

**City of Coral Gables City Commission Meeting
Agenda Item J-3
February 27, 2018
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

**Mayor Raul Valdes-Fauli
Vice Mayor Pat Keon
Commissioner Vince Lago
Commissioner Frank Quesada
Commissioner Michael Mena**

City Staff

**City Manager, Cathy Swanson-Rivenbark
City Attorney, Miriam Ramos
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Chief Procurement Officer, Celeste Walker
Public Works Director, Ed Santamaria**

Public Speaker(s)

Agenda Item J-3 [2:33:04 p.m.]

A Resolution accepting the recommendation of the Procurement Officer to award the Kerdyk Tennis Center Building Renovations to Azulejo, Inc. the lowest responsive and responsible bidder in the amount of \$1,215,228.00, pursuant to Invitation for Bids (IFB) 2017.12.VF and Section 2-763 of the Procurement Code entitled "Contract Award."

Mayor Valdes-Fauli: J-3.

City Attorney Ramos: A Resolution accepting the recommendation of the Procurement Officer to award the Kerdyk Tennis Center Building Renovations to Azulejo, Inc. the lowest responsive and responsible bidder in the amount of \$1,215,228.00, pursuant to Invitation for Bids (IFB) 2017.12.VF and Section 2-763 of the Procurement Code entitled "Contract Award."

City Manager Swanson-Rivenbark: And before Ms. Walker presents, you'll recall we presented to you the option of either bulldozing the tennis center building or retrofitting it. This reflects the retrofit and we are very excited about the designs associated with it.

Procurement Officer Walker: Good afternoon, Celeste Walker, Assistant Finance Director for Procurement. This particular project was issued as an Invitation for Bid. We received six solicitations. We conducted our evaluation and responsibility review meeting and we are recommending the lowest responsive bidder as Azulejo, Inc. for the project to renovate the Kerdyk Tennis Center.

Mayor Valdes-Fauli: I have a question. I don't know if you were here or not, or whoever was here, when we gave out the contract for Miracle Mile, for Giralda, many, many years ago none of us was here for the current Public Safety Building, and our experiences with the lowest responsible bidder have been horrible many times. Are there penalties here for lack of performance? - is there a performance bond? I'd like to see that.

Procurement Officer Walker: There is a performance bond attached to this project sir, yes.

City Manager Swanson-Rivenbark: And regarding Ms. Walker, she came with Irma.

Procurement Officer Walker: I was not here.

Mayor Valdes-Fauli: You were not here, good for you.

[Laughter]

Mayor Valdes-Fauli: Good for you Irma. I would like for somebody to review this to see the payment and performance bond, as well as the penalties, because I'm just not satisfied with our process frankly. Having gone through what we have gone through, I'm not saying we haven't done the right job, but I'm just concerned and I think all of us should be concerned.

Vice Mayor Keon: I raised that question during my pre-agenda, because in looking at the bids themselves there is significant differences in the different elements within the bid, so regardless of what the overall or what the final number is at the bottom, when there is that variance in each of the components it gives me cause to wonder.

Public Works Director Santamaria: Good afternoon Mr. Mayor, Commissioners, Ed Santamaria, Director of Public Works. I can tell you that the bids were reviewed, the bids also include bond requirements; one is for the bid bond, which if someone were to provide a bid and then withdraw

on that bid we would be able to call in a bid bond, but also performance in payment bonds, and there is a section in the contract that imposes liquidated damages for any delays in the completion of this project.

Mayor Valdes-Fauli: What? I'm sorry?

Public Works Director Santamaria: There is a portion of this contract that will provide for liquidated damages for any delays in the completion of this project outside of the contract time, any unexcusable delays on the part....

Mayor Valdes-Fauli: How long has Azulejo Inc. been in business? Are they a substantial company? - are they...

Procurement Officer Walker: They have been in business and we received references. We also conducted a responsibility review meeting, which to your point, we had Public Works and the Procurement Department conduct a meeting with the vendor for them to be able to convey to the City that we were comfortable and that they clearly understood the scope of work and that they had the capacity, and when they also broke down their pricing to make sure all of the components were covered. So after that meeting, it was a determination from staff that they were in fact a responsible bidder and able to actually perform the services.

Mayor Valdes-Fauli: Madam City Attorney will you vouch for the enforceability of the bond and the penalties?

City Attorney Ramos: Yes. All our bond are enforceable sir.

Mayor Valdes-Fauli: What?

City Attorney Ramos: Our bonds are enforceable sir, yes.

Mayor Valdes-Fauli: OK. Is there a motion?

Vice Mayor Keon: What is it that gives you cause to worry? - just past history?

Mayor Valdes-Fauli: Our past experience, yes, past history. Past history has been disastrous.

Vice Mayor Keon: I was just concerned because of the variances in the particular, the categories between that particular – among them all. Concrete is concrete – I don't know how you could come up with such different numbers for concrete. There are different things, but you know

what, I'm not a builder, so I certainly wouldn't have the wherewithal to tell you that it's right or wrong.

Assistant City Manager Iglesias: Vice Mayor bidding is not straightforward. Those are line items and a lot of times there are other issues involved on how you do your line items. Certain times you feel you can collect certain monies quicker. There are many other costs involved in the project; you have to go into those line items. So, one of the issues is that this is a bonded job, there are liquid damages. If during negotiations we feel any discomfort with this firm we will not use them.

Vice Mayor Keon: The only thing I asked was, because of those variances they go through and they have a contract, or you come to a contract for this that there be absolutely no ambiguity in those plans, so that there is no reason to come for a change order or there is no good reason to do anything, but perform the numbers that they included in the bid, and the work be exceptionally good work. That's all I ask because that concerned me also, but I'll take your word for it.

Mayor Valdes-Fauli: Is there a motion?

Vice Mayor Keon: I'll move it.

Mayor Valdes-Fauli: Second?

Commissioner Quesada: Second.

Mayor Valdes-Fauli: Will you call the roll please.

Commissioner Mena: Yes

Commissioner Quesada: Yes

Vice Mayor Keon: Yes

Mayor Valdes-Fauli: Yes

(Vote: 4-0)

(Commissioner Lago: Absent)

[End: 2:39:13 p.m.]