



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	File No.:	Item Type:		1 st Reading	2 nd Reading
12/17/2025	25-510	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	N/A	N/A
			Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
			Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
			Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):		Funding Source:	Project Number:	
\$32,300	\$1,250,000		3320W-546080	N/A	
Contract Required:	P.O. Required:	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Sole Source	Marlon Lobban Public Works Director	Public Works	
Strategic Plan Focus Areas:					
<input type="checkbox"/> Fiscal Stability	<input type="checkbox"/> Resident Services	<input type="checkbox"/> Public Safety	<input checked="" type="checkbox"/> Infrastructure & Mobility	<input type="checkbox"/> Economic Development & Affordable Housing	
Implementation Timeline:					
Estimated Start Date: 12/17/2025			Estimated End Date: 9/30/2026		

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING A CHANGE ORDER TO THE EASTERNMOST GROUND STORAGE WATER TANK REPAIR PROJECT CONTRACT WITH CROM, LLC FOR AN ADDITIONAL COST OF THIRTY TWO THOUSAND, THREE HUNDRED DOLLARS (\$32,300), INCREASING THE CONTRACT AMOUNT TO ONE HUNDRED, NINETY-FIVE THOUSAND, EIGHT HUNDRED, EIGHTY-TWO DOLLARS AND FIFTEEN CENTS (\$195,882.15) FOR FISCAL YEAR 2025-26; AND PROVIDING FOR AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

This agenda item seeks City Commission approval of a change order to expand the scope of sole source services from CROM, LLC for the repair of the 1-million-gallon easternmost ground storage tank (GST). The additional cost of \$32,300 increases the total Purchase Order amount from \$163,582.15 to \$195,882.15 for Fiscal Year 2025-2026.

Background:

CROM, LLC built the easternmost 1-million-gallon (1-MG) GST in 1960 and the westernmost 1-MG GST in 1968.

All GST's are subject to Florida Department of Environmental Protection (FDEP) Cleaning and inspections every five (5) years and must pass a performance integrity test that includes investigating water passage through concrete drinking water storage structures. Repairs must be performed to remain in regulatory compliance. Our last cleaning and integrity testing did not show any issues with any of the GST's

On May 21, 2025, the City authorized a sole-source purchase in the amount of \$163,582.15 plus a six percent contingency amount, for a total of \$170,082.15 via Resolution 2025-057 (Exhibit 2) for the resurfacing of the easternmost Ground Storage Tank.

Current Situation:

The easternmost Ground Storage Tank (GST) is experiencing blistering and peeling of the external surface coating, indicating possible leakage through the concrete or poor bounding of the existing paint. This required the entire external surface to be stripped and properly resurfaced.

During this process of stripping the tank, water leakage has been identified through the tank walls in several isolated locations. CROM, LLC has proposed a destructive discovery examination to determine the best approach to repair, as follows:

Item	Description	Cost
Interior Investigation	3 locations, labor & equipment	\$15,000
Exterior Investigation	2 locations, labor & equipment	\$9,000
Materials	Patch exploratory areas	\$800
Inspection Report	Signed and sealed	\$3,000
Mobilization/Demobilization	-	\$4,500
Total		\$32,300

Why Action is Necessary:

Pursuant to Code of Ordinances, in accordance with Procurement Code Section 23-10, Exception to competitive solicitation requirements, (2) Sole Source and Noncompetitive goods or services. Goods or services available only from one source, such as unique, patented or franchised supplies, or those for which only a single source is able to perform a contract due to documented reasons. Furthermore, Section 23-9, Award, (e) The City Manager may award procurements within the delegated spending authority. All other procurements, except emergency procurements, require commission approval for award

Pursuant to Code of Ordinances, in accordance with Procurement Code Section 23-16, Change Orders, (a) Any change in the contract price, scope of work or time for completion of any project purchase following the award of a contract shall be by a written change order, approved and executed with the same formalities as the contract.

Cost Benefit:

Maintaining the City's minimum required GST capacity of 4-million gallons, which includes two (2) 1-million-gallon GST's and one (1) 2-million-gallon GST is essential for balancing water demand and production efficiently. Removing a 1-MG GST from service would reduce storage capacity, causing equipment failures could disrupt drinking water production and affect service reliability. Maintaining the GST ensures operational efficiency, cost control, and uninterrupted service to the residents.

PROPOSED ACTION:

The City Commission considers the attached Resolution.

ATTACHMENT(S):

Exhibit 1 – Resolution

Exhibit 2 - Resolution No. 2025-057

Exhibit 3 – Crom, LLC – Proposal

Prepared By: John Fawcett
John Fawcett
Operations Manager

Reviewed By: Marlon Lobban
Marlon Lobban
Public Works Director

Reviewed By: Noemy Sandoval
Noemy Sandoval
Assistant City Manager