RESOLUTION NO. 13-314

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA EXERCISING THE TWO-YEAR RENEWAL OPTION CONTAINED IN THE CONTRACT FOR GENERAL SERVICES BETWEEN THE CITY AND DOUGLAS N. HIGGINS, INC., APPROVED IN RESOLUTION 10-319 IN RESPONSE TO INVITATION TO BID (ITB) #10-015; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution No. 10-319, the City Commission approved a three-year contract with a two-year renewal option with DN Higgins, Inc. in accordance with ITB 10-015; and

WHEREAS, the City Commission, having considered staff recommendations, has chosen to renew the contract, for the two year extension period.

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

Section 1: That the contract is hereby extended for two years, pursuant to the contract documents approved in Resolution No. 10-319;

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 December, 2013.

Authenticated by the Presiding Officer and Clerk of the Commission on 4th day of December, 2013.

Filed with the Clerk on December 4, 2013.

Mayor Craig Cates	Yes
Vice Mayor Mark Rossi	Absent
Commissioner Teri Johnston	Yes
Commissioner Clayton Lopez	Yes
Commissioner Billy Wardlow	Yes
Commissioner Jimmy Weekley	Yes
Commissioner Tony Yaniz	Yes

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

MEMORANDUM

EXECUTIVE SUMMARY

Date: October 23, 2013

To: Bob Vitas, City Manager

From: Karen Olson, Special Projects Designer

CC: David Fernandez, ACM
Mark Finigan, ACM
Doug Bradshaw, Senior Project Manager

Subject: **Approving a two year extension for the General Services Contract (ITB #10-015) to DN Higgins, Inc.**

Action Statement
This Resolution would approve a two (2) year extension for the General Services Contract to DN Higgins, Inc.

Background
The General Services Contract has been an ongoing contract, under various names, since 1992. The City maintains this Contract which is competitively bid for the purpose of general installation, repair and replacement of storm and sanitary sewer systems, installation of storm water gravity injection wells, paving, sidewalks and other miscellaneous municipal work. As the City establishes locations and scopes of work, where repairs are necessary, Work orders are issued

Resolutions 10-319 and 10-320, dated November 3, 2010, awarded DN Higgins, Inc. and Charley Toppino & Sons, Inc. three year General Services Contracts.

The improvement and maintenance of City infrastructure is critical to meeting the current and future needs of the citizens of Key West. The City's goal is to maintain the City's hard assets. (Strategic Plan "Infrastructure" goal 4)

Purpose and Justification

The General Services Contract (ITB #10-015) is set to expire on December 1, 2013. Within the contract documents is the option of a two year extension at the unit prices stated in the Bid plus annual CPI-U US increases.

Based on the most current CPI-U US chart there has been an increase of 3% from effective bid prices. Per the Contract Documents the bid prices were to remain in effect for a period of twelve months from bid opening date.

DN Higgins, Inc. has agreed to extend their General Services Contract for the additional two year period allowed under the contract. Charley Toppino & Sons, Inc. declined to extend their contract.

Over the past three years DN Higgins, Inc. has been issued over 95% of the task orders under the General Services Contract due to their favorable pricing. Engineering staff have solicited quotes from other contractors with prices coming in as much as 40% higher than the existing contract.

It is in the best interest of the City to extend DN Higgins, Inc. contract for the additional two year period based on original bid prices plus 3% CPI-U US. The new pricing must remain in effect for ordering up to twelve (12) months from contract extension. At which time the contractor may request an additional CPI-U US increase.

Options

Option #1 Approve a two (2) year extension for the General Services Contract (ITB #10-15) to DN Higgins, Inc.

Option #2 Do not approve a two (2) year extension for the General Services Contract (ITB #10-15) to DN Higgins, Inc. and solicit bids for a new General Services Contract.

Financial Issues

Extension of the General Services Contract (ITB #10-015) has no financial impact to the City until a Work Order is issued.

Recommendation

Approve a two (2) year extension for the General Services Contract (ITB #10-15) to DN Higgins, Inc.

THE CITY OF KEY WEST
Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

CONTRACT EXTENSION

To: Mr. Dan Higgins, D.N. Higgins, Inc.

From: Karen Olson, Special Projects Designer

Date: September 3, 2013

Reference: General Services Contract Extension

The General Services Contract (ITB #10-015) is set to expire on December 1, 2013. Within the contract documents is the option of a two year extension at the unit prices stated in your Bid plus annual CPI-U US increases.

Based on the most current CPI-U US chart there has been an increase of 3% from effective bid prices. Per the Contract Documents the bid prices were to remain in effect for a period of twelve months from bid opening date.

The City of Key West would like to extend your contract for the additional two year period based on original bid prices plus 3% CPI-U US. The new pricing must remain in effect for ordering up to twelve (12) months from contract extension. At which time you may request an additional CPI-U US increase.

If you are in agreement with the above terms of this contract extension please sign and date this document below.

This extension will not be valid until ratified by the City Commission.

Dan Higgins, Vice President
D.N. Higgins, Inc.

9/13/13
Date

CONTRACT

This Contract, made and entered into this 1ST day of Dec. 2010, by and between the **CITY OF KEY WEST**, hereinafter called the "Owner", and **DOUGLAS N. HIGGINS** hereinafter called the "Contractor";

WITNESSETH:

The Contractor, in consideration of the sum to be paid him by the Owner and of the covenants and agreements herein contained, hereby agrees at his own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for each issued Work Order, to the extent of the BID made by the Contractor, dated this 29th day of September 2010, all in full compliance with the Contract Documents referred to herein:

BIDDING REQUIREMENTS, CONTRACT FORMS, CONDITIONS OF THE CONTRACT, TECHNICAL SPECIFICATIONS, AND DRAWINGS, are hereby referred to and by reference made a part of this Contract as fully and completely as if the same were fully set forth herein and are mutually cooperative therewith.

In consideration of the performance of the work as set forth in these Contract Documents and per each issued Work Order, the Owner agrees to pay to the Contractor the unit prices amount in the Bid as adjusted in accordance with the Contract Documents, or as otherwise herein provided, and to make such payments in the manner and at the times provided in the Contract Documents.

The Contractor agrees to complete the work within the time specified in the Work Order, and to accept as full payment hereunder the amounts as determined by the Contract Documents and based on the said Bid.

The Contractor agrees to remedy all defects appearing in the work or developing in the materials furnished and the workmanship performed under this Contract during the required two (2) year warranty period after the date of final acceptance of the work by the Owner, and further agrees to indemnify and hold harmless the Owner from any costs encountered in remedying such defects.

In the event that the Contractor shall fail to complete the work within the time limit or the

extended time limit agreed upon, as more particularly set forth in the Work Order, liquidated damages shall be paid at the rate of five hundred dollars ($500.00) per calendar day. Sundays and legal holidays shall be included in determining days in default.

IN WITNESS WHEREOF, we, the parties hereto, each herewith subscribe the same, this 1st day of Dec 2010.

Attest: Cheryl Smith

Cheryl Smith, City Clerk

By: JK Scholl

Jim Scholl, City Manager

Contractor: Douglas N. Higgins, Inc. Witness: R. Suzanne Hawker

By: Kelly A. Wilkie Print Name: R Suzanne Hawker

Print Name: Kelly A. Wilkie

Title: Vice-President

City of Key West

Karen Olson< kolson@keywestcity.com>

RE: General Services Contract

1 message

Ron Armstrong< ronaldj@toppkw.com> Wed, Sep 18, 2013 at 2:42 PM
To: Karen Olson <kolson@keywestcity.com>
Cc: Doug Bradshaw <dbradsha@keywestcity.com>, Paul Toppino <pault@toppkw.com>, Richard Toppino <richardjtoppino@aol.com>

KAREN;

MANAGEMENT AT CTS HAS ASKED THAT I INFORM THE CITY OF KEY WEST THAT WE ARE UNABLE TO SIGN THE EXTENSION AGREEMENT FOR THE GENERAL SERVICES CONTRACT. DUE TO PRICE INCREASES ON ALL COMMODITIES UTILIZED IN THE PRODUCTION OF OUR CONCRETE, THE COSTS OF ASPHALT, SIGNAGE, ECT. THE 3% INCREASE IN THE GS CONTRACT WOULD NOT EVEN COME CLOSE TO COVERING OUR DOUBLE DIGIT COST INCREASES.

THANK YOU VERY MUCH FOR THE OPPORTUNITY.

RONALD J. ARMSTRONG

CHARLEY TOPPINO & SONS, INC.

PROJECT/SAFETY MANAGER

305 296-5606

From: Karen Olson [mailto:kolson@keywestcity.com]
Sent: Thursday, September 12, 2013 1:36 PM
To: Ron Armstrong; Richard Toppino
Subject: General Services Contract

Ron -

This contract is set to expire in December 2013. The City would like to extend this contract for a period of two years. Please review the attached and have signed if you are in agreement with the terms of the extension.

Once signed it will be brought in front of the City Commission for approval.

Thanks

–

Karen M Olson

Special Projects Designer

City of Key West

Engineering Services

305-809-3963 (t)

305-809-3739 (f)

RESOLUTION NO. 10-319

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AWARDING 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
CRAIG CATES, MAYOR

ATTEST:

Cheryl Smith
CHERYL SMITH, CITY CLERK

THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3792

EXECUTIVE SUMMARY

M E M O R A N D U M

TO: Jim Scholl, City Manager

FROM: Doug Bradshaw, Senior Project Manager

DATE: October 18, 2010

SUBJECT: Award of Bid ITB # 10-015: General Services Contract

ACTION STATEMENT:
Award of ITB # 10-015: General Services Contract to Douglas N. Higgins and authorize City Manager to enter into a contract.

BACKGROUND:
The General Services Contract has been an on going contract, under various names since 1992. The City of Key West maintains a General Services Contract which is competitively bid for the purpose of general installation, repair and replacement of storm and sanitary sewer systems, installation of storm water injection wells, paving, sidewalks and other miscellaneous municipal work for a contract time of three years with an option to extend for two years at the unit prices stated in the Bid plus annual CPI-U US increases. The City of Key West will establish the locations and scope of work, as repair work becomes necessary. Work Orders will be issued which will identify the scope for each specific project.

On October 6, 2010, the City received two (2) bids for ITB # 10-015: Charley Toppino and Sons and Douglas N. Higgins. Douglas N. Higgins bid was considered responsive to the requirements of the bid. Staff has had to get clarification from Charley Toppino and Sons on their bid form for Items 14e – no bid amount, 27f – no bid amount , 39d – no bid amount, 47a-h – lump sums were given when bid asked for linear feet. Staff will seek City Commission approval to waive these deficiencies in the bid and accept the bid. The ITB allows for the option to award to more then one bidder. As a Work Order is developed, unit prices from both bids will be reviewed and the Work Order will be issued to the contractor with the overall lowest cost (Award to additional contractor is covered in separate Resolution).

PURPOSE & JUSTIFICATION:
The General Services Contract allows for timely completion of projects, emergency repairs, and is typically more cost-effective to the City then having to bid out each

project.

OPTIONS:
There are two options (Award to additional contractor is covered in separate Resolution):

1. Award of ITB # 10-015: General Services Contract to Douglas N. Higgins.
2. Do not award ITB # 10-015: General Services Contract to Douglas N. Higgins.

ADVANTAGES/DISADVANTAGES
Option 1: Douglas N. Higgins has worked with the City on numerous projects for many years. They have been responsive under their contract.

Additional if the City chooses to award to both contractors (Award to additional contractor is covered in separate Resolution), the City will be able to compare cost for a Work Order and issue to the lowest bidder. Work Order may be issued to different Contractors depending on unit prices that were submitted for the work contemplated in the Work Order

Option 2: The City will only be able to issue Work Orders to one contractor. Total cost for that Work Order may be higher then expected based on the unit prices appropriate for that Work Order.

FINANCIAL IMPACT:
Award of ITB # 10-015: General Services Contract has no financial impact to the City until a Work Order is issued.

RECOMMENDATION:
City Staff recommends Option 1: Award of ITB # 10-015: General Services Contract to Douglas N. Higgins for the unit prices submitted in the bid and authorize City Manager to enter into a contract.

CONTRACT

This Contract, made and entered into this 1ST day of Dec 2010, by and between the **CITY OF KEY WEST**, hereinafter called the "Owner", and **DOUGLAS N. HIGGINS** hereinafter called the "Contractor";

WITNESSETH:

The Contractor, in consideration of the sum to be paid him by the Owner and of the covenants and agreements herein contained, hereby agrees at his own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for each issued Work Order, to the extent of the BID made by the Contractor, dated this 29th day of September 2010, all in full compliance with the Contract Documents referred to herein:

BIDDING REQUIREMENTS, CONTRACT FORMS, CONDITIONS OF THE CONTRACT, TECHNICAL SPECIFICATIONS, AND DRAWINGS, are hereby referred to and by reference made a part of this Contract as fully and completely as if the same were fully set forth herein and are mutually cooperative therewith.

In consideration of the performance of the work as set forth in these Contract Documents and per each issued Work Order, the Owner agrees to pay to the Contractor the unit prices amount in the Bid as adjusted in accordance with the Contract Documents, or as otherwise herein provided, and to make such payments in the manner and at the times provided in the Contract Documents.

The Contractor agrees to complete the work within the time specified in the Work Order, and to accept as full payment hereunder the amounts as determined by the Contract Documents and based on the said Bid.

The Contractor agrees to remedy all defects appearing in the work or developing in the materials furnished and the workmanship performed under this Contract during the required two (2) year warranty period after the date of final acceptance of the work by the Owner, and further agrees to indemnify and hold harmless the Owner from any costs encountered in remedying such defects.

In the event that the Contractor shall fail to complete the work within the time limit or the

extended time limit agreed upon, as more particularly set forth in the Work Order, liquidated damages shall be paid at the rate of five hundred dollars ($500.00) per calendar day. Sundays and legal holidays shall be included in determining days in default.

IN WITNESS WHEREOF, we, the parties hereto, each herewith subscribe the same, this 1st day of Dec 2010.

CITY OF KEY WEST FLORIDA

Attest: Cheryl Smith

Cheryl Smith, City Clerk

By:

Jim Scholl, City Manager

Contractor: Douglas N. Higgins, Inc

By: Kelly A. Wilkie

Print Name: Kelly A. Wilkie

Title: Vice-President

Witness: R. Suzanne Hawker

Print Name: R Suzanne Hawker

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	**11-00004242** CONTRACTOR - CERT UNDERGROUND UTILITY
Issue Date:	July 14, 2010 **Expiration Date**:September 30, 2011
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: OC Drawer: 1
Date: 7/15/10 51 Receipt no: 90571
2011 4242
OR LIC OCCUPATIO 1 $309.75
Trans number: 2508461
CK CHECK 13742 $309.75

Trans date: 7/15/10 Time: 11:25:41

OP ID: AV

CERTIFICATE OF LIABILITY INSURANCE

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): FAX (A/C, No): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: HIGGI-5
INSURED Douglas N. Higgins, Inc. 3390 Travis Pointe, Suite A Ann Arbor, MI 48108	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Continental Insurance Company — 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 [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR [X] Includes XCU [X] Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC			U1061922047	12/10/09	12/10/10	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 200,000 $ 15,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS			U1061922033	12/10/09	12/10/10	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
D	[ ] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DEDUCTIBLE [X] RETENTION $ 10,000			U1061922050	12/10/09	12/10/10	EACH OCCURRENCE AGGREGATE	$ 10,000,000 $ 10,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC161922016	12/10/09	12/10/10	[X] WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 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 — KEYWE01

City of Key West, Florida
City Hall
525 Angela Street
Key West, FL 33040

CANCELLATION

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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CONSTRUCTION WORK ORDER

Contract Title: General Services Contract for the City of Key West

Work Order Title: Pump Station "F" Force Main (FM)

Work Order No: 2010-001

Project Number: SE1101

This Work Order is an authorization to proceed with sewer pipe installation along 14th Street 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:

Pump Station "F" Force Main (FM). The buried FM will be located on 14th Street and run from Pump Station "F" (at the northwest corner of the intersection of Flagler and 14th Street) to the intersection of 14th Street (Glenn R. Archer Jr. Drive) and N. Roosevelt Boulevard.

The project is anticipated to consist of approximately 2,900 lineal feet of 16-inch C905 pipe with minimum 36" of cover per City of Key West typical pipe installation (see attached). The project will include some restrained joint sections, fittings, valves and appurtenances. Also, included is removal and replacement of asphalt, excavation, trench backfill and disposal of excess material. The FM will have a blind flange installed at the intersection of 14th Street and North Roosevelt Boulevard and be connected to the pump station discharge by installing a tee and appropriate valving.

Total Cost of Work Order #2010-001: $844,775 (Including a $76,797.76 contingency)

CONTRACTOR'S DECLARATION AND UNDERSTANDING

The contractor declares that he has carefully examined the drawings and technical specifications titled "Pump Station F Force Main" from CH2M Hill dated August 2010, the 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, including materials and equipment, and conditions of work that may be involved, including the fact that the description of the quantities of 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.

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 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 for each day that expires after the time specified for completion and readiness for final payment. Liquidated damages shall run concurrent.

ACCEPTANCE

By signature, the parties each accept the provisions of this work order and authorize Douglas N. Higgins 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 12/13/2010 and to achieve substantial completion within 100 days, and fully complete the work within 120 days. The completion date for this Work Order is April 12, 2010.

DOUGLAS N. HIGGINS, INC.

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

Date: 16 DECEMBER 2010

CITY OF KEY WEST

By: Jim Scholl
City Manager

Date: 28 DEC 2010

PERFORMANCE BOND

BOND NO. 35BCSFD7648
AMOUNT: $ 844,775.00

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 PO 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: Eight Hundred Forty-Four Thousand Seven Hundred Seventy-Five DOLLARS ($ 844,775.00), 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 15th day of December, 20 10, 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.

Douglas N. Higgins, Inc.
CONTRACTOR

By: James H. Sweet, Vice President
JAMES H. SWEET

(SEAL)

ATTEST
R. Suzanne Hawker

Hartford Accident and Indemnity Company
SURETY

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

(SEAL)

ATTEST
Carol Spargo

PAYMENT BOND

BOND NO. 35BCSFD7648
AMOUNT: $ 844,775.00

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 PO Box 2103, 690 Asylum Avenue, 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: Eight Hundred Forty-Four Thousand Seven Hundred Seventy-Five DOLLARS ($ 844,775.00), 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 Pump Station F Force Main 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 is 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 15th day of December, 20 10, 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.

Douglas N. Higgins, Inc.
CONTRACTOR

By: James H Sweet, Vice President
JAMES H. SWEET

(SEAL)

ATTEST
R. Suzanne Hawker

Hartford Accident and Indemnity Company
SURETY

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

(SEAL)

ATTEST
Carol Jennings

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**

KNOW ALL PERSONS BY THESE PRESENTS THAT: **Agency Code: 35-350851**

- [X] **Hartford Fire Insurance Company**, a corporation duly organized under the laws of the State of Connecticut
- [X] **Hartford Casualty Insurance Company**, a corporation duly organized under the laws of the State of Indiana
- [X] **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, Assistant Secretary

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.

Scott E. Paseka
Notary Public
My Commission Expires October 31, 2012

CERTIFICATE

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 December 15, 2010.

Signed and sealed at the City of Hartford.

Gary W. Stumper, Assistant Vice President

OP ID: AV

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 12/09/10

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): FAX (A/C, No): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: HIGGI-5
INSURED Douglas N. Higgins, Inc. 3390 Travis Pointe, Suite A Ann Arbor, MI 48108	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Continental Insurance Company — 035289 INSURER B: Valley Forge Insurance Co — 020508 INSURER C: Continental Casualty Company — 020443 INSURER D: Greenwich Insurance Company — 22322 INSURER E: 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 [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR [X] Includes XCU [X] Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC			U1061922047	12/10/10	12/10/11	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 200,000 $ 15,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS			U1061922033	12/10/10	12/10/11	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
C	[ ] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DEDUCTIBLE [X] RETENTION $ 10,000			U1061922050	12/10/10	12/10/11	EACH OCCURRENCE AGGREGATE	$ 10,000,000 $ 10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N [ ] If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC161922016	12/10/10	12/10/11	[X] WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 1,000,000
D	Professional and Pollution Liab			PEC0025095	12/10/10	12/10/11		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

KEYWE01

City of Key West, Florida
City Hall
525 Angela Street
Key West, FL 33040

CANCELLATION

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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STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD (850) 487-1395
1940 NORTH MONROE STREET
TALLAHASSEE FL 32399-0783

HIGGINS, DANIEL NORMAN
DOUGLAS N HIGGINS INC
3390 TRAVIS POINTE ROAD
SUITE A
ANNN ARBOR MI 48108

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto www.myfloridalicense.com. There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.

Our mission at the Department is: License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!

STATE OF FLORIDA AC# 4991244
DEPARTMENT OF BUSINESS AND
PROFESSIONAL REGULATION
CGC060189 05/10/10 098174528
CERTIFIED GENERAL CONTRACTOR
HIGGINS, DANIEL NORMAN
DOUGLAS N HIGGINS INC
IS CERTIFIED under the provisions of Ch.489 FS
Expiration date: AUG 31, 2012 L10051000821

VOID

DETACH HERE

AC# 4991244

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
CONSTRUCTION INDUSTRY LICENSING BOARD

SEQ#L10051000821

DATE	BATCH NUMBER	LICENSE NBR
05/10/2010	098174528	CGC060189

The GENERAL CONTRACTOR
Named below IS CERTIFIED
Under the provisions of Chapter 489 FS.
Expiration date: AUG 31, 2012

HIGGINS, DANIEL NORMAN
DOUGLAS N HIGGINS INC
3390 TRAVIS POINTE ROAD
SUITE A
ANNN ARBOR MI 48108

CHARLIE CRIST
GOVERNOR

CHARLIE LIEM
INTERIM SECRETARY

VOID

2010 / 2011
MONROE COUNTY BUSINESS TAX RECEIPT
EXPIRES SEPTEMBER 30, 2011

Business Name: DOUGLAS N HIGGINS INC

RECEIPT# 30140-62369

Owner Name: DOUGLAS N HIGGINS, JAMES SWEET QUALIFIER
Mailing Address: 3390 TRAVIS POINTE RD
Ste A
ANN ARBOR, MI 48108

Business Location: MO CTY
KEY WEST, FL 33040
Business Phone: 305-294-3355
Business Type: CONTRACTORS
(UNDERGROUND UTILITY)

Rooms	Seats	Employees	Machines	Stalls
		5		

STATE LICENSE: CUC057447 EXP 8-31-8

For Vending Business Only
Number of Machines :
Vending Type : M

Tax Amount	Transfer Fee	Sub-Total	Penalty	Prior Years	Collection Cost	Total Paid
$20.00		$20.00		$0.00		$20.00

PAID-118-09-00004891 07/13/2010 20.00

THIS RECEIPT MUST BE POSTED CONSPICUOUSLY IN YOUR PLACE OF BUSINESS

THIS BECOMES A TAX RECEIPT WHEN VALIDATED

Danise D. Henriquez, CFC, Tax Collector
PO Box 1129, Key West, FL 33041

THIS IS ONLY A TAX. YOU MUST MEET ALL COUNTY AND/OR MUNICIPALITY PLANNING AND ZONING REQUIREMENTS.

MONROE COUNTY BUSINESS TAX RECEIPT

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	11-00004242 CONTRACTOR - CERT UNDERGROUND UTILITY
Issue Date:	July 14, 2010 **Expiration Date:**September 30, 2011
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: CHECKER Type: OC Drawer: 1
Date: 7/15/10 51 Receipt no: 98571
2011 4242
OR LIC OCCUPATIO 1 $309.75
Trans number: 2588461
CK CHECK 13742 $309.75

Trans date: 7/15/10 Time: 11:25:41

RESOLUTION NO. 10-320

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AWARDING THE BID OF CHARLEY TOPPINO & SONS, INC. FOR A CITY OF KEY WEST GENERAL SERVICES CONTRACT IN RESPONSE TO INVITATION TO BID (ITB) #10-015; WAIVING BID IRREGULARITIES; 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 Charley Toppino & Sons, Inc. for the General Services Contract (ITB #10-015), at the unit prices stated in the bid documents, is hereby awarded.

Section 2: That the irregularities associated with the bid are waived.

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 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

THE CITY OF KEY WEST
Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3792

EXECUTIVE SUMMARY

MEMORANDUM

TO: Jim Scholl, City Manager

FROM: Doug Bradshaw, Senior Project Manager

DATE: October 18, 2010

SUBJECT: Award of Bid ITB # 10-015: General Services Contract

ACTION STATEMENT:
Award of ITB # 10-015: General Services Contract to Charley Toppino and Sons, waive the deficiencies in the Toppino bid form, and authorize City Manager to enter into a contract.

BACKGROUND:
The General Services Contract has been an on going contract, under various names since 1992. The City of Key West maintains a General Services Contract which is competitively bid for the purpose of general installation, repair and replacement of storm and sanitary sewer systems, installation of storm water injection wells, paving, sidewalks and other miscellaneous municipal work for a contract time of three years with an option to extend for two years at the unit prices stated in the Bid plus annual CPI-U US increases. The City of Key West will establish the locations and scope of work, as repair work becomes necessary. Work Orders will be issued which will identify the scope for each specific project.

On October 6, 2010, the City received two (2) bids for ITB # 10-015: Charley Toppino and Sons and Douglas N. Higgins. Douglas N. Higgins bid was considered responsive to the requirements of the bid. Staff has had to get clarification from Charley Toppino and Sons on their bid form for Items 14e – no bid amount, 27f – no bid amount , 39d – no bid amount, 47a-h – lump sums were given when bid asked for linear feet. Staff will seek City Commission approval to waive these deficiencies in the bid and accept the bid. The ITB allows for the option to award to more then one bidder. As a Work Order is developed, unit prices from both bids will be reviewed and the Work Order will be issued to the contractor with the overall lowest cost (Award to additional contractor is covered in separate Resolution).

PURPOSE & JUSTIFICATION:
The General Services Contract allows for timely completion of projects, emergency

repairs, and is typically more cost-effective to the City then having to bid out each project.

OPTIONS:
There are two options (Award to additional contractor is covered in separate Resolution):

1. Award of ITB # 10-015: General Services Contract to Charley Toppino and Sons and waive the bid form deficiencies in the Toppino bid.
2. Do not award ITB # 10-015: General Services Contract to Charley Toppino and Sons.

ADVANTAGES/DISADVANTAGES
Option 1: Charley Toppino and Sons has worked with the City under the General Services contract for many years. They have been responsive under the contract when tasked with a work order.

Additional if the City chooses to award to both contractors (Award to additional contractor is covered in separate Resolution), the City will be able to compare cost for a Work Order and issue to the lowest bidder. Work Order may be issued to different Contractors depending on unit prices that were submitted for the work contemplated in the Work Order

Option 2: The City will only be able to issue Work Orders to one contractor. Total cost for that Work Order may be higher then expected based on the unit prices appropriate for that Work Order.

FINANCIAL IMPACT:
Award of ITB # 10-015: General Services Contract has no financial impact to the City until a Work Order is issued.

RECOMMENDATION:
City Staff recommends Option 1: Award of ITB # 10-015: General Services Contract to Charley Toppino and Sons for the unit prices submitted in the bid, waive the deficiencies in the Toppino bid form, and authorize City Manager to enter into a contract.