



## STAFF REPORT

### Regular City Commission Meeting

June 27, 2024

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**To:** Elected Officials

**From:** Dale L. Martin, City Manager

**Date:** June 21, 2024

**Item Name:** Resolution 2024-37, a Resolution by the City of Flagler Beach, Florida, awarding Bid No. FB-24-2105 to McMahan Construction in an amount not to exceed \$881,760; providing for conflict and an effective date.

**Background:** The City Commission awarded this bid at their June 11, 2024 meeting. After the meeting adjourned, the Clerk noted receipt of a letter appealing the bid award from another bidder DB Civil, LLC. Section 2-312 of the Code of Ordinance regulates the bid process and how appeals are to be considered.

After a review the appeal letter, the bid documents, the Code of Ordinance, the recommendation from the Consulting Engineer, and a discussion with the City Attorney, the City Manager stood by the previous recommendation to award to McMahan Construction. The petitioner was notified of the decision and the information that was utilized to reach the same. In light of the appeal and recommendation to award to McMahan a resolution is proposed to solidify this award.

Water and Sewer Infrastructure projects were included in the eligible criteria for funding under the American Rescue Plan Act (ARPA). The City engaged Mead & Hunt to design, permit, provide bidding assistance, construction services, and 120 hours of Inspection services. The bid package was posted to the City's website and listed on Demand Star. The package was broadcast to 142 companies in the field of well construction. Two competitive bids were received and were within 0.2% of each other.

The City in past projects has worked with both bidders. McMahan Construction has constructed several of the City's well's the latest being Well 15. Staff recommends the Commission award the bid to McMahan based upon past experience with the contractor, the quality of work performed, and the level of communication between the contractor, engineer and staff exceeded expectations.

**Fiscal Impact:** The City received \$1,000,000 in ARPA funding for New Well Planning & Construction. The bid award amount is \$881,760, the associated generator \$66,639 and the Engineering fees are \$85,936. The project totals \$1,034,335. This amount is \$34,355 more than the city received the ARPA funding. \$885,000 was included in the 2022/2023 FY Water Treatment Plant Budget (401-5331-606300) for the well construction, and the funds were encumbered. The bids came in 23% higher than projected likely due to increases in material and labor costs. Finance will look for monies in the treatment plant budget to cover the shortage and if necessary, submit a budget amendment at year end.

**Staff Recommendation:** Approve Resolution 2024-37.

**Attachments:** Resolution 2024-37, Recommendation of Award from the Consulting Engineer, Bid Tabulation, Notice of Intent to award, Legal Ad Affidavit, Section 2-312 of the Code, Letter of Appeal from DB Civil, Response letter from the City Manager.