



STAFF REPORT

Regular City Commission Meeting

January 23, 2025

To: Elected Officials

From: Dale L. Martin, City Manager

Date: January 23, 2025

Item Name: Resolution 2025-07. A Resolution by the City Commission of the City of Flagler Beach to award a change order to bid No. FB-242305 Wickline Improvements to R&K Roofing in an amount not to exceed \$20,886.80; providing for conflict and an effective date.

Background: The City's 2023/24 budget included an appropriation of \$110,000 for improvements to the City's Wickline Building (800 S. Central Avenue). City staff prepared a scope of activities (see attached) and solicited proposals for the project. (designated Project 539). Only one proposal was received, and the City Commission, awarded the project to R&K Roofing in an amount not to exceed \$65,000 (Jul 11). The Notice to Proceed was issued on Jul 22.

During the course of the project, some additional issues not identified or presented in the original project scope were identified. Some of those issues addressed building code and safety issues, but others were non-essential. Change Orders that resulted in the contract amount exceeding the authorized "Not to Exceed" amount were issued (see attached). As a result of those Change Orders, an additional Change Order is now required to complete a portion of the project that was in the original scope.

The failure to properly develop the scope, to adequately maintain project oversight, and to ensure budgetary control as authorized by the City Commission has been addressed at all levels of City staff.

Change Order No. 9 is necessary, in part, due to the expenditure of project funds on items beyond the scope of the original project as authorized by the City Commission, and also due to the revised composition of the desired handrails.

Resolution 2025-07 is presented to the City Commission to retroactively approve Change Orders No. 1 through 8 and the proposed Change Order No. 9.

Fiscal Impact: The authorized contract amount for Project 539 was not to exceed \$65,000. The subsequent Change Orders, including proposed Change Order No. 9, total \$20,886.80. The original budget appropriation for the Wickline Improvements was \$110,000, so funds are available for the expanded scope. The expenditure of funds beyond Change Order No. 9 is expressly and specifically prohibited.

Staff Recommendation: Staff requests approval of Resolution 2025-07, retroactively approving Change Orders No. 1 through No. 8 and proposed Change Order No. 9 for additional improvements to the Wickline Building to R&K roofing in an amount not to exceed \$20,886.80.

Attachments:

Resolution 2025-07

Original Scope and Change Order Summary