

TOWN OF PALM BEACH

Information for Town Council Meeting on: May 11, 2021

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Jane Le Clainche, CPA Finance Director

FROM: Dean Mealy, CPPO Town Purchasing Manager

RE: Request for Waiver of Competitive Bid and Award of a Change Order to Murray Logan Construction, Inc. for the Town Marina Project – Lake Drive Park Improvements
Resolution No. 047-2021 - Murray Logan Construction, Inc. - Lake Drive Park

DATE: May 3, 2021

STAFF RECOMMENDATION

Town staff recommends that the Town Council approve Resolution No. 047-2021 authorizing a Waiver of Competitive Bid and Award a Change Order to Murray Logan Construction, Inc. (MLCI) for additional improvements to Lake Drive Park, which were included as part of the overall scope for the Town Marina Project.

GENERAL INFORMATION

The Town Council approved the project scope for additional improvements to Lake Drive Park at the April 14, 2021 Town Council meeting (Special Exception with Site Plan Review No Z-21-00337). Construction plans were prepared by Nievera Williams and W.F. Baird, and those plans were provided to the general contractor for the Town Marina Project.

Resolution No. 17-2020 for the Town Marina Project, which also incorporated improvements to Lake Drive Park, was previously awarded to MLCI.

As part of the original bid amount of \$32,968,000 submitted for the Town Marina Project, MLCI included \$773,284.75 for the Lake Drive Park Improvements.

The original scope of the award included the following:

- Site work (Palm Way Dock from Lake Trail to Bulkhead) = \$45,280
- Site work (Brazilian Dock from Lake Trail to Bulkhead) = \$59,330
- Site work (Australian Dock from Lake Trail to Bulkhead) = \$57,790
- Site work (Peruvian Dock from Lake Trail to Bulkhead) = \$60,845
- Site work (Lake Trail Tie Ins & Restoration) = \$61,755.00

- Paving & Striping (Brazilian Lot) = \$84,444.50
- Paving & Striping (Australian Lot) = \$70,908.00
- Paving & Striping (Peruvian Lot) = \$55,532.25
- Irrigation = \$204,953.75
- Landscaping = \$26,577.50
- Landscaping (other – benches, signage, etc.) = \$16,468.75
- Garbage Collection Area = \$29,000

Based on the Town Council decision for additional work at Lake Drive Park, MLCI was asked to provide an updated proposal for the additional work. The initial proposal of Probable Construction Costs dated March 29, 2021, from MLCI was \$5,485,560.15 for Lake Drive Park. Subsequently to the initial proposal from MLCI, a revised proposal in the amount of \$4,039,938.04 was submitted after MLCI and Burkhardt Construction Inc. had additional time to secure actual bids.

The Town held negotiations with both MLCI, and Burkhardt Construction Inc., who serves as the sub to MLCI, on April 29, 2021. The final negotiated amount, including contingency, is \$4,007,551.29. The negotiations produced an additional \$32,286.75 of savings. Below is a summary table outlining the initial cost estimates presented at the April 13, 2021, Town Council meeting and the final budget, as well as the updated funding sources.

Expenses	April 13th Estimate	Final Budget
Lake Drive Park Project Costs	\$5,689,859.00	\$4,226,698.50
Contingency	\$568,986.00	\$375,139.65
Deducts For Asphalt Lots And Modified Electric Screening	-\$873,296.00	included above
Sub-Total	\$5,385,549.00	\$4,601,838.15
Deducts From Current Contract W/MLCI	-\$773,285.00	-\$562,000.00
Additional Negotiated Cost Reductions	\$0.00	-\$32,286.75
Net-Total	\$4,612,264.00	\$4,007,551.40

Funding		
Town Funding - Marina Fund Reserves	\$1,133,500.00	\$1,133,500.00
Town Funding - General Fund Unassigned Fund Balance	\$978,764.00	\$374,051.40
Fundraising Commitment	\$2,500,000.00	\$2,500,000.00
Total Funding	\$4,612,264.00	\$4,007,551.40

The justifications for the Waiver of Competitive Bid are as follows:

1. Plans are not in a state that they could be put formally out to bid in time to complete the project at the same time as the marina.

2. To construct the park independently at a later date would not only disrupt the full operations of the marina, but it would cost the Town significant dollars to temporarily restore the park for marina operations until construction of the park took place. Plus, additional MOT would need to be considered to allow the boat owners to access their boats if the construction was to take place after the marina was open.
 - a) If a decision to independently begin construction after opening of the marina with a full bidding process, parking would not be available to patrons utilizing the amenities when utilizing their vessels.
3. The current construction site would not accommodate two (2) contractors to work simultaneously due to confined space.

Items that were also considered in the request for a Waiver of Competitive Bid are as follows:

- MLCI received plans to provide a change order request for the Lake Drive Park Improvements on April 20, 2021.
- The plans were immediately sent to Burkhardt Construction, Inc. to perform quantity surveys to put together the estimate.
- Two (2) of the larger scopes of work were also sent out to contractors for competitive pricing. The contractors selected have performed work for both Burkhardt Construction, Inc. and the Town in the past, and are capable of quality workmanship and successful completion of their subcontract agreements. Burkhardt Construction, Inc. received three (3) competitive landscape/irrigation quotes on April 23, 2021 and selected the lowest qualified subcontractor. All of which have been reviewed by Town Purchasing.
- We received two (2) proposals to furnish and install the Belgian pavers. We received the second price on April 27, 2021. Both prices were competitive. This line item has also been reviewed by Town Purchasing.
- In order to successfully complete the rest of the work within the time frame of the marina construction, Burkhardt Construction, Inc. and MLCI will be self-performing.

Staff recommends that the Town Council approve Resolution No. 047-2021, approving a Waiver of Competitive Bid and issue a change order to P.O. #200662, to Murray Logan Construction Inc., in the amount of \$3,635,043.64, and to establish a task budget of \$4,007,551.29 based on the facts presented. A Formal Waiver of Competitive Bid for the additional work in the park is recommended to meet all scheduled deadlines.

FUNDING/FISCAL IMPACT

This work is funded as approved at the April 14, 2021, Town Council meeting and the budget amendment Ordinance which appropriates \$1,133,500 from the Marina Fund Reserves, \$2,500,000 from donations, and the balance from the General Fund Unassigned Fund Balance. The General Fund Reserve transfer will be reduced from the amount originally appropriated of \$1,123,108 to \$374,052.

PUBLIC WORKS REVIEW

Public Works has reviewed and concurs with the recommendation.

TOWN ATTORNEY REVIEW

This format has been utilized by the Town in previous recommendations and was approved by the Town Attorney.

Attachment

cc: Jay Boodheshwar, Deputy Town Manager
Carolyn Stone, Assistant Town Manager
Paul Brazil, P.E., Public Works Director
Eric Brown, P.E., Assistant Director of Public Works
Jason Debrincat, P.E., Senior Project Engineer