



## Legislation Text

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**File #:** R-2019-246, **Version:** 1

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A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Appropriate City Officials To Execute A Contract With Youngquist Brothers, Inc. For Construction Services Related To Deep Injection Wells No. 3 And No. 4 Located At The Southern Regional Wastewater Treatment Plant, As Identified In The 2007/2008 Wastewater System Master Plan, In The Amount Of \$39,939,939.00; Approving An Amendment To The Fiscal Year 2019 Operating Budget And Capital Improvement Plan.

Staff Recommends: Approval of the attached Resolution.

### Explanation:

The 2007/2008 Wastewater System Master Plan identified the need to meet new regulatory requirements related to House Bill 7139 and Senate Bill 1302, also referred to as the Ocean Outfall Rule Change.

The Ocean Outfall Rule Change requires elimination of the ocean outfall disposal at the Southern Regional Wastewater Treatment Plant ("SRWWTP") by the year 2025.

On January 30, 2019, the City obtained construction permits for Deep Injection Wells No. 3 and No. 4 from the Florida Department of Environmental Protection.

The City intends to dispose of up to 39.8 MGD of secondary treated wastewater effluent from the SRWWTP and the reverse osmosis concentrate from the City's Water Treatment Plant ("WTP"), into these two Deep Injection Wells.

On June 30, 2018, the City Commission passed and adopted Resolution No. R-2018-201 which approved the issuance of an Authorization to Proceed for Work Order No. B&C 18-02 to Brown and Caldwell for professional engineering and administrative services on an as-needed basis, in an amount not to exceed \$100,000.00 and Brown and Caldwell designed and provided bidding services for Deep Injection Wells No. 3 and No. 4 under this work order on an as-needed basis.

On March 14, 2019, the Department of Public Utilities staff advertised for construction services, and on April 30, 2019, two bid proposals were received and publicly opened at the

SRWWTP with the following results:

No.	BIDDER	BASE BID
1	Youngquist Brothers, Inc.	\$39,939,939.00
2	Florida Design Drilling Corp	"No Bid" Submittal

After thoroughly evaluating the bid proposals for compliance with the contract documents, Brown and Caldwell staff determined that Youngquist Brothers, Inc. is the only responsive and responsible bidder.

Brown and Caldwell staff and City of Hollywood staff evaluated the bid pricing and current market conditions, such as the impacts of recently imposed tariffs on materials costs and on key components necessary to successfully complete the installation of the new injection wells, and concluded that the bid pricing is fair and reasonable.

A Notice of Intent to Award related to the project was posted on the City of Hollywood website, and in DemandStar on May 14, 2019 and resulted in no bid protests.

The Department of Public Utilities recommends that the City Commission authorize the appropriate City officials to execute the attached contract with Youngquist Brothers, Inc., in the amount of \$39,939,939.00 for the construction of the Deep Injection Wells No. 3 and No. 4 at the SRWWTP.

On April 17, 2019, the City Commission passed and adopted Resolution No.R-2019-094 that authorized the loan application for funding in the amount of \$31,960,422.00 related to the State Revolving Fund Loan Program (SRF) through the Florida Department of Environmental Protection (FDEP).

Additional funding is needed in the amount of \$13,824,536.00 including Capitalized Interest and Loan Service Fees through the State Revolving Fund Loan Program through the FDEP .

The balance of the estimated total project cost is provided on the companion funding resolution, 2019-XXX, set for the August 28, 2019 City Commission Agenda, subject to the adoption and passage of the companion funding resolution.

Partial funding for Deep Injection Wells No. 3 and No. 4 were included in the FY 2019 Capital Improvements Plan that was approved pursuant to Resolution No. R-2018-302.

On April 17, 2019, the City Commission passed and adopted Resolution No. R-2019-094 amending the approved FY 2019 Operations Budget for the Water and Sewer Enterprise Fund and amending the approved FY 2019-2020 Capital Improvement Plan.

It is necessary to amend the approved FY2019 Operations Budget and the FY 2019 - FY 2023 Capital Improvements Program as set forth in Exhibit 1.

The time period to complete this project is 840 days from the Notice to Proceed date.

Recommended for inclusion on the agenda by:

Clece Aurelus, Engineering Support Services Manager, Department of Public Utilities

Francois Domond, Interim Director, Department of Public Utilities

Gus Zambrano, Assistant City Manager/Sustainable Development