

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

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Meeting Date:	June 29, 2010	Consent [X]	Regular []
		Public Hearing []	
Submitted By:	Water Utilities Department		
Submitted For:	Water Utilities Department		

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I. EXECUTIVE BRIEF



Motion and Title: Staff recommends motion to approve: **A)** A Contract with John J. Kirlin, LLC. to construct the Water Treatment Plant No. 2 Miex Treatment System in the base bid amount of \$4,985,000; **B)** Change Order No. 1 increasing the amount of this contract by \$847,448 to add bid alternate No. 1 for Miex Contactor No. 2; **C)** Change Order No. 2 to this contract in the deductive amount of \$2,803,005 deleting the materials and equipment for the purpose of sales tax recovery and designating John J. Kirlin LLC., as the County's agent for the inspection and receipt of the materials; **D)** Purchase Order with vendor for the materials and equipment in the amount of \$2,690,000 and; **E)** A Budget Amendment of \$1,750,000 in the Capital Improvement Fund to fund bid alternate 1 and the Miex resin which will be purchased separately.

Summary: On March 9, 2010, twelve (12) bids were received for construction of the Water Treatment Plant No. 2 Miex Treatment System to replace the existing ozone system with John J. Kirlin LLC being the lowest responsive responsible bidder based upon local preference in the amount of \$4,985,000. The Miex anionic exchange process will remove the color compounds, improve the water quality and reduce energy consumption compared to the existing ozone treatment process. By approving Change Order No. 1 to this contract, Miex will be used for the full treatment flow and will increase the plant capacity by 1.9 million gallons per day (MGD). By approving Change Order No. 2 to this contract, and purchasing the associated materials and equipment directly from the vendor listed in the purchase orders, total sales tax savings of \$113,005 can be achieved. Staff and consultants have reviewed the bids and recommend award to John J. Kirlin LLC as the lowest responsive and responsible bidder in the amount of \$4,985,000. The Small Business Enterprise (SBE) participation goal established by the SBE Ordinance (R2002-0064) is 15.00% overall. This Contract with John J. Kirlin LLC provides for SBE participation of 15.30% overall for the base bid. Change Order No. 1 includes 15.59% overall SBE participation. The contractor's SBE participation, including this change order, is 15.34% overall. John J. Kirlin LLC is a local Palm Beach County company. (WUD Project No. 09-046) District 2 (JM)

Background and Justification: The Ozone treatment system at WTP No. 2 is reaching the end of its useful life and spare parts are no longer available. The anionic exchange system will produce higher quality water compared to ozone treatment and will reduce both chemical usage and energy consumption. On March 9, 2010, twelve (12) bids were received for the construction of the project. Staff and consultants have reviewed the bids and recommend award to John J. Kirlin LLC as the lowest responsive responsible bidder based upon local preference in the amount of \$4,985,000. Sales tax savings of \$113,005 can be achieved by approving Change Order No. 2 and purchasing the associated materials and equipment directly from the vendors. Miex is a proprietary process and the resin will be a sole source purchase from Orica Watercare in a future agenda item.

Attachments:

1. Two (2) Original Contracts
2. Two (2) Original Change Order No. 1
3. Two (2) Original Change Order No. 2
4. Two (2) Original Purchase Orders for Materials and Equipment
5. Location Map
6. Engineer's Recommendation & Bid Tabulation Sheet
7. SBE Compliance Review
8. Budget Amendment

Recommended By:		6/15/10	
	Department Director	Date	
Approved By:		6/22/10	
	Assistant County Administrator	Date	

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	<u>\$5,719,443.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Program Income (County)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET FISCAL IMPACT	<u>\$5,719,443.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Account No.: Fund 4011 Dept 721 Unit W002 Object 6541

Is Item Included in Current Budget? Yes No

Reporting Category N/A

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

One time capital expenditure to be funded from user fees and balance brought forward.

C. Department Fiscal Review: Debra M. West

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

Original contract \$4985,000. Change to \$5,832,448. With change order #2 sales tax savings equal \$113,005. Total Expenditures (5,832,448 - 113,005) = \$5,719,443. Final information gathered from dept, estimated total cost of project is \$7.2 million

[Signature] 6/21/10
OFMB
6/17/10

[Signature] 6/24/10
Contract Development and Control
E. Jones 6/24/10

B. Legal Sufficiency:

[Signature] 6/24/10
Assistant County Attorney

This item complies with current County policies.

C. Other Department Review:

Department Director