



Legislation Text

File #: 18-1419, **Version:** 1

MOTION TO APPROVE THE EXECUTION OF THE AGREEMENT WITH CARDINAL CONTRACTORS INC. IN THE AMOUNT NOT TO EXCEED OF \$5,391,255.10, WHICH INCLUDES A 10% OWNERS CONTINGENCY IN THE AMOUNT OF \$490,114.10, FOR DESIGN BUILD SERVICES FOR WWTP REHABILITATION PHASE I AS DESCRIBED IN PSUT-18-04.

SUMMARY EXPLANATION AND BACKGROUND:

1. On August 22, 2018, the City Commission approved the findings and recommendation of the evaluation committee for PSUT-18-04 "Design Build Services for WWTP Rehabilitation Phase I", and awarded the project to Garney Construction and also directed the City Manager to negotiate a contract for services. If the City was unable to negotiate a satisfactory contract with the first ranked vendor, the City Manager was to begin negotiations with the next ranked vendors in order of ranking.
2. The purpose of this solicitation was to provide professional services for a Design/Build project to conduct the Phase I rehabilitation of the City's Wastewater Treatment Plant. Phase I of the WWTP Rehabilitation shall include the replacement of influent pump station including new pumps, VFD's, valves, piping, roof structure and crane. Rehabilitation of WWTU #5, east and west surge tanks including cleaning, surface preparation, painting, welding, repairs and replacement of air diffuser system. Rehabilitation of plant FRP air duct system including repairs, surface preparation and painting. Air piping replacement between the east blower building and the east influent surge tank.
3. The City has an existing continuing contract with Calvin, Giordano & Associates for professional engineering and consulting services, which it utilized for the development of a Design Criteria Package related to the Design Build Services for WWTP Rehabilitation Phase I, in an amount not to exceed \$94,240.
4. On August 16, 2018, the City commenced negotiations with Garney Construction and on August 29, 2018, a proposal in the amount of \$9,029,396 was submitted.
5. During the period from August 29, 2018 to September 10, 2018, City staff performed analysis and held negotiating meetings with Garney Construction regarding the submitted proposal.
6. On September 11, 2018, in accordance with Section 287.055(5)(b) FS, the City formally terminated negotiations with Garney Construction for the Design Build Services for WWTP Rehabilitation Phase I. The City entered into these negotiations in good faith but was unable to reach an agreement that was mutually beneficial to both parties. The City then contacted the second ranked bidder, Cardinal Contractors, Inc. (a wholly owned subsidiary of Primoris Services Corporation) to commence negotiations.
7. On September 25, 2018, the City commenced negotiations with the second ranked bidder, Cardinal Contractors, Inc., and on October 2, 2018, a proposal in the amount of \$4,799,770 was

submitted.

8. During the period from September 25, 2018 and November 1, 2018, City Staff performed analysis and held negotiating meetings and on November 6, 2018, the final proposal in the amount of \$4,901,141 was received.

9. Request Commission to approve the execution of the Agreement with Cardinal Contractors, Inc. in the amount not to exceed of \$5,391,255.10, which includes a 10% owners contingency in the amount of \$490,114.10, for Design Build Services for WWTP Rehabilitation Phase I as described in PSUT-18-04.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: \$5,391,255.10, which includes a 10% owners contingency in the amount of \$490,114.10.

b) Amount budgeted for this item in Account No: Funds are currently budgeted for this project in various accounts:

\$2,142,653 in account # 471-535-6022-834-63183 (Sewer Treatment Rehabilitation)

\$1,170,000 in account # 471-535-6022-64400 (Other Equipment)

\$100,000 in account # 471-535-6022-63000 (Improvement other than bldg.)

\$3,412,653

c) Source of funding for difference, if not fully budgeted: Upon Commission approval, the Utility fund budget will be increased to cover the unappropriated difference of \$1,978,603. This increase will be funded from the Utility Reserves (account 471-389946 Beginning retained earnings).

d) 5 year projection of the operational cost of the project: Not Applicable.

e) Detail of additional staff requirements: Not Applicable.