

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

Date: January 24, 2025

To: Indian River County Board of County Commissioners

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

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

Subject: Award of RFP 2024035 for West Regional Wastewater Treatment Facility Clarifiers 1 and 2 Capital Maintenance, IRCDUS Project ID 22.23.556

Background:

Indian River County Department of Utility Services (IRCDUS) owns and operates the West Regional Wastewater Treatment Facility (WRWWTF), which has a two (2) million gallons per day (MGD) annual average permitted capacity. The WRWWTF is an advanced activated sludge wastewater treatment plant that has undergone multiple expansions, with the recent iteration being phase three.

After the last expansion in 2012, two (2) of the four (4) secondary clarifiers, Clarifiers 1 and 2, were taken offline (but not decommissioned) as they were not required to meet capacity requirements. Current growth trends in the west service area have brought about the need for the additional secondary clarifier capacity. Accordingly, both Clarifiers 1 and 2 will require returning to operational status.

Clarifiers 1 and 2 need to undergo capital maintenance due to the overall condition of the equipment. On October 17, 2023, the Indian River County Board of County Commissioners approved Work Order No. 1 to AtkinsRéalis USA (Atkins), pursuant to the Continuing Contract Agreement for Consulting Engineering Services dated May 2, 2023, to provide technical services for the replacement of the mechanisms and other restoration work for Clarifiers 1 and 2, including development of the scope of work for the construction phase of the project.

In compliance with Florida Statute (FS) 287.055, and on behalf of IRCDUS, the Purchasing Department advertised Request for Proposals (RFP) 2025006 Clarifier Nos. 1 and 2 Improvements ("Project") on September 6, 2024, to identify qualified contractors to perform the required capital maintenance work. This procurement approach, referred to as Qualification-Based Selection (QBS), was selected as the alternative to the traditional design-bid-build (DBB) model, to select the contractor with the "best-value" proposal for the County. This approach also has the advantage of lower design phase cost, minimizing equipment cost variability, and improved contractor performance taking into consideration schedule, cost and quality.

Discussion:

Two (2) proposals were received on October 8, 2024, from Lawrence Lee Construction Services, Inc. (Lawrence Lee) and Razorback LLC. A selection committee comprised of Sean Lieske, Director of Utility

Consent Item

Services; Howard Richards, Manager - Capital Projects; Robert Tobar, Utilities Associate Engineer; and Mike Loveday, Wastewater Superintendent; independently reviewed and scored both proposals in compliance with the instructions and criteria established in the RFP. A public meeting was held on November 26, 2024, to review the results, to discuss arriving at the following ranking of firms:

- 1. Lawrence Lee Construction Services, Inc.
- 2. Razorback LLC

The selection committee’s evaluation resulted in Lawrence Lee having the best-value proposal that is attached to this agenda. Staff proposes to award RFP 2025006 to Lawrence Lee Construction Services, Inc. for \$2,742,000.00, broken down as follows:

Base Contractor Cost including Equipment	\$2,198,000
Additive Alternate Costs	\$ 544,000
Proposed Award	\$2,742,000

The Additive Alternate Costs represents likely conditions requiring additional work that can only be determined upon removal of equipment and material during construction. Staff propose an additional 5%, or \$137,100 project reserves, to cover potential scope variability (contingency for unforeseen circumstances) or owner directed change (e.g., value engineering or design improvements) be approved by the Board for unforeseen work/expenses, which may become necessary to complete the project or adhere to Project objectives. The project reserves will be retained by IRCDUS staff for the sole purpose of covering such costs over and above the vendor’s proposed cost. With the reserves, the total budget for the Project is \$2,879,100.

The approved Fiscal Year (FY) 2023/2024 Capital Elements Improvement (CIE) \$800,000 for this project. An additional \$2,079,100, or 259.9%, will be needed to cover the shortfall for the project, including project reserves. This shortfall will be covered by budget underruns on other projects.

Funding:

Expenses, in the amount of \$2,879,100, for this project will be recorded in the Utilities/WIP/WRWWTF Clarifier 1&2 Rehabilitation account, number 471-169000-23556. 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/WRWWTF Clarifier 1&2 Rehabilitation	471-169000-23556	\$2,879,100

Recommendation:

Staff recommends that the Indian River County Board of County Commissioners approve the final ranking of firms for Request for Proposals 2025006 Clarifier Nos. 1 and 2 Improvements and award to Lawrence Lee Construction Services, Inc. for \$2,742,000, approve the sample agreement, and authorize the Chairman to execute it, after review and approval by the County Attorney as to form and legal sufficiency. Staff also request authorization to hold \$137,100 in project reserves for unforeseen work/expenses for a total budget of \$2,879,100. So long as there are no increases to the budget dollar amount approved, upon adequate completion of the work, staff is directed to make final payment and release any retainage to Lawrence Lee Construction Services, Inc.

Attachments:

- Lawrence Lee Construction Services, Inc., Final
- Sample Agreement