

Indian River County, Florida  
Department of Utility Services  
Board Memorandum

**Date:** January 27, 2024

**To:** 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

**Subject:** Change Order to Hinterland Group, Inc. for Construction of Lift Station #5  
Improvements  
IRCDUS Project ID: 21.23.504

**Background:**

Lift Station #5 (referred to as Indian River Estates) was originally constructed and put into service in 1986. The station has had minimal upgrades since that time, leaving a necessity to not only increase the capacity of the station for additional flow from development in the area, but also upgrades to conform with current electrical, regulatory, and Indian River County Department of Utility Services (IRCDUS) standards.

On March 23, 2023, the Board of County Commissioners (BCC) approved an agreement with Griffon Residences, LLC, dba Crest Griffon, LLC, for the cost sharing for the Construction of Lift Station #5 Improvements (IRCDUS Project ID 21.23.504). Lift Station #5 serves the Griffon development and Indian River Estates Adult Community Total Services (ACTS) development on the adjacent property. Under the agreement, the total cost of Lift Station #5 improvements is \$202,163.39, of which the County's share is \$42,000.00.

On May 17, 2023, Purchase Order (PO) #96288 in the amount of \$202,163.39 was issued to Hinterland Group (Hinterland) in accordance with their agreement awarded June 4, 2019, by the BCC resulting from bid 2019047. PO #96288 was issued for the construction of Lift Station #5 improvements per Hinterland's proposal.

**Analysis:**

In conjunction with the construction of Lift Station #5 improvements, it was planned for Florida Power & Light Company (FPL) to install a new main transformer to upgrade the station to three-phase 480V power, to accommodate upgrades to the lift station control panel and pumps. Due to delays by FPL to complete the transformer upgrade, the original schedule for Hinterland to complete construction was also delayed.

To keep the collection system in operation to service Indian River Estates ACTS development, the lift station was placed on bypass while under construction, incurring daily charges for temporary bypass pumping. The FPL delays resulted in extended time and charges beyond what was originally included in PO #96288. To cover the additional charges necessary for continuity of the collection system operation

(i.e., keeping the lift station on bypass pumping), some items in the Hinterland scope of PO #96288 were placed on 'hold' pending a change order to Hinterland for the cost increases.

IRCDUS staff held meetings with Hinterland to finalize plans and schedule to complete Lift Station #5 improvements. To resume construction of the scope-items that were placed on hold, and provide bypass pumping through completion of the project, Hinterland provided the attached Change Order (CO) Proposal for \$189,978.16. All items listed in the CO were originally included in the agreement Griffon Residences, LLC, with an adjustment to increase in the number of days for bypass pumping.

Hinterland's Change Order Proposal incorporates all remaining work and time extension required to complete Lift Station #5 improvements. Approval of Hinterland's Change Order Proposal by the BCC will increase the total budget for Lift Station #5 Improvements to \$392,141.55.

**Funding:**

Funds in the amount of \$189,978.16 for this project are derived from capital funding, and will come from the Impact Fee/WIP/Lift Station #5 Expansion account, number 472-169000-23504. Capital fund revenues are generated from impact fees. Furthermore, new growth has created the need for the expansion or construction of the facilities, and that new growth will benefit from the expansion or construction of the facilities.

Description	Account Number	Amount
Impact Fee/WIP/Lift Station #5 Expansion	472-169000-23504	\$189,978.16

**Recommendation:**

Staff recommends that the Board of County Commissioners approve Change Order Proposal with Hinterland Group, Inc. for \$189,978.16, and authorize the Purchasing Division to approve an increase of Purchase Order #96288 to \$392,141.55. So long as there are no changes in the dollar amount under the Purchase Order, upon adequate completion of the work set forth in the Purchase Order, staff is directed to make final payment and release any retainage to Hinterland Group, Inc., after review and approval by the Purchasing Manager and the County Attorney's Office.

**Attachment:**

- Hinterland Group Change Order Proposal