



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:		Item Type:		1 st Reading	2 nd Reading
5/5/2021		<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	NA	NA
			Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
			Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
			Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:					
21-109					
Fiscal Impact (\$):		Account Balance (\$):	Funding Source:	Project Number :	
\$170,392490-3595S-565000		\$170,392	490-3595S-565000	P1714	
Contract/P.O. Required		RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	BID # FY 2019-2020-001 LIFT STATION # 8 REPLACEMENT	Jeffrey Odoms, Interim Director	Public Works	
Strategic Plan Focus Areas:					
<input checked="" type="checkbox"/> Finance & Budget		<input type="checkbox"/> Organizational Capacity		<input checked="" type="checkbox"/> Infrastructure/Projects	
Implementation Timeline:					
Estimated Start Date: N/A Estimated End Date: N/A					

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING APPROVAL OF AMENDMENT NO. 1 TO LIFT STATION #8 CONSTRUCTION CONTRACT WITH HINTERLAND GROUP, INC. PROVIDING FOR A TEN PERCENT CONTINGENCY TO INCREASE THE TOTAL NOT-TO-EXCEED AMOUNT BY ONE HUNDRED SIXTY EIGHT THOUSAND SEVEN HUNDRED TWENTY FIVE DOLLARS (\$168,725), FOR A NEW TOTAL AGREEMENT PRICE NOT TO EXCEED ONE MILLION EIGHT HUNDRED FIFTY FIVE THOUSAND NINE HUNDRED SEVENTY FIVE DOLLARS (\$1,855,975); AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

The purpose of this agenda item is to authorize the City Manager to execute a change order adding a ten percent (10%) contingency to the contracted amount with Hinterland Group, Inc. by increasing the not-to-exceed amount from \$1,687,250 to \$1,855,975, to cover any unforeseen construction costs that may arise.

Background:

On May 20, 2020 the City Commission Approved Resolution No. 2020-30 awarding the construction of the Lift Station #8 project to Hinterland Group, in an amount not-to-exceed \$1,687,250. (Exhibit 2).

Due to procedural reasons, the awarded contract amount did not include the usual 10% contingency which is normally requested to cover any unforeseen construction costs that may arise (Exhibit 3).

Current Situation:

The existing Lift Station #8 is currently experiencing sewer surcharging issues, which can lead to a potential health and safety problems. The Public Works Department has solicited the assistance of Hinterland Group, Inc. to provide temporary bypass pumping to alleviate this surcharging situation (Exhibit 4). However, the Hinterland Group, Inc. construction schedule (Exhibit 5) did not account for bypass pumping as part of the lift station #8 to begin until September 2, 2021, which led to an unforeseen expense to the City.

City staff is seeking approval from City Commission to increase the contract amount by adding a ten percent (10%) contingency in the amount of \$168,725 to help offset the bypass pumping costs and any other unforeseen costs that may arise during the construction phase of the project. Having this contingency mitigates against the need to return to City Commission for approval for individual change orders.

Why Action is Necessary:

Pursuant to Chapter 23, Section 23-12 - Purchases in excess of \$50,000 (7) - Change Orders -, any change in the contract price, scope of work or time for completion of any project following the award of a contract shall be by a written change order, approved by the City Manager and executed with the same formalities as the contract.

Cost Benefit:

The construction of Lift Station #8 is beneficial, as it will ensure the needs of increased development are met. This key infrastructure component is vital, as it will allow future development to take place within the City. Increasing the contract amount during this stage of construction will help keep this project on schedule. Lift Station #8 needs to be operational and online within one year to be able to accommodate the additional sewer flows coming from projects that have either been completed, or are nearing their construction completion.

PROPOSED ACTION:

The City Commission approves the attached resolution authorizing the City Manager to execute a change order adding a ten percent (10%) contingency to the contracted amount with Hinterland Group, Inc. by increasing the not-to-exceed amount from \$1,687,250 to \$1,855,975, to cover any unforeseen construction costs that may arise.

ATTACHMENT(S):

Exhibit 1 – Resolution

Exhibit 2 – Resolution No. 2020-030

Exhibit 3 – Awarded Contract to Hinterland Group

Exhibit 4 – Proposal C.O. 1 Part 2 - Pump Rental

Exhibit 5 – City of Hallandale - PS 8 Replacement - Baseline Schedule Rev 1-27-21

Prepared By: Peter Kunen
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Assistant Director of Public Works/City Engineer

Reviewed By: Jeff Odoms
Jeffrey Odoms
Interim Director of Public Works

Approved By: Noemy Sandoval
Noemy Sandoval
Assistant City Manager