

**INDIAN RIVER COUNTY, FLORIDA
MEMORANDUM**

TO: Jason E. Brown, County Administrator

THROUGH: Richard B. Szpyrka, P.E., Public Works Director

FROM: Andy P. Sobczak, Infrastructure Project Manager

SUBJECT: Award of Bid No: 2018059
North County Offices at Sebastian Corners

DATE: August 3, 2018

DESCRIPTION AND CONDITIONS

In 2017, Indian River County purchased an existing commercial plaza, known as Sebastian Corners, located at 1919 US 1 in Sebastian as the future location for the County's North County Offices. At the time of purchase, the estimated cost to renovate the existing vacant tenant spaces for relocation of the County Tax Collector, Property Appraiser, Utilities, Clerk of the Circuit Court and Veterans Services was \$400,000.00. After purchasing the building, the County contracted with MBV Engineering, Inc. to oversee design and construction of the new offices.

During design, representatives from each of the North County Offices were involved in the development of the plans. Input from these offices resulted in the addition of operational security features to the plans including glass partitions for the Utilities clerks, similar to the partitions in the Utilities customer service area in County Administration Building A, and secure storage rooms and raised access flooring for the Tax Collector's clerk stations. These operational security features added approximately \$100,000.00 to the cost of the project.

During the permitting process, several required building upgrades including new impact windows and framing for the exterior storefront were added. The cost for impact windows and framing is approximately \$200,000.00. In addition, upgrades to the fire suppression system and repairs to the building's support columns, and repairs to the project site including curb replacement and parking lot restriping, also added to the overall cost of the project.

At the conclusion of the design phase, MBV Engineering, Inc. provided a construction cost estimate to County Staff that included all of the site, building and office space improvements. The total of the construction cost estimate was \$1,340,043.41.

After advertising the project for 34 days, a bid opening was held on 7/13/2018. Two qualified bids were received for the project, a detailed tabulation of the bids is on file and available for

viewing in the County Engineering Division. The two successful bidders and their respective bids are as follows:

- | | | |
|----|---------------------------|----------------|
| 1) | Paul Jacquin & Sons, Inc. | \$1,878,941.00 |
| 2) | W&J Construction Corp. | \$1,775,911.00 |

While the two successful bids received are close to each other in price, they are both considerably higher than the construction cost estimate provided by MBV. The higher than anticipated bid prices are likely the result of continuing improvements in the local and national economy, and recent increases in local new construction activity. In fact, based on Demandstar records, 22 contractors downloaded the plans for the North County Offices at Sebastian Corners project including six local Vero Beach contractors, however, only two bids were received, neither were from local construction companies.

Although the bids were higher than anticipated, the relocation of the North County Offices from their current location at 11606-11612 US 1 in Sebastian represents a cost savings of approximately \$100,000.00 per year paid by the County in rent to that location. In addition, rent paid to the County from existing in-place tenants at Sebastian Corners is approximately \$175,000.00 per year.

After reviewing both bids in detail, County Staff in coordination with MBV Engineering, Inc., has determined that W&J Construction Corp. has successfully completed similar construction projects both on time and at budget, and is the lowest responsive, responsible bidder. In fact, based on a review of recent projects completed by W&J Construction Corp., W&J has completed 3 Tax Collector Office renovations in Brevard County, including the Tax Collector's Office in Viera. In 2017, The Indian River County Tax Collector visited the Tax Collector's Office in Viera seeking design ideas for the new office at Sebastian Corners.

W&J Construction Corp.'s bid of \$1,775,911.00 is \$435,867.59 above the Engineer's cost estimate.

FUNDING

Funding for the project is included in the Capital Improvement Element approved by the Board of County Commissioners on December 5, 2017. Funding in the amount of \$400,000.00 is available in Optional Sales Tax/Facilities Management/Interior Renovations N County Office Bldg-Sebastian Corners- Account No. 31522019-066510-17018. A budget amendment from Optional Sales Tax/Cash Forward-Oct 1st will be required to fund the remainder of the project.

RECOMMENDATION

Staff recommends that the project be awarded to W&J Construction Corp. in the amount of

\$1,775,911.00 and requests that the Board of County Commissioners approve the sample agreement and authorize the Chairman to execute said agreement after receipt and approval of the required Public Construction Bond and Certificate of Insurance, and after the County Attorney has approved the agreement as to form and legal sufficiency.

ATTACHMENTS

Sample Agreement

DISTRIBUTION

Paul Jacquin & Sons, Inc.

W&J Construction Corp.

APPROVED AGENDA ITEM FOR AUGUST 14, 2018