



Pinellas County

Staff Report

File #: 21-1707A, **Version:** 1

Subject:

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

Recommended Action:

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

- 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 removal of one 36" water valve, replacement of three 36" water valves, and one 42" water valve.
- Anticipated maximum total project cost for utility work, contingencies, construction engineering inspection and staff time is \$10,177,944.00.
- An amount of \$8,889,040.00 will be placed in escrow no later than fourteen days prior to FDOT bid advertisement for the anticipated total cost of construction.
- Funding for this project is derived from the Water Renewal and Replacement Fund, over two fiscal years, including FY 2023, as detailed in the Fiscal Impact section of this report.
- The planned date 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,

County PID No. 001522A and FDOT Financial Project ID No. 256774-2-52-01 for an amount not to exceed \$9,777,944.00; Authorize the Chairman to sign and the Clerk of the Circuit 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

5.3 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 Florida Department of Transportation (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.

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.

County Resolution No. 06-70 prohibits the County from indemnifying others under most circumstances. The FDOT has standard boilerplate language they cannot modify, which requires the County to indemnify FDOT to the extent provided by law. Staff and the County Attorney's Office agree that the indemnification requirement is within an acceptable level of risk.

Fiscal Impact:

The initial FDOT project cost estimate for utility work is \$7,729,600.00. The Agreement requires a five percent (5%) administrative fee for mobilization of equipment and maintenance of traffic (MOT), and ten percent (10%) for contingency to address unforeseen circumstances during construction activities totaling \$1,159,440.00. Thus, the estimated official total project cost for utility work is \$8,889,040.00. At least fourteen (14) calendar days prior to the date FDOT advertises the Project, the County will pay FDOT, in escrow, an amount equal to \$8,889,904.00.

Furthermore, the estimated expenditure not-to-exceed amount for utility work is \$9,777,944.00. This amount is based on the potential lowest responsive, responsible bid exceeding the official FDOT estimate by up to ten percent (10%), or \$888,904.00. If the contractor low bid selected by FDOT exceeds \$8,889,040.00, by greater than ten percent (10%), the FDOT may elect not to participate in the cost of the utility work, by terms of the Agreement.

FDOT initial cost estimate:	\$ 7,729,600.00
MOT (5%) and Contingency (10%):	\$ 1,159,440.00
FDOT estimated total project cost:	\$ 8,889,040.00
Potential for bids exceeding initial cost estimate (10%):	\$ 888,904.00
Estimated expenditure not-to-exceed:	\$ 9,777,944.00

Funding is derived from the Water Renewal and Replacement Fund. The cost estimate is 33.6% higher than previously anticipated due to adding four (4) critical valve replacements to the scope of work. Therefore, the amount of this Agreement is not consistent with the fiscal year (FY) 2022

approved Capital Improvement Program (CIP) Budget. The approved FY 2022 CIP Budget for this Project including contract staff time and CEI is \$7,950,000.00. Additional funding of \$2,227,944.00 will need to be added to the FY 2023 Budget. This is necessary to cover additional costs associated with this Agreement including staff time and construction administration.

The revised estimate for the FDOT State Road 55/U.S. Highway 19 project from State Road 580 to Northside Drive is \$10,177,944.00. This includes an estimated \$400,000.00 for consultant CEI and County staff time, which will be obtained under a separate request. This is an increase of \$2,227,944.00 over the approved budget for this project.

Staff Member Responsible:

Megan Ross, Director, Utilities

Partners:

FDOT

Attachments:

Utility Work by Highway Contractor Agreement

Three Party Escrow Agreement

Cost Estimate

Wire Transfer Instructions

FDOT Indemnification email

Resolution 06-70

Project Location Map