

4.C-1

Agenda Item #:

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

**Meeting Date: September 19, 2006**

Consent  Regular  
 Public Hearing

**Department Engineering and Public Works**

**Submitted By: Engineering and Public Works**

**Submitted For: Engineering and Public Works**

**I. EXECUTIVE BRIEF**

**Motion and Title: Staff recommends motion to:**

- A) Declare Petro Hydro, Inc., in default of its contract with the County for Project Number 2003600, S.R. 80 (Southern Boulevard) and Forest Hill Boulevard Intersection Improvements,
- B) terminate Petro Hydro Inc.'s, right to complete the work under the contract,
- C) authorize the County Administrator, or his designee, to make demand on Petro Hydro's surety to fulfill its obligations under the Public Construction Bond for this project.

**Summary:** On March 14, 2006, the Board of County Commissioners approved a contract with Petro Hydro, Inc. (Petro Hydro), for Project Number 2003600, S.R. 80 (Southern Boulevard) and Forest Hill Boulevard Intersection Improvements (R-2006-0435). The Contract provided for a construction period of 180 days. At this time, more than 50% of the contract time has elapsed and Petro Hydro has completed less than 5% of the work. Despite repeated written requests, Petro Hydro has failed to properly man and prosecute this work. On September 5, 2006, Petro Hydro was given ten days to cure its deficient performance and has failed to do so.

**Background and Policy Issues:** On June 7, 2006, Petro Hydro was provided with a written notice to proceed with work under this contract. Petro Hydro has failed to prosecute the work and as of September 5, 2006, Petro Hydro had completed less than 5% of the work while more than 50% of the contract time had elapsed. During the period between the issuance of the notice to proceed and September 5, 2006, Palm Beach County Engineering Department repeatedly requested that Petro Hydro man and prosecute the project. Finally, on September 5, 2006, Palm Beach County provided Petro Hydro with notice of the deficient performance and demanded that the problem be cured within ten days. Petro Hydro has failed to comply. Although Petro Hydro sent the County a revised project schedule on September 5, 2006, they are not in compliance with that schedule.

**Recommended by:** \_\_\_\_\_

**County Engineer**

**Date**

**Approved by:** \_\_\_\_\_

*S. T. Wild*

*9/13/06*

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2006	2007	2008	2009	2010
Capital Expenditures	\$ -0-	-0-	-0-	-0-	-0-
Operating Costs	-0-	-0-	-0-	-0-	-0-
External Revenues	-0-	-0-	-0-	-0-	-0-
Program Income (County)	-0-	-0-	-0-	-0-	-0-
In-Kind Match (County)	-0-	-0-	-0-	-0-	-0-
NET FISCAL IMPACT	\$ -0-	-0-	-0-	-0-	-0-

# ADDITIONAL FTE  
POSITIONS (Cumulative) \_\_\_\_\_

Is Item Included in Current Budget? Yes \_\_\_\_\_ No \_\_\_\_\_  
Budget Acct No.: Fund \_\_\_\_\_ Dept. \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_  
Program \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

This item has no additional fiscal impact.

C. Departmental Fiscal Review:                     R. J. Ward                    

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

                    Jim Burt                    9-14-06                     OFMB  
                    N/A                     Contract Dev. and Control

**B. Approved as to Form and Legal Sufficiency:**

                    James C. [Signature]                      
Assistant County Attorney

                    [Signature]                    9-14-06                    

**C. Other Department Review:**

\_\_\_\_\_  
Department Director

**This summary is not to be used as a basis for payment.**