# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

**Meeting Date:** 

January 10, 2017

Consent [X] Regular [ ]

Public Hearing [ ]

Department:

**Water Utilities Department** 

## I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to approve:** a unit price contract with Hinterland Group, Inc. for the Water Utilities Department (WUD) Pipeline Continuing Construction Contract (Contract) for a 24-month term with the option of one (1) 12-month renewal in the amount of \$22,637,321.63.

Summary: On September 7, 2016, three (3) bids were received for the WUD Pipeline Continuing Construction Contract. Hinterland Group, Inc. was determined to be the lowest responsible and responsive bidder. The Contract will be used to expedite utility special assessment projects and other pipeline projects. The Contract provides for the provision of materials and construction and rehabilitation of raw water mains, potable water mains, reclaimed water mains, wastewater force mains, and water service lines. The Contract award is for the unit bid prices received, and the Contract does not guarantee nor authorize Hinterland Group, Inc. to perform any work. The overall bid dollar amount of \$22,637,321.63 for Hinterland Group, Inc. was utilized to establish the unit prices for the Contract. However, WUD does not anticipate approving additional work under the Contract above a cumulative amount of \$10,000,000. Work will be assigned during the 24-month contract period by formal work authorizations drawn against this Contract, with approvals pursuant to PPM CW-F-050. The unit prices contained in this Contract will be used in determining the cost of work authorizations. Supplements to work authorizations for changes that occur during construction will be subject to the change order limits for construction contracts as established under PPM CW-F-050 with each work authorization considered as an individual construction contract. The Small Business Enterprise (SBE) participation goal established by the SBE Ordinance (R2002-0064) is 15% overall. This contract with Hinterland Group, Inc. provides for SBE participation of 15%. Hinterland Group, Inc. is a Palm Beach County company. (WUD Project No. 16-077) Countywide (MJ)

**Background and Justification:** WUD performs maintenance, repair and construction activities on water, wastewater and reclaimed water pipelines throughout its service area. The Contract will reduce the time needed to undertake the installation of infrastructure necessary to complete required utility repairs and improvements. Palm Beach County adopted Ordinance 2001-0010 to encourage the installation of utility pipelines in existing developed neighborhoods through the special assessment process. The Contract will additionally reduce the time needed from receipt of citizen petitions to completion of the utility improvements.

#### Attachments:

- 1. Two (2) Original Contracts for Hinterland Group, Inc.
- 2. Location Map
- 3. Engineer's Recommendation & Bid Tabulation Sheet
- 4. SBE Compliance Review (Memo from OSBA)
- 5. Summary of Bid Irregularities
- 6. Insurance Certificate

Recommended By:_		12-9-16	
	Department Director	Date	
Approved By:	(/ h	1-516	
	Deputy County Administrator	Date	

## II. FISCAL IMPACT ANALYSIS

# A. Five Year Summary of Fiscal Impact:

Fiscal Years	2017	2018	2019	2020	2021
Capital Expenditures External Revenues Program Income (County) In-Kind Match County CCRT	\$7,923,062 <u>0</u> <u>0</u> <u>0</u>	\$10,186,794 <u>0</u> <u>0</u> <u>0</u>	\$4,527,464 <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>0</u>	<u>O</u> <u>O</u> <u>O</u>
NET FISCAL IMPACT	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	\$7, <u>9</u> 23,062	\$10 <u>,</u> 186,794	\$4, <u>5</u> 27,464	<u>0</u>	<u>0</u>

Budget Account No.: Fund 4011 Dept 721 Unit W031 Object 6547

Is Item Included in Current and Proposed Budget?

Yes X No

(\*) Amounts are not encumbered until work authorizations are issued.

Reporting Category N/A

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

The project will be funded by Water Utilities Department (WUD) user fees and funds will be encumbered by each Work Authorization.

C. Department Fiscal Review:

Della m West

# III. REVIEW COMMENTS

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

87 12/12 OFMB

7AM 12/22

Contract Development and Control

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

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

Palm Beach County
Water Utilities
Department
Service Area (SA) and
Major Facilities

# Legend

ATTACHMENT



Water Treatment Facility

Water Reclaimation Facility

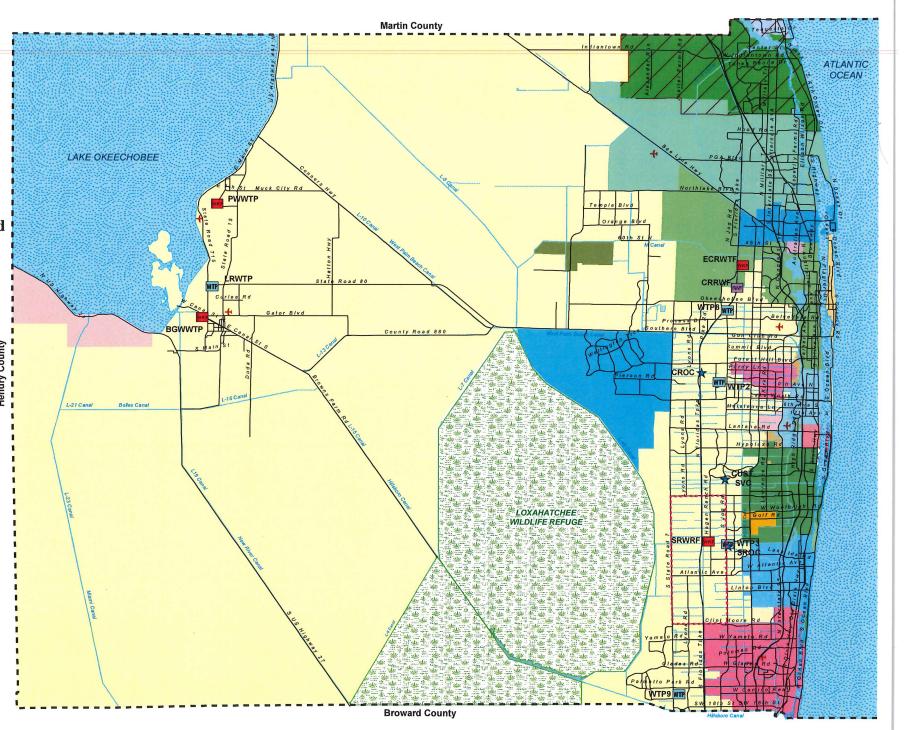
Reclaimation Facility

Mandatory Reclaimed SA

= - Palm Beach County Limits

P.B.C.W.U.D. Service Area





### ATTACHMENT 3

# **Inter-Office Memorandum**

## Palm Beach County



Water Utilities Department 2016 00T 19 AM 10 25

2016 OCT 11 AM 10 06

DATE:

October 5, 2016

TO:

James C. Stiles

WUD Director

THRU:

Hassan Hadjimiry, P.E.

WUD Assistant Director

FROM:

Henry Melendez, P.E.

WUD Pipeline Manager

**Engineering Section** 

RE:

Notice of Award Recommendation

Pipeline Continuing Construction Contract 2017

Project No. WUD 16-077

The bid opening for the above referenced project was held on Wednesday, September, 7 2016. Proposals were received from three (3) contractors. The complete Bid Tabulation is attached. The Engineer's opinion of probable construction cost was \$20,000,000.00. The low bidder is Hinterland Group, Inc. with a construction cost of \$22,637,321.63 for the bid.

An evaluation of the low bid by Hinterland Group, Inc. is as follows:

- 1. The first low bidder, Hinterland Group, Inc., provided properly executed Bid Forms in the Contract Documents.
- 2. Bid security equal to 5% of the total base bid was enclosed with the bid.
- 3. SBE-M/WBE Schedules #1 and #2 were properly filled out. Hinterland Group, Inc. has met the 15% SBE goal established under the SBE Ordinance. The Compliance Review completed by the Office of Small Business Assistance (copy attached) states that Hinterland Group, Inc. has met the SBE goal with a 15.00% SBE participation for this project.
- 4. The County Attorney Office (CAO) has reviewed the bid and Bid Review Comments for the three (3) lowest bids. For Hinterland Group, Inc. no major irregularities were identified. (See attached Bid Review Comments from CAO).
- 5. There were no addenda issued for this project.

Page 1 of 2

- 6. Hinterland Group, Inc. holds valid general contractor and occupational licenses. Hinterland Group, Inc. had a valid Palm Beach County business tax receipt at the time of the bid submittal (See attached Palm Beach County Tax Collector receipt).
- 7. The first low bidder, Hinterland Group, Inc., does have a permanent place of business in Palm Beach County. The contractor holds a valid state and Palm Beach County contractor's license. A copy of the license information is included.

The overall experience, qualifications, resources and references of the low bidder were carefully considered when evaluating the bids. Contract award is recommended to the lowest responsive bidder, Hinterland Group, Inc., in the amount not to exceed \$22,637,321.63 for the bid, subject to formal approval by the PBC Board of County Commissioners. A copy of this notice has been posted at the bid opening location and will be left there for a minimum of five (5) business days.

HM/hm

Attachments

cc: File Craig C. Williams, WUD Assistant Director of Finance & Administration Ali Bayat, P.E., Project Manager From:

Michael W. Jones

To: Cc:

Henry Melendez

Subject:

Ali Bayat; Pollop Phonpornwithoon RE: WUD 16-077; 2017 Pipeline CCC

Date:

Monday, October 03, 2016 1:05:58 PM

I reviewed the bid review comments document. In accordance with Section 5.1.3 of the Instructions to Bidders, WUD correctly corrected the errors in extension of unit prices in Items 237 and 244 of Hinterland's bid. There are no other identified irregularities. No issues with awarding to Hinterland.

From: Henry Melendez [mailto:hmelendez@pbcwater.com]

**Sent:** Friday, September 30, 2016 8:22 AM **To:** Michael W. Jones

Cc: Ali Bayat; Pollop Phonpornwithoon Subject: WUD 16-077; 2017 Pipeline CCC

Mike,

We have reviewed the three bid for the above referenced project. Please review the errors, omissions and/or irregularities noted on the Formal Bid Checklist/Bid Review Comments and provide your recommendations.

Given the number and size of the available reference documents, I have posted the following items on our FTP site under the folder named "16-077;\_2017\_Pipeline\_CCC;\_Doc\_to\_CAO" for you:

- Formal Bid Checklist 1.
- 2. **Bid Review Comments**
- 3. List of "Scrutinized Companies" Quarterly Report – March 29, 2016
- 4. Suspended Vendor List - Revised March 15, 2016
- 5. **Bid Tabulation**
- Bid Documents from the one and only bidder 6.
- 7. Instructions to Bidders
- 8. Compliance Review Memo from OSBA

To access, click on the link below, and enter the user name and password provided.

ftp://ftp.co.palm-beach.fl.us

USER: wudftp

Password: utilities87

Let me know if you need additional information.

Thanks in anticipation.

Sincerely,

Henry Melendez, P.E. WUD / Eng Section (561) 493-6120

Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

# **BID TABULATION SHEET**

TITLE

# PIPELINE CONTINUING CONSTRUCTION CONTRACT 2017

BID#

16-077

PAGE **1** OF **1** 

10/5/10 >	Hinterland Calculation on Schede	n erpor	Man-Con I	ncorporated	Centerlia Utilitie	es, Inc.				CANNED
BASE BID		5,351.63	\$33,137	808.08	\$22,928	541.30	\$		\$	
	\$ 22,63	7,321.63		,	•	,				
Addendum #0	Y	N	Y	,N	Y	N	Y	N	Y	N
Attachment #1 BID BOND	Y	N	Ŷ	N	Y	N	Y	N	Y	N
Attachment #2 SBE-M/WBE Schedules	Y	N	Ŷ	N	Ŷ	N	Y	N	Y	N
Attachment #3 Certification of Business Location	Y	N	Y	N	Y	N	Y	N	Y	N
Attachment #4 List of Subcontractors	Y	N	Y	N	Y	N	Y	N	. Y	N
Attachment #5 Trench Safety	Y	N	Y	N	Y	N	Y	N	Y	, N

BIDS PICKED UP BY	TH.	fo	_ ENG	INEER
		7		

DATE 9/7/16

## **ATTACHMENT 4**

# 16-077/7.8



#### Office of Small Business Assistance

50 South Military Trall, Suite 202
West Palm Beach, FL 33415
(561) 616-6840
Fax: (561) 616-6850
www.pbcgov.com/osba



#### Palm Beach County Board of County Commissioners

Mary Lou Berger, Mayor

Hal R. Valeche, Vice Mayor

Paulette Burdick

Shelley Vana

Steven L. Abrams

Melissa McKinlay

Priscilla A. Taylor

#### County Administrator

Verdenia C. Baker

"An Equal Opportunity Affirmative Action Employer" DATE: September 26, 2016

TO: Henry Melendez.

Henry Melendez, P.E. Pipeline Design Section

WUD Engineering Division

THROUGH: Allen F. Gray, Manager

Office of Small Business Assistance

FROM: ( Patricia Wilhelm, Small Business Development

\Specialist II

SUBJECT: Compliance Review on Project No. WUD 16-077

Pipeline Continuing Construction Contract

2017

The following is a Compliance Review of SBE participation on the above-mentioned project.

Low Bidder: Hinterland Group, Inc.

992 W. 15th St.

Riviera Beach, FL 33404

Phone: 561-640-3503

Bid Opening: September 7,2016
Bid Amount: \$19,103,225.00

Goal: 15% Overall

Goal Achieved: 15% SBE Participation:

(SB) Hinterland Group, Inc. \$2,865,483.75 15%

2nd Low Bidder: Centerline Utilities, Inc.

2180 SW Poma Dr. Palm City, FL 34990

Phone: 561-689-3917 Bid Amount: \$19,348,980.00

Goal: \$19,540,900.00

Goal Achieved: 19.84%

### SBE Participation:

 (SB) Palmwood Corp.
 \$2,400,000.00
 12.40%

 (SB) Utility Supply
 \$1,260,000.00
 6.51%

 (SB) Pathway Ent., Inc.
 \$180,000.00
 .93%

 \$3,840,000.00
 19.84%

printed on sustainable and recycled paper



#### Page 2.

3nd Low Bidder:

Man-Con, Inc.

3020 Fairlane Farms Rd.

Wellington, FL 33414

Phone:

954-427-0230 \$27,964,395.00

Bid Amount:

150 0-----11

Goal:

15% Overall

Goal Achieved:

17.851%

#### SBE Participation:

 (SB) Palmwood Corp
 \$4,537,000.00
 16.224%

 (SB) Rangeline Tapping
 \$200,000.00
 .71519%

 (SB) Wakefield Road
 \$255,000.00
 .91187%

\$4,992,000.00 17.851%

#### EVALUATION:

The low bidder, Hinterland Group, Inc. has met the SBE requirement for this project.

The second low bidder, Centerline Utilities, Inc. has met the SBE requirement for this project, but is outside the range of ranking for responsive bidders.

C: Allen Gray, Manager OSBA Helene Hvizd, Senior Assistant County Attorney

<sup>1</sup> Represents 60% supplier credit given to Utility Supply.

# **ATTACHMENT 5**

#### **Bid Review Comments**

# Project No. WUD 16-077 Pipeline Continuing Construction Contract 2017

The three (3) bids received for the Pipeline Continuing Construction Contract 2017 have been reviewed. The errors, omissions or irregularities found in the bid are noted below.

#### **Hinterland Group, Inc.**

• Item 237: error found in the total amount calculation of this item. Total amount should be \$72,000.00 since unit price govern:

	Bid Item (Furnish and				
<u>ltem</u>	Install with			<u>UNIT</u>	
<u>No.</u>	<u>Appurtenances)</u>	<b>QUANTITY</b>	<u>UNIT</u>	PRICE	<u>TOTAL</u>
237	Aerial Crossing DIP	2	Each	\$36,000.00	<del>\$36,000.00</del>
	piping (8"				\$72,000.00
	Water/Reclaimed				
	Water Main, 21' to				
	30' Long)				

• Item 244: error found in the total amount calculation of this item. Total amount should be \$168,000.00 since unit price govern:

<u>Item</u>	Bid Item (Furnish and Install with			<u>UNIT</u>	
No.	<u>Appurtenances)</u>	QUANTITY	<u>UNIT</u>	<u>PRICE</u>	<u>TOTAL</u>
244	Aerial Crossing DIP piping (10" Water/Reclaimed Water Main, 31' to 50' Long)	4	Each	\$42,000.00	\$42,000.00 \$168,000.00

- Revised SUBTOTAL BASE PRICE (Item 1-286) = \$19,103,225.00
- Revised TOTAL BASE PRICE (A +B) = \$22,637,321.63

Review Comments - June 2016

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/28/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the tificate holder in lieu of such endorsement(s).

CC/Enfoato Heraer III III				
PRODUCER		CONTACT Jennie Duke		
South Shore Insurance Inc.		PHONE (A/C, No, Ext): (772) 426-9973	72) 221-1960	
901 SW Martin Downs Blvd		E-MÁIL ADDRESS: jennie@southshore-insu		
Palm City FL 34990		INSURER(S) AFFORDING C	OVERAGE	NAIC#
		INSURER A: United States Fire Insura	nce Company	21113
INSURED		INSURER B: North River Insurance Co	ompany	21105
Hinterland Grou	p Inc.	INSURER C: Zurich American Insurance Company		16535
992 W. 15th Str	eet	INSURER D:		
Riviera Beach, F	FL 33404	INSURER E:		
		INSURER F:		
COVERAGES	CERTIFICATE NUMBER:	REVIS	SION NUMBER:	

REVISION NUMBER: THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. ADDL SUBR TYPE OF INSURANCE POLICY NUMBER COMMERCIAL GENERAL LIABILITY \$1,000,000 EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurren CLAIMS-MADE X OCCUR В <sub>\$</sub> 50,000 XCU Coverage Included Х Υ Υ 543-996750-6 01/31/2016 01/31/2017 \$5,000 MED EXP (Any one person) \$1,000,000 PERSONAL & ADV INJURY GEN'L AGGREGATE LIMIT APPLIES PER: \$ 2,000,000 GENERAL AGGREGATE POLICY X PRO-\$ 2,000,000 PRODUCTS - COMP/OP AGG OTHER: COMBINED SINGLE LIMIT (Ea accident) AUTOMOBILE LIABILITY \$1,000,000 Х ANY AUTO BODILY INJURY (Per person) \$ ALL OWNED AUTOS SCHEDULED AUTOS NON-OWNED AUTOS BODILY INJURY (Per accid Υ 01/31/2016 01/31/2017 Υ 133-738474-5 Х Х PROPERTY DAMAGE (Per accident) HIRED AUTOS \$ UMBRELLA LIAB OCCUR s 4,000,000 EACH OCCURRENCE R EXCESS LIAB 5821046487 CLAIMS-MADE 01/31/2016 01/31/2017 AGGREGATE RETENTION \$ DED | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY X PER OTH-AND EMPLOTERS LIABILITY
ANY PROPRIETOR/PARTNER/EXECUTIVE
OFFICER/MEMBER EXCLUDED?
(Mandatory in NH)
If yes, describe under
DESCRIPTION OF OPERATIONS below E.L. EACH ACCIDENT s 1,000,000 В 408-727975-5 01/31/2016 01/31/2017 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 C Inland Marine CPP5933061-02 01/31/2016 | 01/31/2017 | Rented/Leased Equi \$220,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Should any of theabove policies be cancelled before the expiration date thereof, the issuing insurer will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives. The Board of County Commissioners, Palm Beach County, Florida (a political subdivision of the State of Florida) are hereby named as additional insured under the terms of this policy. In addition, Palm Beach County Water Utilities Department, its officers, directors, agents, and employees are hereby named as additional insured under the terms of this policy. Project Name:Pipeline Continuing Construction Contract 2017, WUD No. 16-077

CE	RTI	FIC	ATE	E HO	LDI	ER

Palm Beach County Board of County Commissioners Water Utilities Department 8100 Forest Hill Boulevard West Palm Beach, FL 33413

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

CANCELLATION

<JND>

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ACORD 25 (2014/01)

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