



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

24-0307

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

FROM: Greg Chavarria, City Manager

DATE: May 7, 2024

TITLE: Motion to Terminate for Convenience Previous Agreement with Maverick United Elevator, LLC and Approving Replacement Agreement for the George T. Lohmeyer Wastewater Treatment Plant Freight Elevator Replacement Project – Boromei Construction Inc. - \$1,361,740 - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission terminate for convenience previous agreement with Maverick United Elevator, LLC (“Maverick”) and approve a replacement agreement, in substantially the form attached, for the George T. Lohmeyer Wastewater Treatment Plant (GTL WWTP) Freight Elevator Replacement Project, with Boromei Construction Inc. (“Boromei”) in the amount of \$1,361,740, which includes bid allowances of \$50,000 for permits and owner contingency.

Background

GTL WWTP operates one (1) freight elevator in the dewatering building to transport critical items, such as large parts, dewatering belts, and 55-gallon drums of industrial lubricant from the first floor receiving dock to seven (7) dewatering belt presses located on the third floor. The freight elevator was installed in 1998 and has been operating in a very corrosive environment causing numerous malfunctions and shortening its lifespan. Annual maintenance costs over the last few years have risen due to frequent repairs and are expected to increase further as replacement parts become obsolete and more difficult to source.

This project is critical to plant operations and staff safety. If this project is not completed, the freight elevator will be inoperable due to safety concerns. Transportation of materials needed for maintaining the dewatering equipment on the third floor would necessitate crane rentals to lift it to the upper level of the plant. Therefore, the City needs to replace the freight elevator.

This project was originally bid and awarded by the Commission on July 7th, 2020 (CAM #20-0435) to Maverick. On February 2nd, 2021, the former Chief Procurement Officer sent an email to Maverick releasing them from any responsibilities and advising them that an

official termination of the agreement will be presented to the City Commission after issuance of a new solicitation and award recommendation thereof (Exhibit 4).

The Termination of Convenience Letter pursuant to Section 17.5 (Exhibit 5) of the Agreement (Exhibit 6) is attached herein for City Commission consideration and approval to officially send to Maverick.

On March 21, 2023, the Procurement Services Division issued Invitation to Bid (ITB) Event No. 70. Due to lack of interest, Addendum No.1 extended the bid closing date to May 16, 2023 and Procurement conducted outreach to prospective bidders to inform them of the solicitation, new bid due date, and address any concerns with the bid specifications, which may have discouraged them from bidding. However, the lack of interest continued, and Addendum No. 2 extended the bid closing date to June 1, 2023.

On June 1, 2023, the City received one (1) bid from Boromei Construction Inc. in response to the ITB.

City staff attempted to negotiate better pricing as allowed by Section 2-178(c)(9) of the Procurement Ordinance with Boromei Construction Inc. After several months, it was determined a price reduction would not be feasible. However, Boromei Construction Inc. agreed to honor its original bid price and extended its bid validity until the City Commission considers the award recommendation on May 7, 2024.

Resource Impact

There will be a fiscal impact to the City in the amount of \$1,361,740 for the award, including a bid allowance of \$50,000 for permits and owner contingency. Funds are available in the FY 2024 Community Investment Plan in the accounts listed below, with \$224,941 contingent upon approval by the City Commission and appropriation of the Consolidated Budget Amendment CAM #24-0321.

| <i>Funds available as of April 5, 2024</i> | | | | | |
|---|--|--|-----------------------------------|--------------------------------------|--------------------|
| ACCOUNT NUMBER | INDEX NAME (Program) | CHARACTER CODE/ SUB-OBJECT NAME | AMENDED BUDGET (Character) | AVAILABLE BALANCE (Character) | AMOUNT |
| 10-455-7999-536-60-6599-P12438 | Freight Elevator Replacement – George T. Lohmeyer Wastewater Treatment Plant | Capital Outlay/ Construction | \$1,200,000 | \$1,136,799 | \$1,361,740 |
| PURCHASE AMOUNT ► | | | | | \$1,361,740 |

Strategic Connections

This item is a *FY 2024 Commission Priority*, advancing the Infrastructure and Resilience initiative.

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Infrastructure and Resilience Focus Area, Goal 3: Be a sustainable and resilient community.

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Ready.

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan specifically advancing:

- The Infrastructure Focus Area
- The Sanitary Sewer, Water, & Stormwater Element
- Goal 3: Develop and maintain an adequate water supply, treatment and distribution system, which meets the existing and projected needs of the service area in an efficient, economical, and environmentally sensitive manner.

Related CAM

CAM #24-0321

Attachments

Exhibit 1 - Solicitation

Exhibit 2 - Bid Tabulation

Exhibit 3 - Agreement

Exhibit 4 - Former Chief Procurement Officer's Email to Maverick Not to Commence Work

Exhibit 5 - Termination For Convenience Letter to Maverick

Exhibit 6 - Agreement between City and Maverick

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