



Legislation Text

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TO: Mayor and City Commission

FROM: Cale Curtis, City Manager

DATE: January 24, 2024

A RESOLUTION OF THE CITY OF MARGATE, FLORIDA, AWARDED CONTRACT ASSOCIATED WITH BID NO. 2024-001 - "WATER MAIN IMPROVEMENTS PHASE 2A AND PARK DRIVE", IN THE AMOUNT OF \$4,106,419.00, TO MARCDAN, INC

BACKGROUND:

The Engineering Department has developed a water main rehabilitation plan to address the replacement of over 500,000 linear feet of aged and undersized water pipes throughout the city. A key deliverable of the project is the replacement of Asbestos Concrete pipes (ACP), which is the primary source of water main breaks. To undertake this enormous project, the city is divided into 9 phases each approximately one square mile in area and numbered 1 to 9. This phasing plan is illustrated in the background information. Project priority phasing was based on the frequency of water main breaks, the highest risk of failure, and the most critical infrastructure. Phase boundaries 1 to 9 were drawn to also establish uniformity in phase sizing and to minimize disruption to customers.

Phase 1 is substantially in the Coconut Creek service area and Phase 1A, which also included a small area in Margate, was completed in October 2023 by Marcdan Inc. The other sections in Phase 1 will be designed and completed in due course.

Phase 2 is bounded by Royal Palm Blvd to the north, W Atlantic Blvd to the south, Rock Island Road to the West and SR 7 to the East. Phase 2 is further subdivided into 8 sub-phases numbered 2A - 2H and this agenda item addresses a contract award for Phase 2A in the amount of \$4,106,419.00 to Marcdan Inc.

The limits of Phase 2A are Margate Blvd to the north, W Atlantic Blvd to the south, SR7 to the east, and the Stranahan River to the west. The Phase 2A limits are illustrated in the background information. Phase 2A was identified as a top priority based on the highest frequency of water main breaks.

INTRODUCTION:

A public advertisement was placed in the Sun Sentinel on October 25th 2023 for Bid No. 2024-001 "Water Mains Replacement Phase 2A and Park Drive" and a mandatory pre-bid meeting was held on November 15th 2023. Bid documents associated with the advertisement are presented in background information. The bid documents required contractors to bid two construction methodologies. The base bid required open cut and the bid alternate was for horizontal directional drilling (HDD). Following the pre bid meeting and to address questions from eligible bidders, bid addenda 1 and 2 were issued and these are presented in background information. At the public bid opening on December 7th 2023, four bids were received; the results of the bid opening are presented in background information.

All bids complied with the rudimentary requirements: bids included bid bonds, they were from bidders who attended the mandatory pre-bid meeting, and they acknowledged the two bid addenda. The base bid for open cut methodology was the cheaper option and these bids ranged from a low of \$4,106,419.00 (rank 1- Marcdan Inc.) to a high of \$6,480,604.50 (rank 4 - RPU). Lanzo Construction submitted the 2nd low bid in the amount of \$5,497,447.00 (rank 2) and Southern Underground Industries submitted the 3rd Low bid in the amount of \$6,391,960.00 (rank 3).

In regards to the bid alternate for HDD, the bids ranged from \$4,537,378.00 (rank -1 Marcdan Inc.) to \$6,51,351.00 (rank 4- Southern Underground Industries). Marcdan Inc. submitted the apparent lowest bid for both the base and alternate bids. The lowest base bid for open excavation (\$4,106,419.00) was less than the lowest bid alternate (\$4,537,378.00), by about \$430,000.00, and the evaluation focused on the base bids.

The Engineer of Record (EOR), Chen Moore & Associates (CMA) compared the construction bid line items of the four received bids to observe the spread of bid prices and to check for bid anomalies. There were no discrepancies in the base bid. The bid comparison is attached in background information. CMA also concluded that the base bid received from Marcdan Inc. was the lowest responsive and recommended contract award to Marcdan Inc. accordingly. Their letter of recommendation is submitted in background information.

The lowest base bid in the amount of \$4,106,419.00, is attached in background information.

DISCUSSION

Marcdan Inc. has worked in the City of Margate since 2018 performing the identical work that is required under this contract. They recently completed the 2018 Water Main Improvements Phase 1A project (Agenda Item # 2022-101). At the time of this writing the contract for Phase 1A is in the closing out stage and the final contract cost is expected to be about \$2,200,000 which is about \$400,000 less than the contract amount.

When Marcdan Inc. was recommended for the 2018 Water Mains Replacement Phase 1A project in May 2022, CMA contacted the seven (7) references provided by Marcdan Inc. in connection with the Phase 1A bid. The references included City of Margate, City of Coral Springs, City of Weston, and the City of Aventura. From the six responses received, CMA, concluded that Marcdan Inc. “appeared to have worked on successful projects throughout South Florida.... that have similar scope and project costs” to the 2018 WM Phase 1A project.

No additional reference checks were deemed to be necessary for this award recommendation, by virtue of the successful completion of the 2018 Water Mains Replacement Phase 1A contract.

RECOMMENDATION:

Award the contract associated with Bid No. 2024-001 - “Water Mains Improvements Phase 2A and Park Drive” to Marcdan Inc. in the amount of \$4,106,419.00.

FISCAL IMPACT:

The amount of \$4,500,000.00 was budgeted in the 2023-2024 fiscal year and was allocated to Account # 461-6004-536.65-81: Water Line Replacement - Construction.

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