

**Indian River County, Florida
Department of Utility Services
Board Memorandum**

Date: June 29, 2021

To: BOARD OF COUNTY COMMISSIONERS

Through: Jason E. Brown, County Administrator
Kristin Daniels, Director, Office of Management & Budget

From: Vincent Burke, PE, Director of Utility Services

Prepared By: Jennifer Hyde, Purchasing Manager

Subject: Update to South County Reverse Osmosis Water Treatment Plant Bid Award

Background:

On June 15, 2021, the Board of County Commissioners (BCC) awarded Bid #2021026 to TLC Diversified, Inc., (TLC) for improvements to the South County Reverse Osmosis (SCRO) Water Treatment Plant (WTP) in the amount of \$10,498,777.00. The BCC also authorized the addition of necessary federal clauses to the sample agreement to facilitate eligibility for the \$6 million American Rescue Plan (ARP) Act funding earmarked for the work.

The Notice of Award was made to TLC at the amount bid, but with the request to indicate whether the addition of federal clauses would incur additional expense not anticipated in the bid. The incorporation of the Davis-Bacon Act in the agreement requires an increase in the wages for the labor categories of electrician, operator (backhoe/excavator/track hoe), operator (crane), ironworker (structural) and plumber/pipefitter, in accordance with the prevailing wage determination. A breakout of the impacted labor categories, the rate as bid, prevailing wage and number of hours anticipated is available in the Purchasing Division. The total increase reflected in this breakout is \$166,738.65, which the Indian River County Department of Utility Services (IRCDUS) and Engineer of Record, Kimley-Horn and Associates (KHA), have both determined to be appropriate.

The addition of the cost for compliance with federal terms brings the total cost of the work to \$10,665,515.65, which is below the engineer's opinion of probable cost. The next low bid for the work (without including any additional expenses for compliance with Davis-Bacon and the other federal clauses) was \$10,683,000.00.

Funding:

Funds for the additional \$166,738.65 are derived from the SCRO Membrane & Retrofit account in the Utilities operating fund. Utilities operating funds are generated from water and sewer sales.

Consent Item

Account Name	Account Number	Amount
S R/O Membrane & Retrofit FY 21-22	47121936-044699-19503	\$83,369.33
S R/O Membrane & Retrofit FY 22-23	47121936-044699-19503	\$83,369.32

Recommendation:

Staff recommends the Board of County Commissioners modify the award of Bid 2021026 to TLC Diversified, Inc., adding \$166,738.65 to bring the total bid award to \$10,665,515.65, approve the updated sample agreement, and authorize the Chairman to execute the agreement after receipt and approval of the required public construction bond and insurance, and after approval by the County Attorney as to form and legal sufficiency.

Attachment:

Sample Agreement