



Pinellas County

Staff Report

File #: 22-1185A, Version: 1

Subject:

Increase of funding request for Utility Work by Highway Contractor Agreement and Three-Party Escrow Agreement with the Florida Department of Transportation for State Road 55/U.S. Highway 19 project from State Road 580 to Northside Drive.

Recommended Action:

Approval of additional funding for Utility Work by Highway Contractor Agreement (UWHCA) and Three-Party Escrow Agreement with the Florida Department of Transportation (FDOT) for State Road 55/U.S. Highway 19 project from State Road 580 to Northside Drive.

- Requesting approval of additional \$1,506,022.15 for wire transfer to FDOT delivered by August 30, 2022.
- Additional funds needed due to final cost exceeding engineering estimate in the amount of \$1,506,022.15 due to final lowest bids received by FDOT as a part of a joint project with FDOT and the County. Final project cost increased due to market conditions from \$8,889,040 to \$10,395,062.15.
- The contract agreement was approved by the Board of County Commissioners on April 7, 2022 and included engineering estimated costs for two joint FDOT projects.
- The County was notified by FDOT of the official bid results on June 17, 2022, which included the final construction cost of \$10,395,062.15. An additional wire transfer of \$1,506,022.15 to FDOT is now required.
- Approved agreement includes work for relocation of underground water transmission and water distribution infrastructure to accommodate roadway and drainage improvements by FDOT within its right-of-way. Work also includes the removal of one 36" water valve, replacement of three 36" water valves, and replacement of one 42" water valve.
- This joint project process is the most efficient option to complete needed repairs and relocation of County infrastructure located in the FDOT project areas and right-of-way areas.
- Funding derived from the Water Renewal and Replacement Fund.

FDOT Federal Project ID D721-023B; Financial Project ID No. 256774-2-52/56/62-01; PID No. 001522A: Additional funding in the amount of \$1,506,022.15 is necessary for utility work cost of \$10,395,062.15.

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

5.3 Ensure effective and efficient delivery of county services and support

Summary:

The purpose of this UWHCA is to provide for relocation of underground water transmission and water distribution infrastructure, in conjunction with roadway and drainage improvements by the FDOT along U.S. 19 from State Road 580 to Northside Drive. During design, the County identified four (4) large diameter water valves just outside of the North Booster Station that are leaking and/or not functioning. Two (2) 36" valves are leaking. One (1) will be replaced and one (1) will be permanently removed. Another 36" valve and a 42" valve is not functioning and need to be replaced. The large diameter valves are required to maintain operational functionality of the North Booster Plant and the water transmission facilities. The Three-Party Escrow Agreement is for the purpose of establishing an escrow account for payment by FDOT to the contractor for the County's utility relocation work. The planned timeframe for FDOT's contractor to begin construction work is September 2022. The agreement is effective upon full execution and will remain in effect until project completion.

The contract agreement was presented and approved by the Board of County Commissioners (Board) on April 7, 2022. The Board approved \$9,777,944.00, which included a potential for bids exceeding the engineering estimate by 10%. Funds were then wired to FDOT on April 8, 2022 in the amount of \$8,889,040.00. This amount did not include the 10% above engineering estimate amount approved by the Board, as it was not required to be wired at that time.

FDOT opened bids on June 15, 2022. The County was notified of the official bid results on June 17, 2022, which included the construction cost of \$10,395,062.15. Thus, an additional wire transfer of \$1,506,022.15 is now required. Based on lowest bid received by FDOT, the engineering estimate was exceeded by approximately 16%, or \$1,506,022.15. This is due to the current volatile market fluctuations and uncertain future material and labor costs the lowest responsive bid exceeded the original estimate.

County staff and the County's Engineer of Record (EOR) have reviewed the FDOT bid tabulations and recommend proceeding. This joint project process is the most fiscally responsible and efficient option to complete needed repairs and relocation of County infrastructure located in the FDOT project areas and ROW.

Background Information:

The County requested to participate in FDOT's UWHCA in March 2013, which provides the ability for the County and FDOT to utilize the same contractor for construction of this project. As such, this Agreement will result in cost savings and efficiencies to both the County and FDOT by reducing the costs for mobilization, maintenance of traffic, site restoration, and project administration as one (1) contractor will be performing all work at the same time.

The Utilities Department does not have staff to construct the utility relocation portion of the FDOT UWHCA project commencing in September 2022. Should the County advertise an Invitation to Bid to complete the utility work, thus relocate the utilities using its own contractor, it may potentially receive higher bids for the work.

The construction sequencing does not allow for relocation of County utilities ahead of the FDOT contractor. If the County were to attempt to relocate its facilities in advance, it would incur additional

cost for maintenance of traffic and surface restoration. Furthermore, Florida Statutes allow for the FDOT contractor to file a claim for every day of delay caused by the County contractor trying to work in the same area as the FDOT contractor.

Fiscal Impact:

Actual construction costs:	\$ 10,395,062.15
FDOT estimated total project cost (wired April 8, 2022):	\$ 8,889,040.00
Additional 10% previously approved by Board (not yet wired):	\$ 888,904.00
Additional funds requested by FDOT:	\$ 617,118.15
Total funds requested for wire to FDOT:	\$ 1,506,022.15

Funding is derived from the Water Renewal and Replacement Fund.

Staff Member Responsible:

Megan Ross, Director, Utilities
Hillary Weber, Deputy Director, Utilities

Partners:

FDOT

Attachments:

FDOT Acceptance Letter
Bid Notification Letter
FDOT Bid Reconciliation Spreadsheet
EOR Award Recommendation
Utility Work by Highway Contractor Agreement
Three Party Escrow Agreement
FDOT Cost Estimate
FDOT Indemnification email
Resolution 06-70
Project Location Map
Wire Transfer Instructions