the necessary budget transfers to proceed with the sewer trench repairs on Eaton St.

BID SCHEDULE - EATON STREET TRENCH REPAIRS (Changes / Additions in Red)

Douglas N. Higgins, Inc Bid Proposal 6-1-11					
Item	GENERAL CONDITIONS	Quantity	Unit	Unit Price	Total
1A	Performance and Payment Bonds	1	EA	\$12,142.09	\$12,142.09
1B	Mobilization/Demobilization/MOT, etc.	1	EA	\$33,728.04	\$33,728.04
TRENCH EXCAVATION, BACKFILL, GEOTEKILE					
2A	Trench Excavation and Backfill: (0-6 FEET DEEP)	420	LF	\$65.00	\$27,300.00
2B	Trench Excavation and Backfill: (6-6 FEET DEEP)	700	LF	\$70.00	\$49,000.00
2C	TRENCH SAFETY ACT COMPLIANCE	1120	LF	\$18.00	\$11,200.00
PAVEMENT (2-inch)					
3A	PAVEMENT REPLACEMENT OVER TRENCHES/REPAIR AREAS	110	TON	\$190.00	\$20,900.00
PAVEMENT MARKINGS					
4A	Stop Bars and Cross-Walks (Temporary and Final)	8	EA	\$97.75	\$782.00
4B	Parking Spaces (Temporary and Final)	800	LF	\$7.00	\$5,600.00
4C	Double Yellow Lines (Temporary and Final)	250	LF	\$8.00	\$2,000.00
4D	Stop Bars and Cross-Walks (Final/Thermo) Not Used - See Above	8	EA	\$0.00	\$0.00
4E	Double Yellow Lines (Final/Thermo) Not Used - See Above	350	LF	\$0.00	\$0.00
Flowable Fill					
5A	Flowable Fill	385	CY	\$180.00	\$69,300.00
Add	Asphalt Sawcutting	2624	LF	4.00	\$11,296.00
Add	Asphalt Milling	1400	SY	5.00	\$7,000.00
Add	Parking Stencils	20	EA	\$7.75	\$1,935.00
Add	Crosswalks (Temporary and Final)	480	LF	8.00	\$3,840.00
Base Bid Total					\$256,843.13
Allowance					\$50,000.00
Total BID (Bid and Allowance)					\$306,843.13
ALTERNATE NO. 1					
1	Mill (White Street to William Street) (2-inch)	6980	SY	\$5.00	\$34,900.00
1a	Stop Bars and Cross-Walks (Temporary and Final)	8	EA	\$97.75	\$782.00
1b	Parking Spaces (Temporary and Final)	2000	EA	\$7.00	\$14,000.00
1c	Double Yellow Lines (Temporary and Final)	1685	LF	\$8.00	\$13,480.00
1d	Stop Bars and Cross-Walks (Final/Thermo) Not Used - See Above	8	EA	\$0.00	\$0.00
1e	Double Yellow Lines (Final/Thermo) Not Used - See Above	1685	LF	\$0.00	\$0.00
1f	New asphalt surface (2-inch)	700	Ton	\$190.00	\$133,000.00
Add	Parking Stencils	60	EA	\$7.75	\$4,650.00
Add	Crosswalks (Temporary and Final)	480	LF	8.00	\$3,840.00
Subtotal					\$203,389.50
Deduct Trench Pavement (Base Bid)					-\$27,900.00
Deduct Pavement Markings (Base Bid)					-\$14,977.00
Allowance					\$40,000.00
Add Alternate No. 1 Total					\$200,512.50
ALTERNATE NO. 2					
2	Mill (William Street to Simonton Street) (2-inch)	3290	SY	\$5.00	\$16,450.00
2a	Stop Bars and Cross-Walks (Temporary and Final)	8	EA	\$97.75	\$782.00
2b	Parking Spaces (Temporary and Final)	1120	LF	\$7.00	\$7,840.00
2c	Double Yellow Lines (Temporary and Final)	885	LF	\$8.00	\$7,080.00
2d	Stop Bars and Cross-Walks (Final/Thermo) Not Used - See Above	6	EA	\$0.00	\$0.00
2e	Double Yellow Lines (Final/Thermo) Not Used - See Above	885	LF	\$0.00	\$0.00
2f	New asphalt surface (2-inch)	360	Ton	\$190.00	\$68,400.00
Add	Parking Stencils	25	EA	\$7.75	\$2,443.75
Add	Crosswalks (Temporary and Final)	380	LF	8.00	\$3,040.00
Subtotal					\$103,780.25
Allowance					\$25,000.00
Add Alternate No. 2 Total					\$128,780.25
ALTERNATE NO. 3					
3	Water Main Trench Restoration (Margret to Grinnel)	480	LF	\$65.00	\$31,200.00
3a	Flowable Fill	160	CY	\$180.00	\$28,800.00
3b	PAVEMENT REPLACEMENT OVER TRENCHES/REPAIR AREAS (2-inch)	50	Ton	\$190.00	\$9,500.00
Add	Asphalt Sawcutting	960	LF	4.00	\$3,840.00
Add	Asphalt Milling	638	SY	6.00	\$3,828.00
Add	Trench Safety	480	LF	\$10.00	\$4,800.00
Subtotal					\$79,096.00
Allowance					\$10,000.00
Add Alternate No. 3 Total					\$89,096.00
Grand Total					\$725,230.88

*** If both Alternate 1 and 3 are selected asphalt pavement tonnage (3B) and milling should be deducted from the total ***

RESOLUTION NO. 10-319

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AWARDED THE BID OF DOUGLAS N. HIGGINS, INC., FOR A CITY OF KEY WEST GENERAL SERVICES CONTRACT IN RESPONSE TO INVITATION TO BID (ITB) #10-015; PROVIDING FOR AN EFFECTIVE DATE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the bid of Douglas N. Higgins, Inc., for the General Services Contract (ITB #10-015), at the unit prices stated in the bid documents, is hereby awarded.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 3rd day of November, 2010.

Authenticated by the presiding officer and Clerk of the Commission on November 4, 2010.

Filed with the Clerk November 4, 2010.


CRAIG CATES, MAYOR

ATTEST


CHERYL SMITH, CITY CLERK