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# **MEMORANDUM**

March 20, 2017

- TO: City Commission
- THRU: Greg Harrison, City Manager John Sfiropoulos, City Engineer

FROM: Horacio Danovich, CIP Manager



### Issue

Staff is seeking City Commission approval of an Ordinance to execute a Guaranteed Maximum Price ("GMP") contract amendment (see amendment and Exhibit "A") with The Whiting-Turner Contracting Company ("WT") to provide construction services to reconstruct the City's Fishing Pier (see Location Maps) in the amount of \$11,548,859.00 including \$500,000.00 in owner's contingency (plus \$73,912.00 outside contingency) and anticipated tax savings (\$73,889.00).

# **Background**

2005: Volkert & Associates report indicated need to replace the structure as the pier was deemed to have reached the end of its structural life span (built in early 60's with typical lifespan of  $\pm$  50 years).

2013: Lakdas-Yohalem structural analysis report indicated replacement required as well.

January 15, 2016: City published RFQ L-15-16 seeking qualified firms to provide marine construction services. The City received pre-qualification packages on February 16, 2016, and a panel of reviewers ranked WT No. 1.

April 12, 2016: the City Commission approved the rankings of RFQ L-15-16 and authorized Staff to negotiate a Construction Management at Risk ("CMAR") contract with WT.

July 26, 2016: City Commission approved Ordinance 16-75 and Resolution 2016-254. The Ordinance authorized entering into a CMAR contract with WT. The Resolution allowed WT to conduct pre-construction services and generate a GMP for the reconstruction of the fishing pier (based on plans dated January 2017).

# **Prequalification Process:**

As a function of approvals of both the Ordinance and Resolution, WT was authorized to prequalify vendors for various construction disciplines and obtain bids from said pre-qualified vendors (see Exhibit "B"). The pre-qualification process included evaluating and verifying vendors' credentials including, but not limited to, financial documents, proof of experience,



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necessary licenses, bonding capacity, litigation/legal issues, etc. The initial outreach to qualified firms included extensive efforts to recruit Pompano Beach-based firms and all candidate firms were given equal opportunity to provide pre-bid documentation in a timely manner. The deadline to submit <u>all</u> prequalification materials was January 5, 2017, however WT extended deadlines to avert eliminating viable service providers and to give everyone a fair chance. In the end, 67 firms participated in the pre-qualification process. Of the pre-qualified firms, only those that provide a service were pre-qualified. Providers of materials need not be pre-qualified. In some cases, WT was unable to secure a large number of proposals. To compensate for low numbers of pre-qualified firms for a specific trade, WT made an extra effort to reach out to other vendors and/or gave lower tier pre-qualified firms an opportunity to participate. The main goal was to assemble the best possible set of vendors and secure reasonable bids from each of those vendors.

#### **GMP Development:**

Upon concluding the pre-qualification process, WT issued bid packages for various trades. Bids were evaluated for completeness and to confirm would-be bidders clearly understood what was required for each specific activity. To ensure bidders' commitment for higher ticket items (greater than \$50k), WT requested bid bonds. Although some Pompano Beach-based firms (and other selective firms) were unable to meet the bonding demands, they were not precluded from participating in the bid process. For structural components, which constitutes the highest expense, WT reached out to no less than three (3) of the most qualified, reputable and suitable vendors in the market. One declined to participate in the pre-qualification process (Shoreline Construction, Inc.), another (Ed Waters & Sons) chose not to pursue due to prior commitments and excessive backlog, and another (Murray Logan Construction) submitted a proposal that was evaluated observing the same rigorous parameters of completeness, accuracy, technical sufficiency, etc. In the end, bid proposal(s) were only accepted if the firms provided accurate, verifiable information; proposals were technically sufficient; and, the firm(s) had previously participate on a project of this magnitude.

Throughout the process, Staff met with WT and participated in numerous meetings and discussions that helped shape the contents of the final GMP. Primary emphasis was given to define the best design elements and materials and directing WT to get the best prices for each of those elements. Staff's homework included comparison of unit pricing for similar projects, particularly pier projects of comparable size and complexity. Pier projects evaluated included Titusville Memorial (2008), M.B. Miller Pier - Panama City (2010), Deerfield Beach (2012), to name a few. Cost of construction of the aforementioned piers fluctuated from \$300.00 to \$359.00 per sq. ft. (\$348.00 to \$417.00 today's prices). The GMP for the Pompano Beach Fishing Pier is estimated at \$408.00 per sq. ft. Taking into account reasonable escalation costs of 3%, the numbers compare quite favorably, particularly when escalation costs are applied to the total costs of each of those piers. Staff also compared unit costs for specific materials and reviewed each individual proposal received and tabulated by WT.



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### Local Participation:

WT's proposal identified 10% of proposed project workforce are local residents and over 6% of the contract will have a direct effect on Pompano-based businesses. For example, 1 out of 6 Murray-Logan employees are local residents. Local businesses, such as Cemex, will be part of the project albeit Cemex West Palm Beach will supply the concrete for all precast piles (the precaster is based out of West Palm Beach and transportation costs would be too excessive for the City to use Cemex Pompano Beach). WT was unable to find a qualified precaster in Pompano Beach.

### **Design Features:**

The pier will be raised over 4' from current elevation 16.5' NGVD to ±21' NAVD, well above the 100-year storm event elevation of 17.4' NGVD. Should rising sea level become a more serious issue, the foundation design would allow the pier to be raised an additional 1.5' to 2' at the western end, not requiring major structural modifications, however, if sea level rising is detected to exceed current projections (34" by 2060), then raising the pier more than 24" would require major structural modifications. The width will be increased to 30 feet to improve functionality and use, providing more room for fishermen and onlookers to co-exist with each other, along with cantilevered sections (balconies) for aesthetics and to provide visitors a different experience to enjoy the pier. Other features will include sea-turtle compliant lighting (along the railings); educational signage (sea-turtle, marine wildlife, etc.); Ipe handrail caps on wood rails (this is used to soften the deterioration of the top of the handrails and prevents splinters etc.); marine-related artwork on pylons; fish cleaning stations; a bait and tackle shop; shade structures; strategically placed benches and trash containers; strategically placed concrete pavers that resemble the coloring scheme along Pompano Beach Boulevard, to name a few (see Design Features).

### **Recommendation**

As far as credentials, the team assembled for this project includes personnel that worked and managed efforts to construct the Lake Worth (2007), Juno Beach (1998) and Dania Beach (1993) piers; Royal Palm Yacht and Country Club Marina; East Point 1 and Singer Island, Manalapan and Corniche seawalls; Juno Preserve, Docks and Boardwalk (all in Florida). Other significant projects in Florida include the award-winning City Commons & Waterfront Docks Project (2009), which received the Beacon of Light Award.

In regards to similar type projects in other parts of the country, team members participated in the following: the Rec Pier Hotel (2017, \$50 million), Westin National Harbor (2008, \$40 million), U. S. Navy Portsmouth Naval Shipyard (2006, \$6 million), Chesapeake Bay Bridge (1988, \$29 million). In addition, team members are working or have participated in marine related work for the Navy in Philadelphia including mooring dolphins, in-water jacking pads, and reconstructing an old wharf, projects that required pile driving and cofferdams.



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Having completed a review of all applicable documents and information, and considering WT's pre-construction services leading to the GMP, Staff recommends approval to enter into a GMP contract with The Whiting-Turner Contracting Company.

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