



BOARD OF COUNTY COMMISSIONERS

DATE: April 23, 2013

AGENDA ITEM NO. 10

Consent Agenda ☐

Regular Agenda ☒

Public Hearing ☐

County Administrator's Signature

Subject:

Request for Reduction in Retainage: Change Order No. 3 - Keystone Road – U.S. 19 to East Lake Road
Project No.: 920522
Contract No.:090-0019-CP(DF)

Department:

Department of Environment and Infrastructure (DEI) /
Purchasing

Staff Member Responsible:

Jorge Quintas / Joe Lauro

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) APPROVE CHANGE ORDER NO. 3, THE REQUEST FOR REDUCTION IN RETAINAGE TO THE CONTRACT, FOR KEYSTONE ROAD – U.S. 19 TO EAST LAKE ROAD (PID NO. 920522), WITH DAVID NELSON CONSTRUCTION CO. (NELSON), PALM HARBOR, FLORIDA.

IT IS FURTHER RECOMMENDED THAT AFTER PROPER EXECUTION OF THE AGREEMENT BY THE CONTRACTOR, THE CHAIRMAN BE AUTHORIZED TO SIGN AND THE CLERK BE AUTHORIZED TO ATTEST.

Summary Explanation/Background:

Keystone Road in its former state was an inadequate two lane rural arterial roadway. The purpose of the project was to widen and improve Keystone Road to create a modern four lane divided urban road with curbing, enclosed drainage systems, and grassy medians. Change Order No. 1 substituted mechanical stabilized earth and modified gravity walls for select concrete/steel pile and cast in place concrete walls. Nelson entered into the final phase of the project in late February 2013, constructing the remainder of the curb, sidewalk, Pinellas Trail, median turn lanes, signs and other roadway components. To date, all underground infrastructure is installed, along with all major wall systems. Change Order No. 2 - Time Only provided for additional time required to accommodate underground utility conflicts and infrastructure modifications that were necessary.

Currently, the agreement requires five percent (5%) of the contract amount earned be retained until satisfactory completion and final acceptance of the project. The project is one of the last remaining construction contracts that require funds to be retained until the project is complete. Considering the practice is no longer being applied, along with the duration and amount of funds currently being withheld, Nelson requests retainage be reduced or eliminated and DEI staff concurs. To further justify this request, Nelson has closed all Notice of Intent to Claim issues dated through October 2, 2012 as these issues were resolved to the satisfaction of Nelson and the County. DEI staff recommends retainage be reduced to one-half percent (0.5%) of the contract amount earned. To date, Nelson has earned \$26,474,879.20, of which the County is currently withholding \$1,323,743.96 in retainage. Following approval of this item by the Board, \$1,191,369.56 of retainage will be released. The County will continue to withhold one-half percent (0.5%) in retainage from all future remaining invoice payments to Nelson. Additionally, Nelson will continue to carry bonds and insurance through final project completion.

Previous actions regarding this contract in reverse chronological order are:

- April 5, 2013 Change Order No. 2 - Time Only Delegated Approval by County Administrator
- January 11, 2011 Change Order No. 1 approved by the Board of County Commissioners
- April 6, 2010 Award of Bid by the Board of County Commissioners

Fiscal Impact/Cost/Revenue Summary:

Original Contract Amount:	\$31,602,804.10
Change Order No. 3:	-0-
Change Order No. 2, Time Only:	-0-
Decrease due to Change Order No. 1:	(\$ 561,780.54)
Revised Total Contract Amount:	\$31,041,023.56

Funds for this project are provided through the Infrastructure Sales Tax (Penny for Pinellas): Transportation Impact Fees Program allocation, reimbursements from Verizon Florida LLC, City of Tarpon Springs, City of Clearwater and Pinellas County Enterprise Revenue.

Exhibits/Attachments:

Contract Review
Change Order No. 3
Letter from Nelson dated January 29, 2013



**PURCHASING DEPARTMENT
CONTRACT REVIEW TRANSMITTAL**

CATS
NO.:

41877

**PROJECT: Change Order No. 2 – ~~Time Only~~ for Keystone Road – U.S. 19 to East Lake Road
(PID No. 920522)**

BID NUMBER: 090-0019-CP(DF)

REQ. NUMBER:

TYPE: ☒ Purchase Contract ☐ Other: ☐ Construction-Less than \$100,000 ☐ One Time

In accordance with the policy guide for Contract Administration, the attached documents are submitted for review and comment.

Upon completion of review, complete Contract Review Transmittal and forward to next Review Authority listed. Please indicate suggested changes by revising, in RED, the appropriate section of the document reflecting the exact wording of the change.

RISK MANAGEMENT: Estimated Expenditure: \$0.00

REVIEW SEQUENCE	REVIEW AUTHORITY	REVIEW DATE	REVIEW SIGNATURE	COMMENTS (Attach Separate page if necessary)	COMMENTS INCORPORATED
1.	<u>Purchasing Dept.</u> J. Lauro, Director C. Mancuso, Ass't. Director D. Fechter, PA			The establishment of a damage was part of original BCC award. I do not think Edmon has capacity to amend this. OKAY w/DEL.	
2.	<u>Dept. of Environment & Infrastructure</u> Jorge Quintas, Director PAUL GUILLANI, P.E. Joe DeMoss, PM Merry Celeste, Contracts	3/13/13 3/13/13		SEE REDLINES	
3.	<u>Risk Management Director</u> Attn: Virginia E. Holscher (Check applicable box at right)	3/21		Insurance in original agreement.	HIGH RISK NOT HIGH RISK
4.	<u>BCC Finance</u> Attn: Cassandra Williams	3/26/13			
5.	<u>Legal</u> BARB Attn: Michelle Wallace	3/27/13		Needs to go to BCC to move all references to time only	Will sign revised CO
6.	<u>Asst. County Administrator</u> Attn: M. Woodard	4/1/13		See questions / comments.	

RETURN ALL DOCUMENTS TO PURCHASING

Make all inquiries to: **D. Fechter, Purchasing** at Extension 3154
In order to meet the following schedule, please return your requirements to Purchasing by: **3/15/13**

TENTATIVE DATES

Bid Mail Out: N/A
Bid Opening: N/A
Purchasing Director Approval: 3/18/13



Joseph Lauro, CPPO/CPPB
Director

CONSTRUCTION CHANGE ORDER NO. 3

PROJECT: Keystone Road – U.S. 19 to East Lake Road (PID No. 920522)
CONTRACT: 090-0019-CP (DF)
AGREEMENT DATE: April 7, 2010
COMMENCEMENT DATE: July 12, 2010
OWNER: Pinellas County Public Works
CONTRACTOR: David Nelson Construction Co.

DESCRIPTION:

Reduction in Retainage to one-half percent (0.5%) of contract amount earned

REASON FOR CHANGE:

Currently, Section H(2)(A) of the agreement requires five percent (5%) of the contract amount shall be retained until satisfactory completion and final acceptance of the project. The Keystone Road Project is one of the last remaining construction contracts that require funds be retained until the project is complete. Considering the practice is no longer being applied, along with the duration and amount of funds currently being withheld, the Contractor requests retainage be reduced or eliminated. To further justify this request, the Contractor has closed all Notice of Intent to Claim issues dated through October 2, 2012 as these issues were resolved to the satisfaction of the Contractor and County. DEI staff recommends retainage be reduced to one-half percent (0.5%) of the contract amount earned. To date, the Contractor has earned \$26,474,879.20, in which the County is currently withholding \$1,323,743.96.

No time extension is associated with this change order.

CHANGE IN AGREEMENT PRICE:

Original Agreement Amount:	\$31,602,804.10
Increase/decrease due to Change Order No. 3:	-0-
Change Order No. 2 – Time Only:	-0-
Decrease due to Change Order No. 1:	(\$561,780.54)
Revised Agreement Amount:	\$31,041,023.56

PLEASE ADDRESS REPLY TO:
400 South Ft. Harrison, Sixth Floor
Clearwater, Florida 33756
Phone: (727) 464-3311
FAX: (727) 464-3925
Website: www.pinellascounty.org/purchase



Your acceptance of this Change order shall constitute a modification to our Agreement and will be performed subject to all of the same terms and conditions as contained in our Agreement indicated above, as fully as if the same were repeated in this acceptance. This adjustment to the agreement shall constitute a full and final settlement of any and all claims arising out of or related to the change set forth herein, including claims for impact and delay costs.

PINELLAS COUNTY, FLORIDA
by and through its Board of County
Commissioners

ATTEST:

By: _____
Ken Burke
Clerk of the Court

By: _____
Chairman
Board of County Commissioners

Date: _____

By: Michelle Wallace
APPROVED AS TO FORM
Office of County Attorney

ATTEST:

CONTRACTOR:

By: _____

Type/Print Name and Title

By: _____

Type/Print Name and Title

(SEAL)



**General Contractors
Heavy Construction
Engineers
Site Work**

"An Equal Opportunity Employer"

January 29, 2013

Joseph DeMoss, CPM, Engineering Supervisor
Pinellas County Public Works Operations
Construction Administration
22211 U.S. Highway 19 North, Bldg. #16
Clearwater, FL 33765

Re: Keystone Road – U.S. 19 to East Lake Road (P.I.D. NO. 920522), BID NO. 090-0019-CP
DNCC Job No. 922

Subject: Release of Remaining Retainage - Resolved Issues with Potential Impacts to Contract Time and/or Cost

Dear Mr. DeMoss:

Per your request, the following represents a list of issues that arose over the course of the Keystone Road project in which David Nelson Construction (DNCC) issued notification letters documenting the potential for an increase to the contract time and/or cost due to condition changes that we felt were unforeseen and beyond our control. Early in the project DNCC designated these letters with a Notice of Intent (NOI) number. As the project progressed DNCC stopped using this designation as the letters were not truly a notice of intent to claim, simply contract mandated notification when DNCC encountered an issue that had potential impacts to contract time and/or cost. The totality of these issues have since been resolved by the project team, either through the appropriate Additional Work Authorizations (AWA's) covering all costs and time extensions, use of existing contract items to pay for additional work or were determined to have no cost or time impacts to the contract.

<u>LETTER DATE</u>	<u>ISSUE</u>	<u>STATUS</u>
06-04-10 :	SWFWMD Mitigation Issue (NOI 1)	CLOSED
06-04-10 :	Possible Change to Force Main Construction (NOI 2)	CLOSED
06-10-10 :	Clearing Debris and Silt Fence Remaining On-Site (NOI 3)	CLOSED
06-21-10 :	16-inch Water Main Tie-in East of East Lake Road (NOI 4)	CLOSED
06-21-10 :	Change in Pond Bank Slope of Pond 9A (NOI 5)	CLOSED
07-19-10 :	MOT at East Lake Road and Keystone Road (NOI 6)	CLOSED
07-29-10 :	Plan Revision Nos. 5 & 6 (NOI 7)	CLOSED
09-09-10 :	Construction of 30" Force Main Offsets (NOI 8)	CLOSED
09-09-10 :	Coal Tar Epoxy Coating on Steel Sheet Piles (NOI 9)	CLOSED

David Nelson Construction Co.

CG C012229

**(727) 784-7624 Pinellas
(813) 786-8616 Tampa
(727) 786-8894 Fax**

www.nelson-construction.com

**3484 Alternate 19
Palm Harbor, FL 34683**

09-22-10 :	Nightwork for Backflow Preventer Removal at Sta. 656+00 (NOI 10)	CLOSED
09-28-10 :	Joint Restraints Required for Tees on Pressure Mains (NOI 11)	CLOSED
01-19-11 :	Concrete Cap on Steel Sheet Pile Walls	CLOSED
01-28-11 :	Storm Conflict at Station 644+00 (NOI 12)	CLOSED
03-14-11 :	36" Water Main Modifications at Melon St.	CLOSED
03-15-11 :	Hit Unmarked Outlet on 36" Water Main at Silver Moss	CLOSED
04-21-11 :	Tarpon Springs 20" Water Main Clearance Issues	CLOSED
08-18-11 :	Existing Facility Relocations at Old East Lake Road	CLOSED
10-02-11 :	Delinquent August 2011 Progress Payment	CLOSED
12-20-11 :	Progress Energy Power Poles Needing Lowered	CLOSED
04-23-12 :	Utility Conflicts Between Sta.'s 549+00 & 553+00	CLOSED
06-06-12 :	Exist 30" Force Main in Conflict w/ 36" Water Main Offset Sta. 550+40	CLOSED
06-14-12 :	Exist 24" Reclaim Main in Conflict w/ 36" Water Main Offset Sta. 550+70	CLOSED
06-14-12 :	Exist 24" Reclaim Main in Conflict w/ 30" Force Main Tap Sta. 544+10	CLOSED
07-18-12 :	Tarpon Springs 08" Water Main Clearance Issues	CLOSED
10-02-12 :	Progress Energy Light Poles Needing Relocated	CLOSED

DNCC feels the closing of all of these NOI's and potential issue notification letters represents the good faith efforts made by all parties throughout the project to resolve issues involving potential impacts the contract cost and duration both quickly and fairly. The resolution of all of these issues further supports our request to have the remaining retainage on this project released, as these issues no longer represent a potential for cost or contract duration increases to the County.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

DAVID NELSON CONSTRUCTION CO.



Brian Symanski

Project Manager

Cell: 727-639-5367

bsymanski@nelson-construction.com

