

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: December 16, 2014 Consent [X] Regular []
Public Hearing []

Department: Water Utilities Department

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Contract Close-Out Agreement on construction Contract (R2012-1421) with Hinterland Group, Inc. (Hinterland) in the amount of \$325,000.

Summary: On October 2, 2012, the Board of County Commissioners approved a Contract (R2012-1421) in the lump sum amount of \$2,172,758 with Hinterland to construct improvements for the Wastewater Lift Station Rehabilitation Project (WUD 11-038). The project consisted of rebuilding eight (8) wastewater lift stations and associated wastewater piping. Change Order No. 1 increasing the contract by \$75,879.02 was issued and included a 90 day time extension. No other change orders were issued. The Contract Close Out Agreement is a negotiated resolution of claims made by Hinterland and is within the project budgeted amount. The Contract was bid with a 15.2% overall Small Business Enterprise (SBE) participation goal, exceeding the SBE 15% goal. The actual SBE participation was 14.67%. (WUD Project No. 11-038) Districts 2, 5 and 7 (JM)

Background and Justification: The Water Utilities Department (WUD), County Attorney's Office and Hinterland entered into discussions for claims associated with the prosecution of the contract. This Close-Out Agreement resolves the outstanding contractual issues.

Attachment:

- 1. Contract Close-Out Agreement

Recommended By: Jim Stiles 12-5-14
Department Director Date

Approved By: Sharon G. B. 12-15-14
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures	<u>(1,050)</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>(1,050)</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 W031 Object 6546

Is Item Included in Current Budget? Yes *P* No

Reporting Category N/A

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

The close out agreement increase of \$325,000 nets against the final quantity adjustment deduction of \$326,149.63 resulting in a net decrease of \$1,149.63.

C. Department Fiscal Review: *Sukramurt*

III. REVIEW COMMENTS

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

12/8
12/8
12/8
[Signature]
OFMB

[Signature]
Contract Development and Control
12-11-14

B. Legal Sufficiency:

[Signature] *12/15/14*
Assistant County Attorney

C. Other Department Review:

Department Director

CONTRACT CLOSE-OUT AGREEMENT

This Agreement is made this ____ day of _____, 2014, between Hinterland Group, Inc. (HINTERLAND) and Palm Beach County (COUNTY).

Whereas, HINTERLAND and COUNTY entered into a contract for Water Utilities Department Project No. WUD 11-038 for the construction of the Wastewater Lift Station Rehabilitation Project (hereinafter Project) and

Whereas, during the course of the Project disputes arose as to extra costs and delays associated with the Project with each party asserting that the other was responsible for those extra costs and delays, and

Whereas, the parties have met and negotiated a mutually agreeable final resolution of all of the claims related to the Project, and

Whereas, the parties to this agreement desire to close out the construction contract and the Project,

Now, therefore, in consideration of the mutual promises contained herein, the parties agree that COUNTY will perform those items identified Palm Beach County's obligations and HINTERLAND will perform those items identified as Hinterland's Obligations as follows:

I. Palm Beach County's Obligations

- A. Upon satisfactory completion of all of Hinterland's Obligations, the COUNTY will pay HINTERLAND the amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000) in full settlement of all of Hinterland's claims for compensation on the Project including, but not limited to contract balances, retainage, extras, delay damages, and any other amount which Hinterland has claimed or might have claimed arising in any way out of the performance of the contract.

II Hinterland's Obligations

- A. HINTERLAND will complete the contractually required actions for contract close and final payment consisting of the submission of the contractually required documentation. In the event that a final change order is required to close out the Project, Hinterland agrees to execute a change order reflecting the terms of this agreement.


By executing this agreement, HINTERLAND releases, and agrees to hold harmless, COUNTY and/or its officers, employees, agents, successors, or assigns, from any and all claims which HINTERLAND had, has, or might in the future have, against COUNTY and/or its officers, employees, agents, subcontractors, materialmen, successors, or assigns, in any way arising out of the design, construction, administration, or use of the Project including, but not limited to, claims related to any actions or inactions of COUNTY's officers, employees, agents, consultants, successors, or assigns.

By executing this agreement, COUNTY releases HINTERLAND, its officers, employees, agents, successors, or assigns, from any and all claims which COUNTY had, has, or might in the future have, arising out of or related to delays in the completion of the Project. Specifically excluded from this release are any claims which might arise from work performed on or materials supplied for the Project or from latent defects in the work or materials supplied by HINTERLAND, its subcontractors or materialmen or from any other defects that could not have been detected by a reasonable inspection of the work and materials by COUNTY.

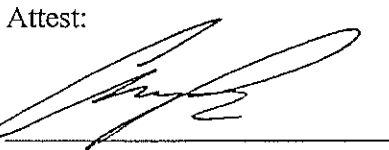
The parties hereto agree that this Contract Close-out Agreement contains all of the agreements of the parties regarding the closeout of the Project, and have set their hands hereto

HINTERLAND GROUP, INC.

PALM BEACH COUNTY, FLORIDA,
by its Board of County Commissioners


Title: DANIEL DUKE III
PRESIDENT

Mayor

Attest:


Attest:
SHARON R. BOCK, Clerk & Comptroller

CHASE ROGERS
Title: SECRETARY

Deputy Clerk

Corporate Seal:

Approved as to Form and Legal Sufficiency

Assistant County Attorney