



Pinellas County

Staff Report

File #: 19-1571A, **Version:** 1

Subject:

Change Order No.1 (Final) for cancellation of the contract with KAT Construction & Materials, Inc. for the Biosolids Valve and Piping Modification project at South Cross Bayou Water Reclamation Facility.

Recommended Action:

Approval of Change Order No.1 (Final) for cancellation of the contract with KAT Construction & Materials, Inc. for the Biosolids Valve and Piping Modification project at South Cross Bayou Water Reclamation Facility.

- This project was to repair and coat the sludge gas holding tank and install a new pump mixing system including the replacement of valves, instrumentation and controls for process operation.
- After initial inspection of the tank by County Utilities Engineering and Plant Operations, it was determined that it was not feasible to remove the tank for coating and that a new tank needed to be installed, which could not be provided by this contract.
- The Board of County Commissioners awarded this project to KAT Construction & Materials, Inc. on February 26, 2019 in the amount of \$2,586,330.00.
- Final review of the project occurred July 19, 2019 with a reduction in price of (\$2,503,642.80) based on the difference between estimated and final quantities utilized.
- The \$82,687.20 expense associated with this termination are a result of costs incurred by KAT for overhead, bonding, insurance and assorted engineering fees.

Contract No.189-0044-CP(RO); PID No. 003208A; reducing the contract amount by (\$2,503,642.80) for a revised contract total of \$82,687.20. Authorize the Chairman to sign and the Clerk of the Court to attest.

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.4 Invest in infrastructure to meet current and future needs

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of county services and support

Summary:

Change Order No. 1 (Final) reduces the Board approved expenditure by (\$2,503,642.80) and cancels the contract. The holding tank is not repairable, and a determination was made that a new tank will need to be installed. The reduction in expenditure is due to the difference between estimated and final quantities, and balance of unspecified work not utilized. Final review of this project was accepted on July 19, 2019. The retainage amount will be released to the contractor upon execution

of the Change Order No. 1 (Final).

Background Information:

This contract was originally awarded by the Board of County Commissioners on February 26, 2019, in the amount of \$2,586,330.00 for a total construction duration of 210 consecutive calendar days.

The purpose of the project was to repair and coat the sludge/gas holding tank, furnish and install a new pump mixing system and install new plug valves and piping for sludge feed lines to the two anaerobic digesters. The project also included the replacement of existing plug valves and actuators on sludge transfer piping, and the replacement of instrumentation and controls for process operation.

A construction coordination meeting was held on May 2, 2019 with the contractor and their sub-contracted structural engineer to evaluate the feasibility of piston removal for coating of the tank. It was determined that a signed and sealed lifting plan could not be provided as dictated by the contract and a new tank will need to be installed.

Fiscal Impact:

Original estimated expenditure not to exceed: \$2,586,330.00
Decrease due to change order No. 1 (Final): (\$2,503,642.80)

Revised estimated total expenditure: \$82,687.20

Staff Member Responsible:

Megan Ross, Director, Utilities
Joe Lauro, Director, Administrative Services

Partners:

N/A

Attachments:

Change Order No.1 (Final)