

TOWN OF PALM BEACH

Information for Town Council Meeting on: May 8, 2018

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

FROM: H. Paul Brazil, P. E., Director of Public Works

RE: Award Bid No. 2018-22 and Approve a Construction Contract for the
E-1, E-2, and G-1 Liftstation Improvements Project
Resolution No. 54-2018

DATE: April 18, 2018

STAFF RECOMMENDATION

Town staff recommends that Town Council approve Resolution No. 54-2018 awarding Bid No. 2018-22 and approving a construction contract to Akerblom Contracting, Inc. in an amount of \$724,900 for construction of the E-1, E-2, and G-1 Liftstation Improvements Project and authorizing the Town Manager to exercise the option of Owner Direct Purchase for materials in the amount of \$301,842 establishing a construction phase budget of \$1,130,000, including contingency for both construction and owner direct purchasing.

GENERAL INFORMATION

As part of the Accelerated Capital Improvement Program Phase II, a condition assessment was performed by Mock Roos and Associates, Inc. in 2016 on all the Town's sanitary sewer stations. The stations in the assessment were graded from 1 "in like new condition" to 5 "in need of immediate replacement". The E-1 Liftstation (on Mediterranean Road), E-2 Liftstation (on N. Lake Way between Nightingale Trail and Mockingbird Trail), E-4 (N. Lake Way west of Hi Mount Rd) and G-1 Liftstation (Pinewalk) all received a conditional assessment value of 4 for limited elements within each station, meaning improvements were needed in the next 2-5 years. In February 2017, Town Council awarded a design and bid phase engineering contract to Kimley-Horn to complete the E-1, E-2, E-4 and G-1 Liftstation Improvements. Plans, specifications and permitting for the improvements were completed by Kimley-Horn and sent out for public bid by the Town's Purchasing Division. Some of the repairs required at the stations are: replace pumps and rails, add sump pumps to valve vaults, replace valves, conduits, seals, wiring, controls, replacing access hatches and repairs to the structures themselves. The construction for the E-4 Liftstation has been postponed until the summer of 2019 to avoid any disruption of the Lake Trail in the summer of 2018.

The Town received four (4) quotes on March 15, 2018 (See Attachment “A” for a copy of the bid tabulation sheet). The quotes ranged from \$1,150,900 to \$1,422,500. The low, responsive, responsible bidder was Akerblom Contracting, Inc. After review of the bids from Town staff and Kimley-Horn, it appeared the pricing was higher than industry standard and above the engineers estimate provided to the Town. With Purchasing’s assistance, a schedule of values with material quotes were requested from all the vendor’s that submitted bids for review. Two (2) of the four (4) vendors, (Akerbloom and V Engineering) provided the requested items in a timely manner. Following the review of the material bids, it appeared that one specific material vendor (Xylem) had sole sourced the materials and packaged as one price for each station. Purchasing contacted the vendor (Xylem) for clarification on the imposed sole source requirement as it was not advertised as such. Purchasing then issued an addendum to all bidders for an extension of time to re-bid the project with the intent to secure better pricing from multiple vendors without the sole source requirement imposed by Xylem.

The Town received two (2) quotes on April 20, 2018 with no change in price from the low, responsive, responsible bidder Akerblom Contracting, Inc and a slight decrease in price from V Engineering. A schedule of values with material quotes were requested again from Akerblom Contracting, Inc. With the help from Purchasing, staff negotiated a construction contract with Akerblom Contracting, Inc in the amount of \$1,150,900 minus the material quote of \$426,000 for a contract price of \$724,900. This price would require the Town to exercise an Owner Direct Purchase for the materials in the amount of \$301,842 with three (3) separate vendors. This approach would complete the scope of services and improvements identified in the KHA bid set plans dated January 2018. The total negotiated combined construction cost using Owner Direct Purchasing for the project would be \$1,026,742 without contingency. The projected cost savings with Owner Direct Purchase by the Town will be approximately \$124,158.37. (See Attachment “B” for cost savings tabulation).

Staff recommends awarding a construction contract to Akerblom Contracting, Inc. in an amount of \$724,900 for construction of the E-1, E-2, and G-1 Liftstation Improvements Project and authorizing the Town manager to exercise the option of Owner Direct Purchasing in the amount of \$301,842 with three (3) separate vendors for materials and sales tax savings establishing a construction phase budget of \$1,130,000, including contingency, for both construction and Owner Direct Purchasing.

FUNDING/FISCAL IMPACT

The funding for the construction phase for the E-1, E-2, and G-1 Liftstation Improvements Project is contained within the Town’s Accelerated Capital Improvement Program-Phase II budget.

PURCHASING REVIEW

This item has been reviewed by the Purchasing Division and approved as recommended. Purchasing had solicited bids in the Palm Beach Post, and online through Demand Star and Public Purchase. Through Demand Star 944 registered contractors received notice of the bid of which, 24 plan holders were noted and through Public Purchase, 779 vendors received notice of the bid of which 38 plan holders were noted.

TOWN ATTORNEY REVIEW

This Resolution has been reviewed and approved by the Town Attorney for legal form and sufficiency.

Attachments

cc: Jane Le Clainche, Director of Finance
Eric Brown, P.E., Assistant Director of Public Works
Patricia Strayer, P.E., Town Engineer
Jason Debrincat, P.E., Senior Project Engineer
Brett Madison, Facilities Maintenance Division Manager
Dean Mealy, Purchasing Manager