# Loxahatchee River District

Water Reclamation | Environmental Education | River Restoration

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D. Albrey Arrington, Ph.D., Executive Director

## **MEMORANDUM**

TO: GOVERNING BOARD

FROM: D. ALBREY ARRINGTON, Ph.D.

DATE: OCTOBER 7, 2015

SUBJECT: NEIGHBORHOOD SEWERING – JUPITER INLET COLONY

On March 21, 2014 the LRD Governing Board approved the Interlocal Agreement Between Jupiter Inlet Colony, the Loxahatchee River Environmental Control District, and the Village of Tequesta for Joint Participation And Project Funding of the Jupiter Inlet Colony Neighborhood Rehabilitation. The Interlocal Agreement was fully executed on April 10, 2014, and then on June 11, 2015 the Interlocal Agreement was amended and restated to revise the lift station location and clarify some additional details that had emerged through the design process.

As covered under tab 6.C.iii of your notebook, engineering has been completed, the project put out to bid, and bids have been received. As we discussed last month, the apparent low bid by Giannetti Contracting Corporation does not match the proportional breakdown of costs as projected by the project engineer. In particular, the Potable Water bid item is proportionally more of the total bid, while the Roadway bid item is proportionally less of the total bid than the engineer's estimate. The Village of Tequesta has communicated that this presents an unfair condition, because the Village is entirely responsible for the Potable Water costs while the District is responsible for the Roadway costs per the Interlocal Agreement. I have worked with Mayor Comerford and the Village Manager to address the Village's concern.

The attached Agreement Reapportioning Bids provides for the formal reapportionment of the Giannetti Contracting Corporation bid to lower the Potable Water bid by \$317,525.00 and increase the Roadway bid by \$317,525.00. This reapportionment is relative to the executed Interlocal Agreement and does not affect the actual Giannetti Contracting Corporation bid amounts or bid documents.

This Agreement Reapportioning Bids has been reviewed and approved by Mr. Shenkman, and is supported by Mayor Comerford. Mayor Comerford is scheduled to take the Agreement Reapportioning Bid Costs to his Town Commission for approval on October 13<sup>th</sup>. I am awaiting action by the Village of Tequesta.

I believe the proposed bid reapportionment is reasonable and equitable. Therefore, the following motion is offered for your consideration:

"THAT THE GOVERNING BOARD authorize the Board Chairman to execute the attached Agreement Reapportioning Bid Costs for the Jupiter Inlet Colony Neighborhood Rehabilitation."

 $F: Albrey \setminus Board\ Memos \setminus 2015\mbox{-}Jan\_Revised\_JIC\mbox{-}LRD\mbox{-}VOT\_Interlocal\mbox{-}Agreement.docx$ 



#### AGREEMENT REAPPORTIONING BID COSTS

THIS AGREEMENT (hereinafter "Agreement") is made as of \_\_\_\_\_\_\_, 2015 by and among the Town of Jupiter Inlet Colony (hereinafter "Town"), the Loxahatchee River Environmental Control District (hereinafter "District") and the Village of Tequesta (hereinafter "Village")

WHEREAS, the Town, District and Village entered into an Amended and Restated Interlocal Agreement for Joint Participation and Project Funding of the Jupiter Inlet Colony Neighborhood Rehabilitation dated June 11, 2015, (hereinafter referred to as "Interlocal Agreement"); and

WHEREAS, in general, the Interlocal Agreement provides for the installation of a new sanitary sewer system by District, the replacement of pipes, and related appurtenances, comprising a potable water system by Village and certain stormwater drainage and other improvements by Town (hereinafter the "Project"); and

WHEREAS, the Interlocal Agreement provides that one contractor will be retained to construct the entire Project with each party to be financially responsible for its respective portion or share of the Project; and

WHEREAS, in accordance with the Interlocal Agreement, District has produced bid documents, solicited bids, and received bids for the Project; and.

WHEREAS, the low bid for the Project was submitted by Giannetti Contracting Corporation (hereinafter "Giannetti"); and

WHEREAS, the Giannetti bid proposal apportioned the costs of the Project to the parties to the Interlocal Agreement; and

WHEREAS, the Giannetti bid does not match the proportional breakdown of costs as projected by the project engineer, i.e., Roadway bid item (a District Project cost) is proportionally less of the total bid amount while the Potable Water bid item (a Village Project cost) is proportionally more of the total bid amount than the engineer's estimate, thereby skewing the parties financial responsibilities; and

WHEREAS, it is the intent of the parties to this Agreement to reapportion certain costs out of the Potable Water bid item and into the Roadway bid item in order to more accurately allocate Project costs to the appropriate party.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations contained herein, the parties agree as follows:

Section 1. Recitals.

The above recitals are true and correct and are incorporated herein.

### Section 2. Reapportionment of Bid Costs.

The parties agree to reapportion \$317,525.00 from the Potable Water bid to the Roadway bid item. Notwithstanding the allocation set forth in the Giannetti bid, the parties agree that with respect to the Interlocal Agreement the bid amount for Potable Water shall be \$1,633,998.00 and the bid amount for Roadway shall be \$1,272,010.00. The parties shall remain responsible for their respective contract payments in accordance with the terms and conditions of the Interlocal Agreement and based upon the Reapportioned Giannetti Bid amounts shown in the attached Exhibit A.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement on the day and year first above written.

FOWN OF JUPITER INLET COLONY BY ITS TOWN COMMISSION	LOXAHATCHEE RIVER DISTRICT BY ITS GOVERNING BOARD			
Dr. Daniel J. Comerford, III MAYOR	Stephen B. Rockoff CHAIRMAN			
ATTEST:	ATTEST:			
TOWN CLERK	D. Albrey Arrington, PhD DISTRICT CLERK			
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	APPROVED AS TO FORM AND LEGAL SUFFICIENCY			
William P. Doney, Esq. FOWN ATTORNEY	Curtis Shenkman, Esq. DISTRICT ATTORNEY			
TOWN Date:, 2015	DISTRICT Date:, 201			
VILLAGE OF TEQUESTA BY ITS VILLAGE COUNCIL	APPROVED AS TO FORM AND LEGAL SUFFICIENCY			
Abby Brennan MAYOR	Keith W. Davis, Esq. VILLAGE ATTORNEY			
ATTEST:				
WILL VCE CLEDK	VILLAGE Date:, 201			

# EXHIBIT A

		Engineer's			Reapportioned	Reapportioned		
	Engineer's	Estimate	Giannetti	Giannetti	Giannetti Bid	Giannetti Bid		
Work Category	Estimate (\$)	(%)	Bid (\$)	Bid (%)	(\$)	(%)		
General	\$ 576,535	7.6%	\$ 898,000	9.4%	\$898,000	9.4%		
Potable Water	\$ 1,299,217	17.1%	\$ 1,951,523	20.4%	\$1,633,998	17.1%		
Waste Water	\$ 2,652,078	34.9%	\$ 3,472,594	36.3%	\$3,472,594	36.3%		
Storm Water	\$ 1,240,285	16.3%	\$ 2,053,720	21.5%	\$2,053,720	21.5%		
Roadway	\$ 1,659,177	21.8%	\$ 954,485	10.0%	\$1,272,010	13.3%		
Entrance	\$ 177,187	2.3%	\$ 233,673	2.4%	\$233,673	2.4%		
	\$							
Total	\$ 7,604,479	100.0%	9,563,995	100.0%	\$ 9,563,995	100.0%		