



## INDIAN RIVER COUNTY, FLORIDA DEPARTMENT OF UTILITY SERVICES

**Date:** January 24, 2018

**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:** Fischer Lake Island Subdivision Phase 1 through 6 and Replat of 7, Petition Water Assessment Project UCP 4118 – Resolution IV

### **DESCRIPTIONS AND CONDITIONS:**

On October 4, 2016, the Indian River County Board of County Commissioners (BCC) adopted Resolution III, confirming the special assessments in connection with the water main extension for Fischer Lake Island Subdivision Phase 1 through 6 and Replat of 7 in Indian River County, Florida. The BCC approved Resolution III (2016-104) the confirming resolution, for a total project cost of \$486,424.20, with the following:

- a. Cost per parcel of \$8,107.07
- b. Sixty (60) benefitting parcels as part of the special assessment lien
- c. For benefitting parcels above in point b, allow property owners to finance the capital cost of \$8,107.07 for up to 10 years, payable in ten equal yearly installments at an annual interest rate of 5.00% (Set by the BCC each January).

### **ANALYSIS:**

After the adoption of Resolution III (2016-104), the project was advertised December 9, 2016, and opened January 12, 2017. The notice to proceed was issued April 10, 2017. The submitted bid price of \$546,102.93 was 12% higher than what was approved with Resolution III. At the time of adoption of Resolution III, the BCC directed staff add two (2) fire hydrants to the project to be located outside the Fischer Lake Island Subdivision Assessment boundary with the cost borne by the county. Although a deficit of \$59,678.73 existed between Resolution III (2016-104) and the bid award, the BCC on March 7, 2017, in its capacity to oversee the assessment process as the equalizing board per Indian River County Ordinance Chapter 206 (Special Assessments), authorized staff to move forward with the construction of the water main.

The project was substantially completed mid-August, 2017. Final completion was delayed due to Hurricane Irma, rain days and resolving ponding issues raised by the homeowners. The table below summarizes the authorized project cost, and actual project cost. Please note the project cost at Resolution III included \$26,870.00 for surveying, engineering and administration.

Item Description	Estimated Cost at Resolution III	Authorized Project Cost by BCC (2/7/17)	Actual Project Cost at the end of Project
Fischer Lake Island Portion	\$ 486,424.20	\$ 536,074.93	\$ 489,112.93
Fire Protection Portion	-----	\$ 10,028.00	\$ 10,028.00
TOTAL	\$ 486,424.20	\$ 546,102.93	\$ 499,140.93

Although, the final completion for the construction portion was \$73,832 less than what was approved by BCC March 7, 2017, it is worth noting that line item 4 (Install 8" HDPE Dir. Drill Water Main) in the Schedule of Bid items exceeded the estimated quantity by 60%.

Furthermore, the final project cost of \$489,112.93 (\$462,242.93 + \$26,870.00), is higher than the project cost at Resolution III (\$486,424.20) but far less than the 10% increase at Resolution III. Per Indian River County Code of Ordinances Chapter 206.08 "...in no event shall the final special assessments exceed the amount originally assessed." Thus, the same amount of Resolution III is being assessed to each resident although the actual cost of project exceeds the original amount by 0.55% assessed to each benefitting parcel.

**FUNDING:**

To date, Timothy Rose Contracting, Inc. has been paid \$431,557.38. Funds for the majority of the 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.

Description	Account Number	Amount
Fischer Lake Island Water Assessment	473-169000-15525	\$486,424.20
Fischer Lake Island Water Assessment Fund Balance- County Portion (0.55%)	473-169000-15525	\$ 2,688.73
Fire Protection CR 512	472-169000-17515	\$ 10,028.00

**RECOMMENDATION:**

Staff requests authorization from the Board of County Commissioners for the following:

- a. Adopt Resolution IV, with a per parcel cost of **\$8,107.07**.
- b. Approve application for Payment No. 3, Final Pay, in the amount of \$40,713.55, to Timothy Rose Contracting, which will release any further obligations of the Contractor by the County.

**ATTACHMENT(s):**

- 1. As Built-Final Resolution IV
- 2. Final Pay to Timothy Rose Contracting, Inc.