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

- TO: Honorable Mayor & Members of the Fort Lauderdale City Commission
- FROM: Lee R. Feldman, ICMA-CM, City Manager
- DATE: August 19, 2014
- TITLE: Motion to approve Amendment 1, funding increase and amend language in Article 10, Bonds and Insurance, of Annual Dredging Contract (P11729) - \$549,185.99

# Recommendation

It is recommended that the City Commission approve amendment 1 which includes a funding increase for the Annual Dredging Contract (P11729) with Waterfront Property Services, LLC d/b/a Gator Dredging (Gator) from \$661,580 to \$1,210,765.99 and an amendment to the contract language in Article 10, Bonds and Insurance, to require a Surety Bond equal to 100% of the value of each Task Order issued.

# Background

On January 22, 2013 (CAM 13-0118), the City Commission approved two, two-year contracts for annual dredging services, and approved spending up to the amount of \$661,580 to Cavache, Inc., (Cavache) and Gator. Cavache was the primary contractor and Gator the secondary contractor.

On June 17, 2014 (CAM 14-0678), the City Commission approved termination of the remainder of Task Order No. 1 issued to Cavache and assigned the remaining portion to Gator.

Task Orders 1 and 2 have been issued to Gator totaling \$213,615.99. The estimated cost to complete dredging services for Lauderdale Isles (Task Order 3) is \$353,485. The estimated cost to complete dredging services for Himmarshee Canal (Task Order 4) is \$643,665. The total cost for all four Task Orders is \$1,210,765.99. The total amount of the Gator contract is \$1,168,300, however, because the City Commission only approved an expenditure of \$661,580, staff is requesting approval of the additional funding so that we may expend the total value allowed by the contract, plus an additional \$42,465.99, which is the total amount of remaining task orders. This unit price contract is intended to be used for miscellaneous projects required during the term of the contract. These projects were initially anticipated to be of smaller dollar amounts, divided between two or three contractors. As such, the bond requirement of the bid was set in the amount of

8/19/14 14-0904

Page 1 of 3

\$60,000. Current projects require an increase in the original bond requirement amount. Staff is requesting approval of a contract amendment to change the bond language in Article 10.1 in substantially the form attached. The new language would be as follows:

Public Construction and Other Bonds: The Contractor shall furnish Public 10.1 Construction or Performance and Payment Bonds ("Bond"), in an amount equal to 100% of the value of each Task Order issued as security for the faithful performance and payment of all the Contractor's obligations under the Contract Documents. These Bonds shall remain in effect until at least one (1) year after the date of final payment, except as otherwise provided by law. All Bonds shall be furnished and provided by the surety and shall be in substantially the same form as prescribed by the Contract Documents and be executed by such sureties as (i) are licensed to conduct business in the State of Florida, and (ii) are named in the current list of Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department and (iii) otherwise meet the requirements set forth herein that apply to sureties. All Bonds signed by an agent must be accompanied by a certified copy of the authority to act.

### Resource Impact

There will be a fiscal impact to the City in the amount of \$549,185.99 for the additional contract work and \$101,671 for estimated engineering fees, for a total of \$650,856.99.

Funds available as of August 13, 2014					
ACCOUNT NUMBER	INDEX NAME (Program)	OBJECT CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Object Code)	AVAILABLE BALANCE (Object Code)	PURCHASE AMOUNT
470-P11907.470- 6599	ANNUAL CANAL DREDGING	CAPITAL OUTLAY/ CONSTRUCTION	\$998,000	\$967,601	\$650,856.99
			PURCHASE TOTAL →		\$650,856.99

#### **Strategic Connections:**

This item is a *Press Play Fort Lauderdale Strategic Plan* initiative, included within the Public Places Cylinder of Excellence, specifically advancing:

- Goal 2: Be a sustainable and resilient community.
- Objective 1: Proactively maintain our water, wastewater, road and bridge infrastructure.

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

# FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF FORT LAUDERDALE AND WATERFRONT PROPERTY SERVICES, LLC d/b/a GATOR DREDGING

THIS IS A FIRST AMENDMENT TO AGREEMENT, made and entered into this  $\underline{19^{+l}}$  day of  $\underline{Avgust}$ , 20<u>14</u>, by and between CITY OF FORT LAUDERDALE, a Florida municipality, ("CITY"), and WATERFRONT PROPERTY SERVICES, LLC d/b/a GATOR DREDGING ("Secondary Contractor").

WHEREAS, the CITY and the SECONDARY CONTRACTOR entered into an Agreement for Annual Dredging Services, ITB 233-11070 Project 11729, dated January 22, 2013, for a two-year term,

NOW, THEREFORE, the CITY and the SECONDARY CONTRACTOR agree as follows:

1. That Article 10, titled "Bonds and Insurance" of the Agreement, Section 10.1 – "Public Construction and Other Bonds" is herby replaced and amended to read as follows:

10.1 <u>Public Construction and Other Bonds</u>: The Contractor shall furnish Public Construction or Performance and Payment Bonds ("Bond"), in an amount equal to 100% of the value of each Task Order issued as security for the faithful performance and payment of all the Contractor's obligations under the Contract Documents. These Bonds shall remain in effect until at least one (1) year after the date of final payment, except as otherwise provided by law. All Bonds shall be furnished and provided by the surety and shall be in substantially the same form as prescribed by the Contract Documents and be executed by such sureties as (i) are licensed to conduct business in the State of Florida, and (ii) are named in the current list of Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department and (iii) otherwise meet the requirements set forth herein that apply to sureties. All Bonds signed by an agent must be accompanied by a certified copy of the authority to act.

2. That the contract amount be increased to \$1,201,765.

IN WITNESS WHEREOF, the parties execute this First Amendment of Agreement as follows:

WITNESSES Print Name:

CITY OF FORT LAUPERDALE, a Florida municipality:

dman, City Manager

D. Penedo Print Name: AIX4

ATTEST:

Jonda K. Jode ph Jonda K. Joseph, City Clerk

Approved as to form: Assistant City Attorney

WITNESSES:

Jacob Sheets

Print Name:

Print Name:

ATTEST: Title

(CORPORATE SEAL)

STATE OF COUNTY OF

Expires 1/26/2017

WATERFRONT PROPERTY SERVICES, LLC d/b/a GATOR DREDGING

By:

Cough Willia T. Managing Mem

Notary Public, State of Florida SEAL) KITTYE REID (Signature of Notary Public) NOTARY PUBLIC STATE OF FLORIDA Comm# 5E863598

e id

Name of Notary Typed, Printed or Stamped

Personally Known V OR Produced Identification Type of Identification Produced