



Legislation Text

File #: 20-0373, Version: 1

MOTION TO APPROVE A CHANGE ORDER FOR THE FURNISHING OF ALL LABOR, EQUIPMENT, TOOLS AND MATERIALS FOR THE REHABILITATION OF 7 ADDITIONAL LIFT STATIONS PERFORMED BY THE CONTRACTOR, INTERCOUNTY ENGINEERING, INC. IN THE AMOUNT OF \$155,103.36 BRINGING PURCHASE ORDER 20190906 TOTAL TO AN AMOUNT NOT TO EXCEED \$735,103.86.

PROCUREMENT PROCESS TAKEN:

- *Chapter 35 of the City's Code of Ordinances is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."*
- *Section 35.18 of the City's Code of Ordinances is titled "COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS."*
- *Section 35.18(C) states that "Only the following situations are exempt from the competitive bid and competitive proposal requirements of this section:"*
- *Section 35.18(C)(5) states that, "Utilization of other governmental agencies' contracts. Commodities or services that are the subject of contracts with the state its political subdivisions or other governmental entities including the United States Government, are exempt from this section, provided, however, that this division shall apply only if the contract expressly permits or if the awarding jurisdiction and/or the vendor agree to allow the city to purchase therefrom and if either: (i) the commodities or services are the subject of a price schedule negotiated by the state or federal government or by competitive bid by another governmental agency and not on any preference; (ii) or the price offered for the commodity or service exactly equals or is lower than the governmental contract from vendors awarded the governmental contract. Where an award is made pursuant to this paragraph, the terms and conditions agreeable to the City may be used in lieu of those terms and conditions of the contract with the other governmental agency."*
- *Section 35.21(A)(1) states, "An initial purchase of, or contract for, commodities or services, in excess of \$25,000, shall require the approval of the City Commission, regardless of whether the competitive bidding or competitive proposal procedures were followed."*
- *Section 35.28(B) of the City's Code of Ordinances, "The City Manager is not authorized to approve a change order without authorization of the City Commission where the initial purchase required the City Commission's approval and where the sum of all change orders issued under the contract exceeds 5% of the original contract amount of \$25,000."*

SUMMARY EXPLANATION AND BACKGROUND:

1. Currently, the City has approximately 200 lift stations with approximately 125 in need of some level of rehabilitation of the concrete inside lining.
2. Over time, the lining of the wet well associated with each lift station deteriorates from the harsh internal environment. This results in cracks, corrosion, exposed rebar, and infiltration.
3. Rehabilitation of these lift stations consist of removal of existing wet well coatings, grouting, filling of cracks, miscellaneous undermined concrete repairs, and new wet well coatings. This work is specialized and results in a capital improvement to the lift station and is therefore not performed by Facility Contract Services or Operations Management International, Inc. during regular lift station maintenance and equipment replacements.
4. On May 15, 2019, the City Commission approved the Contract with Intercounty Engineering, Inc. for the furnishing of all labor, equipment, tools and materials for the Rehabilitation of Lift Stations as needed throughout the City utilizing the pricing from the City of Boca Raton contract with Intercounty Engineering, Inc. Bid No. 2018-049 for an amount not to exceed \$580,000 pursuant to Section to Section 35.18(C)(5) of the City's Code of Ordinances.
5. Pursuant to Section 3.1 of the Original Agreement, Intercounty Engineering, Inc. has an initial two (2) year period to execute the contracted work not exceeding \$580,000. Since execution, Intercounty Engineering, Inc. has successfully rehabilitated 27 lift stations during year one (1) of the Agreement, expending the available funds of \$580,000.
6. However, due to an oversight by the Utilities Division, the Contractor performed additional work by rehabilitating 7 lift stations which were beyond the available funding of \$580,000. This additional work is in the amount of \$155,103.36. This additional work is for rehabilitation of additional lift stations which were slated for the following phase; therefore this work was necessary but not funded.
7. In order to compensate the contractor for the additional work, the Utilities Division is seeking a change order to the contract in the amount of \$155,103.36. Under normal and proper conditions, additional work of this magnitude would require commission approval prior to the work being performed. However, due to this oversight, the Utilities Division is requesting approval belatedly. The Utilities Division has instituted corrective training and intends to manage these types of project with more oversight in the future.
8. Request City Commission to approve a change order for the Furnishing of all Labor, Equipment,

Tools and Materials for the Rehabilitation of 7 additional Lift Stations performed by the contractor, Intercounty Engineering, Inc. in the amount of \$155,103.36 bringing Purchase Order 20190906 total to an amount not to exceed \$735,103.86.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** \$155,103.36
- b) **Amount budgeted for this item in Account No:** \$155,103.36 in Account No. 471-535-6021-812-63122 (Lift Station)
- c) **Source of funding for difference, if not fully budgeted:** Not Applicable.
- d) **5 year projection of the operational cost of the project:** To be determined.
- e) **Detail of additional staff requirements:** Not Applicable.