

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

**Meeting Date:** January 10, 2017

**Consent**  **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: \_\_\_\_\_



Department Director

12-9-16  
Date

Approved By: \_\_\_\_\_



Deputy County Administrator

1-5-16  
Date







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

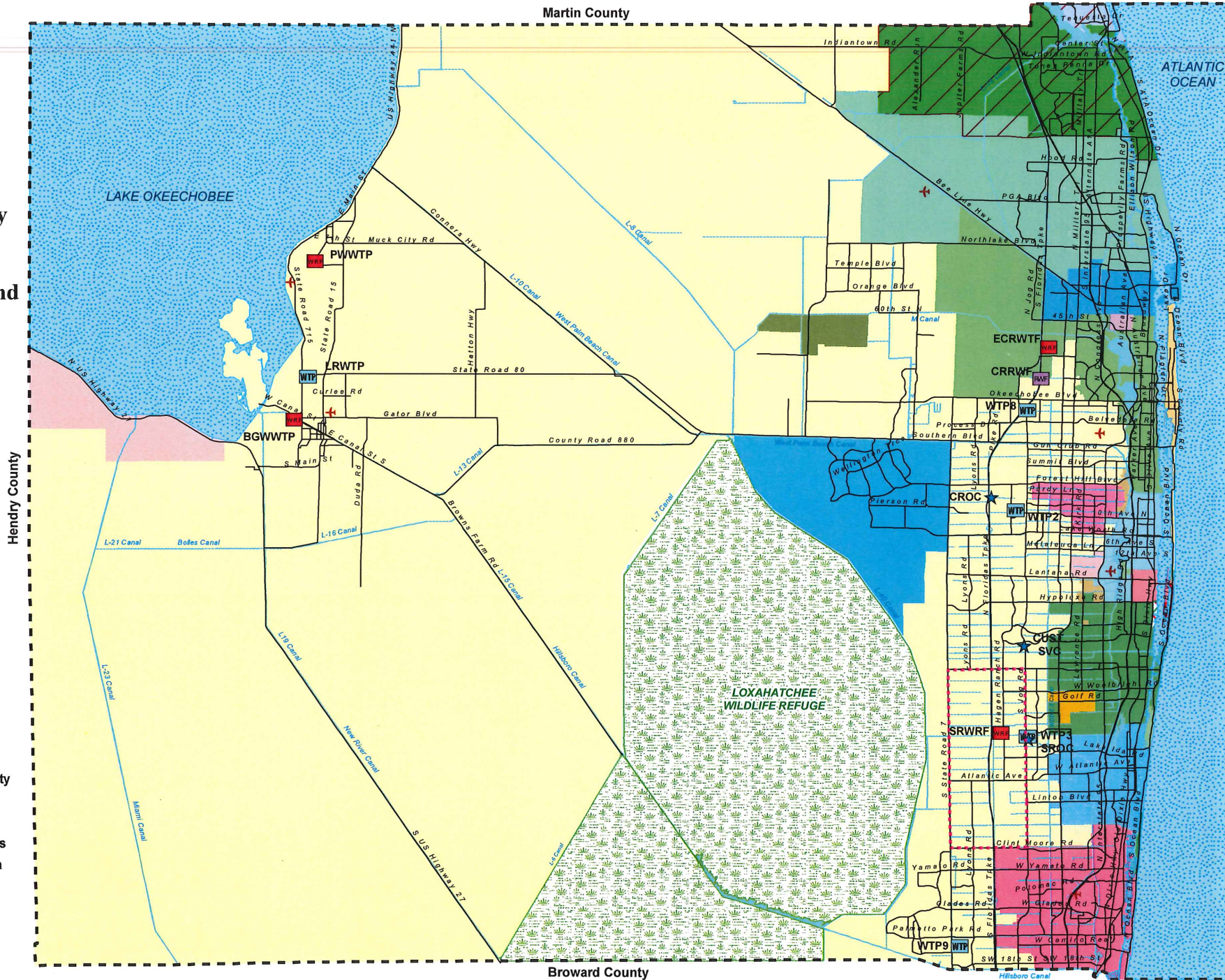
**ATTACHMENT 2**

**Legend**

- Administration
- Water Treatment Facility
- Water Reclamation Facility
- Reclamation Facility
- Mandatory Reclaimed SA
- Palm Beach County Limits
- P.B.C.W.U.D. Service Area



NOT TO SCALE



ATTACHMENT 3

**Inter-Office Memorandum**

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Palm Beach County



Water Utilities Department  
2016 OCT 19 AM 10 25

**DATE:** October 5, 2016

2016 OCT 11 AM 10 06

**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.

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:** Henry Melendez  
**Cc:** Ali Bayat; Pollop Phonpornwithoon  
**Subject:** RE: WUD 16-077; 2017 Pipeline CCC  
**Date:** Monday, October 03, 2016 1:05:58 PM

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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:

1. Formal Bid Checklist
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
6. Bid Documents from the one and only bidder
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

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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.



16-077  
7.7

**BID TABULATION SHEET**

TITLE **PIPELINE CONTINUING CONSTRUCTION CONTRACT 2017**  
 BID# **16-077** PAGE **1** OF **1**

|  | Hinterland Group, Inc.                                  |   | Man-Con Incorporated |   | Centerline Utilities, Inc. |   |    |   |    |   |
|--|---|---|----------------------|---|----------------------------|---|----|---|----|---|
|  | <i>Calculation error on Schedule of Value by Bidder</i> |   |                      |   |                            |   |    |   |    |   |
| <b>BASE BID</b>  | <del>\$22,445,351.63</del><br>\$22,637,321.63           |   | \$33,137,808.08      |   | \$22,928,541.30            |   | \$ |   | \$ |   |
| Addendum #0  | Y   | N | Y                    | N | Y                          | N | Y  | N | Y  | N |
| <b>Attachment #1<br/>BID BOND</b>                      | (Y)   | N | (Y)                  | N | (Y)                        | N | Y  | N | Y  | N |
| Attachment #2<br>SBE-M/WBE<br>Schedules                | (Y)   | N | (Y)                  | N | (Y)                        | N | Y  | N | Y  | N |
| Attachment #3<br>Certification of<br>Business Location | (Y)   | N | (Y)                  | N | (Y)                        | N | Y  | N | Y  | N |
| Attachment #4<br>List of<br>Subcontractors             | (Y)   | N | (Y)                  | N | (Y)                        | N | Y  | N | Y  | N |
| Attachment #5<br>Trench Safety                         | (Y)   | N | (Y)                  | N | (Y)                        | N | Y  | N | Y  | N |

*HML  
10/5/16* →

**SCANNED**  
*NMN*

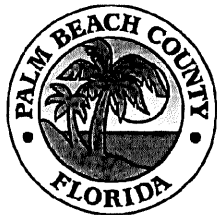
BIDS PICKED UP BY *JH [Signature]* ENGINEER

DATE 9/7/16



ATTACHMENT 4

16-077/7.8



Office of Small Business Assistance  
50 South Military Trail, 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"

printed on sustainable and recycled paper

DATE: September 26, 2016  
TO: 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: 15% Overall  
Goal Achieved: 19.84%

SBE Participation:  
(SB)Palmwood Corp. \$2,400,000.00 12.40%  
<sup>1</sup>(SB)Utility Supply \$1,260,000.00 6.51%  
(SB) Pathway Ent., Inc. \$180,000.00 .93%  
\$3,840,000.00 19.84%



Page 2.

3rd Low Bidder: Man-Con, Inc.  
3020 Fairlane Farms Rd.  
Wellington, FL 33414  
Phone: 954-427-0230  
Bid Amount: \$27,964,395.00  
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% |
|                        | <hr/>          |         |
|                        | \$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.

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

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

# 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:

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

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

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

