

Memorandum



Date: July 1, 2014

To: Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners

From: Carlos A. Gimenez

Mayor

Subject: Supplement to Contract Award Recommendation for Contract No. RFP867, Operation of Waste Water Treatment Plants

Supplement to
Agenda Item No. 8(F)10

At the June 10, 2014, Finance Committee meeting, the recommendation to approve award of RFP No. 867, *Operation of Waste Water Treatment Plants* (Legistar 141359) was favorably forwarded as amended to the Board of County Commissioners (Board) for final approval at its July 1, 2014 meeting. During the discussion, Commissioner Juan C. Zapata had questions regarding hourly rates in the contract for "Additional Services." More specifically, it was requested that staff engage in negotiations with Shaw Environmental, Inc. (Shaw), the recommended firm, to attempt to negotiate a lower hourly rate for these services.

Staff held negotiations with Shaw on June 11 and 19, 2014. During negotiations, Shaw responded that the hourly rates proposed for the additional services could not be reduced further and that these rates reflect the current market value.

Subsequent to this negotiation meeting, staff prepared the attached comparison showing: a) the hourly rates proposed by all the firms that submitted pricing for this solicitation, b) the hourly rates used by the Florida Department of Environmental Protection Petroleum Cleanup Preapproval Program (Labor Rate Summaries and Labor Categories), and c) the current hourly rates listed in the County's Professional Service Agreement (E08-DERM-01) for environmental clean-up, compliance and related services. This comparison illustrates that the rates included by Shaw in the proposed contract award are lower than, or commensurate with, the current market value.

Additionally, and as was also discussed at the Finance Committee meeting, procurement staff at the Internal Services Department worked with Public Works and Waste Management staff to determine the extent to which the "Additional Services" category was actually utilized under the existing contract. Over a ten year and six month period, only \$153,000 was expended under this category, representing 1.48 percent of the total contract value. As an example, the "Additional Services" were for electrical upgrades to wellfields at both sites, and miscellaneous repairs to the Sequential Batch Reactors.

Given the information above, the Administration is comfortable with the recommendation and respectfully requests Board approval of this item. As stated earlier, this is an infrequently used category, and when utilized, the County negotiates the "Additional Services" rate prior to release of any work. The "Additional Services" rate is a maximum, and all attempts will be made to lower that rate when an engagement is necessary.

It is important to note, the operation of the wellfields and the Sequential Batch Reactors is critical. Failure to operate and maintain these systems is a violation of the landfill operations permits and a violation of the federal Clean Water Act.


Alina T. Hudak
Deputy Mayor

**RFP No. 867, Operation of Waste Water Treatment Plants
Hourly Rate Comparison for Additional Services**

Classification	Shaw (\$/Hr)	US Water (\$/Hr)	Severn Trent (\$/Hr)	*FDEP Consultant (\$/Hr)	**PSA Consultant (\$/Hr)
Field Techniciain	\$ 58.00	\$ 57.91	\$ 105.60	\$ 69.89	\$ 91.64
Shift Operator	\$ 52.00	\$ 78.14	\$ 105.60	\$ 51.91	\$ 91.64
Project Accountant	\$ 60.00	\$ -	\$ -	\$ -	\$ 69.02
Buyer/Procurement	\$ 70.00	\$ -	\$ -	\$ -	\$ 69.02
Contract Administrator	\$ 90.00	\$ -	\$ -	\$ -	\$ -
Chemist	\$ 105.00	\$ -	\$ 105.60	\$ 114.72	\$ 135.31
Class A Operator	\$ 78.00	\$ 78.14	\$ 105.60	\$ 87.96	\$ -
Project Engineer	\$ 118.00	\$ 118.17	\$ -	\$ 114.72	\$ 135.31
Project Geologist	\$ 118.00	\$ 118.17	\$ -	\$ 114.72	\$ 135.31
Project Manager	\$ 139.00	\$ 139.66	\$ -	\$ 122.15	\$ 184.09
Business Line Manager	\$ 200.00	\$ 166.52	\$ -	\$ -	\$ -

Notes:

* FDEP - Petroleum Cleanup Preapproval Program (Labor Rate Summaries and Labor Categories)

** County's PSA No. E08-DERM-01