

The special meeting of the Lake Wales City Commission was held on March 28, 2012 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Michael S. Carter.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Terrye Y. Howell; Jonathan Thornhill; John Paul Rogers; Betty Wojcik; Mayor Michael S. Carter.

COMMISSIONERS ABSENT: None.

CITY REPRESENTATIVES PRESENT: Albert C. Galloway, Jr., City Attorney; Dorothy Pendergrass, Acting City Manager; Clara VanBlargan, City Clerk

Agenda Item 1. Roll Call

Agenda Item 2. Awarding the Bid for construction for the relocation of the Mountain Lake Cut-off Road water line

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Sarah Kirkland, Utilities Projects Administrator]

SYNOPSIS

Staff requests commission to give approval for the Award of Bid for the Mountain Lake Cut-off Road water line relocation to Central Site Development, LLC in the amount of \$157,399.26.

STAFF RECOMMENDATION

It is recommended that the City Commission consider taking the following action:

1. Approve the Award of Bid to Department of Transportation contractor, Central Site Development, LLC for the amount of \$157,399.26.
2. Authorize the City Manager to execute the appropriate documents, on the City's behalf.

BACKGROUND

The City received notification in December that The Florida Department of Transportation (FDOT) had let this project to a contractor. Staff contacted Envisors and requested a scope of services to perform the engineering component for the relocation of the water line at this location. Engineering plans, prepared bid documents and acquiring the pertinent permits, was all the work required prior to the placing the project out to bid.

Staff placed the project out to bid on March 12, 2012 and had a pre-bid meeting on March 21, 2012 and a bid open on March 26, 2012. There were two responsive bidders, Marcobay Construction for \$190,000.00 and T B Landmark Construction for \$212,703.00. As shown both bidders came in considerably higher than the estimated budget of \$150,000.00 that was allocated in the 5-yr Capital Improvement budget. Staff is seeking to throw out both bids and award the job to FDOT's contractor, Central Site Development, LLC, for the amount of \$157,399.26. Staff is seeking commission approval for the award of bid in an amount not to exceed \$157,399.26 to Central Site Development, LLC. A copy of the proposed contract has been sent to the City attorney for review.

OTHER OPTION

Chose not to go with the FDOT contractor, go back out to bid and delay construction on the project.

FISCAL IMPACT

\$150,000.00 has been placed in the 5-YR CIP for years 2011-2012 for the relocation of the water main. Because the project bids came in slightly over bid a budget transfer will be performed to ensure the required amount of funds are available for this project.

[End agenda memo]

Utility Projects Administrator Sarah Kirkland reviewed Agenda Item 2.

The following topics were discussed as follows:

Bids and Bid Opening:

- Because the Commission was notified on December 12th Commissioner Rogers asked why the bid did not go out until March instead of in January. Ms. Kirkland said that once they received notification that the job was let, it was brought before the Commission to award the engineering contract, which took place in January. Staff planned to go out to bid in February but it took the engineers longer than expected to get the bid packet together, so it was not ready until the end of March, and they were also waiting to get back all the Health Department permits for the water line, the DOT right-of-way permit and the county permit for Mountain Lake Cut-off Road.
- Commissioner Wojcik said she attended the pre-bid conference. Two bidders plus two vendors came to the meeting and one of the bidders asked for the engineer's estimated cost, which was \$90,000. She said she has attended and conducted a number of pre-bid conferences and usually if questions are asked, the engineer knows the answer. She was therefore very surprised that every time questions were asked of the engineer, many of which were routine questions, he said he would have to look it up and send an addendum.
- Commissioner Thornhill said usually the bid form contains the prices currently considered along with the price for material and labor. The cost of materials should have been pretty close, though labor charges might vary.
- Commissioner Rogers asked if they received the addendum and Ms. Kirkland said it was posted on the city website and was sent to everyone who attended the pre-bid conference. Commissioner Rogers suggested looking more closely at Envisors the next time the City goes out for an engineering contract.
- Mayor Carter asked if Envisors had any other contracts presently with the City. Ms. Kirkland said Envisors was currently working on the C Street project.
- Mayor Carter asked if FDOT's contract price had been confirmed with the contractor and Ms. Kirkland said it had been confirmed.

Estimates:

- Mayor Carter asked what happened to the \$90,000 estimate. Ms. Kirkland explained that the engineer was asked what he thought it would cost and that was his estimate.
- Commissioner Thornhill said the engineer's estimate was about \$100,000 less than the actual cost and he asked if Envisors addressed that. Ms. Kirkland said nothing was said to her, but may have been to the Public Works Director. Commissioner Thornhill said that if Envisors was that far off on the DOT project in just two month's time, he was worried about the estimates for the C Street project.
- Commissioner Thornhill said from now on staff needs to know what the engineer is basing his estimate on because the Commission approves projects based on engineer estimates.
- Finance Director Dorothy Pendergrass said that Envisors gave a slide show presentation at a 2010 workshop on the C Street project and their estimate was two million dollars. Then about thirty days later, their estimate was close to three million dollars. Now the Envisors' estimate for the DOT project has doubled in a short turnaround period. As the Finance Director, she said if Envisors is selected again for another project she guarantees that she will ask them to first

explain the discrepancies on these two projects. She would want their estimate to be pretty close to the actual cost for budgeting purposes because it makes a significant difference when a project comes in doubled.

- Commissioner Wojcik asked if the City has had the same estimate issues with other engineering firms. Ms. Pendergrass said that the only other engineer they've used in the three years she's been here is Kimley Horne and the project they are working on has been on track. It has already been bid out and funding through SRF matches the construction going on. The C Street project is significant with the new estimate of three million dollars. If the construction costs come in significantly higher, which she will not know until the easements are obtained and they are further into the project, it will make a huge difference for budgeting.
- Commissioner Rogers said that a mistake on the estimate may cause them to have to lay off employees in the next budget cycle.
- Commissioner Wojcik said part of what the engineers are paid is for that estimate.

Meet with Envisors:

- Mayor Carter said it might be appropriate to have Envisors come to explain what they based that estimate on and by doing so the Commission will have a better understanding of the engineering side of it.
- Commissioner Wojcik said it might make sense for them to look at the engineering firm's track record.
- Commissioner Rogers said the City has a reputation of being lax on contractors and so upcoming contracts need to be watched closely and the engineer's feet need to be "held to the fire".

Closing comments:

- Commissioner Wojcik said that, if we use the same contractor DOT is using, the project won't be held up and the city won't be charged a late fee, so it made sense to go with them.
- City Attorney Chuck Galloway said when he looked over the contract he had suggested to Ms. Kirkland several changes so that their timeframe and work will coincide with the completion schedule. Ms. Kirkland said the changes were made and the revised contract was sent to the City Clerk.
- City Clerk Clara VanBlargan said if Ms. Kirkland had let her know that the contract was different than what was provided to the City Commission in its agenda packet, she would have given a copy of the revised contract to the City Commission before the meeting.
- The consensus of the City Commission was to ask Envisors to attend the next City Commission meeting to address the Commissioners' concerns regarding estimates. Details as to whether it will be during a workshop or during a regularly scheduled meeting will be worked out later.

PUBLIC COMMENT

There were none.

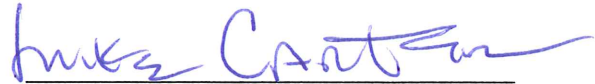
Commissioner Rogers made a motion to approve the Award of Bid to Department of Transportation contractor, Central Site Development, LLC for the amount of \$157,399.26 and authorize the City Manager to execute the appropriate documents, on the City's behalf. The motion was seconded by Commissioner Howell.

By Roll Call Vote:

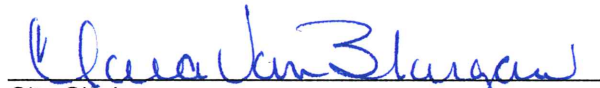
Commissioner Rogers	"YES"
Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Commissioner Wojcik	"YES"
Mayor Carter	"YES"

The motion failed 5-0

There being no further business the meeting was adjourned.



Mayor/Commissioner



City Clerk