

Departmental Item

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

Date: August 23, 2024

To: Indian River County Board of County Commissioners

Through: John A. Titkanich, Jr., County Administrator
Sean C. Lieske, Director of Utility Services

From: Howard G. Richards, PE, Manager - Capital Projects

Prepared by: Robert J. Tobar, EI, Associate Engineer

Subject: Spoonbill Marsh Intake Pump Station Electric Power Cable Replacement Waiver of Bid Requirements and Award to Paragon Electric of Vero, Inc. and Approve Amendment No.2 to Work Order No. 5 to Masteller & Moler, IRCDUS Project ID 12.24.501

Background:

Spoonbill Marsh is a 69-acre, human-made wetland operated by Indian River County within an easement on lands owned by Grand Harbor North Lands, LLC. It is located just east of the US Highway 1 and 53rd Street intersection. Spoonbill Marsh filters brine solution, a salt-heavy byproduct from the Hobart Water Treatment Plant. This demineralized by-product is blended with water from the Indian River Lagoon by an onsite intake pump station, then filtered through palms and mangroves, cleaning the brine before it enters the Indian River Lagoon.

Sometime around October 2023, the cable supplying electrical power to Spoonbill Marsh's intake pump station failed. Due to the critical nature of the pump station to the operation of Spoonbill Marsh, staff immediately rented a generator to get the pump station back online, while initiating an urgent project to replace the electric power cable and restore permanent power to the pump station. To take advantage of construction savings, a planned future project was also started to raise the access roadway to the pump station to provide more stabilization and reduce the likelihood of wetland impacts while incorporating the new electric power cable in the roadway.

On November 30, 2023, Work Order (WO) No. 5 was authorized to Masteller & Moler (M&M) to commence initial engineering and design activities related to the electric power cable. Then on February 20, 2024, Amendment No. 1 to Work Order No. 5 was approved by the Board of County Commissioners (BCC), authorizing M&M to complete civil engineering and related subconsultant services associated with design and permitting of the proposed access roadway and electric power.

Analysis:

The costs for generator rental and fuel are approximately \$17,585.00 and \$13,000.00 per month respectively. Servicing the generator runs another \$10,000.00 per month, plus staff overtime costs to

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work on the weekends. Other unwanted consequences include emitting greenhouse gases and potentially contributing to environmental impacts.

Due to the high costs of renting, operating, and maintaining the generator, Indian River County Department of Utility Services (IRCDUS) deemed it urgent to commence construction of the replacement cable as soon as possible, thus solicited quotes from Johnson-Laux Construction (Gordian Procurement) and Paragon Electric of Vero, Inc. (Paragon) to construct the electric cable using open trench installation. The two (2) quotes were \$1,138,456.88, and \$601,651.00 respectively. Paragon also provided an optional quote for a directional drilling method. Concurrent with bid solicitations, IRCDUS applied and received the Florida Department of Environmental Protection (FDEP) Environmental Resource Permit (ERP) and Nationwide Permit from U.S. Army Corps of Engineers for an open trench method of installation.

Upon further technical analysis after receiving the permits, it was determined that the directional drilling method would have less surface water/wetland impacts and more efficient construction (i.e., cost savings). As a result, M&M had to make modifications to the design for re-permitting. M&M has prepared the attached Amendment No. 2 to WO No. 5 to perform engineering and environmental services related to the re-design for directional drilling method in the amount of \$10,400.00.

Due to the significantly higher quoted price from Johnson-Laux Construction, and change in the preferred method of installation, IRCDUS requested a firm quote from Paragon. Paragon provided the attached quote for directional drilling method in the amount of \$425,378.38. To account for unforeseen conditions or risks during construction, staff propose setting aside a 20% contingency reserve or \$85,076.00 for a total construction budget of \$510,454.38. The contingency reserve will be retained by IRCDUS for the sole purpose of covering cost risks during construction.

The total budget proposed herein is \$520,854.38 including M&M Amendment No. 2 to WO No. 5 (\$10,400.00), Paragon quotation (\$425,378.38) and contingency reserve (\$85,076.00).

Funding:

Expenses, in the amount of \$520,854.38, for this project will be recorded in the Utilities/WIP/Spoonbill Pumps Access Road & Power Cable account, number 471-169000-24501. Since this is an operating capital project, the funds will come from fund balance. Operating funds are derived from water and sewer sales.

| Description | Account Number | Amount |
|---|------------------|--------------|
| Utilities/WIP/Spoonbill Pumps Access Road & Power Cable | 471-169000-24501 | \$520,854.38 |

Recommendation:

Staff recommends that the Indian River County Board of County Commissioners waive the bid requirements for construction of the Spoonbill Marsh Intake Pump Station Electric Power Cable Replacement and approve issuance of a purchase order to Paragon Electric of Vero, Inc. for material and construction in the amount of \$425,378.38 and approve Amendment No. 2 to Work Order No. 5 to Masteller & Moler in the amount of \$10,400.00 for additional design and permitting and authorize staff to hold a contingency reserve for construction cost risks in the amount of \$85,076.00. So long as there are no changes in the budget dollars and upon adequate completion of the work, staff is directed to make final payments.

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Attachments:

- Paragon Electric of Vero, Inc. Quotation
- Masteller & Moler Amendment No.2 to Work Order No.5