

**INDIAN RIVER COUNTY
OFFICE OF MANAGEMENT AND BUDGET
PURCHASING DIVISION**

DATE: June 2, 2023

TO: BOARD OF COUNTY COMMISSIONERS

THROUGH: John A. Titkanich, Jr., County Administrator
Kristin Daniels, Director, Office of Management and Budget

FROM: Jennifer Hyde, Purchasing Manager

SUBJECT: Second Extension and Modification to Agreements for Utilities Labor Contract (RFP 2020039)

BACKGROUND:

On July 7, 2020, the Board of County Commissioners approved the award of RFP 2020039 for the construction, repair, or replacement of various water transmission and distribution, wastewater collection and transmission, and reclaimed water transmission system elements at various locations throughout Indian River County to Blue Goose Construction, LLC (“Blue Goose”), CK Contractors & Development, LLC (“CK”), and Hinterland Group, Inc. (“Hinterland”). On June 14, 2022 the Board approved the First Extension and Modification to the agreements with CK and Hinterland; Blue Goose declined to renew.

CK and Hinterland have both provided quality service during the first extension. CK would only agree to a renewal, if a price increase was made. Because the Department wants to keep more than a single firm under contract, they accepted the requested increase and decided to extend the offer for price increase to Hinterland, as well.

ANALYSIS:

Staff negotiated a modification to the pricing with both firms based on the change in the Consumer Price Index for All Urban Consumers (CPI-U), South Area from April 2022 through April 2023.

CPI Index at time of First Extension (April 2022)	Current CPI Index (April 2023)	Change (100% multiplier)
279.879	295.315	5.52%

CONSENT

The potential impact to total award amount is shown in the table below. The award amount is the total cost of each item contemplated in the agreement, and does not reflect total anticipated annual expenditure.

Contractor	Total original award	First Extension Update	Second Extension
CK Contractors	\$526,624.27	\$598,508.48	\$631,546.15
Hinterland Group	\$552,364.50	\$627,762.25	\$662,414.73

FUNDING:

Funding comes from various Utilities accounts, depending upon the individual projects and scopes of work.

RECOMMENDATION:

Staff recommends the Board approve the second extensions and modifications to the agreements with CK Contractors & Development, LLC, and Hinterland Group, Inc., and authorize the Chairman to sign them after the County Attorney's approval as to form and legal sufficiency.

ATTACHMENT:

Second Extension and Modification – CK
Second Extension and Modification – Hinterland