

Memorandum



Date: May 18, 2021

To: Honorable Chairman Jose “Pepe” Diaz
and Members, Board County Commissioners

Agenda Item No. 8(O)(3)

From: Daniella Levine Cava
Mayor

Resolution No. R-506-21

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Subject: Resolution Ratifying the Action Related to Miami-Dade Water and Sewer Department Consent Decree and Capital Improvement Programs Acceleration Ordinance pursuant to Section 2-8.2.12 of the Miami-Dade County Code

Recommendation

It is recommended that the Board of County Commissioners (Board) ratify the action of the County Mayor or County Mayor’s designee as authorized under Section 2-8.2.12 of the Miami-Dade County Code related to Miami-Dade Water and Sewer Department’s Consent Decree and Capital Improvement Programs Acceleration Ordinance (WASD Acceleration Ordinance) for the funded project identified below and on Exhibit A, as attached.

Capital Improvement Project

Item 1– Change Order No. 1 to Contract No. W-944 is for an increase to the contract amount by \$262,793.74 and a 310-day non-compensable time extension between Miami-Dade County and Lee Construction Group Inc. for the Alexander Orr Jr. Water Treatment Plant Lime Kiln Electrical Switchgear Building.

Scope

As shown on Exhibit A, which provides basic information about Change Order No. 1, the project is located within District 7, which is represented by Commissioner Raquel A. Regalado.

Fiscal Impact/Funding Source

Funding will be from Project Water Treatment Plant – Alexander Orr Expansion in the FY20-21 Adopted Budget and Multi-Year Capital Plan, Project# 9650031, Page # 83.

Funding sources are: Water Renewal and Replacement Fund, WASD Revenue Bonds Sold, Future WASD Revenue Bonds.

Delegation of Authority

This contract was awarded pursuant to Section 2-8.2.12 of the Miami-Dade County Code related to WASD’s Consent Decree and Capital Improvement Programs Acceleration Ordinance, which delegates authority to the County Mayor or County Mayor’s designee to award certain projects, and among other things, negotiate, and settle claims, and execute change orders that do not exceed ten percent (10%) of the base contract amount, subject to ratification by the Board.

Track Record/Monitoring

Miami-Dade Water and Sewer Department’s Deputy Director of Capital Improvements, Hardeep Anand, will oversee the implementation of Change Order No. 1 to Contract No. W-944.

Background

On September 3, 2014, the Board approved Ordinance No. 14-77 authorizing the County Mayor or County Mayor’s designee to award and amend contracts, and negotiate and issue change orders for funded capital projects and to accelerate the approval of WASD’s: 1) Consent Decree projects, and 2) projects identified in WASD Multi-Year Capital Plan’s Capital Improvement Programs, subject to ratification by the Board.

After a competitive solicitation, the contract was awarded to Lee Construction Group, Inc. for the construction of a new lime kiln electrical switchgear building with provisions to accommodate a new Florida Power & Light (FP&L) utility feed at the Alexander Orr Jr. Water Treatment Plant. The total amount of the award was \$6,270,105.91 with a contract duration of 300 calendar days to Final Completion and a Contingency Time Allowance of 30 days.

The date of the Notice to Proceed was July 23, 2019, establishing May 18, 2020 as the Contract’s original Final Completion Date. During construction, the Miami-Dade Water and Sewer Department (WASD) approved a 30-day extension of time due to delays faced in obtaining the construction permit based on intervening changes in the building code, which caused the Final Completion date to be moved to June 17, 2020.

Electrical Enhancements

WASD requested that the Contractor provide a Cost Proposal for several electrical enhancements: to improve safety by limiting the need for equipment operators to be in close proximity to equipment, to increase the longevity of equipment by installing corrosion resistant parts, and to provide equipment compatible with other similar equipment to increase the effectiveness of maintenance operations. The Contractor’s Cost Proposal was for \$262,793.74. The electrical enhancements require an additional 90 calendar days for completion. The cost proposal and requested time were evaluated by WASD’s Construction Management and found to be fair and reasonable. The costs were paid from the Contingency Allowance account.

The project is less than 50% completed. Due to the early stage of the project, Change Order No. 1 will provide for the replenishment of the Contract’s Contingency Allowance Account in the amount of \$262,793.74.

Permit Delays

When the application was submitted for the construction permit, an intervening building code change required that the drawing package be revised. Making the necessary revisions delayed the construction permit by 220 days, and the Contractor could not perform any required contract work until the construction permit was issued.

The Contractor was awarded a 30-day non-compensable time extension from the Contract’s Contingency Time Allowance. The full 220 days will be approved through this Change Order, which allows for a 30-day replenishment of the Contingency Time Allowance. Because the project is less than 50% complete, replenishment of the Contingency Time Allowance will be used to address potential unforeseen conditions that may be encountered during the remaining contract work.

Change Order No. 1 to the Contract provides for: (1) a non-compensable time extension of 310 days, which extends the Contract’s Final Completion Date to March 24, 2021; (2) replenishes the Contingency Time Allowance of 30 days; and (3) increases the total contract amount by replenishing the Contract’s Contingency Allowance Account in the amount of \$262,793.74, bringing the total Contract amount from \$6,270,105.91 to \$6,532,899.65.

Small Business Enterprise Measures

Prior to the issuance of Change Order No. 1, the Internal Services Department’s Small Business Development (SBD) Division reviewed the Contract for compliance with a 1.79 percent SBE-Goods and Services (SBE-G/S) goal, 8.46 percent SBE-Construction (SBE-Con), Responsible Wages and Benefits, Residents First Training and Employment, and Employ Miami-Dade Program requirements. It was determined that Lee Construction Group, Inc. is in compliance with Resolution No. R-1001-15, which requires at least 85 percent of the small business goals of the contract work performed to date to be met before a change order will be considered for Board approval. Lee Construction Group, Inc. is in compliance with the Responsible Wages and Benefits; Residents First Training and Employment; and Employ Miami-Dade Program. See the SBD memorandum attached hereto as Exhibit B.

Exhibit C is the change order identified in this memorandum that has been executed by the County Mayor or County Mayor’s designee in accordance with WASD’s Acceleration Ordinance. A copy of the original construction contract is available upon request from the Intergovernmental Affairs Division of the Miami-Dade Water and Sewer Department.

Attachments



Jimmy Morales
Chief Operations Officer

Exhibit A

Ratification of Amendments/Change Orders Authorized by the WASD Accelerate Ordinance

No.	Type of Solicit.	Contract No.	Project Name	Firm Awarded	Comm. District	Change Order Amount	Original Contract Amount	Funding Source(s)	Est. Start Date	Contract Measures	Brief Project Description
	Contract Type	Project No.				Change Order Time	Adjusted Contract Amount		Est. End Date		Change Order Description
1	County Bid Process; Construction Contract	Contract No. W-944	Alexander Orr Jr. Water Treatment Plant Lime Kiln Electrical Switchgear Building	Lee Construction Group, Inc.	District 7 (Raquel A. Regalado)	\$262,793.74; 310-days non-compensable time extension	Original Contract Amount \$6,270,105.91; Adjusted Contract Amount \$6,532,899.65	Water Renewal and Replacement Fund; WASD Revenue Bonds Sold; Future WASD Revenue Bonds	Notice to Proceed Start Date: 07/23/2019 Completion Date: 03/24/2021	SBE G/S - 1.79% SBE A/E - N/A SBE Const. - 8.46% CWP Prog. - N/A	This project is for the construction of a new lime kiln electrical switchgear building with provisions to accommodate a new FPL utility feed at the Alexander Orr Jr. Water Treatment Plant. This Change Order is for an increase to the contract amount by \$262,793.74 and a 310-day non-compensable time extension.

Memorandum



Date: March 15, 2021

To: Josenrique Cueto, P.E., Interim Director
Miami-Dade Water and Sewer Department

From: Gary T. Hartfield, Director
Small Business Development Division
Internal Services Department 

Subject: Project No. W-944, Alexander Orr Jr. Water Treatment Plant - Lime Kiln Electrical Switchgear Building - Change Order No. 1

Project No. W-944, Alexander Orr Jr. Water Treatment Plant Lime Kiln Electrical Switchgear Building was reviewed for compliance with the 8.46% Small Business Enterprise – Construction (SBE-Con) goal, 1.79% Small Business Enterprise – Goods and Services (SBE-G&S) goals, Responsible Wages and Benefits, and Residents First Training and Employment and Employ Miami-Dade Program requirements. Change Order No. 1 increases the value and extends the time by 310 days. The SBE-Con and SBE-G&S will apply to this change order. Resolution No. R-1001-15 requires County contracts with small business measures meet at least 85 percent of the small business goals applicable to the portion(s) of the contract work performed to date before a change order or contract amendment is considered for Board approval.

The prime has requisitioned \$983,972 to date requiring \$70,757 in SBE-Con participation and \$14,971 in SBE-G&S participation for compliance with the Resolution No. R-1001-15. The SBE-Con firms meeting the goal have performed \$755,951 and the SBE-G&S firm has performed \$95,617 in compliance with R-1001-15.

Lee Construction Group, Inc. (Lee Construction), is in compliance with the Responsible Wages and Benefits. One subcontractor, Statewide Electric & Environmental Solutions LLC (SEES) was issued a Notice of Violation for underpayment of wages to employees. SEES submitted documentation to verify it complied with the violation and the reply is currently under review.

Lee Construction is in compliance with the Residents First Training and Employment Program and Employ Miami-Dade Program. Lee's workforce plan, accepted on February 5, 2019, reported a total workforce of sixty-four (64) employees required thirteen (13) positions for compliance with the Employ Miami-Dade Program. Fifty-one (51) employees were reported to have residency in Miami Dade County. Lee has reported zero (0) new hires for the project for compliance with the Employ Miami-Dade Program. Final compliance with the workforce requirements will be determined at project completion.

Please contact Alice Hidalgo-Gato, SBD Section Chief, at 305-375-3153 for additional information.

c: Alissa Penaloza, Deputy Director, WASD
Hardeep Anand, Deputy Director, WASD
Laura Verdagner, Legislative and Municipal Affairs Manager, WASD
Margaret Moss, Chief, Small Business Initiatives, WASD
Edith Brown, Chief, Contract Compliance Division, WASD
Daniel Edwards, Project Manager, WASD
Alice Hidalgo-Gato, SBD Sections Chief, ISD

Exhibit C

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MIAMI-DADE COUNTY, FLORIDA WATER AND SEWER CHANGE ORDER TO ORIGINAL CONTRACT



CHANGE ORDER NO: 1 CONTRACT W-944 DATE: 12/9/2020
PROJECT: Alexander Orr Jr. Water Treatment Plant Lime Kiln Electrical Switchgear Building
TITLE: LEE Construction Group, Inc. 9485 NW 12 St Doral, FL 33172
CONTRACTOR:

YOU ARE HEREBY REQUESTED TO MAKE THE FOLLOWING CHANGES IN THE PLANS AND SPECIFICATIONS FOR THIS PROJECT AND TO PERFORM THE WORK ACCORDINGLY, SUBJECT TO ALL CONTRACT STIPULATIONS AND COVENANTS.

Description of work authorized: Extend the contract duration by 310-days and increase the contract value by \$262,793.74
Monetary Justification: This contract was awarded to Lee Construction Group, Inc. for the construction of a new lime kiln electrical switchgear building with provisions to accommodate a new Florida Power & Light (FPL) utility feed at the Alexander Orr Jr. Water Treatment Plant. The total amount of the award was \$6,270,105.91 with a contract duration of 300 calendar days to Final Completion and a Contingency Time Allowance of 30 days. (Continued below)
Time Justification: The date of the Notice to Proceed was July 23, 2019, establishing May 18, 2020 as the Contract's original Final Completion Date. During construction, the Miami-Dade Water and Sewer Department (WASD) approved a 30-day extension of time due to delays faced in obtaining the construction permit based on intervening changes in the building code, which caused the Final Completion date to (Continued below)

This change order includes not only all direct costs of contractor such as labor, material, job overhead, and profit markup; but also includes any costs for modifications or changes in sequence of work to be performed, delays, rescheduling, disruption, extended direct overhead or general overhead, acceleration, material or other escalation which include wages and other impact costs.

Contractor hereby waives, fully releases, discharges and acquits Miami-Dade County of any and all liability for claims, additional costs, and any requests for additional time arising out of the fulfillment of the contract and this change order from the date of the contract award to and including execution of this change order.

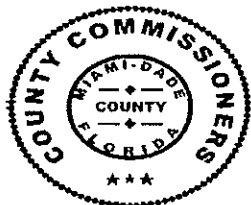
SUMMARY OF CONTRACT AMOUNT / TIME

ORIGINAL CONTRACT AMOUNT-----	\$6,270,105.91
COST OF CHANGES PREVIOUSLY ORDERED-----	\$0.00
ADJUSTED CONTRACT AMOUNT PRIOR TO THIS CHANGE-----	\$6,270,105.91
COST OF CHANGES WITH THIS DOCUMENT-----	\$262,793.74
ADJUSTED CONTRACT AMOUNT INCLUDING THIS CHANGE-----	\$6,532,899.65
PERCENT INCREASE WITH THIS CHANGE-----	4%
TOTAL PERCENT INCREASE TO DATE-----	4%
TIME: ORIGINAL CONTRACT / PREVIOUS CHANGES / THIS CHANGE-----	300 / 0 / 310
CONTINGENCY TIME: ORIGINAL CONTRACT / PREVIOUS CHANGES / THIS CHANGE-----	30 / 0 / 0
ADJUSTED DURATION INCLUDING THIS CHANGE-----	640

CERTIFYING STATEMENT: The Contractor certifies that the changes and supporting cost data included is in its considered opinion necessary and accurate and that the prices quoted are fair and reasonable.

Organization	Name	Accepted By:	Title	Date
LEE Construction Group, Inc.	Luis E. Enriquez		President	3/4/21
Surety	Charles D. Nielson		Atty-in-Fact	3/4/2021

Title	Name	Date
Approved By: County Attorney (for legal sufficiency)	Shirley E. Spivey Davis	3/11/21
for Approved By: County Mayor	Jimmy Morales, Chief Operations Officer	
Attested By: Clerk of the Board		



Time Justification: (Continued).

be moved to June 17, 2020.

Electrical Enhancements

The \$262,793.74 in electrical enhancements outlined in the monetary justification section require a 90-day time extension in order to procure and install the additional electrical equipment requested by WASD.

Permit Delays

When the application was submitted for the construction permit, an intervening building code change required that the drawing package be revised. Making the necessary revisions delayed the construction permit by 220 days, and the Contractor could not perform any required contract work until the construction permit was issued.

The Contractor was awarded a 30-day non-compensable time extension from the Contract's Contingency Time Allowance. The full 220 days will be approved through this Change Order, which allows for a 30-day replenishment of the Contingency Time Allowance. Because the project is less than 50% complete, replenishment of the Contingency Time Allowance will be used to address potential unforeseen conditions that may be encountered during the remaining contract work.

Monetary Justification: (Continued).

WASD requested that the Contractor provide a Cost Proposal for several electrical enhancements: to improve safety by limiting the need for equipment operators to be in close proximity to equipment, to increase the longevity of equipment by installing corrosion resistant parts, and to provide equipment compatible with other similar equipment to increase the effectiveness of maintenance operations. The Contractor's Cost Proposal was for \$262,793.74. The cost proposal was evaluated by construction management and found to be fair and reasonable. The costs were paid from the Contingency Allowance account.

The project is less than 50% completed. Due to the early stage of the project, Change Order No. 1 will provide for the replenishment of the Contract's Contingency Allowance Account in the amount of \$262,793.74.

Change Order No. 1 to the contract provides for: (1) a non-compensable time extension of 310 days, which extends the Contract's Final Completion Date to March 24, 2021; (2) replenishes the Contingency Time Allowance of 30 days; and (3) increases the total contract amount by replenishing the Contract's Contingency Allowance Account in the amount of \$262,793.74, bringing the total Contract amount from \$6,270,105.91 to \$6,532,899.65.

This Change Order is revocable if not ratified by the Board of County Commissioners. In the event the Board of County Commissioners does not ratify this Change Order, the Contractor is not entitled to lost profits or other consequential or indirect damages; however, the Contractor is eligible for payment for any work done prior to failure of ratification.

Time Justification Declaration:

A time extension is provided for additional work performed outside the scope of the original Contract that affects the critical path schedule of the contracted work or previously approved changes. Should additional work be required which does not affect the critical path schedule, no time extension will be granted. Should one item of additional work run concurrent with another item of additional work, only time not duplicated can be provided.

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

BOND, T-12

One Hartford Plaza

Hartford, Connecticut 06155

bond.claims@thehartford.com

call: 888-266-3488 or fax: 860-757-5835

Agency Code: 21-229752

KNOW ALL PERSONS BY THESE PRESENTS THAT:

- ☒ Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- ☒ Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- ☒ Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- ☐ Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of unlimited:**

Charles J. Nielson, Mary C. Aceves, Charles D. Nielson, Joseph Penichet Nielson, David R. Hoover
of
Miami Lakes, FL

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by ☒, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on March 1, 2016 the Companies have caused these presents to be signed by its Senior Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



John Gray

John Gray, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Senior Vice President

STATE OF CONNECTICUT

COUNTY OF HARTFORD

ss. Hartford

On this 5th day of April, 2016, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Senior Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Nora M. Stranko

Nora M. Stranko

Notary Public

My Commission Expires March 31, 2023

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of March 4, 2021.
Signed and sealed at the City of Hartford.



Kevin Heckman

Kevin Heckman, Assistant Vice President



MEMORANDUM

(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: May 18, 2021

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(O)(3)

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
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☒ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ 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(O)(3)
5-18-21

RESOLUTION NO. R-506-21

RESOLUTION RATIFYING ACTION BY THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE RELATED TO MIAMI-DADE WATER AND SEWER DEPARTMENT'S CONSENT DECREE AND CAPITAL IMPROVEMENT PROGRAMS ACCELERATION ORDINANCE PURSUANT TO SECTION 2-8.2.12 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA SPECIFICALLY APPROVING CHANGE ORDER NO. 1 BETWEEN MIAMI-DADE COUNTY AND LEE CONSTRUCTION GROUP, INC. FOR AN INCREASE TO THE CONTRACT AMOUNT BY \$262,793.74 AND A 310-DAY NON-COMPENSABLE TIME EXTENSION FOR THE ALEXANDER ORR JR. WATER TREATMENT PLANT LIME KILN ELECTRICAL SWITCHGEAR BUILDING, CONTRACT NO. W-944

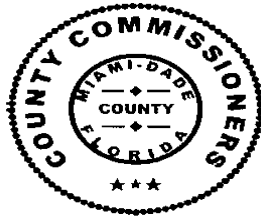
WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board ratifies the action of the County Mayor or County Mayor's designee, as authorized by section 2-8.2.12 of the Code of Miami-Dade County, specifically, to approve Change Order No. 1 between Miami-Dade County and Lee Construction Group, Inc., which is attached to the accompanying memorandum as Exhibit C, for an increase to the contract amount of \$262,793.74 and a 310-day non-compensable time extension for the Alexander Orr Jr. Water Treatment Plant Lime Kiln Electrical Switchgear Building. The original contract documents are kept on file with and are available upon request from the Intergovernmental Affairs Division of the Miami-Dade Water and Sewer Department.

The foregoing resolution was offered by Commissioner **Sen. Rene Garcia**,
 who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa**
 and upon being put to a vote, the vote was as follows:

Jose "Pepe" Diaz, Chairman	aye		
Oliver G. Gilbert, III, Vice-Chairman	aye		
Sen. René García	aye	Keon Hardemon	aye
Sally A. Heyman	aye	Danielle Cohen Higgins	aye
Eileen Higgins	aye	Joe A. Martinez	aye
Kionne L. McGhee	absent	Jean Monestime	aye
Raquel A. Regalado	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	absent		

The Chairperson thereupon declared this resolution duly passed and adopted this 18th day of May, 2021. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



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

HARVEY RUVIN, CLERK

By: **Melissa Adames**
 Deputy Clerk

Approved by County Attorney as
 to form and legal sufficiency.

SED

Sarah E. Davis