



The City of Daytona Beach

Utilities Department

TO: James V. Chisholm, City Manager

FROM: Shannon Ponitz, Utilities Director *SP*

DATE: November 12, 2018

SUBJECT: **Resolution Ratifying an Emergency Expenditure for the Clyde Morris Blvd/Dunn Avenue Manhole Replacement Contract**

REQUEST

Utilities Department requests the City Commission adopt a resolution ratifying an emergency expenditure for the Clyde Morris Blvd/Dunn Avenue Manhole Replacement Contract with a final contract amount of \$583,787.10 with Hazen Construction, LLC, 1599 Tionia Road, New Smyrna Beach, Florida 32168, to perform the emergency work.

PURPOSE

This request is needed to fully comply with City Purchasing Code Section 30-52(b) Emergency Purchases for the selection of a contractor to complete an emergency manhole replacement at the intersection of Clyde Morris Blvd and Dunn Avenue.

CONSIDERATION

City staff identified a deteriorated manhole at the southwest corner of Clyde Morris Blvd and Dunn Avenue that completely collapsed from decades of exposure to sewage gas. The collapsed manhole left an open hole at the southwest corner of the Clyde Morris Blvd/Dunn Avenue intersection. The sewage flowing through this system was unable to be shut down because a 16-inch force main, a 10-inch force main and an 18-inch gravity main discharge through the deteriorated manhole. Wastewater from several lift station service areas, including the Halifax Health Medical Center and B Braun, a large industrial wastewater generator, flows through this manhole.

After discovering this issue, staff began developing a plan for the repair in order to obtain emergency competitive quotes in lieu of a formal bid process as the purchasing code allows because of the vulnerable state of the sewer system and the fear of catastrophic failure impacting health and safety and creating the possibility of losing the County's and FDOT's intersection. As a result of the emergency nature of the project, the extensive bypass pumping, the complex maintenance of traffic and because of all the underground unknowns associated with such an old system, only two quotes were submitted. The two quotes received appeared excessively high (\$544,000 and \$767,000).

Utilities staff asked Hazen Construction, a local contractor, why they did not submit a quote. Hazen explained the project had too much risk involved to warrant pulling crews off other projects they currently had to provide a quote that would be fair to the City and to their company. In an attempt to obtain a fair price for both parties, a contract was negotiated which included a fee of \$12,500 per crew day for every weekday and \$15,000 per crew day for weekend work. A crew day is defined as an 8 hour day with a foreman and two to four workers. Hazen's contract also included payment of all equipment required to be rented by Hazen, all materials and all subcontractors at cost plus 15% markup. The contract was estimated at a not-to-exceed fee of \$350,000, which included an estimated 21 crew days.

Before construction commenced but after the construction contract was executed, final approval by FDOT and Volusia County was required. The contract documents by which the original quotes were obtained consisted of a complete road closure of Dunn Avenue to allow for the bypass pumping of the existing sewage flow; however, after

extensive coordination with the County, a full road closure of Dunn Avenue was denied. The County required the contractor to open cut across Dunn Avenue, during night-time hours, to bury multiple bypass pumping lines to ensure the roadway would be kept open during construction. This work was not included in the contract documents and was not included in the original cost proposal. In addition to this work, during the replacement of the manhole, the 16-inch force main was found to be crumbling due to deterioration from sewage gas. The 16-inch force main had to be replaced across Clyde Morris Blvd from the replaced manhole to the easternmost northbound travel lane of Clyde Morris Blvd. Again this work had to be performed at night. Additional time and compensation was required for these activities resulting in a total project cost of \$583,787.10. Refer to Exhibit A for a breakdown of the overall project costs.

Another contributing factor to the overall cost of the project was the fact that the County and FDOT wanted the work to be completed before Biketoberfest (October 18th-21st). The work began on October 1st and was completed on October 18th. This shortened timeline required multiple crews to work day and night shifts and during two weekends to complete the work.

Section 30-52 (b) of the purchasing code authorizes the City Manager to procure goods and services as necessary to effect emergency repairs or replacement of City equipment, facilities, and property. Emergency purchases will be made in the most efficient and effective means possible. Abbreviated bidding or lowest and best quote procedures may be used where feasible, but competitive selection is not required. This agenda item is provided to ratify the emergency expenditure/contract.

FUNDING

Funds are available in Account No. 428-610000-536-565000-611802.

RECOMMENDATION

Utilities Department recommends the City Commission adopt a resolution ratifying an emergency expenditure for the Clyde Morris Blvd/Dunn Avenue Manhole Replacement Contract with a final contract amount of \$583,787.10 with Hazen Construction, LLC, 1599 Tionia Road, New Smyrna Beach, Florida 32168, to perform the emergency work.

ANTICIPATED SCHEDULE

City Commission Approval December 2018

ATTACHMENTS

Agenda Summary
Hazen Billing Summary
Exhibit A – Project Cost Breakdown
Original Memo to City Manager for Emergency Approval
Project Contract
Sufficiency of Funds