



# Pinellas County

## Staff Report

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**File #:** 21-021D, **Version:** 1

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### **Subject:**

Emergency takeover agreement with the Guarantee Company of North America USA for the Advanced Traffic Management System project on Alternate U.S. Highway 19 South from State Road 60 to 34th Street North.

### **Recommended Action:**

Approval and execution by the County Administrator of the emergency takeover agreement with the Guarantee Company of North America USA ("Surety" company to Florida Safety Contractors, Inc.) for the Advanced Traffic Management System (ATMS) project on Alternate U.S. Highway 19 South from State Road 60 to 34th Street North (U.S. 19).

- This contract was for the installation of fiber optic cable, closed circuit television cameras and dynamic message signs on Alt U.S. 19 South from State Road 60 to 34th Street North (U.S. 19).
- The awarded contractor, Florida Safety Contractors, Inc. (FSC) shut down their business as of December 21, 2020, causing the Surety to take over completion of the project.
- This takeover agreement is necessary for the Surety to complete the project. There is no change to the original contract amount.
- Once the takeover agreement is executed, the Surety will assign the project to the "completion contractor" and a new project schedule and notice to proceed will be established to complete the remaining work on the project. At the time of FSC shutdown, the project was approximately 75% complete.
- The intent is to have the project fully completed before the June 30, 2021 expiration of the grant agreement with the Florida Department of Transportation.
- The County has paid FSC the sum of \$1,697,354.19 with a remaining contract balance of \$462,827.06 that will be used to pay the Surety for completion of the work.
- The Board of County Commissioners (Board) originally awarded this contract on October 23, 2018 in the amount of \$2,160,181.25 for a duration of 365 calendar days from issuance of notice to proceed.

Contract No. 178-0458-CP (JJ); PID 002598A; in the amount of \$2,160,181.25 through a revised completion date of June 30, 2021. There is no change to the contract amount.

### **Strategic Plan:**

Foster Continual Economic Growth and Vitality

4.4 Invest in infrastructure to meet current and future needs

4.5 Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity

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:**

On November 24, 2020, FSC informed the County of their intent to shut down their business resulting in their inability to complete the project. County staff has been working with FSC and their Surety to determine how the project will be completed. The Surety has provided a takeover agreement that establishes the grounds under which the project will be completed. The Surety is currently attempting to find a contractor willing to serve as the "completion contractor".

Once the takeover agreement is executed, the Surety will assign the project to the "completion contractor" and a new project schedule and notice to proceed will be established to complete the remaining work on the project. At the time of FSC shutdown, the project was approximately 75% complete. The intent is to have the project fully completed before the June 30, 2021 expiration of the grant agreement with the Florida Department of Transportation.

**Background/Explanation:**

The Board originally awarded this contract on October 23, 2018 in the amount of \$2,160,181.25 for a duration of 365 calendar days from issuance of notice to proceed for the purpose of installing fiber optic cable, closed circuit television cameras and dynamic message signs on Alt US 19 S from State Road 60 to 34th Street N (US 19).

**Fiscal Impact:**

Original not to exceed award amount: \$2,160,181.25

Original project funding was provided by the Ninth Cent Local Option Fuel Tax (50%) and grant funding through the Florida Department of Transportation (50%). The remainder of the work will be paid from the balance of the contract in the not to exceed amount of \$462,827.06 from the same funding sources. Payments for work completed will be made to the Surety.

**Delegated Authority:**

Authority for the County Administrator to approve and execute this emergency takeover agreement is granted under Code Section 2-181(b)(1).

**Staff Member Responsible:**

Kelli Hammer Levy, Director, Public Works

Merry Celeste, Division Director, Purchasing and Risk, Administrative Services

Joe Lauro, Director, Administrative Services

**Partners:**

N/A

**Attachments:**

Takeover Agreement