

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 1 TO THE CONTRACT BETWEEN THE CITY AND AZULEJO, INC, RELATING TO THE REHABILITATION OF THE CITY'S AFFORDABLE HOUSING PROJECT KNOWN AS THE LOTTIE APARTMENTS, LOCATED AT 530 75th STREET, SAID AMENDMENT MODIFYING THE SCOPE OF WORK FOR THE PROJECT, BY ELIMINATING FIVE (5) OUT OF THE TOTAL NINE (9) APARTMENT UNITS FROM THE SCOPE AND ADDING THE REPLACEMENT OF THE HVAC UNITS FOR ALL OF THE APARTMENT UNITS TO THE SCOPE; REDUCING THE PROJECT BUDGET FROM \$819,585 TO \$669,926, MAKING THE EXCESS FUNDS, IN THE AMOUNT OF \$149,659, AVAILABLE FOR A FUTURE PROJECT OR FUTURE PHASES OF THIS PROJECT; AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE THE FINAL NEGOTIATED AMENDMENT, SUBJECT TO REVIEW AND FORM APPROVAL BY THE CITY ATTORNEY.

WHEREAS, ITB 2017-027-ZD for the Lottie Apartments Rehabilitation Project was issued in November 30, 2016; and

WHEREAS, on February 8, 2017, the Mayor and Commission awarded the contract for the rehabilitation of the Lottie Apartments (the Project) to Azulejo, Inc. (Contractor), the general contractor that submitted the lowest, responsive bid for ITB 2017-027-ZD; and

WHEREAS, on April 24, 2017, the City and Contractor executed the construction contract (the Contract) in connection with the Project, which scope of work (the Scope) includes the rehabilitation of the interior and exterior façade of the nine units contained in the Lottie Apartments Building (the property), using environmentally friendly materials; and

WHEREAS, the Lottie Apartments rehabilitation project (the Project) is funded by the Department of Housing and Urban Development (HUD); and

WHEREAS, the City requested a new elevation survey of the property and the results showed that the building elevation was 6.9 National Geodetic Vertical Datum (NGVD) and not 8.6 ft., as previously established; and

WHEREAS, because of its true elevation, a substantial rehabilitation of the property would have triggered code requirements to raise the first floor habitat level above the flood elevation of nine (9) feet (NGVD); and

WHEREAS, it is structurally unfeasible to raise the property to the required flood elevation; and

WHEREAS, the Administration is recommending a reduction to the Project's scope of work (the Scope) to address crucial health and safety deficiencies of the property, as required by HUD, while still complying with code and budgetary constraints; and

WHEREAS, the Administration recommends reducing the Scope of the Project by eliminating the rehabilitation of five units; and

WHEREAS, the Administration recommends increasing the original Scope of the Project to include the replacement of all the outdated HVAC units for the nine apartments, while maintaining the Project below the substantial remodeling and flood elevation requirements; and

WHEREAS, in order to comply with HUD funding guidelines, the balance of funds, in the amount of \$149,659, would be removed from the Scope of this Project and reallocated to another project or a future phase of this Project; and

WHEREAS, based upon this change in the Scope of the Project, the Project's budget of \$819,585 will be reduced to \$669,926;

WHEREAS, the Administration recommends approving, in substantial form, Amendment No. 1 to the Contract, incorporated herein by reference and attached as Exhibit "1" hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve, in substantial form, Amendment No. 1 to the Contract between the City and Azulejo, Inc., relating to the rehabilitation of the City's affordable housing project known as the Lottie Apartments, located at 530 75th Street, said amendment modifying the scope of work for the Project, by eliminating five (5) out of the total nine (9) apartment units from the Scope and adding the replacement of the HVAC units for all of the apartment units to the Scope; reducing the Project budget from \$819,585 to \$669,926, making the excess funds, in the amount of \$149,659, available for a future project or future phases of this Project; and further authorize the City Manager and City Clerk to execute the final negotiated amendment, subject to review and form approval by the City Attorney.

PASSED AND ADOPTED this _____ day of _____, 2017.

ATTEST:

RAFAEL E. GRANADO, CITY CLERK

PHILIP LEVINE, MAYOR

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Joseph A. ...

City Attorney

7/25/17

Date

AMENDMENT NO. 1 TO THE CONTRACT

This Amendment No. 1 (Amendment) to the Contract, dated April 24, 2017, by and between the City of Miami Beach, Florida, a municipal corporation organized and existing under the laws of the State of Florida, having its principal place of business at 1700 Convention Center Drive, Miami Beach, Florida 33139 (the City), and Azulejo, Inc., a Florida for profit company, having its principal place of business at 307 NW 10 Terrace, Hallandale, FL 33009 (Contractor), is entered into this ____ day of _____ 2017 (Effective Date).

RECITALS

WHEREAS, on February 8, 2017, the Mayor and City Commission approved the award of Invitation to Bid No. 2017-027-ZD (ITB) for the Lottie Apartments Rehabilitation Project (the Project), in the lump sum amount of \$819,585.00, to Azulejo, Inc. (Contractor), the general contractor that submitted the lowest responsive bid; and

WHEREAS, on April 24, 2017, the City and Contractor executed a construction contract (the Contract) with respect to the Project, which scope of work (the Scope) includes the rehabilitation of the interior and exterior façade of the of the nine unit Lottie Apartments Building (the property), using environmentally friendly materials, as set forth in Article 1 of the Contract; and

WHEREAS, the Project is funded by the Department of Housing and Urban Development (HUD); and

WHEREAS, based upon the current scope, a substantial rehabilitation of the property would have triggered code requirements to raise the first floor habitat level above flood elevation of nine (9) feet (NGVD), and

WHEREAS, it is structurally unfeasible to raise the property to the required flood elevation and therefor the City has requested a reduction to the Project's Scope; and

WHEREAS, on July 26, 2017, the Mayor and City Commission adopted Resolution No. _____, approving a change in Scope, by eliminating five (5) out of the total nine (9) apartment units from the original Scope of work, and adding the replacement of the HVAC units for all of the apartment units at the property.

NOW THEREFORE, in consideration of the mutual promises and conditions contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Consultant hereby agree to amend the Contract as follows:

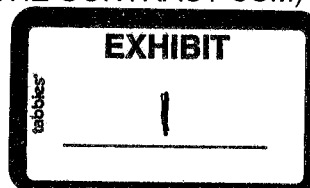
1. **ABOVE RECITALS.**

The above recitals are true and correct and are incorporated as part of this Amendment.

2. **MODIFICATIONS.**

The Agreement is hereby modified (deleted items struck through and inserted items underlined) as follows:

- (a) Subsection 3.2 of Article 3 (THE CONTRACT SUM) of the Contract is hereby modified to read as follows:



3.2 The Contract Price shall be at a lump sum amount of ~~\$739,600~~ \$613,869 along with an Owner's Contingency in the amount of ~~\$79,585~~ \$56,057, for a total amount of ~~\$819,585.00~~ \$669,926.00. The lump sum Contract Price shall cover all labor, materials, equipment, costs, and expenses, including overhead and profit, associated with completion of all the Work in accordance with the requirements of the Contract Documents, including all Work reasonably inferable therefrom. The cost of any item of work not covered by a definite Contract lump sum should be included in the lump sum price to which the item is most applicable.

*Note: Some projects include both unit prices and lump sums in which case both sections shall apply to the Work identified for each type of Contract.

(b) Schedules A, B, C and D are hereby deleted in their entirety and replaced with the attached schedules.

3. RATIFICATION.

Except as amended herein, all other terms and conditions of the Contract shall remain unchanged and in full force and effect. In the event there is a conflict between the provisions of this Amendment and the Contract, the provisions of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their appropriate officials, as of the date first entered above.

FOR CITY:

CITY OF MIAMI BEACH, FLORIDA

ATTEST:

By:

Rafael E. Granado, City Clerk

Jimmy L. Morales

Date

FOR CONTRACTOR:

Azulejo, Inc.

ATTEST:

By:

Secretary

President

Print Name

Print Name

Date