



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo**

**# 12-2357**

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**TO:** Honorable Mayor & Members  
Fort Lauderdale City Commission

**FROM:** Lee Feldman, City Manager

**DATE:** November 6, 2012

**TITLE:** Motion to award contract for sewer basin A-21 Progresso and annual sewer repair – Invitation to Bid 223-11052 - \$1,763,401.75

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**Recommendation**

It is recommended that the City Commission approve a contract award for Project 11577 sewer basin A-21 Progresso and annual sewer repair contract to the lowest responsive and responsible bidder, Lanzo Lining Services, Inc. - Florida in the amount of \$1,763,401.75 and authorize the City Manager to execute on behalf of the City.

**Background**

This contract will be for the rehabilitation of approximately 21,800 linear feet of 8-18 inch mainline sewer identified in the contract documents by using the cured-in-place pipe method for rehabilitation of the sewer pipes. The work includes pre and post television survey, flow monitoring, flow bypass, traffic control, site restoration, and related operations resulting in complete and satisfactory rehabilitation of the mainline wastewater collection system piping in sewer basin A-21 (Schedule A). The work will also include the annual sewer repair contract (Schedule B) and will remain in effect 365 days beyond the completion date of the base project (rehabilitation of sewer basin A-21). Schedule B work will be assigned on an as-needed basis.

The project bid opening was held on September 5, 2012. Six bids were received with Lanzo Lining Services, Inc. – Florida submitting the lowest responsive and responsible bid. Lanzo's bid, however, included minor discrepancies: they originally included more than the five percent for mobilization cost as specified in the bid, and they also had two minor mathematical errors. Regarding the math errors, the specifications indicate that the unit price shall prevail and this discrepancy was corrected to extend unit prices. Regarding the 5% mobilization issue, a line item in the bid pricing page requested a price for Mobilization/demobilization for the 'Schedule A' section of the bid. The line item description stated "Mobilization/demobilization (not to exceed 5% of Schedule A value)". Lanzo however had indicated a price that was almost 9% of their schedule A value. This

discrepancy was also corrected to adhere to the bid requirements. Lanzo agreed to both corrections. This resulted in the low bid being further reduced.

An official letter of protest was received from the third apparent low bidder, Insituform Technologies, LLC. The protest states in part that "the City should reject Lanzo's bid submission as non-responsive, as well as the second bidder Ric-Man Construction, Inc. (Ric-Man) and rebid the project." Their statement regarding Lanzo's bid is based upon Lanzo quoting an amount higher than the 5% of schedule A value, as indicated in the bid specifications, for their mobilization/demobilization. They state in their letter that "It is Insituform's belief that the City cannot "waive" Lanzo's blatant disregard for the bid requirements. Similarly, the City cannot allow Lanzo to "amend" its bid to bring its mobilization/demobilization costs within the 5% threshold, for that would give Lanzo a competitive advantage over the rest of the bidders." Regarding the second low bidder, Ric-Man Construction, Inc., Insituform is concerned that they "may not be able to establish that it can meet the CIPP (cured-in-place-pipe) experience requirements in the bid documents." A copy of the bid protest as well as staff's response is attached as Exhibits 3 and 4.

It is staff's position that the City allowing Lanzo to correct their mobilization/demobilization price to be in accordance with our specifications does not unfairly benefit Lanzo nor unfairly disadvantage other bidders. Staff is requesting approval to accept Lanzo's bid revisions and award the contract to Lanzo Lining Services, Inc.-Florida.

### **Resource Impact**

There is a fiscal impact to the City in the amount of \$2,063,180.05 for the contract and associated engineering fees.

#### **FUNDS AVAILABILITY LOCATION:**

FISCAL YEAR	FUN D	SUB FUND	FUND NAME	INDEX #	INDEX NAME	SUB OBJECT #	SUBJECT NAME	AMOUNT
2013	454	01	WATER & SEWER GEN CAPITAL PROJECTS	p11577.454	WW CONVEYANCE SYS SEWER BASIN A-21	6599	CONSTRUCTION	2,063,180.05
<b>TOTAL</b>								<b>2,063,180.05</b>

### **Attachment(s)**

Exhibit 1 - Bid Tabulation 223-11052 Original

Exhibit 2 – Bid Tabulation 223-11052 Revised

Exhibit 3 – Protest letter from Insituform Technologies, LLC

Exhibit 4 – Staff's response to Protest Letter.

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