



Legislation Text

File #: R-2024-040, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Appropriate City Officials To Execute Change Order No. 2 With Intercounty Engineering, Inc. In An Amount Up To \$428,450.68, And To Extend The RAS Pump Station No. 1 Replacement Project Contract Duration By 481 Days Due To Unforeseen Site Condition Delays In Accordance With Section 38.48 Of The Procurement Code (Change Orders); Amending the Fiscal Year 2024 Capital Improvement Plan.

Infrastructure & Facilities

Staff Recommends: Approval of the attached Resolution.

Explanation:

On April 22, 2020, pursuant to Resolution R-2020-063, the City Commission authorized the appropriate City officials to execute a contract with Intercounty Engineering, Inc. ("Intercounty") for construction services related to the Return Activated Sludge ("RAS") Pump Station No. 1 Replacement project at the Southern Regional Wastewater Treatment Plant ("SRWWTP"), in the amount of \$3,991,828.00 with a contract term of 630 calendar days.

The project was initially delayed by COVID-19 and subsequent construction material supply interruption, including the pump manufacturer's discontinuing the production of the pumps.

By July 2023, when major equipment was delivered and the contractor resumed construction activities, it was discovered that the following infrastructure related to RAS Pump Station No. 1 was in a state of disrepair, affecting the operation of the SRWWTP and the progress of the project.

- Valve distortion of two clarifier drain valves, two suction valves, and five RAS discharge manifold valves, preventing them from closing tightly to continue the replacement of the 24" and 12" RAS pipelines required for the project;
- Mechanical seals of Pump Nos. 1 and 2 in RAS Pump Station No.1 started leaking;
- An existing pipe clamp of Clarifier No. 1 suction pipe started to leak and prevented the Clarifier No. 1 being removed from the service which is required for the repair of the clarifier effluent channel;

- Clarifier Nos. 3, 4, 5, 6 and 7 experience numerous operational challenges rendering them out of service;
- Pump No. 3 in RAS Pump Station No. 1 failed and caused Clarifiers No. 1 and 2 to go out of service.

On October 10, 2023, Department of Public Utilities (“Department”) staff decided to install a bypass system to RAS Pump Station No. 1 to bring Clarifiers No. 1 and 2 back in service.

The bypass system installation is a trial-and-error process necessitating multiple pipe wet taps, confronting leaking pipes, repair of multiple broken spool pieces during connection, and the installation and operation of a bypass pumping system in a confined space.

On October 18, 2023, the contractor submitted Change Order proposals based on time and material, instead of pre-approval due to numerous unforeseen conditions that necessitated additional work and the urgent installation of the bypass system.

On December 20, 2023, the Department executed Change Order No. 1 in the amount of \$9,585.41 to relocate valve actuators due to a design change, which reduced the available contract contingency from \$250,000.00 to \$240,414.59.

The contractor also requested a 481-day extension to the contract due to COVID-19 supply chain challenges, supported by correspondence with the contractor’s supplier, as well as extra work related to the installation of the bypass system.

Hazen and Sawyer, P.C., as the construction manager and engineer of record, and Department staff evaluated the scope of Change Order No. 2 and negotiated down the prices. It was collectively determined that the renegotiated cost, in an amount up to \$428,450.68 and the requested contract time extension of 481 days, are reasonable and in accordance with industry standards given the circumstances.

This agenda item seeks the City Commission’s approval and authorization for the appropriate City officials to execute Change Order No. 2 with Intercounty, to increase the contract price by \$428,450.68, increasing the total project cost from \$3,991,828.00 to a total project cost of \$4,420,278.68, and to extend the project duration for 481 additional days.

The Director of the Department and the Chief Procurement Officer recommend that the City Commission approve and authorize the City Manager, or his designee, to utilize remaining contingency funds reserved for resolving undefined conditions as set forth in the contract, if necessary and justified, in an amount up to \$240,414.59.

Fiscal Impact:

Funding for this project requires amending the approved FY 2024 Capital Improvement Program as detailed in Exhibit 1, subject to approval of this resolution.

Department staff will manage this project. No additional staff is needed as a result of this project.

Recommended for inclusion on the agenda by:

Feng (“Jeff”) Jiang, Assistant Director, Department of Public Utilities

Vincent Morello, Director, Department of Public Utilities

Gus Zambrano, Assistant City Manager/Sustainable Development