

# TOWN OF PALM BEACH

Information for Town Council Meeting on: August 15, 2018

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TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

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

RE: Award a Construction Management At Risk (CMAR) Contract to Burkhardt Construction, Inc. for the Town-Wide Utility Undergrounding Phase 2 North and Drainage Improvement for Osceola Way  
**Resolution No. 118-2018**

DATE: July 31, 2018

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## **STAFF RECOMMENDATION**

Town staff recommends that Town Council approve Resolution No. 118-2018 and award a Construction Manager at Risk (CMAR) contract to Burkhardt Construction, Inc., for the Town-Wide Utility Undergrounding Phase 2 North and Drainage Improvement for Osceola Way for a Guaranteed Maximum Price (GMP) amount not-to-exceed \$4,070,866.92 and establishing a Construction Phase Budget of \$4,270,866.92, and authorizes the Town Manager to execute a contract with Burkhardt Construction, Inc..

In addition, staff recommends that Town Council grant a waiver to Sections 42-196 through 199 of the Town of Palm Beach Code of Ordinances to allow for work past December 1, 2017, extending work hours and night-time work, as necessary, and approved by Public Works. Staff also recommends a waiver of the Town Code of Ordinances Section 42-226 through 229 - Regulation of Noise.

## **GENERAL INFORMATION**

Town Council approved the selection of Burkhardt Construction, Inc. (BCI) as the CMAR for the Town-Wide Utility Undergrounding Phase 2 North (Phase 2 North) at the February 13, 2018 meeting. Phase 2 North of the undergrounding is from Onondaga Avenue south to Osceola Way. The scope entails undergrounding of all overhead utilities, Comcast, AT&T, and Florida Power and Light (FPL). Phase 2 is scheduled to begin construction in September 2018. The award of the GMP allows the project to continue on schedule.

BCI solicited bids for the work defined in the final and specification between June 25 and July 20, 2018. BCI received bids from four (4) responsive bidders. BCI submitted a draft GMP to Town staff on July 24, 2018. Town staff worked with Kimley-Horn and Associates to review the draft GMP. The Purchasing Division, with the assistance from appropriate technical staff, negotiated the final GMP. After a series of negotiation sessions, a final GMP for this project was submitted by BCI on July 30 2018. This GMP does include drainage improvement for Osceola Way in the amount of \$55,000 which will be funded through Accelerated Capital Improvement Program Phase

2 (ACIP 2). It is also important to note that the contingency for potential Town changes will be maintained outside of the GMP in the construction phase project budget. A copy of the GMP documentation is attached and a summary of the major components is provided as follows:

Direct Construction - Undergrounding	\$ 3,008,517.56
Direct Construction - Drainage Improvements	\$ 55,000.00
Project Management	\$ 438,100.00
General Conditions (Bonds, Insurance, etc.)	\$ 354,566.10
Contractor's Fee	\$ 224,000.00
Owner Direct Purchase of Communications Conduit	\$ (9,318.74)
<b>Guaranteed Maximum Price:</b>	<b>\$ 4,070,866.92</b>
<b>GMP for Undergrounding Only</b>	<b>\$ 4,015,864.92</b>

The GMP, as indicated, includes the installation of communications conduits in anticipation of successful negotiations with AT&T and Comcast. This allows the project to continue on schedule and minimizes additional impacts for AT&T and Comcast installation of equipment once negotiations are finalized. At this time, the construction for AT&T is for copper service in lieu of fiber based on recent communications with AT&T. The GMP does not include the direct cost for AT&T, Comcast, or FPL.

The GMP without the drainage improvements is approximately \$555,000 over the master plan estimate for Phase 2 North Construction. Town staff is scheduled to present the Phase 2 South GMP at the September Town Council meeting. The total costs for Phase 1 came in \$257,960 under the updated opinion of cost budget. At this time we do not have a Phase 2 total construction cost. As staff has often stated these are estimates and staff expects to have some phases come in high and some phases to come in low. Staff notes that there were 4 bids received for Phase 2 north that ranged from this low bid to double this bid.

### **SPECIAL CONSIDERATIONS**

Due to a late construction season start, the project schedule is sequenced to complete as much of the conduit installation on North Ocean Boulevard and North Lake Way, without simultaneously affecting both thoroughfares, prior to Thanksgiving. After Thanksgiving, construction will be limited to east/west roads until May 1, 2019. At that time, any unfinished construction on North Ocean Boulevard and North Lake Way will be finalized.

Staff is requesting that Town Council grant a waiver of the Town Code of Ordinances Sections 42-196 through 42-199 to allow for work past December 1, 2018, extending work hours and night-time work hours, as necessary, and approved by Public Works. Due to the complexity of this project and the relatively short schedule, it may be necessary to allow work hours from 7:00 a.m. to 7:00 p.m. Monday through Saturday during the summer months. The waiver is to include Saturday work as necessary and approved by Public Works. Staff also recommends a waiver to the Noise Ordinance for those same activities from Section 42-226 through Section 42-229 of the Town Code of Ordinances.

### **FUNDING/FISCAL IMPACT**

The funding will be from the Underground Utility Fund. The fund will receive assessment revenue as well as proceeds from a line of credit which will fund this contract. This project is financed currently with a line of credit and assessment revenues. The issuance of a General Obligation Bond will be discussed at the Town Council meeting. Funding for the drainage portion of the project are contained within the Town's Accelerated Capital Improvement Program - Phase 2.

### **PURCHASING REVIEW**

The Purchasing Division served as the lead during negotiation sessions. The Purchasing Division has reviewed this item and recommends approval.

### **TOWN ATTORNEY REVIEW**

This Resolution has been reviewed and approved by the Town Attorney for legal form and sufficiency. The Town Attorney will review the Construction Management at Risk Contract for legal form and sufficiency prior to execution by the Town Manager.

### **Attachments**

cc: Jane Le Clainche, Director of Finance  
Eric Brown, P.E., Assistant Director of Public Works  
Patricia Strayer, P.E., Town Engineer  
Dean Mealy, Purchasing Manager  
Steven Stern, Undergrounding Project Manager