



THE CITY OF KEY WEST

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TO: Bob Vitas, City Manager

FROM: Birchard Ohlinger, P.E., Engineering

CC: E. David Fernandez, Assistant City Manager
Mark Finigan, Jim Fitton, Myra Wittenberg

DATE: February 13, 2013

SUBJECT: **Award of RFP# 001-13: Design-Build of the Public Transit Facility (to include Base Bid, Alternate Bid Item A and Alternate Bid Item D) contingent on the successful negotiation of a deductive change order in the amount of \$173,893 dollars. The total net award will be \$8,536,327 dollars after the deductive change order. Authorize the City Manager to execute a contract, to authorize direct payments of permit fees not already included in the bid and authorize the necessary budget transfers and amendments.**

ACTION STATEMENT:

This resolution will award RFP# 001-13 for the demolition and closure of the Solid Waste to Energy (SWTE) site along with the design and construction of a new Public Transportation Facility to D.N. Higgins. Award will be for the Base Bid, Alternate Bid Item A (LEED Certification Silver) and Alternate Bid Item D (Vehicle Lifts). This resolution will authorize the City Manager to execute a contract, authorize the direct payment of permit fees not already included in the bid, authorize the use of grant revenues, and authorize the use of Solid Waste Reserve Funds. This award will be contingent on the successful negotiation of a deductive change order not less than \$173,893 dollars.

BACKGROUND:

The Public Transit Department's maintenance and administrative activities currently occur at the City's facility located at 627 Palm Avenue. These activities include administrative offices, fueling, bus washing and fleet maintenance. This facility is undersized and in poor condition. This project will relocate these activities to the former Solid Waste to Energy Site (SWTE) on Stock Island. The first portion of this project is the demolition/closing of the existing SWTE site. The second portion is the design and

MEMORANDUM

construction of a new transit facility with administrative offices, fueling, washing and maintenance facilities.

In August 2006 the City Commission awarded a Task Order to Chen Moore and Associates (CMA) to develop plans and specifications for a new facility under Resolution 06-270. This task order was amended in December 2011 to have CMA develop an RFP for the Design/Build of the facility under Resolution 12-170.

A Major Development Plan (MDP) was approved by City Commission May 2012 under Resolution 12-172. This was a continuation of the original MDP approved in March 2010 (Resolution 10-158) which had expired.

Request for Proposal 001-13 was advertised on 2 September 2012 and three proposals were received on 12 December 2012. A Technical Evaluation Board (TEB) was assembled and held two public meetings along with Question/Answer/Presentation sessions that occurred with each of the firms submitting a proposal. A Final Ranking meeting was held on 17 January 2013 in which the scores of the Technical Proposal and the Cost Proposals were combined. The maximum score a firm could receive was 1,000 points and results of the TEB were:

| <u>Firm</u> | <u>Technical Proposal Points</u> | <u>Cost Proposal Points</u> | <u>Total</u> | <u>Ranking</u> |
|--------------|----------------------------------|-----------------------------|--------------|----------------|
| D.N. Higgins | 509 | 400 | 909 | (1) |
| RD&C | 498 | 190 | 688 | (2) |
| ABC Const. | 382 | 295 | 677 | (3) |

PURPOSE & JUSTIFICATION:

This project serves two purposes. The first is the demolition and closure of the former SWTE site and the second is the construction of a new Public Transit Facility. This need has been known since 2006.

The Base Bid calls for the construction of a new facility with one new 8,000 gal fuel storage tank and the relocation of an existing fuel storage tank from 627 Palm Avenue. City Staff has determined that relocation of the existing 15,000 gallon diesel fuel tank will adequately meet the City's needs and this reduction in the project scope will be the basis for the deductive change order in the amount of \$173,893 dollars necessary to execute this project.

In addition to the base bid (Demolition, Design and Construction), City Staff is recommending the award of Alternate Bid Item A (Silver LEED Certification) as it support's the City's sustainability program and Alternate Bid Item D (Vehicle Lifts) as these are key pieces of equipment required by the facility. Alternate Bid Items B (Gold LEED Certification) was considered by staff but determined cost prohibitive and Alternate Bid Item C (second 8,000 bio-diesel Tank) was determined to not be needed. Alternate Bid Item E (Relocate/reuse existing SWTE Feed Water Tank) was considered but exceeded the Sustainability Budget for its re-use at the Key West Wildlife Center.

OPTIONS:

1. The City Commission can concur with the ranking of the TEB board and City Staff alternate bid item recommendations and award to D.N. Higgins the base bid and Alternate Bid Items A(Silver LEED Certification) and D (Vehicle Lifts) in the amount of \$8,536,327 dollars, after negotiations of a deductive change order in the amount of \$173,893 dollars. Authorize the reallocation of a portion of grant FDOT 405247-2 as shown on Attachment A.
2. The City Commission can approve the Base Bid and any of the following Alternate Bid Items.
 - a. Alternate Bid Item A (Silver LEED Certification)
 - b. Alternate Bid Item B (Gold LEED Certification)
 - c. Alternate Bid Item C (Second 8,000 Tank)
 - d. Alternate Bid Item D(Vehicle Lifts)
 - e. Alternate Bid Item E (Feed Water Tank).
3. The City Commission can approve to award only the Demolition Portion of this contract. The FDEP Southernmost Waste to Energy Facility Interim Remediation Action Report, March 2011 as approved by FDEP provides for the demolition of the site structures, regarding and placement of a 2 feet of cap as called out in the bid. This remediation is the level of action required to reuse the site as an industrial facility such as the transit facility (or other comparable use). Staff does not recommend this site for any purpose other than industrial or light industrial uses. The Solid Waste portion of the bid and associated cost should be done even if no Transit Facility is constructed to meet SWTE closure obligations. The bid is within the Engineers' estimate once adjusted to include the additional acre formerly used by the KWPD for vehicle storage. Staff does not believe a rebid would result in a more favorable cost. If the City selects this option and does not build this facility, the FTA may require the repayment of up to \$708,930 dollars ⁽¹⁾ for grant funds spent on the project.
4. The City Commission can elect not to award this project and direct staff to modify the bid specifications and rebid.

FINANCIAL IMPACT:

The total net award for RFP# 001-13 Design-Build of the Public Transit Facility to D.N. Higgins is \$8,536,327 dollars. This award includes Base Bid, Alternate Bid Item A and Alternate Bid Item D and is contingent on the successful negotiation of a deductive change order in the amount of \$173,893 dollars. The demolition, regarding and placement of a 2 foot cap portion of the bid in the amount of \$1,391,100 dollars is the responsibility of the Solid Waste Fund. The remainder of the Base Bid, Alternative Bid Item A and Alternative Bid Item D totaling \$7,145,227 dollars is the responsibility of the Transit Fund and associated grants.

There are additional costs for permitting (in excess of those included in the bid), soil testing and construction management (CEI). Based on the combined cost; budget transfers/amendments and/or grant reallocation will be required as outlined below. Attachment A summarizes total project costs.

(1). Chen Moore and Associates: \$602,040/SFWMD: \$1,000/Tank Purchase: \$90,852/Cat X \$15,038

Demolition: The demolition portion of contract will be funded through the Solid Waste Budget identified as closure costs for the Solid Waste to Energy (SWTE) site. The following table outlines the proposed remaining (FY2013) cost.

Demolition Program

| | FY2013 Proposed Expenditures | | |
|------------------------------------------------------------|------------------------------|--------------------------------|--------------------|
| DN Higgins Bid Demo/site work | | | |
| Base Bid | \$1,391,100 | | \$1,391,100 |
| Design/Soil Tests CH2MHill | \$35,749 | | |
| Permits CKW | \$14,735 | | |
| Const. Inspection | \$27,140 | | |
| Total | \$1,468,724 | | |
| | | | |
| FY2013 Budget | \$1,200,000 | | |
| Transfer/Budget Amendment from Solid Waste Reserves | \$268,724.00 | D.N. Higgins Demolition | \$1,391,100 |

Although this exceeds the original estimate of \$1,200,000 dollars, City staff does not feel a more competitive price will be obtained by re-bidding and the short fall will be made up from the Solid Waste Reserve Funds. There are sufficient funds in reserves to cover this budget overrun and this resolution will authorize the proposed fund transfer.

Design and Construction: The Design and Construction portion of this work will be funded by a number of grants as outlined in Attachment A. The following table outlines the Costs.

Construction Program

| | | | |
|----------------------------------------------------------|--------------------------|----------------------------------|--------------------|
| D.N. Higgins Base Bid without demolition/ with deductive | \$6,856,427 | | \$6,856,427 |
| | | | |
| Alt. Bid Item A (LEED Silver) | \$18,800 | | \$18,800 |
| Alt. Bid Item D (Vehicle Lifts) | \$270,000 | | \$270,000 |
| Permit Overage | \$69,828 | D.N. Higgins Construction | \$7,145,227 |
| Construction Inspection | \$297,533 ⁽²⁾ | | |
| Sub total Adds | \$656,161 | | |
| | | | |
| Total Construction Program | \$7,512,588 | Total D.N. Higgins Award | \$8,536,327 |

(2): Approved/negotiated under Chen Moore Task Order 1: Resolution 12-170

RECOMMENDATION:

Staff recommends that the City Commission authorize the City Manager to execute a contract and award RFP# 001-13 Design-Build of the Public Transit Facility to D.N. Higgins (in include Base Bid, Alternative A and Alternative D) contingent on the successful negotiation of a deductive change order in the amount of \$173,893 dollars. The net award is \$8,536,327dollars.

Attachment A : Sources and Uses

Sources

Solid Waste :

| | | |
|---------------------------------|-------------|-------------|
| Demolition and Closure of Site: | \$1,559,253 | |
| | | \$1,559,253 |

Transit:

Grant Program (Construction)

| Grant | Grant Agency | Grant Value | |
|----------------------|--------------|-------------|-------------|
| FL-03-0316 | FTA | \$3,011,518 | |
| FL04-0065 | FTA | \$495,000 | |
| FL-04-0138 | FTA | \$950,000 | |
| FL12-x003 | FTA | \$495,000 | |
| AQN-20 | FDOT | \$2,000,000 | |
| FL-04-0095 | FTA | \$270,000 | |
| Note 1: FDOT405247-2 | FDOT | \$1,000,000 | |
| | Total Grants | \$8,221,518 | \$8,221,518 |
| | | Total | \$9,780,771 |

Note 1:

A portion of this grant was originally designated as the City Bus Fleet Replacement Grant. The City has received approval from FDOT to delay the five year bus fleet replacement program by one year and to re-allocate these funds.

Uses

Solid Waste

| | | |
|----------------------------|-------------|-------------|
| D.N. Higgins Base Bid | \$1,391,100 | |
| Design/Soil Tests CH2MHill | \$126,278 | |
| Permits CKW | \$14,735 | |
| Const. Management/CEI | \$27,140 | |
| | \$1,559,253 | \$1,559,253 |

Transit

| | | |
|---------------------------------------|-------------|-------------|
| Design (CMA) | \$602,040 | |
| SFWMD Permit | \$1,000 | |
| Fuel Tank Pre-purchase | \$90,852 | |
| Cat X Permit | \$15,038 | |
| D.N. Higgins Transit (inc.Alternates) | \$7,145,227 | |
| Permits (in excess of allowance) | \$69,828 | |
| Construction Management/CEI | \$297,533 | |
| Total | \$8,221,518 | \$8,221,518 |
| | | \$9,780,771 |