



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
E. David Fernandez, Asst. City Manager

FROM: Jay Gewin, Utilities Manager

DATE: August 8, 2011

SUBJECT: Approval of Task Order # 11-009 from Perez Engineering and Development in the Amount of \$73,500 for Engineering and Construction Administration Services for the North Roosevelt Sewer Force Main Project.

ACTION STATEMENT:

This resolution will approve Task Order # 11-009 from Perez Engineering and Development in the Amount of \$73,500 for Engineering Services for Engineering and Construction Administration Services for the North Roosevelt Boulevard Sewer Force Main Project.

The agreement will be executed pursuant to F.S. 287.055 (CCNA), City Code 2-841, and the City's contract with Perez Engineering approved by Resolution # 07-332 and extended and amended through Resolution 10-294.

BACKGROUND:

The Florida Department of Transportation (FDOT) is planning road improvements to North Roosevelt Boulevard as part their 5 year capital improvement plan, and has awarded the low bid of De Moya Group, Inc. to construct the project. The City of Key West is utilizing this opportunity to increase wastewater conveyance capacity to the Richard A. Heyman Environmental Protection Facility (WWTP) by installing a 24 inch force main along North Roosevelt Boulevard from Georgia Street to 14th Street/Glynn Archer Dr.

Resolution 10-232, passed and adopted by the City Commission on August 3, 2010, approved the acceptance, authorization and execution of a Utility Work by Highway Contractor Agreement in the total amount of \$1,931,672.06 for the

Key to the Caribbean – Average yearly temperature 77° F.

installation of 24 inch sewer force main along North Roosevelt from Georgia Street to Kennedy Drive. A subsequent resolution was approved that extended the project to Glynn Archer Dr/14th St., (Resolution 10-355), and another resolution is before the City Commission that would enter the City into a Deferred Utility Relocation Expense Reimbursement Agreement to cover the additional costs resulting from bids exceeding the construction estimate of FDOT's engineer for the project.

PURPOSE & JUSTIFICATION:

Section 2 (e) of the City's Joint Participation Agreement with FDOT for the project requires the City to "perform all engineering inspection, testing, and monitoring of the utility work". The North Roosevelt Force Main Project involves many civil construction components that require the assistance of an engineer and an on-site project manager, as has been done for all City projects of this scale historically. This task order will include project management, engineering services to review RFI, RFQ's and project correspondence, and field services to monitor the progress and performance of construction that will make sure the project drawings and terms of the construction contract are followed. City Inspectors will assist with on-site daily inspection. This work will be performed under Task 1 of the Task Order in the amount of \$45,900.

Additionally, Section 4 (a) of the agreement states that the City is responsible for all costs that would be incurred by FDOT if problems with our North Roosevelt force main construction delayed to the remainder of the North Roosevelt project. Therefore engineering services are needed to swiftly respond to potential unforeseen circumstances that could require a field change directive or minor re-design with a limited scope.

If unforeseen underground conditions such as unanticipated old utility pipes are encountered during construction, the City could have to re-design certain sections of the force main on short notice. The contractor for this project has a strong financial incentive, including a bonus, to finish the overall project prior to the FDOT deadline. If delays from the City's sewer force main component resulted in the contractor missing their performance deadlines, the City could be held responsible. Therefore utilizing a local firm such as Perez Engineering will allow us to quickly ascertain and perform any emergency engineering re-design work that could be required, and eliminate the City's exposure from delays. This work would be performed under Task 2 of the Task Order on an as-needed basis in an amount not-to-exceed \$27,600.00

The City or OMI does not have the staff available with the technical expertise required to perform this work independently, nor do we employ enough staff to perform this work to the level required. Staff has reviewed this submittal and found it consistent with the hourly rates established in the City's contract extension with Perez Engineering and Development.

OPTIONS:

1. The City Commission can award the task order to Perez Engineering to provide construction administration and engineering services for the North Roosevelt Sewer Force Main project. The contractor has successful experience working with the City on other projects of a similar nature, and has very capable staff to ensure successful project completion. This option is recommended by City Staff.

2. The City Commission can decline the task order from Perez Engineering. This option is not recommended by Staff, as the City will not be able to utilize the construction administration services that are essential in completing the project in a timely manner and according to plans. City Staff believes that Perez Engineering is the firm that can best manage the North Roosevelt Sewer Force Main Project of the engineering firms we have under contract.

FINANCIAL IMPACT:

The total cost to the City will not exceed \$73,500. Funds will be charged to budget line item 401-3503-535-65/SE0901, and are included in the FY 2012 Sewer Budget.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, approving task order 11-009 from Perez Engineering and Development in the amount of \$73,500 for Engineering and Construction Administration Services for the North Roosevelt Sewer Force Main project.