



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

**#13-0013**

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

**FROM:** Lee Feldman, ICMA-CM, City Manager

**DATE:** February 5, 2013

**TITLE:** Motion to award contract for sewer basin A-21 Progresso and annual sewer  
repair – Invitation to Bid (ITB) 223-11052 - \$1,689,732.60

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**Recommendation**

It is recommended that the City Commission approve an award for Project 11577 which includes specific work on sewer basin A-21 Progresso (Schedule A) and an annual unit price sewer repair contract (Schedule B), to the lowest overall responsive and responsible bidder, Lanzo Lining Services, Inc. and authorize the proper City officials to issue work orders under the annual sewer repair contract (Schedule B) in an amount up to \$25,000 in accordance with Section 2-179(5) of the Code of Ordinances.

**Background**

This solicitation was issued as one project with two Schedules (A and B). Work under Schedule A 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 work is scheduled to be substantially completed within 150 calendar days after the notice to proceed. Work described under Schedule B (annual sewer repair contract) is for the maintenance /rehabilitation of our city wide force main and storm drain systems and will be used on an as needed basis per operations request. Schedule B will stay in effect 365 days after completion of Schedule A. Schedule B is based upon line item unit pricing. Specific line items will be used as they relate to the required projects throughout the term of the contract. This contract is developed to be a resource for any projects requiring the unit bid items for sewer repairs.

The project bid opening was held on September 5, 2012. Six bids were received with Lanzo Lining Services, Inc. – Florida submitting the lowest overall responsive and responsible bid. Lanzo's bid, however, included minor irregularities: 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 irregularity 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 irregularity 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 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.

**Resource Impact**

There is a fiscal impact to the City in the amount of \$1,689,732.60 for the contract and associated engineering fees: \$817,732.60 for Schedule A sewer basin work and \$872,000.00 is available for Schedule B sewer work.

AVAILABLE FUNDING:								
FISCAL YEAR	FUND	SUBFUND	FUND NAME	INDEX #	INDEX NAME	SUBJECT #	SUBJECT NAME	AMOUNT
2013	454	01	Water & Sewer General Capital Projects	P11577.454	WW Conveyance Sewer Sys Basin A-21	6599	Construction	\$ 817,732.60
2013	450	01	Water & Sewer Operations	PBS060101	Utilities Engineering	3437	Impr Rep & Maint	\$872,000.00
							<b>TOTAL</b>	<b>\$1,689,732.60</b>

**Attachments**

- Exhibit 1 - Bid Tabulation 223-11052 Original
- Exhibit 2 – Bid Tabulation 223-11052 Revised
- Exhibit 3 – Protest letter from Insituform Technologies
- Exhibit 4 – Staff’s response to Protest Letter

Prepared By: James T. Hemphill, Senior Procurement Specialist  
 Carrie Keohane, Administrative Assistant I

Department Director: Albert J. Carbon, P.E., Public Works