

**INDIAN RIVER COUNTY, FLORIDA  
MEMORANDUM**

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**TO:** Jason E. Brown, County Administrator

**THROUGH:** Richard B. Szyrka, P.E., Public Works Director

**FROM:** Eric Charest, Natural Resources Manager

**SUBJECT:** Sector 3 (IRC-1925) and Sector 7 (IRC-1926) Beach and Dune Restoration Project Easement Status and Project Recommendations

**DATE:** September 16, 2020

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**DESCRIPTION AND CONDITIONS**

Since 2018, County staff and project consultants have been actively working at designing, monitoring and permitting the Sector 3 and Sector 7 Beach and Dune Restoration Projects, as well as obtaining the easements necessary for the projects to be deemed viable, cost effective, and constructible. Staff had previously presented information to the Board of County Commissioners (BCC) regarding the need for high percentages of signed easements for successful projects. The BCC concurred with staff at the July 14, 2020 regularly scheduled Commission meeting that a 90% or greater amount of signed easements would be targeted as the goal within each Sector for project success.

This information has been disseminated through targeted mass mailings, BCC Commission meetings, Beach and Shore Preservation Advisory Committee special call and routine meetings, e-mails, phone calls, newspapers and webinars. Local Homeowner/Condo Associations groups, Civic groups and Nature Conservancy groups (e.g. North Beach Civic Association of Indian River County, Coastal Connections, Inc.) have also been instrumental in reaching out to the targeted property owners that have not yet responded to the County's requests. To date, the success of the efforts above can be seen in the numbers of easements the County has received, reviewed and recorded (presented below).

Timelines necessary for the successful completion of the Beach and Dune Restoration Projects require that construction begins on or about November 1, 2020 in order for construction activities on the beaches to be completed by April 30, 2021 (based on sea turtle nesting season restrictions).

- **SECTOR 3 BEACH AND DUNE RESTORATION PROJECT AREA**

Of the targeted 188 easements within the Sector 3 project area, as of September 15, 2020, 103 easements have been received by the County, verified for proper execution and recorded. An additional 17 easements are in the internal process of recording/review. 25 parcels are made up of County, State or Federal owned Public Lands in which a letter of authorization for sand placement has been received. The properties allowing sand placement represent 77% of the targeted responses (145 of the 188 easements). Four (4) properties within the Sector 3 project

area have denied the easement request and will therefore not be receiving sand. 39 properties within the Sector 3 project area have not yet responded to multiple inquiries for easements by the County and others.

**SECTOR 3**  
 188 Properties

Properties	#	%		Approximate Linear Feet (34,597)	%	
Granted Easements	128	68%	<b>77%</b>	25,881	75%	<b>83%</b>
Intent to Grant Easement (in-process)	17	9%		2,821	8%	
Denied Easement – No Sand	4	2%		758	2%	
Pending Responses	39	21%		5,137	15%	

As of September 15, 2020

It should be noted that the Disney property owners have not signed the easement as of this date. Negotiations are ongoing and while the Disney easement is a single easement, the frontage of the Disney property represents 1,350 linear feet of frontage, which is approximately 4% of the total project linear footage.

- **SECTOR 7 BEACH AND DUNE RESTORATION PROJECT AREA**

Of the targeted 82 easements within the Sector 7 project area, as of September 15, 2020, 41 easements have been received by the County, verified for proper execution and recorded. An additional 10 easements are in process of recording/review. The properties allowing sand placement represent 62% of the targeted responses. Five (5) properties within the Sector 7 project area have denied the easement request, and will therefore not be receiving sand. 26 properties within the Sector 7 project area have not responded to multiple inquiries for easements by the County and others.

**SECTOR 7**  
 82 Properties

Properties	#	%		Approximate Linear Feet (10,740)	%	
Granted Easements	41	50%	<b>62%</b>	5,171	48%	<b>59%</b>
Intent to Grant Easement (In-Process)	10	12%		1,192	11%	
Denied Easement – No Sand	5	6%		716	7%	
Pending Responses	26	32%		3,661	34%	

As of September 15, 2020

**EASEMENTS NECESSARY TO DEMONSTRATE CONSTRUCTIBILITY AND SECURE FUNDING**

Partial funding for Sectors 3 and 7 Beach and Dune Restoration Projects is made available through FEMA funding as shown in the table below. FEMA funding requires that projects be completed within 18 months of Project Worksheet issuance. As the Sector 3 and Sector 7 Beach and Dune Restoration Projects are very large and complex, extensions to FEMA funding have previously been requested in order to retain funding availability. The granting of extensions typically requires demonstration of project constructability by the County to FEMA, however the constructability of the project(s) is contingent upon the County obtaining enough easements from the property owners within the limits of the project(s) to justify the protection benefit to the shoreline of such a project. Requesting extensions does run the risk of FEMA not granting the extension, and thus the County losing potential funding sources. Additionally, FDEP Local Governmental Funding Requests (LGFR) grants are also made available for these projects, and these Grants also come with deadlines for project completion, or risk the loss of funds if an extension is not granted. FDEP LGFR 17IR2 requires project completion by 4/30/2021, and grant 19IR2 expires on 11/30/2021.

	SECTOR 3	SECTOR 7
FEMA Hurricane Matthew	\$4,655,204.27	\$2,384,436.65
FEMA Hurricane Irma	\$2,759,508.70	\$971,248.65
FEMA Hurricane Dorian	\$2,335,398.63	\$2,145,296.13
FDEP Grants	17IR2 \$446,551.30	19IR2 \$307,538.00
<b>Total Funding</b>	<b>\$10,196,662.90</b>	<b>\$5,808,519.43</b>

**PROJECT BID STATUS**

On July 26, 2020 the County advertised both the Sector 3 and Sector 7 Beach and Dune Restoration Projects, soliciting bids to restore the dunes and beaches using sand from an approved upland sand source or from the County’s offshore borrow area identified in the respective Florida Department of Environmental Protection (FDEP) Permits.

The bid opening for the Sector 3 Beach and Dune Restoration Project was held on September 9, 2020. Four (4) responsive bids were received for Sector 3 project. Upon review, three (3) of the responsive bidders submitted a bid identifying the use of an upland permitted sand source, while one (1) bidder identified the use of the County’s off-shore borrow area as the means for beach nourishment. All supporting bid documents are on file and available for viewing in the Public Works Department. A detailed bid tabulation can be found below.

<b>Bidders Name</b>	<b>Location</b>	<b>Total Cost</b>
Ahtna Marine & Construction Company, LLC	Pompano Beach, FL	\$17,138,681.81
Great Lakes Dredge & Dock Company, LLC	Oak Brook, IL	\$29,000,250.00
Eastman Aggregate Enterprises, LLC	Lake Worth, FL	\$36,236,131.70
Ceres Environmental Services, Inc.	Brooklyn Park, MN	\$42,455,384.00

County staff, with support from the County's engineering consultant for the project, APTIM, LLC. reviewed the bids. Ahtna Marine & Construction Company, LLC was considered to be the lowest, responsive, responsible bidder for the project with a bid totaling \$17,138,681.81. Ahtna Marine & Construction Company, LLC was to be using a permitted upland sand mine and sand source for the project. On September 14, 2020, Ahtna Marine & Construction Company, LLC requested that their bid be withdrawn due to errors made during their preparation of the bid. This has resulted in Great Lakes Dredge & Dock Company, LLC being considered the successor lowest, responsive, responsible bidder for the project with a bid totaling \$29,000,250.00. Great Lakes Dredge & Dock Company, LLC specified the use of the County's off-shore borrow area as the means for supplying sand for the beach nourishment.

The bid opening for the Sector 7 Beach and Dune Restoration Project was held on September 9, 2020. Two (2) responsive bids were received for Sector 7 project. Upon review, one (1) of the responsive bidders submitted a bid identifying use of the off-shore borrow area, while one (1) bidder identified the use of an upland permitted sand source as the means for beach nourishment. All supporting bid documents are on file and available for viewing in the Public Works Department. A detailed bid tabulation can be found below.

<b>Bidders Name</b>	<b>Location</b>	<b>Total Cost</b>
Great Lakes Dredge & Dock Company, LLC	Oak Brook, IL	\$11,480,682.00
Rio-Bak Corporation	Fort Pierce, FL	\$11,947,000.00

County staff, with support from the County's engineering consultant for the project, Coastal Technology Corporation reviewed the bids. Great Lakes Dredge & Dock Company, LLC is considered to be the lowest, responsive, responsible bidder for the project with a bid totaling \$11,480,682.00. Great Lakes Dredge & Dock Company, LLC specified the use of the County's off-shore borrow area as the means for supplying sand for the beach nourishment.

### **FUNDING**

The estimated cost for the Sector 3 Beach and Dune Restoration Project was anticipated to be \$14,800,000, with the apparent low bid received at \$17,138,681.81. Full funding for the Sector 3 Beach and Dune Restoration Project was available which included the grant amounts shown above for Sector 3 as well as local funding in the amount of \$6,942,018.91 from the Beach Restoration Fund. Full funding for the successor low bid due to the bid withdrawal request from the apparent low bidder was not factored into the FY 20/21 budget, as that successor bid was \$29,000,250.00 resulting in the local funding contribution requirement being \$18,803,587.10.

The Sector 7 Beach and Dune Restoration Project was estimated at \$9,900,000, with the apparent low bid received at \$11,480,682.00. Funding for this project has been programmed into the upcoming FY 20/21 budget request including the grant amounts shown above as well as local funding of \$5,672,162.57 for Sector 7 from the Beach Restoration Fund. However, if a sufficient number of easements are not obtained, constructability of the project is not viable and the construction commencement date of November 1, 2020 will not be possible.

Account Name	Account Number	Budgeted Amount
Sector 3 Beach and Dune Restoration Fund	12814472-066514-17001	\$14,800,000.00
Sector 7 Beach and Dune Restoration Fund	12814472-066512-17001	\$9,900,000.00

### **RECOMMENDATION**

Previously, staff recommended an easement percentage of 90% or greater in each respective sector in order to proceed with the Beach and Dune Restoration Project(s) which was accepted by the BCC. The recommendations below take into account that goal, as well as financial considerations after bid opening.

- **SECTOR 3**

Sector 3 easements are currently at 77% of the targeted properties representing 83% of the total project area, several of the unresponsive easements targeted are located in one area. Although the goal of easements has not yet been met, staff would recommend moving forward with this project with the continued pursuit of remaining easements while the contractor mobilizes and prepares for sand placement beginning November 1, 2020 if not for the fact that the apparent low bidder has requested to withdraw their bid, and the successor low bid of \$29,000,250.00 was not fully budgeted. Thus, staff recommends the following actions for the Sector 3 Beach and Dune Restoration Project:

1. Direct staff to file a claim on the bid bond posted by Ahtna, the apparent low bidder, since their request for withdrawal of their bid, received after the 24 hour withdrawal period under the bid documents, makes this project unable to move forward financially and the County has invested significant costs in preparing the project for bid this year and time in the review of their bid prior to request for withdrawal.
2. Reject all bids due to the significant difference between the Engineers Opinion of Probable Cost and the costs shown in the remaining responsive bids received.
3. (A) Delay the Sector 3 project until next year (2021/22) in order to attempt to solicit more competitive bids when the industry may be more receptive to projects the size of our Sector 3 project. Staff will also be seeking extensions from FEMA and FDEP for their funding awards, however, it should be noted that if not approved, these grant funds would be lost.

(B) Rebid a portion of the Sector 3 project area this year (to be determined by the Engineer). This approach would require that the remaining portion of the Sector 3 project area be bid next year (construction to take place in 2021/22). A smaller project size could be completed during our construction window, even with rebidding a revised project area and might result in more competitive bids received.

- **SECTOR 7**

As the current percentage of easements for the Sector 7 Beach and Dune Restoration Project is

currently at 62% of the targeted easements, staff recommends that the Sector 7 project be delayed until next year (2021/22) in order to attempt to achieve a sufficient number of easements to reach the protection benefit threshold for an effective project. Staff will seek extensions from FEMA and FDEP for their funding awards, however, it should be noted that if not approved, these grant funds would be lost.

**ATTACHMENTS**

1. APTIM Bid Recommendation Letter 9/15/20
2. Coastal Technology Corporation Bid Recommendation Letter 9/15/20

**APPROVED AGENDA ITEM FOR SEPTEMBER 22, 2020**