



Legislation Details (With Text)

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**On agenda:** 1/6/2022      **Final action:** 1/6/2022

**Title:** Approval and Ratification of the S.E. 4th Street Reconstruction Takeover Agreement (B)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 170500\_Takeover Agreement DAB-Western #647 - Gainesville\_FINAL\_20220106

Date	Ver.	Action By	Action	Result
1/6/2022	3	City Commission	Approved as Recommended	
1/4/2018	2	City Commission	Approved, as shown above	Pass
12/7/2017	2	City Commission	Continued	Pass
11/16/2017	1	City Commission	Approved as Recommended	Pass

**Approval and Ratification of the S.E. 4<sup>th</sup> Street Reconstruction Takeover Agreement (B)**

D.A.B. Constructors, Inc. (“D.A.B.”) entered into a contract with the City of Gainesville for the S.E. 4<sup>th</sup> Street Reconstruction Project on January 12<sup>th</sup>, 2018 (legislative #170500). On July 28<sup>th</sup>, 2021, D.A.B. sent a letter to the City of Gainesville defaulting on the contract and invoking the Surety Performance and Directions Regarding Future Payments (Default Notice). Western Surety furnished the Public Construction Bond No. 30021214 (Bond) in the amount of \$5,010,328.88 with D.A.B. as the Principal and the City as the obligee.

The City negotiated with Western Surety and executed a Takeover Agreement, in the interest of time to complete construction and abate disruptions to the neighborhood and to traffic. Western Surety has retained a Completion Contractor to fulfill the requirements of the Takeover Agreement. The original terms and conditions of the contract remain in place except as noted in the Takeover Agreement. The Completion Contractor must deliver the original final project as approved by the City Commission.

The total authorized amount of the contract, including retainage, additions and deductions, is \$4,969,024.91. D.A.B. has been paid \$3,152,490.42 to date. The City will assess liquidated damages in the amount of \$100,000 as well as receive payment for incurred costs related to corrective or remediation work and site maintenance on the project in the amount of \$22,656.15. The City agrees to pay Western Surety the contract balance as work is completed subject to the terms and conditions of the original project. The current contract balance is \$1,478,868.09. These numbers are subject to minor changes as the City is still performing site maintenance which is billable to the project.

**Strategic Connection**

This project is related to Goal 3: “A Great Place to Live & Experience”. It aids in objective 3. Revitalize eastside neighborhoods with expanded and upgraded housing, well maintained and upgraded city infrastructure and more neighborhood businesses serving the daily needs of neighbors.

The City Commission: 1) approve and ratify the Takeover Agreement with Western Surety and the Completion Contractor following approval as to form and legality by the City Attorney.