



Pinellas County

Staff Report

File #: 22-1187A, 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 the State Road 55/U.S. Highway 19 project from Northside Drive to County Road 95.

Recommended Action:

Approval of additional funding for 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 Northside Drive to County Road 95.

- Requesting approval of additional \$3,284,828.45 for wire transfer delivery by August 30, 2022.
- Additional funds needed due to final cost exceeding engineering estimate in the amount of \$3,284,828.45 due to final lowest bids received by FDOT as a part of a joint project with FDOT and the County. Final cost increased due to market conditions from \$6,432,525.00 to \$9,717,353.45.
- 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 of the official bid results on June 17, 2022, which included the final construction cost of \$9,717,353.45. An additional wire transfer of \$3,284,828.45 to FDOT is now required.
- Approved agreement includes work for relocation of underground water transmission and distribution, reclaimed water, and sanitary sewer infrastructure to accommodate roadway and drainage improvements by FDOT within their U.S. Highway 19 right-of-way.
- 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 and Sewer Renewal and Replacement Funds.

FDOT Federal Project ID D721-035B; Financial Project ID No. 256774-3-56-01/02 and 256774-3-62-01; PID No. 001523A: Additional funding in the amount of \$3,284,828.45 is necessary for utility work cost of \$9,717,353.45.

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 the relocation of underground water transmission and distribution, reclaimed water, and sanitary sewer infrastructure in conjunction with roadway and drainage improvements by the FDOT, along US 19 from Northside Drive to County Road 95. The purpose of the Three-Party Escrow Agreement is to establish an escrow account for payment by FDOT to the contractor for the County's utility relocation work. The planned time 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, which is expected to be completed within five (5) years.

The contract agreement was presented and approved by the Board of County Commissioners (Board) on April 7, 2022. The Board approved \$7,075,777.50, 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 \$6,432,525.00. 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 \$9,717,353.45. Thus, an additional wire transfer of \$3,284,828.45 is now required. Based on lowest bid received by FDOT, the engineering estimate was exceeded by \$3,284,828.45. 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: \$ 9,717,353.45

FDOT estimated total project cost (wired April 8, 2022): \$ 6,432,525.00

Additional 10% previously approved by Board (not yet wired): \$ 643,252.50
Additional funds requested by FDOT: \$ 2,641,575.95
Total funds requested for wire to FDOT: **\$ 3,284,828.45**

Funding is derived from the Water and Sewer Renewal and Replacement Funds.

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