



**INDIAN RIVER COUNTY, FLORIDA
DEPARTMENT OF UTILITY SERVICES**

Date: January 26, 2017
To: Jason E. Brown, County Administrator
From: Vincent Burke, P.E., Director of Utility Services
Prepared By: Arjuna Weragoda, P.E., Capital Projects Manager
Subject: Pinson Subdivision Petition Water Assessment Project UCP #4126 – Bidding Status: Bid No. 2017015

DESCRIPTIONS AND CONDITIONS:

On September 30, 2016, the Indian River County Board of County Commissioners (BCC) adopted Resolution III, confirming the special assessments in connection with water main extension from 2000 to and including 2066 42nd Place and including 4206, 4216, 4220, 4230, 4240, 4250, and 4260 20th Avenue within Pinson Subdivision, and including 2226 42nd Street in Indian River County, Florida. The project was advertised November 28, 2016, and opened December 21, 2016.

ANALYSIS:

The engineer’s opinion of probable construction cost for the project was estimated to be \$48,406.95.

Although twenty four (24) potential contractors were listed as plan holders on Demandstar, only one (1) prospective bidder submitted a bid proposal.

Bids Opened December 21, 2016

| Bidder | Location | Total Bid Amount | Increase in Price |
|---------------------|------------------|-------------------------|--------------------------|
| Johnson Davis, Inc. | Lantana, Florida | \$119,100.00 | 146% |

Given that the lowest bid price is approximately \$71,000 or 146% over the budgeted amount and only one bid was submitted, staff reached out to Indian River County Department of Utility Services (IRCDUS) labor contractor, Blue Goose Construction. Furthermore, the county has seen an increase in cost on bids opened recently. A list of the anticipated labor and materials quantities was prepared and bid prices from the Blue Goose Construction contract was used to calculate the labor expense. The total material cost was based on unit prices derived from the Annual Contract for Utility Warehouse Stock. The total labor cost estimate for Blue Goose Construction is \$41,480.98 (See Attachment 1). The total construction labor cost including the material cost is therefore \$63,449.30, a 31% increase from the initial estimate. Please note that the county will purchase the material directly from the approved vendor(s) utilizing our tax exempt status. The total preliminary assessment cost was \$48,406.95,

divided into fifteen (15) benefitting parcels. The deficit will be funded through assessment reserves.

FUNDING:

The funds for this project will be derived from the Assessment Fund. Assessment Fund revenues are generated from connection fees paid by the benefitting property owners available in the Utilities assessment fund account. The deficit will be funded via fund revenues.

| Description | Account Number | Amount |
|-------------------------------------|-----------------------|---------------|
| Pinson Subdivision Water Assessment | 473-169000-16525 | \$63,449.30 |

RECOMMENDATION:

Staff recommends, rejection of the bid submitted in response to Invitation to Bid No. 2017015 and approve retaining Blue Goose Construction for the amount of \$41,480.98 and also requests that the Board of County Commissioners approve Work Authorization No. 2017-001 (See Attachment 1) and authorize staff to directly purchase materials totaling \$21,968.32.

ATTACHMENT(s):

1. Work Authorization No. 2017-001
2. Blue Goose Construction Quote
3. Materials Cost Estimate