

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: October 4, 2022 Consent Regular
 Workshop Public Hearing

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Change Order No. 1 to Amendment No. 8 to the Construction Manager (CM) at Risk Contract (Contract) with The Morganti Group, Inc. (MGI) for CM at Risk Services for Miscellaneous Airport Improvements for Palm Beach County Department of Airports (Department) to extend the project time by 137 Calendar Days for Work Order SMC 11: Generator Controller Replacement at Palm Beach International Airport (PBI).

Summary: Amendment No. 8 was approved by the Board on December 21, 2021 (R-2021-1951) in the amount of \$717,900 and 165 Calendar Days. The contract value to date is \$8,237,061.56. The project includes replacement of the controllers to the emergency generators that supply the temporary power to the PBI Terminal Complex. Approval of this change order will extend the time for completion of the project by 137 Calendar Days, which was delayed based on a demand by the prime subcontractor, Florida Detroit Diesel-Allison (FDDA), for nonstandard indemnification and liability provisions in its subcontract with MGI and ultimately resulted in the substitution of FDDA with a new subcontractor. Based on the critical nature of the work, the Department of Airports could not recommend agreement with the requested changes. This project was exempt from the Affirmative Procurement Initiatives (API) for S/M/WBE participation. The current cumulative S/M/WBE subcontractor participation for all work orders to-date under this contract is 43.3%. There is no change in cost associated with this change order. **Countywide (AH)**

Background and Justification: PBI's bank of two emergency generators requires replacement of the controllers for a simultaneous operation to share the electrical loads and support an increase in loads in the future. Following approval by the Board, FDDA was provided the standard contract used by MGI, which incorporates terms and conditions from the master contract between MGI and the County. FDDA refused to agree to the County's standard indemnification and liability provisions, which resulted in an impasse and the substitution of FDDA with a new subcontractor. As a result of extended contractual negotiations, the project was delayed.

Attachments:
1. Change Order No. 1 to Amendment No. 8 to CM at Risk Contract with MGI (w/Contract History) – (3 originals)

Recommended By: *SMS Lana Bibe* 8-31-22
 Department Director **Date**

Approved By: *CBaker* 9/16/22
 County Administrator **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues (Grants)	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>-0-</u>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No _____
 Does this item include the use of federal funds? Yes _____ No X

Budget Account No: Fund 4111 Department 121 Unit A212-483 Object 6211
 Reporting Category _____

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

There is no Fiscal Impact for this item.

C. Departmental Fiscal Review: Webb W. Jensen

III. REVIEW COMMENTS

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

<p><u>ASDell 9/1/22</u> OFMB QA 9/1 MG 9/1</p>	<p><u>Ann S. Jankov 9/12/22</u> Contract Dev. and Control</p>
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B. Legal Sufficiency:

Anne Helgen 9/13/22
 Assistant County Attorney

C. Other Department Review:

 Department Director

REVISED 11/17

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)



**Palm Beach County
Compliance Summary Report**

Vendor Number	Vendor Name	AM Best Rating	Insurance Carrier	Policy #	Eff. Date	Exp. Date	Coverage	Contract Number	Contract Name
DX00000605	The Morganti Group, Inc.	Modified	Compliant					DOA 18-13(Main account)	CM at Risk for Miscellaneous Airport Improvements
		A++ , XV	Federal Insurance Company	54309474	12/31/2021	12/31/2022	Auto Liability		
		A+g , XV	American Guarantee and Liability Insurance Company	aec038479804	12/31/2021	12/31/2022	Excess Liability		
		A , XIV	Starr Indemnity & Liability Company	1000584535211	12/31/2021	12/31/2022	Excess Liability		
		A++g , XV	Chubb National Insurance Company	54309475	12/31/2021	12/31/2022	General Liability		
		A++g , XV	Executive Risk Indemnity Inc.	54309476	12/31/2021	12/31/2022	General Liability		
		A++ , XV	Federal Insurance Company	54309477	12/31/2021	12/31/2022	Workers Comp		

Risk Profile : Standard - General Services-AOA
Required Additional Insured : Palm Beach County Board of County Commissioners
Ownership Entity :



**Palm Beach County
Compliance Summary Report**

Vendor Number	Vendor Name	AM Best Rating	Insurance Carrier	Policy #	Eff. Date	Exp. Date	Coverage	Contract Number	Contract Name
DX00001678	The Morganti Group, Inc.	Modified	Compliant					DOA 18-13 (SMC 11) B	The Morganti Group, Inc.
		A++g , XV	Travelers Property Casualty Company of America	QT6607R805467TIL21	12/22/2021	10/1/2022	Builders Risk		

Risk Profile : Standard - General Services-AOA
Required Additional Insured : Palm Beach County Board of County Commissioners
Ownership Entity :

CERTIFICATE
(Corporation)

The undersigned hereby certifies that the following are true and correct statements:

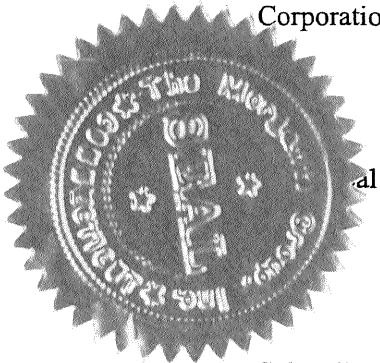
1. That Nabil Takla is the President of The Morganti Group, Inc., a Corporation organized and existing in good standing under the laws of the State of Connecticut, hereinafter referred to as the Corporation, and that the following Resolutions are true and correct copies of certain Resolutions adopted by the Board of Directors of the Corporation as of the 9th day of May, 2019, in accordance with the laws of the State of Connecticut, the Articles of Incorporation and the By-laws of the Corporation.

RESOLVED that the corporation shall enter into that certain Contract, DOA 18-13 CM at Risk Services for Airport Improvements for the Department of Airports Agreement between Palm Beach County, a political subdivision of the State of Florida and the Corporation (the Agreement), a copy of which is attached hereto: and be it

FURTHER RESOLVED, that Stephen Sines, the Vice President Operations, of the Corporation, is hereby authorized and instructed to execute such Agreement and such other instruments as may be necessary and appropriate for the Corporation to fulfill its obligations under the Agreement,

2. That the foregoing resolutions have not been modified, amended, rescinded, revoked or otherwise changed and remain in full force and effects as of the date hereof.
3. That the Corporation is in good standing under the laws of the State of Florida, and had qualified, if legally required, to do business in the State of Florida and has full power and authority to enter into such Agreement.

IN WITNESS WHEREOF, the undersigned has set his hand and affixed the Corporate Seal of the Corporation on the 18th day of July, 2019.



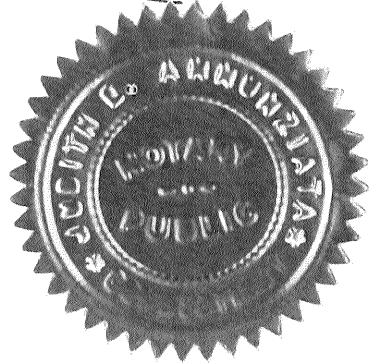
Nabil Takla
(Signature)

Dee De
(Witness)

Subscribed and sworn before me by Nabil Takla this 18th day of July, 2019

Judith E. Annunziata
Notary Public

JUDITH E. ANNUNZIATA
NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 31, 2021



**C H A N G E
O R D E R**

- | | |
|--|---|
| <input type="checkbox"/> Owner Initiate | <input type="checkbox"/> Quantity Overruns/Underruns |
| <input type="checkbox"/> Differing Site Conditions | <input type="checkbox"/> Request By Another Agency/Outside Party |
| <input type="checkbox"/> Zoning/Code/Ordinance Changes | <input type="checkbox"/> A. Reimbursable <input type="checkbox"/> B. Non-Reimbursable |
| <input type="checkbox"/> Errors/Omissions/In Design | <input checked="" type="checkbox"/> Other |

**PROJECT: Misc Airport Improvements for
The Department of Airports
Amendment No 8 WO SMC-11
Generator Controller Replacement at PBI**

**CHANGE ORDER NO: One (1)
COUNTY/FAA PROJECT NO: DOA 18-13
CONTRACT DATE: August 20, 2019
RESOLUTION NO. R2019-1221 Contract
WO SMC-11: NTP 1/03/2022 R2021-1951
DISTRICT # Countywide**

**TO: The Morganti Group, Inc.
1662 North US Highway 1, Suite C
Jupiter, Florida 33469**

Description of Change:

Florida Detroit Diesel-Allison (FDDA) was identified as the sole source vendor for this project as a result of the existing generator equipment configuration. Following the execution of Amendment No. 8 (R2021-1951), the Morganti Group, Inc provided a subcontract to FDDA for execution. Following months of negotiation the vendor was not willing to agree to the contract terms required under the master agreement with the Department of Airports and would not execute the subcontract. Subsequently, a different vendor, GenServe Inc. was able to expand their market to South Florida. This new vendor was able to offer a non-proprietary generator controller that meets the parameters required by the Department and is willing to agree to the terms of the contract. This change order includes a time extension of 137 Calendar Days to replace the original vendor and complete the work. There is no change in cost.

Total Change in Contract Amount **\$ 00.00**

EXECUTION OF THIS CHANGE ORDER ACKNOWLEDGES FINAL SETTLEMENT OF, AND RELEASES ALL CLAIMS FOR, COSTS AND TIME ASSOCIATED, DIRECTLY OR INDIRECTLY, WITH THE ABOVE STATED MODIFICATION(S), INCLUDING ALL CLAIMS FOR CUMULATIVE DELAYS OR DISRUPTIONS RESULTING FROM, CAUSED BY, OR INCIDENT TO, SUCH MODIFICATION(S), AND INCLUDING ANY CLAIM THAT THE ABOVE- STATED MODIFICATION(S) CONSTITUTES, IN WHOLE OR PART, A CARDINAL CHANGE TO THE CONTRACT.

The Original Guaranteed Maximum Price (GMP) was **\$717,900.00**
 Net change by previous Change Orders **\$00.00**
 The GMP prior to this Change Order **\$717,900.00**
 The GMP will be increased/decreased by this Change Order **\$00.00**
 The new GMP including Change Order will be **\$717,900.00**
 The Time to complete this Work will be **increased**/decreased by **137 Calendar days.**
 The Date of Substantial Completion of this Change Order therefore is **October 1, 2022**

AECOM
Engineer
7650 West Courtney Campbell Causeway
Tampa, FL 33607
Name and Title: Andy Kacer, Southeast Aviation Manager
Signature <i>Andy Kacer</i>
Date: 8/29/2022

The Morganti Group, Inc
Contractor
1662 North US Highway 1, Ste C
Jupiter, Florida 33469
Name and Title: Stephen Sines, VP Operations
Signature <i>Stephen Sines</i>
Date: 8/29/2022

PBC Bd Of County Commissioners
Owners
PO Box 21229
West Palm Beach, FL 33416-1229
Name and Title:
Signature
Date:

PALM BEACH COUNTY DEPARTMENT OF AIRPORTS

Attest: Joseph Abruzzo
Clerk of the Circuit Court
& Comptroller

Approved As To Terms
and Conditions

Approved as to Form and Legal
Sufficiency

By: _____
Deputy Clerk

By: *Sanna Bube*
Director of Airports

By: *Anne DeFond*
County Attorney

DEPARTMENT OF AIRPORTS
 MISCELLANEOUS AIRPORT IMPROVEMENTS - CMAR (LOCAL OEBO PROGRAM)
 THE MORGANTI GROUP INC.
 PB NO: DOA 18-13
 CONTRACT HISTORY

ORIGINAL CONTRACT RESOLUTION NO DATE APPROVED SBE Goal EXPIRATION		YEAR 1-2 R-2019-1221 8/20/2019 15.00% 8/20/2021	1 st EXT YR 3 R-2021-1023 8/17/21 8/20/2022	2 nd EXT YR 4 R-2022-0677 8/20/2023	3 rd EXT YR 5 8/20/2024	REF DOC	API-GSC	DESCRIPTION	TIME(Cal Days) for Substantial	NTP	Substantial Completion Date	Final Completion Date	AMOUNT	CHANGE ORDER OR ADJUSTMENT	1 CHANGE ORDER VALUE PLUS TIME	REVISED AMOUNT	LEAD DEPT APPROVAL	CRC APPROVAL	BCC APPROVAL	STATUS	TO/WO CLOSED
Amendment No 1 SMC-01	16% of which 4% MBE (AA and HA)	SMC 01 Terminal Condensation Phase 1	190	6/8/20	12/14/20	1/13/21							\$1,383,500.00						\$1,383,500.00	June 2, 2020 Board (R2020-0666)	
		CO NO 1	8		12/22/20								\$34,896.07	\$42,896.07			\$34,896.07				
		CO NO 2	0		12/22/20	1/21/21							\$72,529.17	\$72,529.17				\$72,529.17	1/12/21 Board Meeting 2021-0053		
		GMP Adjustments											-\$19,806.41		\$1,471,118.83				CRC 7/7/21	CRC 7/7/2021	
Amendment No 2 SMC-02	20%	SMC 02 Wallis Road Improvements-Phase 1	100	7/14/20	10/21/20	11/20/20							\$434,700.00					\$434,700.00	June 16, 2020 Board R2020-0634		
		GMP Adjustments													\$392,239.33					CRC 7/7/2021	
WO SMC 03		SMC 03 Domestic Water Valve Replacement-Field Investigation											\$15,712.00				\$15,712.00			Approved 9/1/2020	
		GMP Adjustments											\$0.00			\$15,712.00				DOA Closed	
WO SMC 04	N/A under \$100k	SMC 04 Domestic Water Valve Replacement-Phase 1 Priority Valves	60	9/16/20	11/14/20	12/14/20							\$93,976.00				\$93,976.00			Approved on 9/11/2020.	
		GMP Adjustments											(\$15,074.79)			\$78,901.21				DOA Closed on 9/17/21	
Amend No 3 (SMC 05)	20% of which 5% is for MWBE	SMC 05 Terminal Condensation Phase 2	376	11/30/20	12/10/21	1/9/22							\$3,148,984.00					\$3,148,984.00	R2020-1778 November 17, 2020 Board		
		CO No 1	0										\$43,185.78	\$0.00			\$43,185.78			Approved on 10/14/21	
		CO No 2	0										\$59,007.56	\$0.00			\$59,007.56			Approved by CRC 10/20/21	
		CO No 3	60										\$0.00	\$60,000.00			\$0.00			Approved by CRC 11/03/21	
		CO No. 4- time to final	30		2/8/22	4/9/22							\$0.00				\$0.00				
		CO No. 5- time to final	60			6/8/22							\$0.00					\$0.00		7/12/22 Board Meeting	
		GMP Adjustments														\$3,251,177.34					

DEPARTMENT OF AIRPORTS
 MISCELLANEOUS AIRPORT IMPROVEMENTS - CMAR (LOCAL OEBO PROGRAM)
 THE MORGANTI GROUP INC.
 PB NO: DOA 18-13
 CONTRACT HISTORY

ORIGINAL CONTRACT		YEAR 1-2		1 st EXT YR		2 nd EXT YR 4		3 rd EXT YR 5							
RESOLUTION NO		R-2019-1221		R-2021-1023		R-2022-0677									
DATE APPROVED		8/20/2019		8/17/21		8/20/2023		8/20/2024							
SBE Goal		15.00%		8/20/2022		8/20/2023		8/20/2024							
EXPIRATION		8/20/2021		8/20/2022		8/20/2023		8/20/2024							
REF DOC	API-GSC	DESCRIPTION	TIME(Cal Days) for Substantial	NTP	Substantial Completion Date	Final Completion Date	AMOUNT	CHANGE ORDER OR ADJUSTMENT	CHANGE ORDER VALUE PLUS TIME	REVISED AMOUNT	LEAD DEPT APPROVAL	CRC APPROVAL	BCC APPROVAL	STATUS	TO/WO CLOSED
Task Order SMC 06	N/A under \$100k	SMC 06 Security Phase 2 -Continuum Upgrade		11/9/20			\$97,530.00					\$97,530.00		Approved by CRC on 11/04/2020	
		GMP Adjustments								\$97,530.00					
		SMC 07 Security Phase 3 - Replace 26 cameras	60	11/9/20	1/7/21	2/6/21	\$59,100.00				\$59,100.00			Approved by the Dept on 10/20/2020	
		Change Order No 1	57		3/5/21	4/4/21		\$0.00	\$0.00			\$0.00			
		GMP Adjustments								\$59,100.00					
Amendment No 4 (SMC 08)	SBE Price Preference	SMC 08 Building 846 UPS Upgrade	145	4/12/21	9/3/21	10/3/21	\$438,131.00						\$438,131.00	4/6/21 Board R2021-0463	
		CO No 1 Time suspended as of 8/23/21. Resumed 1/23/22	89		4/23/2022	5/22/22									
		CO No 2 Time Extension	70		7/1/2022	7/31/22							\$0.00	8/07/22 Board R2022-0547	
		GMP Adjustments								\$438,131.00					
Amendment No 5 (SMC 10)	SBE Price Preference	SMC 10 LTG 3 Structural repair	101	4/12/21	7/21/21	8/20/21	\$221,117.00						\$221,117.00	4/6/21 Board R2021-0418	
		CO No 1	28		8/18/21	9/17/21		\$0.00			\$0.00			Approved on 8/31/21	
		CO No 2	92		11/18/21	12/18/21		\$0.00				\$0.00		Approved by CRC on 10/20/21	
		GMP Adjustments						(\$39,704.15)		\$181,412.85				Approved by CRC 4/13/22	
Amend No 6	10% SBE	First year time extension												8/17/2021 Board Meeting R-2021-1023	
Amend No 7 (SMC 09)	SBE 10%	SMC 09 Fire Pump Replacement	214	8/25/21	3/26/22	4/25/22	\$605,906.00						\$605,906.00	8/17/21 Board Meeting R2021-1161	
		CO No 1 Material Delay	145		8/18/22	9/17/22		\$0.00					\$0.00	5/3/2022 Board Meeting	
				359.00				\$0.00							
		GMP Adjustments								\$605,906.00					

DEPARTMENT OF AIRPORTS
 MISCELLANEOUS AIRPORT IMPROVEMENTS - CMAR (LOCAL OEBO PROGRAM)
 THE MORGANTI GROUP INC.
 PB NO: DOA 18-13
 CONTRACT HISTORY

ORIGINAL CONTRACT RESOLUTION NO DATE APPROVED SBE Goal EXPIRATION		YEAR 1-2 R-2019-1221 8/20/2019 15.00% 8/20/2021		1 st EXT YR 3 R-2021-1023 8/17/21 8/20/2022		2 nd EXT YR 4 R-2022-0677 8/20/2023		3 rd EXT YR 5 8/20/2024		REF DOC	API-GSC	DESCRIPTION	TIME(Cal Days) for Substantial	NTP	Substantial Completion Date	Final Completion Date	AMOUNT	CHANGE ORDER OR ADJUSTMENT	¹ CHANGE ORDER VALUE PLUS TIME	REVISED AMOUNT	LEAD DEPT APPROVAL	CRC APPROVAL	BCC APPROVAL	STATUS	TO/WO CLOSED	
AmendNo. 8 (SMC 11)		SMC 11 Generator Controllers	136	1/3/22	5/17/22	6/16/22	\$717,900.00																			
		CD no 1	137		10/1/22																					
		GMP Adjustments																	\$717,900.00							
Amend No 9 (SMC12)		SMC 12 West People Tube Repairs	145	4/18/22	9/9/22	10/9/22	\$889,840.00																			
		GMP Adjustments																								
		SMC 13 CUPPS Expansion																								
		GMP Adjustments																								
SMC 14		SMC 14 West Taxi Loop																								
		GMP Adjustments																								
SMC 15		SMC 15 F45 Building Repairs - investigation services					\$38,093.00																			
		GMP Adjustments																								

DEPARTMENT OF AIRPORTS
 MISCELLANEOUS AIRPORT IMPROVEMENTS - CMAR (LOCAL OEBO PROGRAM)
 THE MORGANTI GROUP INC.
 PB NO: DOA 18-13
 CONTRACT HISTORY

ORIGINAL CONTRACT RESOLUTION NO	YEAR 1-2	1 st EXT YR	2 nd EXT YR 4	3 rd EXT YR 5										
R-2019-1221	R-2019-1221	R-2021-1023	R-2022-0677	R-2022-0677										
8/20/2019	8/20/2019	8/17/21	8/20/2023	8/20/2023										
15.00%	15.00%													
8/20/2021	8/20/2021	8/20/2022	8/20/2023	8/20/2024										
REF DOC	API-GSC	DESCRIPTION	TIME(Cal Days) for Substantial	NTP	Substantial Completion Date	Final Completion Date	AMOUNT	CHANGE ORDER OR ADJUSTMENT	CHANGE ORDER VALUE PLUS TIME	REVISED AMOUNT	LEAD DEPT APPROVAL	CRC APPROVAL	BCC APPROVAL	STATUS
Amend 10		Second One (1) Year renewal												7/12/2022 Board R2022-0677
WO SMC 19		SMC 19 Tile Replacement	130	7/25/22	12/1/22	12/31/22	\$160,200.00					\$160,200.00		
		GMP Adjustments								\$160,200.00				
Total							\$8,144,489.00	\$92,572.56		\$8,237,061.56	\$284,962.85	\$156,537.56	\$7,912,607.17	

Notes:
 Items in Blue are draft

Approval Authority for Task Authorizations (CM @ Risk) - No cumulative tracking

Document	Authority	
Task Order	Lead Dept	less than \$100,000
Task Order	CRC	\$100,000 - \$200,000
Amendment	BCC	≥ \$200,000

¹ Approval Authority

*Time	CO Value	Authority	Cumulative Days	Authority
	\$0-\$0,000	Lead Dept	0-30 days	Lead Dept
	\$50,001-\$100,000	CRC	31-90	CRC
	>\$100,001	BCC	120	BCC

Time Extensions in excess of 90 Days must be approved by the Board and does not count towards the Cumulative Limit
 Cumulative Value - Revised as of 8/24/09

¹ When the cumulative value of changes or additional work approved by the Lead or CRC exceeds the greater of \$250,000 or 5% of the original contract an agenda item notifying the board that the item puts it in the excess category must be prepared and forwarded as a Receive and File item