

# Memorandum



**Date:** October 4, 2011

**To:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

Agenda Item No. 8(R)(1)(A)

**From:** Carlos A. Gimenez  
Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez", written over the printed name of the Mayor.

**Subject:** Contract Renewal and Amendment No. 1 for One Year Countywide Contract for Rehabilitation of Sanitary Sewers by the Cured-in-Place Pipe Lining Method with County Option to Renew for an Additional Three Years on a Yearly Basis with Lanzo Lining Services, Inc. - Project No. N/A; Contract No. S-838R

## Recommendation

It is recommended that the Board of County Commissioners (Board) approve and authorize the execution of this Contract Renewal and Amendment No. 1 (Contract Renewal) for Construction Contract No. S-838R between Lanzo Lining Services, Inc. and the County for the rehabilitation of sanitary sewers by the cured-in-place lining method. This Contract Renewal authorizes an extension of one-year to the original contract notwithstanding the expiration date of the initial contract term under the same terms and conditions, and at the same unit prices of the original contract. It was prepared by the Miami-Dade Water and Sewer Department (WASD) for an additional year in the amount of \$2,300,000, making for a total dollar amount awarded of \$4,600,000.

## Scope

This Contract Renewal has countywide impact. It involves a general contracting firm providing services necessary to rehabilitate some of WASD's faulty sanitary sewers by the cured-in-place pipe lining method.

This project is part of WASD's on-going "Infiltration, Exfiltration and Inflow Program" established in 1993 by consent decree from the U.S. Environmental Protection Agency (EPA) as a measure to improve the sewer collection system. The project consists of furnishing all labor, materials and equipment necessary to repair approximately 46,000 linear feet of 8-inch through 24 inch diameter gravity sanitary sewer pipe under different work orders by the cured-in-place pipe lining method at different locations anywhere within the limits of Miami Dade County, Florida, as ordered by WASD during a one year period. This is a non-exclusive contract, and as such, the Department may issue other similar contracts for this type of work, and therefore does not guarantee that the full amount of the contract work as listed in the proposal will be issued to the contractor. The actual amount of work orders assigned will be the prerogative of WASD in its sole discretion and dependent only upon its needs.

The work will also include the following: restoration of approximately 550 service laterals, including sealing the lateral connections; cleaning and video inspections; supplementary cleaning of the sewers to be repaired, removal and proper disposal of solids as required; bypass pumping of sewage; maintenance of traffic (MOT); and all other appurtenant and miscellaneous items and work for a completed project.

This Contract Renewal is being awarded for a dollar amount up to \$2,300,000 for a 12-month period. The Contract will terminate upon the depletion of that amount, or the expiration of the 12-month period, whichever occurs first. If after the 12 month period, the Department is satisfied with the contractor's work, the Board has the option to renew

the contract for up to an additional two years, on a yearly basis, at the same unit prices used in the original contract.

**Fiscal Impact/Funding Source**

This contract renewal has a one year financial commitment in the amount of \$2,300,000, which will be funded by a combination of WASD Operating Revenue and the Wastewater Renewal and Replacement Capital Fund. The project will have an impact on the Department's FY10-11 and FY11-12 budgets.

**Track Record/Monitor**

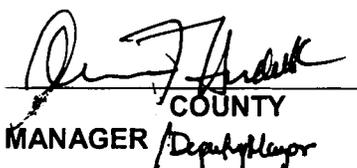
According to the Firm History Report as provided by the Department of Small Business Development, Lanzo Lining Services, Inc. has received two (2) contracts valued at \$3,852,338 from Miami-Dade County in the last five years. The Office of Capital Improvements CIIS database contains 5 evaluations from county departments for Lanzo Lining Services, Inc. with an average rating of 3.0 which represents satisfactory performance. The day to day responsibilities for this project are the responsibility of Mr. Miguel Pichardo, Project Manager, Miami-Dade Water and Sewer Department.

**Background**

WASD is required to make repairs to the sewage collection system to comply with the Volume Sewer Customer Ordinance and the Wellfield Protection Ordinance, Section 24-42.2 and Section 24-43 of the Miami-Dade County Code, respectively.

The initial contract award for the Rehabilitation of Sanitary Sewers by the Cured-in-Place Pipe Lining Method was approved by the Board of County Commissioners (Board) pursuant to Section 2-8.1 of the Code of Miami-Dade County, at its meeting held on April 6, 2010, via Resolution No. R-370-10. This contract gives the Board the authority to exercise three one year options to renew on a yearly basis. This is the first contract renewal.

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<b>BUDGET APPROVAL FUNDS AVAILABLE:</b>	 _____ OSBM DIRECTOR	<u>7/11/11</u> DATE
<b>APPROVED AS TO LEGAL SUFFICIENCY:</b>	 _____ COUNTY ATTORNEY	<u>7/6/11</u> DATE
	 _____ COUNTY MANAGER / Deputy Mayor	<u>8/15/10</u> DATE

**CONTRACT RENEWAL NO. 1  
TO A PROJECT KNOWN AS S-838R  
ONE YEAR COUNTYWIDE CONTRACT FOR REHABILITATION OF SANITARY  
SEWERS BY THE CURED-IN-PLACE LINING METHOD WITH COUNTY  
OPTION TO RENEW FOR AN ADDITIONAL THREE YEARS ON A YEARLY BASIS**

**BUDGET PROJECT AND  
DESCRIPTION:**

**9650201-GRAVITY SEWER RENOVATIONS**

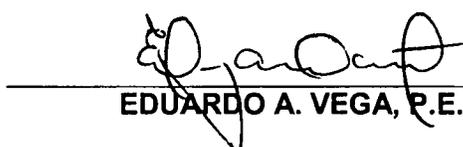
**FUNDING SOURCE:**

**WASD OPERATING REVENUE  
WASTEWATER RENEWAL AND REPLACEMENT  
CAPITAL FUND**

**ASSISTANT DIRECTOR,  
WASTEWATER - OPERATIONS:**

 6/24/11  
VICENTE E. ARREBOLA, P.E. DATE

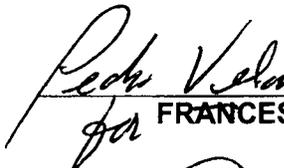
**ASSISTANT DIRECTOR,  
ENGINEERING AND CAPITAL  
IMPROVEMENTS:**

 6/30/2011  
EDUARDO A. VEGA, P.E. DATE

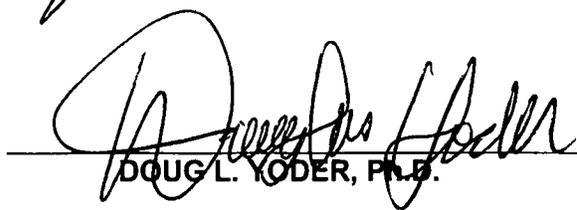
**WATER AND SEWER  
BUDGETARY AND FINANCIAL  
ADVISOR TO THE DIRECTOR:**

 6/30/11  
PEDRO L. VELAR DATE

**ASSISTANT DIRECTOR,  
FINANCE:**

 6/30/11  
FRANCES G. MORRIS DATE

**DEPUTY DIRECTOR,  
REGULATORY COMPLIANCE  
AND CAPITAL IMPROVEMENTS:**

 6/30/11  
DOUG L. YODER, P.E. DATE

**DIRECTOR,  
MIAMI-DADE WATER AND  
SEWER DEPARTMENT:**

 7-6-11  
JOHN W. RENFROW, P.E. DATE



**MEMORANDUM**  
(Revised)

**TO:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**DATE:** October 4, 2011

**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 8(R)(1)(A)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_ ) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(R)(1)(A)  
10-4-11

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING CONTRACT RENEWAL AND AMENDMENT NO. 1 FOR CONSTRUCTION CONTRACT NO. S-838R IN THE AMOUNT OF \$2,300,000 TO LANZO LINING SERVICES, INC. FOR A ONE YEAR COUNTY-WIDE CONTRACT FOR REHABILITATION OF SANITARY SEWERS BY CURED-IN-PLACE PIPE LINING METHOD; AND AUTHORIZING THE MAYOR OR MAYOR'S DESIGNEE TO EXECUTE SAME AND EXERCISE THE PROVISIONS CONTAINED THEREIN

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board hereby approves Contract Renewal and Amendment No. 1 for Construction Contract No. S-838R in the amount of \$2,300,000 to Lanzo Lining Services, Inc. for a one year countywide contract for the rehabilitation of sanitary sewers by cured-in-place pipe lining method; and authorizes the Mayor or Mayor's designee to execute same and to exercise the provisions contained therein.

The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

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- |                                     |                      |
|-------------------------------------|----------------------|
| Joe A. Martinez, Chairman           |                      |
| Audrey M. Edmonson, Vice Chairwoman |                      |
| Bruno A. Barreiro                   | Lynda Bell           |
| Esteban L. Bovo, Jr.                | Jose "Pepe" Diaz     |
| Sally A. Heyman                     | Barbara J. Jordan    |
| Jean Monestime                      | Dennis C. Moss       |
| Rebeca Sosa                         | Sen. Javier D. Souto |
| Xavier L. Suarez                    |                      |

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of October, 2011. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.



Henry N. Gillman

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**CONTRACT RENEWAL AND AMENDMENT NO. 1  
TO A PROJECT KNOWN AS CONTRACT NO. S-838R  
ONE YEAR COUNTYWIDE CONTRACT FOR REHABILITATION OF SANITARY SEWERS BY THE  
CURED-IN PLACE PIPE LINING METHOD WITH COUNTY OPTION TO RENEW  
FOR AN ADDITIONAL THREE YEARS ON A YEARLY BASIS,  
BETWEEN LANZO LINING SERVICES, INC.  
AND  
MIAMI-DADE COUNTY, FLORIDA**

THIS CONTRACT RENEWAL AND AMENDMENT No. 1 made this \_\_\_\_ DAY OF \_\_\_\_\_, 2011 BY AND BETWEEN MIAMI-DADE COUNTY, FLORIDA, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, (hereinafter called the "COUNTY") and Lanzo Lining Services, Inc. (hereinafter called the "CONTRACTOR") for consideration set forth herein agree:

WITNESSETH, that the County and the Contractor, for the considerations set forth herein, agree that:

Pursuant to Section 1 of the above contract ("Contract") dated April 13, 2010, executed pursuant to County Resolution No. R-370-10, the Contract is hereby renewed for an additional term of one-year and modified as follows:

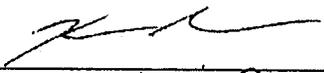
1. The Contract amount is increased by \$2,300,000 for the one-year renewal period, making the total dollar amount awarded of \$4,600,000.
2. The one-year renewal period shall commence on the effective date of the Notice to Proceed and shall expire 365 calendar days from that date.
3. The parties agree that all work performed under the Contract for this renewal period shall be performed under the same terms and conditions and at the same unit prices provided in the Contract, as if this Contract Renewal was timely exercised.
4. The County may, in its sole discretion, exercise subsequent renewals under the terms and conditions provided in the Contract.

All other terms and provisions in the original agreement remain unchanged.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT RENEWAL AND AMENDMENT NO. 1 in four (4) counterparts, each of which shall be deemed an original contract renewal, all as of the day and year first hereinbefore written.

LANZO LINING SERVICES, INC.

MIAMI-DADE COUNTY, BY ITS BOARD  
OF COUNTY COMMISSIONERS

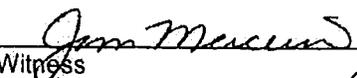
  
By: (Print) KEVIN PAWLOWSKI  
Title: ASST SECRETARY  
(Corporate Seal)

County Mayor

ATTEST:

  
Witness

HARVEY RUVIN  
CLERK OF THE BOARD

  
Witness

BY: \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO  
FORM AND LEGAL  
SUFFICIENCY:



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**CERTIFIED RESOLUTION**

I, Fred Tingberg, the duly elected Secretary of  
(Name)

Lanzo Lining Services, Inc., a Corporation organized and existing under the laws of the State of Florida, do hereby certify that the following Resolution was unanimously adopted and passed by a quorum of the Board of Directors of the said Corporation at a meeting held in accordance with law and the by-laws of the said Corporation:

"IT IS HEREBY RESOLVED that Fred Tingberg, the duly  
(Name)  
elected Asst. Secy. of Lanzo Lining Services, Inc.  
(Title of Officer)

be and is hereby authorized to execute and submit a Contract, Surety Performance and Payment Bond to Miami-Dade County, Florida, and the Miami-Dade Water and Sewer Department, respectively, for a certain Project entitled

**One-Year Countywide Contract for Rehabilitation of Sanitary Sewers by the Cured-In-Place Pipe Lining Method with County Option to Renew for an Additional Three Years on a Yearly Basis, Contract No. S-838R, FIRST OPTION TO RENEW**

and such other instruments in writing as may be necessary in behalf of the said Corporation, and that the Contract, Surety Performance and Payment Bonds and other such instruments signed by him shall be binding upon the said Corporation as its own acts and deeds."

I further certify that the above Resolution is in force and effect and has not been revised, revoked or rescinded.

Given under my hand and the Seal of the said Corporation this 22nd day  
of March, 2011.  
(Month) (Year)

By:   
(Secretary)

Fred Tingberg, Asst. Secy.  
(Print or type name)

(SEAL)

Lanzo Lining Services, Inc.  
(Corporate Title)

# Payment Bond and Performance Bond

(Public Work)

## FRONT PAGE STATUTORY DECLARATIONS

In compliance with F.S. Chapter 255.05(1)(a) and F.S. 255.05(6).

**THE BOND IS HEREBY AMENDED SO THAT THE PROVISIONS AND LIMITATIONS OF SECTION 255.05 OR SECTION 713.23, FLORIDA STATUTES, WHICHEVER IS APPLICABLE, ARE INCORPORATED HEREIN BY REFERENCE.**

**Bond No.** 6665365/013022731

**Principal:** Lanzo Lining Services, Inc.  
**Address and Phone** 125 SE 5th Court  
Deerfield Beach, FL 33441

**Surety Company:** Safeco Insurance Company of America  
**Address and Phone** 5600 New King Street, Suite 360  
Troy, MI 48098  
248-641-0552

**Owner:** Miami Dade County  
**Address and Phone** 3071 SE 38th Ave  
Miami FL 33233

**Obligee (if contracting entity is different from the owner, the contracting public entity):**  
**Address and Phone**

**Bond Amount:** \$2,300,000.00

**Description of Work:** One Year County Wide Contract for Rehabilitation of Sanitary Sewers by the Cured in Place Pipe Lining Method with option to renew for an additional three years on a yearly basis Contract No. S-838R FIRST OPTION TO RENEW

**Project Location:** Florida

**Surety Agent:** Guy Hurley Blaser & Heuer, LLC  
**Address and Phone** 1080 Kirts Blvd., Suite 500  
Troy, MI 48084  
248-519-1400

### Page One

*All other Payment Bond and Performance Bond page(s) are deemed subsequent to this page regardless of any page number(s) that may be pre-printed thereon.*

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**SURETY PERFORMANCE AND PAYMENT BOND**

By this Bond, We, Lanzo Lining Services, Inc., as Principal, whose principal business address is 1 Stainless Plaza, 125 S.E. 5th Court, Deerfield Beach, FL 33441

as Contractor under the contract dated April 13, 2010, between Principal and Miami-Dade County for the construction of "One-Year Countywide Contract for Rehabilitation of Sanitary Sewers by the Cured-in-Place Pipe Lining Method with County Option to Renew for an Additional Three Years on a Yearly Basis, Contract No. S-838R, FIRST OPTION TO RENEW", (hereinafter referred to as "Contract") the terms of which Contract are incorporated by reference in its entirety into this Bond and Safeco Insurance Company of America

a corporation, whose principal business address is 5800 New King Street, Suite 360, Troy, MI 48098 as Surety, are bound to Miami-Dade County (hereinafter referred to as "County") in the sum of Two Million Three Hundred Thousand and No Cents (U.S. Dollars) \$2,300,000.00, for payment of which we bind ourselves, our heirs, personal representatives, successors, and assigns, jointly and severally.

THE CONDITION OF THIS BOND is that if Principal:

1. Performs all work due under the Contract, including but not limited to guarantees, warranties, and the curing of latent defects, said Contract being made a part of this bond by reference; and in the times and in the manner prescribed in the Contract, including any and all damages for delay; and
2. Promptly makes payments to all claimants, as defined in Section 255.05 (1), Florida Statutes, supplying Principal with labor, materials, or supplies, used directly or indirectly by Principal in the prosecution of the work provided for in the contract; and
3. Pays County for all losses, damages, including damages for delay, expenses, costs and attorney's fees, including appellate proceedings, that County sustains because of a default by Principal under the Contract, including but not limited to a failure to honor all guarantees and warranties or to cure latent defects in its work or materials within 5 years after completion of the work under the Contract; and
4. Performs the guarantee of all work and materials furnished under the contract for the time specified in the Contract, including all warranties and curing all latent defects within 5 years after completion of the work under the Contract;

then this bond is void, otherwise it remains in full force.

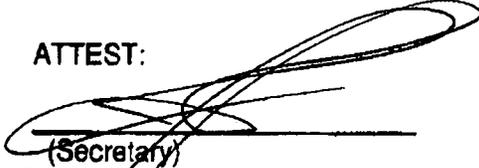
If no specific periods of warranty are stated in the Contract for any particular item or work, material or equipment, the warranty shall be deemed to be a period of one (1) year from the date of final acceptance by the County. This Bond does not limit the County's ability to pursue suits directly with the Principal seeking damages for latent defects in materials or workmanship, such actions being subject to the limitations found in Section 95.11(3)(c), Florida Statutes.

Any changes in or under the Contract Documents, and compliance or noncompliance with any formalities connected with the Contract or the changes, do not affect the Surety's obligation under this Bond.

**SURETY PERFORMANCE AND PAYMENT BOND (Continued)**

IN WITNESS WHEREOF, the above bounden parties have caused this Bond to be executed by their appropriate officials as of the 23rd day of March, 2011.

ATTEST:



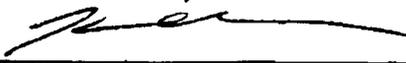
(Secretary)

  
\_\_\_\_\_  
(Print or type name)

CONTRACTOR:

Lanzo Lining Services, Inc.

(Contractor Name)

BY: 

(President) (Managing Partner or Joint Venturer)

ASST. Supt. Kevin Pamborski

(Print or type name)

Asst. Supt.  
\_\_\_\_\_  
(Official Title)

(SEAL)

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**SURETY PERFORMANCE AND PAYMENT BOND (Continued)**

Non-Resident

COUNTERSIGNED BY ~~RESIDENT~~  
FLORIDA AGENT OF SURETY:

SAFECO INSURANCE COMPANY OF AMERICA  
(Printed Name of Surety)

5600 New King Street, Suite 360

Troy, MI 48098

(Address of Surety)

248-641-0552

(Telephone of Surety)

(CORPORATE SEAL)

By: *Michelle K. Buechel*  
(Signature of Attorney-in-Fact)\*

By: *Paul M. Hurley*  
(Signature of Resident Florida Agent)\*  
Non-Resident

Michelle K. Buechel, Attorney-in-fact

(Printed Name of Attorney-in-Fact)

1080 Kirts Blvd., Suite 500

Troy, MI 48084

(Address)

248-519-1400

(Telephone)

Paul M. Hurley

(Printed Name of Agent)

1080 Kirts Blvd., Suite 500

Troy, MI 48084

(Address)

248-519-1400

(Telephone)

(Copy of Agent's current  
Identification Card as issued by  
Commissioner must be attached)

\*Power of Attorney must be attached

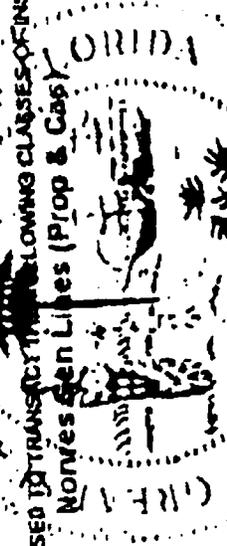
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FLORIDA DEPARTMENT OF INSURANCE

PAUL M. HURLEY

License Number D048923

IS LICENSED TO TRANSACT THE FOLLOWING CLASSES OF INSURANCE  
Nonres Gen Lins (Prop & Cas)



"NOTICE": This non-resident license is limited to the classes of insurance reflected above and is further limited to the classes of insurance for which you are licensed in your home state. Please be governed accordingly. This licensee must have an active appointment with the insurer or employer for which products or services are being marketed. See reverse for additional requirements.



POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 12639

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

\*\*\*\*\*LINDA L. AUSTIN; ANNE M. BARICK; MICHELLE K. BUECHEL; T. R. GUY; ROBERT D. HEUER; PAUL M. HURLEY; C. A. JOHNSON; MARGARET M. KOHLOFF; KRISTYN M. LANGBEEN; MICHAEL D. LECHNER; Troy, Michigan\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

[Signature of Dexter R. Legg]

[Signature of Timothy A. Mikolajewski]

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 23rd day of March 2009



[Signature of Dexter R. Legg]

Dexter R. Legg, Secretary

Exit



**Capital Improvements Information System**  
**Contractor Evaluations Report**

<u>Dept</u>	<u>Contract</u>	<u>Type</u>	<u>Contractor /</u> <u>Architect Name</u>	<u>Date</u>	<u>Rater</u>	<u>Period</u>	<u>Rate</u>
WS	<u>W-849</u>	CON	LANZO CONSTRUCTION CO FLORIDA	3/27/2008	Nelson Cespedes	Project conclusion or closeout	<u>3.0</u>
WS	<u>W-789</u>	CON	LANZO CONSTRUCTION CO FLORIDA	3/27/2008	Nelson Cespedes	Project conclusion or closeout	<u>3.0</u>
WS	<u>S-737</u>	CON	LANZO CONSTRUCTION CO FLORIDA	3/27/2008	Nelson Cespedes	Project conclusion or closeout	<u>3.0</u>
WS	<u>S-751</u>	CON	LANZO CONSTRUCTION CO FLORIDA	3/31/2008	Nelson Cespedes	Project conclusion or closeout	<u>3.0</u>
WS	<u>S-828 (A)</u>	CON	LANZO CONSTRUCTION CO FLORIDA	4/15/2009	Mario Garcia	Completion of construction	<u>3.2</u>

Evaluation Count: 5 Contractors: 1 Average Evaluation: 3.0

Exit

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**MIAMI DADE COUNTY**  
**Department of Small Business Development**  
**Firm History Report**

**FIRM NAME: LANZO LINING SERVICES, INC.**  
**125 SE 5th Ct**  
**Deerfield Beach, FL 33441-0000**

**From: 06/23/2006 To: 06/23/2011**

**PRIMES**

PROJECT #	CONTRACT	DEPT.	MEASURES	AWARD DATE	AWARD AMOUNT
* P0042 (7360)	1	WS	NO MEASURE	10/06/2009	\$1,552,338.00
REHABILITATION OF SANITARY SEWER BY THE CURED-IN-PLACE PIPE LINING METHOD, PROJECT (SIC 16)					
<p>S-339R-ESP            ONE YEAR COUNTYWIDE CONTRACT FOR REHABILITATION OF SANITARY SEWERS BY THE CURED-IN-PLACE PIPE LINING METHOD, WITH COUNTY OPTION TO RENEW FOR AN ADDITIONAL THREE YEARS ON A YEARLY BASIS</p>					
				04/06/2010	\$2,300,000.00
					\$1,552,338.00
					\$2,300,000.00
Total Award Amount					\$3,852,338.00
Total Change Orders Approved by BCC					\$0.00
					\$3,852,338.00

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**MIAMI-DADE COUNTY  
BOARD OF COUNTY COMMISSIONERS  
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

**Agenda Item:** 8R1A  
**File Number:** 111809  
**Committee(s) of Reference:** Board of County Commissioners  
**Date of Analysis:** September 20, 2011

**Summary**

This resolution approves and authorizes the execution of this Contract Renewal and Amendment No. 1 (Contract Renewal) for Construction Contract No. S-838R between Lanzo Lining Services, Inc. (Lanzo) and the County for the rehabilitation of sanitary sewers by the cured-in-place lining method.

**Background and Relevant Information**

On April 6, 2010, the Board of County Commissioners, through R-370-10, awarded Lanzo Contract No. S-838R for the Rehabilitation of Sanitary Sewers in the amount of \$2,300,000, for one year with an option-to-renew (OTR) the contract for an additional three years on a yearly basis, for a total amount of \$6,900,000 for the OTR period.

This project is part of Miami-Dade Water and Sewer Department's (MDWASD) on-going "Infiltration, Exfiltration and Inflow Program" established in 1993 by consent decree from the U.S. Environmental Protection Agency (EPA). The project consists of furnishing all labor, materials and equipment necessary to repair approximately 46,000 linear feet of 8-inch through 24 inch diameter gravity sanitary sewer pipe under different work orders by the cured-in-place pipe lining method at different locations.

**Previous Contracts in the Past Five Years for Lanzo**

According to the Firm History Report provided by the Department of Small Business Development (SBD), Lanzo has received two contracts valued at \$3,852,338 from Miami-Dade County in the last five years. The Office of Capital Improvements CIIS database contains 5 evaluations from county departments for Lanzo with an average rating of 3.0 out a possible 4.0.

According to SBD's Violation Report dated 9/2/11, there was one violation for Lanzo on 1/17/03 and closed on 1/29/09. The violation included a make-up amount of \$148,000.

The Office of the Commission Auditor reviewed Lanzo's legislative history and provides the following notes:

BCC Action	Legislation	Notes
12/2/04  R-1442-04	RESOLUTION APPROVING AMENDMENTS TO <i>SETTLEMENT AGREEMENTS</i> BETWEEN MIAMI-DADE COUNTY AND PBSJ CONSTRUCTION SERVICES, INC., CHURCH & TOWER, INC., AND LANZO CONSTRUCTION CO. OF FLORIDA, INC.; RELATING TO THE PUMP STATION IMPROVEMENT PROGRAM AND AUTHORIZING COUNTY MANAGER TO	This item was amended at the October 12, 2004 Governmental Operations and Environment Committee Meeting to: substitute Church & Tower, Inc., for Mastec, Inc.; clarify indemnification provision regarding pipe separation; require Lanzo to provide a \$1.25 million maintenance and repair

BCC Action	Legislation	Notes
	EXECUTE AMENDMENTS ]	bond; and require CSI to provide a \$1.5 million maintenance and repair bond for blanket projects, 10 year indemnification for S-608B and pay \$15,590 for insufficient groundcover.
12/17/02 R-1503-02	RESOLUTION APPROVING ADDENDUM 1 TO SETTLEMENT AGREEMENT WITH LANZO CONSTRUCTION CO. OF FLORIDA, INC. AND AUTHORIZING COUNTY MANAGER TO EXECUTE ADDENDUM	Addendum 1 to the Settlement Agreement with Lanzo Construction Co. of Florida, Inc. relating to the Miscellaneous Pump Station Construction Contract RFQ #00001.
6/20/2000 R-635-00	RESOLUTION RATIFYING THE COUNTY MANAGER'S ACTION EXECUTING SETTLEMENT AGREEMENT WITH LANZO CONSTRUCTION CO., INC. FLORIDA	This resolution ratified the County Manager's execution of a settlement agreement between Lanzo Construction Company, Inc., Florida (Lanzo) and the County. As set forth in my February 22, 2000 memorandum to the BCC, Lanzo was one of the nine firms involved in the Lijo, Inc. fraud investigation. Negotiations took place to make the County whole. This settlement agreement with Lanzo concluded months of negotiations and detailed the terms of repair work to be completed by the firm at no cost to the County.

In response to questions posed by the Office of the Commission Auditor, WASD provided the following information:

- How many sanitary sewers has Lanzo cured in Miami-Dade County using the cured-in-place lining method? *Lanzo has rehabilitated approximately 80,000 linear feet of faulty sewer pipe by the cured-in-place method during the initial contract term.*
- Please provide what else needs to be cured in the County? *Cured-in-place is one of the methods used by WASD to repair and rehabilitate sewer lines to comply with the County's Volume Sewer Customer Ordinance and the Wellfield Protection Ordinance. In order to comply with these ordinances WASD is constantly monitoring the County's sewer systems, as such, it is not possible to provide a fixed number of pipes that need to be lined.*
- What are the locations? *Sewage flows in a given area flow into the collection system serving that area which are then conveyed to a local pumping station. WASD has over 1,000 pump station basins. It is not possible to inspect and repair faults in the entire system in one year. Each year, on a rotational basis, WASD televises the sewer pipes located in a group of basins and collects data regarding pipe faults, as such, the locations are comprised of repairs not completed the previous year and repairs needed which are revealed via the television survey.*
- How long has the County been using the cured-in-place lining method? *The County has been using the cured-in-place lining since FY1993-94.*
- Is Lanzo the only vendor in Miami-Dade County that provides this type of specialty work? *No.*
- Why isn't the County competitively bidding this project? *This is the first option to renew for a contract that was competitively bid. Originally, the Department received 5 bids for the initial contract term, the lowest bidder was Lanzo.*
- Why is this contract renewal for one year, with an option to renew for up to an additional two years? *The Option to Renew (OTR) provision in the original contract award provided for three (3)*

*OTR's, each OTR is for a one year period in the dollar amount of \$2,300,000. The OTR is only exercised by the County if the Contractor agrees to maintain the same prices as in the original contract.*

- Does this mean the County no longer requires the cured in place method? *No, inspections and repairs are an on-going process.*

**Prepared by:** Michael Amador-Gil