

**STATEMENT OF BUDGET IMPACT**  
**(Policy Number 94-45)**  
**Budgetary Review of Proposed Resolution &**  
**Ordinances with Financial Implication.**

**Date:** August 23, 2018

**File:** BIS 18 – 262

**File:** TMP-2018-461

**Proposed Legislation:**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A TENDER AND RELEASE AGREEMENT WITH GREAT AMERICAN INSURANCE COMPANY IN REGARDS TO COMPLETION OF STRUCTURAL REPAIRS TO THE VAN BUREN PARKING GARAGE; AND APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A CONSTRUCTION CONTRACT WITH PRM ENGINEERING AND CONTRACTING INC. TO COMPLETE THE PROJECT IN THE AMOUNT OF \$137,976.50.

**Statement of Budget Impact:**

1.  No Budget Impact associated with this action;
2.  Sufficient budgetary resources identified/available;
3.  Budgetary resources not identified/unavailable;
4.  Potential Revenue is possible with this action;
5.  Will not increase the cost of Housing;
6.  May increase the cost of Housing; (CDAB review required)

**Explanation:**

This Resolution seeks authorization for the appropriate City officials to enter into and execute a settlement in the form of a Tender and Release Agreement with Great American Insurance Company, "Great American", as surety on a Payment and Performance Bond pursuant to a contract between the City and Structural Integrity Contractors, Inc., "Structural", to perform structural repairs to the Van Buren Parking Garage. In the course of the work to be performed, Structural failed to complete the structural repairs in the time frame agreed upon. Additionally, the City became aware of additional negative information about Structural's business practices. As a result of the continued failure of Structural to perform in a timely fashion, in March 2018, the City noticed Great American that Structural was deemed to be in default under the contract

and that the City would be filing a claim under the Payment and Performance Bond. In response, Great American secured a proposal from PRM Engineering and Contracting, Inc., "PRM", to complete the work to be performed on the Van Buren Parking Garage.

This Resolution also seeks to authorize the execution of the agreement with PRM to perform the structural repairs needed. The proposal from PRM was in the amount of \$137,976.50 to complete the work. Upon acceptance of the proposal from PRM by the City, Great American has agreed to pay \$85,865.23 under the performance bond to the City which, in turn, will fund a portion of the PRM agreement. The balance of the funds to be paid to PRM, in the amount of \$52,111.27, will be provided from several sources including funding in account #46.1100.16192.545.0006301, retainage presently withheld which is to be released in the amount of \$28,251.87 and the voiding of certain requisitions to Lakdas/Yohalem Engineering, Inc. totaling \$5,235.00.

**PREPARED AND APPROVED BY:**

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