

**TAB 11**

**POINT PAPER**

**AQUIFER STORAGE AND RECOVERY (ASR)  
EXPLORATORY WELL CONSTRUCTION AND TESTING**

**COP Job # 04-427  
BID NO. ITB-PW-1107/ ASR-1-2008/ NH  
And  
BUDGET AMENDMENT 08-08**

**PROBLEM:**

Recently, the Public Works Department extended invitations to bid to licensed contractors to provide the professional services needed to furnish all materials, labor and equipment for the installation of one 6-inch exploratory well and one water table monitoring well. Staff received bid packages from five (5) licensed water well contractors: Rowe Drilling Co. (Rowe), Diversified Drilling Co., Jaffer Associates Corp., Layne, Inc. and Hausinger & Associates.

Staff and PBS&J have completed the review of the bid tabulations submitted by all five firms and find the bid amount of \$336,525.00 submitted by Hausinger & Associates to be the lowest apparent qualified bid and is comparable to the engineer's estimate for the project, which is \$325,000.

**BACKGROUND:**

As a result of the City's ongoing desire to discontinue discharging into Terra Ceia Bay and the need to provide reclaimed water to the City's residents, the City applied for SWFWMD funding for the development of an ASR Well.

In March 2004, application was filed and subsequently approved with SWFWMD requesting cooperative funding to perform a feasibility assessment for an ASR Well and the potential construction of an exploratory well. The study has been completed and the preliminary design and permitting has been approved by SWFWMD.

The current funding agreement with SWFWMD is for Phase II of the project which includes final design and bidding, well construction and cycle testing and operational permitting. SWFWMD's portion of this project is \$1,170,000 or 50% of the total project cost which is \$2,340,000. During the FY08 CIP budgeting process, the revenue and expense budget for the grant was not included. Budget Amendment 08-08 will increase the revenue and expense budget by like amounts.

**ALTERNATIVES:**

1. – Take No Action
2. – Authorize execution of the contract with the apparent low bidder Hausinger & Associates.

**RECOMMENDATION:**

Authorize the Mayor to enter into an agreement with the apparent low bidder Hausinger & Associates to perform the professional services needed to furnish all materials, labor and equipment for the installation of one 6-inch exploratory well and one water table monitoring well.

**BUDGET IMPACT:**

Within the 2008 CIP budget \$675,000 was budgeted from the 2007 Loan proceeds and Budget Amendment 08-08 will increase the expense budget by \$447,618 for a total budget of \$1,122,618 in 460 660 6300 5904.

**AGREEMENT FOR GENERAL CONSTRUCTION SERVICES  
ASR EXPLORATORY MONITOR WELL  
CONSTRUCTION AND TESTING  
CITY OF PALMETTO, FLORIDA**

**THIS AGREEMENT** is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the **CITY OF PALMETTO** (hereinafter "CITY"), whose address is 516 8th Avenue West, Palmetto, Florida 34221 and \_\_\_\_\_. (hereinafter "CONTRACTOR"), whose primary business address is \_\_\_\_\_.

**WHEREAS**, the CITY desires to employ CONTRACTOR to provide certain construction services within the CITY relating to installation of ASR monitoring wells; and

**WHEREAS**, the City Commission has approved a budget and provided for the purchase of such services to be approved by the City Commission; and

**WHEREAS**, CONTRACTOR was one of at least three parties to submit a proposal in response to an invitation to bid issued by the City; and

**WHEREAS**, CONTRACTOR was ultimately selected to perform such services for the City.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth, CITY and CONTRACTOR agree as follows:

**1. WORK**

CONTRACTOR shall complete all work as specified or indicated in this Agreement and the Contract Documents, which documents may include but are not limited to the following:

- City of Palmetto Invitation to Bid No. ITB-PW/ASR-1-2008/NH, Project No. 04-427, and all Technical Specifications provided in connection therewith
- Completed and Signed Bid Form
- New Vendor Form
- Contractor's Questionnaire
- Bidder's Certification Form
- No Lobbying Affidavit
- Public Entity Crimes Form
- Drug Free Workplace Certificate

- Evidence of compliance or ability to comply with insurance requirements
- Notice of Intent to Award
- Performance and Payment Bond
- Any properly executed Amendment to this Agreement or Change Orders duly approved after execution of this Agreement

A copy of the Contract Documents is attached hereto and incorporated herein as **Exhibit A**. Where there is a conflict between the terms of this Agreement and the Contract Documents, the terms of this Agreement shall apply.

## 2. PRICE

CITY shall pay CONTRACTOR for performance of the work in accordance with the Contract Documents, attached hereto and incorporated herein as **Exhibit A**.

## 3. GENERAL

- 3.1 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.
- 3.2 This Agreement shall be binding upon the successors and assigns of each of the parties, but neither party shall assign this Agreement without the prior written consent of the other party, provided, however, that such consent shall not be unreasonably withheld.
- 3.3 All notices shall be in writing and transmitted by certified mail to the addresses stated above.
- 3.4 This Agreement, including the Contract Documents attached hereto and incorporated herein as **Exhibit A**, constitutes the entire Agreement between the parties. This Agreement may be modified only by written agreement signed by both parties. Wherever used, the term "CONTRACTOR" shall include the respective officers, agents, directors and employees, and the term "CITY" shall include elected officials and employees.
- 3.5 If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in

unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

- 3.6 It is understood that the relationship of CONTRACTOR to CITY is that of independent Contractor.

#### 4. SCOPE OF SERVICES

- 4.1 CONTRACTOR shall perform those services described in the Contract Documents, attached hereto as **Exhibit A** and incorporated herein.
- 4.2 Prior to commencement of work, CONTRACTOR shall provide CITY with an acceptable performance and payment bond in the amount of one hundred percent (100%) of the total contract price.
- 4.3 CONTRACTOR shall ensure that work is completed in a manner that complies with all permits specifically procured for a given project as well as all Federal, State and local laws and regulations controlling the pollution of the environment. CONTRACTOR shall take necessary precautions to prevent pollution of all bodies of water with sediment, fuels, oils, chemicals, or other harmful materials and to prevent adverse impacts to the native flora and fauna of a project site.
- 4.4 CONTRACTOR shall staff all projects with employees who have met any certification requirements of the State of Florida.
- 4.5 CONTRACTOR shall implement and maintain an operator safety program in compliance with all applicable laws, rules and regulations.
- 4.6 CONTRACTOR shall execute a sworn statement demonstrating that CITY informed CONTRACTOR of the provisions of Section 287.133(2)(a), Florida Statutes, concerning public entity crimes.
- 4.7 CONTRACTOR shall comply with CITY's Drug Free Workplace policy and demonstrate compliance by executing the CITY's form regarding said policy prior to initiating any work under this Agreement.

4.8 CONTRACTOR shall provide to CITY, in writing, on or before the day services begin under this Agreement, the name of CONTRACTOR' authorized representative.

4.9 All work identified in the Contract Documents, attached hereto as **Exhibit A**, shall be completed no later than **180 Days**. Upon receipt of a written request by CONTRACTOR, City may, at its sole option, agree in writing to extend said completion date to a subsequent date certain.

## 5. CLEAN UP

5.1 CONTRACTOR will keep all work areas free from accumulations of waste materials, rubbish and other debris resulting from work performed by CONTRACTOR. At completion, CONTRACTOR will remove all waste materials, rubbish and debris from and about the work areas as well as all tools, construction equipment and machinery, and surplus materials. CONTRACTOR shall provide for the lawful disposal of all solid waste resulting from the work.

5.2 CONTRACTOR will restore to an original condition those areas that were not designated for alteration but became altered by the actions of CONTRACTOR during the course of work.

5.3 If CONTRACTOR fails to clean up or restore areas as provided in this Agreement, the CITY may do so and the cost thereof shall be deducted from the compensation due CONTRACTOR.

## 6. COMPENSATION

6.1 CONTRACTOR's compensation under this Agreement shall not exceed \$ **336,525.00** based upon the unit price quotations contained in the Contract Documents, attached hereto and incorporated as **Exhibit A**.

6.2 All compensation to CONTRACTOR is due upon receipt of CONTRACTOR's invoice and payable within thirty (30) days. Invoices shall be submitted not more frequently than once every thirty (30) days.

## 7. INDEMNITY, LIABILITY AND INSURANCE

7.1 The CITY shall not be liable for any loss, injury, death or damage to persons or property, which at any time may be

suffered or sustained by any person whatsoever arising from the negligent, reckless or intentionally wrongful conduct, performance or omission by CONTRACTOR, its employees or agents related to the performance of work under this Agreement. CONTRACTOR shall indemnify and hold harmless the CITY, its agents and employees against all claims, liabilities, loss, injury, death or damage whatsoever, including but not limited to attorney fees, on account or arising from the negligent, reckless or intentionally wrongful conduct, performance or omission by CONTRACTOR, its employees or agents related to the performance of the work under this Agreement.

The indemnification provided above shall obligate the CONTRACTOR to defend at its own expense or, at the sole option of the CITY, to pay the cost of the CITY's defense, against any and all claims or liability and all suits and actions of every name and description that may be brought against the CITY which may result from the operations and activities under this Agreement whether the construction operations be performed by the CONTRACTOR, its subcontractor or by anyone directly or indirectly employed by either. This indemnification includes all costs, including attorneys' fees and cost at trial and appellate levels.

The CITY and CONTRACTOR acknowledge that the first Ten Dollars (\$10.00) of the compensation paid CONTRACTOR for its work hereunder shall be deemed specific consideration for this indemnification. CONTRACTOR shall fund the foregoing indemnification by providing the insurance coverages set forth in the Contract Documents, attached hereto and incorporated herein as **Exhibit A**.

- 7.2 CONTRACTOR shall additionally indemnify CITY and hold it harmless from any claims or demands arising from:
- a. CONTRACTOR's operation, control and maintenance of the project not in conformance with the terms and conditions of this Agreement;
  - b. Any default of CONTRACTOR under this Agreement;
  - d. Any damage to the property of the CITY, not otherwise covered by insurance as provided herein, or others or

injury to any person caused by CONTRACTOR, its agents, or employees;

- e. Any legal or administrative proceedings occasioned by CONTRACTOR in which the CITY is made a party without the CITY's fault;
- f. All costs, attorney's fees and expenses incurred by CITY in connection with the items indemnified against. CONTRACTOR shall defend any legal action or proceedings resulting from a claim or demand indemnified against, at its expense, by an attorney satisfactory to CITY on receipt of proper notice from CITY to do so.

7.3 CONTRACTOR shall be liable for those fines or civil penalties imposed by a regulatory agency for violations that are the result of CONTRACTOR' negligence. CITY will assist CONTRACTOR to contest any such fines in administrative proceedings and/or in court prior to any payment by CONTRACTOR. CONTRACTOR shall pay the cost of contesting any such fines.

7.4 CITY shall be liable for those fines or civil penalties imposed by any regulatory agencies on CITY and/or CONTRACTOR that are not a result of CONTRACTOR' negligence or willful conduct and are directly related to the ownership of a given project.

7.5 CONTRACTOR shall obtain and maintain insurance coverage of a type and in the amounts described in the Contract Documents, attached hereto and incorporated herein as **Exhibit A**.

## **8. AGREEMENT TERMINATION**

8.1 This Agreement will terminate upon the CITY's issuance of a final completion notice or as otherwise provided by law.

8.2 CITY shall be entitled to terminate this Agreement in its entirety upon providing CONTRACTOR with written notice at any time for the following reasons:

- a. If CONTRACTOR becomes insolvent, commits any act of bankruptcy, or makes a general assignment for the benefit of creditors; or



- b. If CONTRACTOR shall fail to prosecute the work, or any part thereof, with the diligence necessary to insure its progress and completion as prescribed by this Agreement and shall fail to take such steps to remedy such default within five (5) calendar days after receipt of written notice thereof from CITY as CITY shall direct; or
- c. If CONTRACTOR shall commit a default under any of the terms, provisions, conditions, or covenants contained in this Agreement and shall fail to take such steps to remedy such default within ten (10) calendar days after written notice thereof from CITY as CITY shall direct.

8.3 Should CITY terminate this Agreement pursuant to Section 8.2 herein, City shall be entitled to complete the work and CONTRACTOR shall not receive any further payment until the work is finished. If the unpaid balance otherwise due to CONTRACTOR exceeds the direct and indirect cost of completing the work, including compensation for additional professional services, such excess shall be paid to CONTRACTOR. If such cost exceeds such unpaid balance, CONTRACTOR will pay the difference to CITY. Such cost incurred by the CITY will be reasonably determined by the CITY.

## **9. DISPUTES AND FORCE MAJEURE**

- 9.1 If any litigation is necessary to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, which are directly attributed to such litigation in addition to any other relief to which it may be entitled.
- 9.2 Neither party shall be liable for its failure to perform its obligations under this Agreement if performance is made impractical, abnormally difficult, or abnormally costly due to any unforeseen occurrence beyond its reasonable control. However, this Section 9.2 may not be used by either party to avoid, delay or otherwise affect any payments due to other party.

Both parties indicate their approval of this Agreement by their signatures below and each party warrants that all corporate or governmental action necessary to bind the parties to the terms of this Agreement has been taken.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the day and year last signed below.

WITNESSES:

HAUSINGER & ASSOCIATES, INC.

\_\_\_\_\_

By: \_\_\_\_\_

Print name \_\_\_\_\_

Name: Jeffrey J. Hausinger

\_\_\_\_\_

Title: President

Print name: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST: JAMES FREEMAN  
City Clerk

CITY OF PALMETTO, FLORIDA, BY  
AND THROUGH THE CITY  
COMMISSION OF THE CITY OF  
PALMETTO

By: \_\_\_\_\_  
City Clerk/ Deputy Clerk

By: \_\_\_\_\_  
Lawrence E. Bustle, Mayor

**EXHIBIT A**

**AQUIFER STORAGE AND RECOVERY (ASR)  
EXPLORATORY WELL CONSTRUCTION AND  
TESTING**

**PROJECT #04-427**

**CONTRACT DOCUMENTS ON FILE IN THE CITY  
CLERK'S OFFICE**



*An employee-owned company*

January 30, 2008

Mr. Frank Woodard, II  
Deputy Director  
Public Works Department  
600 17<sup>th</sup> Street West  
Palmetto, FL 34221

**RE: City of Palmetto, ASR Exploratory Well Construction and Testing (Bid No. ITB-PW-1107/ASR-1-2008/NH); COP Job # 04-427.**

Dear Frank:

PBS&J has completed our review of bids received by the City on January 9, 2008 for the above referenced project. The City received bid packages from five licensed water well contractors: Rowe Drilling Company (Rowe), Diversified Drilling Corporation, Jaffer Associates Corp, Layne, Inc., and Hausinger & Associates (H&A).

We have completed a mathematical review of the Bid Tabulations submitted by all five firms and find that all entries are in order. The Bid Tabulations of all five firms are attached to this letter. All of the evaluated bids packages contained the required Contractor forms set forth in the invitation to bid.

The bid amount of \$336,525.00 submitted by H&A is the lowest apparent qualified bid and is comparable to the Engineer's Estimate for the project, which was \$325,000. While no references were provided by H&A, we are aware of several drilling projects that H&A has completed or are nearing completion including projects for Sarasota County and Tampa Bay Water. Mr. Terry Thomas, a hydrogeologist for Tampa Bay Water indicated that H&A is 90% completed with the installation of two, Floridan aquifer test production wells and 3 monitor wells that is on time and on budget. PBS&J managed the Sarasota County monitor well installation project that involved the installation of 9 monitor wells into the Intermediate aquifer at three separate sites that was also completed on time and on budget.

Based on our review of the submitted bid packages, we would recommend the award of the contract to H&A for the ASR Exploratory Well Construction and Testing Project pending a review by City legal staff of the insurance requirements of the recommended contractor.

If you have any questions concerning the above or need further assistance, please call me at 813-282-7275

Respectfully,

A handwritten signature in black ink, appearing to read "Thomas A. Farkas". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Thomas A. Farkas, P.G.  
Project Manager

Cc: Mike Micheau (PBS&J).

File 100785.02