


**CITY OF MIAMI, FLORIDA
INTER-OFFICE MEMORANDUM**

TO: Daniel J. Alfonso,
City Manager

DATE: March 22, 2017

FILE:

SUBJECT: Recommendation of Award of Contract for
Wagner Creek/Seybold Canal Restoration
Project

FROM: Annie Perez, CPPO, 
Director, Procurement

REFERENCES: Request for Proposals
(RFP) No. 15-16-030

ENCLOSURES: Rejection Letter, RFP 15-16-010;
Recommendation to Negotiate Memorandum

Recommendation

Based on the findings below, the Procurement Department (Procurement) hereby recommends approval to award Contract No. RFP 15-16-030, to Severson Environmental Services, Inc. (Severson) for the Wagner Creek/Seybold Canal Restoration Project (Project). The services to be provided include performing maintenance dredging to remove accumulated sediment in both the Wagner Creek and Seybold Canal waterways. The overall project goal is to remove sediments to achieve improved drainage and/or navigation, reduce the risk from contamination in the waterways, with a focus on protecting public/worker safety and minimizing damage to existing structures, land, vegetation and wildlife. The impact of this item is Citywide in nature.

Fiscal Impact

The fiscal impact for the negotiated three hundred and forty-seven* (347) Days Contract term, is Eighteen Million, Four Hundred Thousand, One Hundred and Forty-One Dollars and Twenty Cents (\$18,400,141.20). The Contract will have a contingency fee of Five Hundred Thousand Dollars (\$500,000), in addition to the ten percent (10%) retainage amount. The Project funding is derived from the various sources, as presented below in Table 1:

Table 1: Project Funding Sources

Funding Agency		Grant End Date	Project Reference No.	Funding Amount	City's Match Amount
1	Department of	1/31/2019	S0774,	\$ 450,000.00	Not applicable
2	Environmental Protection (FDEP)	4/15/2017	SW132000	\$22,413,800.09	Not applicable
3	Florida Inland	9/30/2017	DA-MI-14-162	\$ 1,000,000.00	\$ 1,000,000.00
4	Navigational District	9/30/2017	DA-MI-15-178	\$ 700,000.00	\$ 700,000.00
5	(FIND)**	9/30/2018	DA-MI-16-204	\$ 1,200,000.00	\$ 1,200,000.00
TOTAL				\$25,763,800.09	\$ 2,900,000.00

Notes:

*The 347 days represent the number of calendar days to Substantial Completion of the project. In the event Severson experiences any delays with securing the required modifications to the Corrective Action Plan-Version 2 (CAP2) approved by Miami-Dade County's Department of Environmental Resources Management (DERM), and the subsequent permits, the City will allow an additional sixty (60) days to complete this activity.

**FIND Grant is appropriated only for Operational Section #6, Seybold Canal.

Background

On December 7, 2015, the City issued a Request for Proposals (RFP) No. 15-16-010 under full and open competition, to obtain proposals from qualified, experienced Design-Build Firms to remove contaminated sediments from the Wagner Creek and Seybold Canal waterways. On March 16, 2016, three (3) proposals were received in response to this solicitation. Subsequently, on July 11, 2016, proposals were rejected (see enclosed rejection letter).

The City revised RFP No. 15-16-010 and on August 24, 2016, the City reissued to solicitation as RFP No. 15-16-030, under full and open competition. Proposers were requested to submit a mandatory "Base Proposal", and/or an "Alternate Technical Concept Proposal" (ATC Proposal). The Base Proposal was required to be consistent with the CAP2, which was developed as a basis of design and was used to secure the County, State and Federal permits. The ATC Proposal was to consider innovative approaches and allow for flexibility, time, cost savings and risk reduction. The ATC Proposal could only be considered if the Proposer also submitted a Base Proposal.

On October 26, 2016, three (3) proposals were received in response to the RFP No 15-16-030; 1) a Base Proposal from Cherokee Enterprises, Inc. (Cherokee); 2) a Base Proposal from Severson; and 3) an ATC Proposal from Severson. All three (3) proposals were deemed responsive to the RFP requirements. As a matter of information, the ATC Proposal from Severson deviated from the approach approved in the CAP2 as noted below, and included additional environment and human health protections, and allowed for safe passage of vessels in Seybold Canal, presented as an accelerated schedule and a lower cost when compared to Severson's Base Proposal. These deviations require a determination by DERM whether the proposed elements are consistent with the CAP2, or will require a CAP2 modification. The responsibility for engaging DERM and/or other regulatory agencies, as well as securing all approvals rests with Severson.

Following are the deviations proposed by Severson in their ATC proposal:

- a) Sediment removed by means of mechanical dredging will be loaded via a small conveyor directly behind the excavator into small (10 cubic yard) watertight scows;
- b) The watertight scows are then pushed to a designated unloading area onshore where a second piece of equipment unloads the watertight scow(s) into 25 cubic yard (CY) watertight containers (WTC) for transport to an offsite dewatering/treatment facility;
- c) Once the WTCs leave the site they are transported directly to the secure dewatering/treatment facility for amendment with Portland Cement;
- d) Dredge Plan #1 and #2 (Operational Section (OS)-1 through OS-5/Wagner Creek): turbidity control within specific areas of Wagner Creek, and also include the installation of a portable hydro-dam;
- e) Dredge Plan #3 (OS-6/Seybold Canal): a "moon pool" turbidity curtain arrangement is described (in addition to the air bubble curtain required by the CAP 2) that can be raised or lowered to match the tides and subsequent changes in water depths; and
- f) In the Seybold Canal, the dredged sediment will be loaded directly into 100 cubic yard watertight scows and then transported via the Miami River to an offloading area adjacent to the secure dewatering/treatment facility and then placed on the treatment pad for the addition of Portland cement.

Subsequently, the three (3) proposals were reviewed and evaluated by an Evaluation Committee (Committee), following the guidelines, and technical criteria published in the RFP. Both firms, Cherokee and Severson, were invited to oral presentations, for clarifications on the three (3) proposals. The firms were allowed thirty (30) minutes each to make their presentations, followed by twenty-five (25) minutes each to address questions/clarifications from the Committee. As Severson was presenting for both the Base Proposal and ATC Proposal, they were given less time for the ATC Proposal presentation as they were asked only to address the deviations from the Base Proposal. Following oral presentations, the Committee recommended Severson, the highest ranked, responsive

and responsible proposer for negotiations of the ATC Proposal (refer to the enclosed Recommendation to Negotiate Memorandum).

Subsequently, the Negotiations Team met on three (3) occasions (December 22, 2016, and January 10 and 27, 2017), to develop their contract negotiations strategy. The Negotiations Team then met with Severson on three (3) occasions (January 31, 2017 and February 10 and 22, 2017) to negotiate a contract. The meeting with Severson were closed to the public, pursuant to Florida Statutes 286.011. The City Attorney and Procurement staff also met on numerous occasions to address the comments and proposed language changes that Severson posed in their ATC Proposal, regarding the Professional Services Agreement's terms and conditions. Negotiations were successfully completed with Severson on March 15, 2017. As a result of the negotiations, the City realized a potential savings of \$102,000.00 on the proposed price, and anticipates a reduction of one hundred and thirty-three (133) days on the project time of four hundred and eighty (480) days. A notice to proceed will be issued by the Office of Capital Improvement as soon as the contract has been executed by the City.

Severson demonstrated in their ATC Proposal and oral presentations that they exceed the minimum qualifications, and possess the technical capabilities to perform the work as evidenced by their project experience, proposed approach and favorable recommendations from past clients. Notwithstanding Severson's capabilities, the proposed enhancements included in their ATC Proposal would require modifications to the CAP2. Accordingly, on February 17, 2017, Severson and the City's representatives attended a meeting with DERM, to confirm the information that Severson will need to submit to DERM to support the proposed CAP2 modifications and any associated changes to the existing permits.

Following are the current permits associated with this project:

Table 2: Project Permits

Permit Name	Permit Number	Effective Date	Expiration Date
U.S. ARMY CORPS OF ENGINEERS (USACE) NW No.33 FILL (manatee barrier)	SAJ-2004 -6642	7/19/2011	3/18/2017
FDEP Construction Phase	13-0186694-006	2/16/2011	2/16/2018
DERM CLASS 1 Construction	2008-CLI-PER-00248	1/14/2011	1/14/2019
USACE DREDGING (sediment removal)	SAJ-2004-6642	7/19/2011	6/27/2019

Should Severson experience substantial delays in gaining the CAP2 modifications from DERM, after a contract is awarded, the City reserves the right to find Severson in default, terminate the contract with Severson, and begin negotiations of the Base Proposal with the second ranked firm, Cherokee.

Approved: 
Daniel J. Alfonso, City Manager

Date: 3-21-17

- c: Alberto Parjus, Assistant City Manager
- Fernando Casamayor, Assistant City Manager/Chief Financial Officer
- Rafael Suarez-Rivas, Senior Assistant City Attorney
- Robin J. Jackson, Senior Assistant City Attorney
- Jeovanny Rodriguez, P.E., Director, OCI
- Lydia Osborne, CPPO, Assistant Director, Procurement
- Daniel Dietch, Consultant, CH2M