



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 19-00040

City Council

2/14/2019

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** Grover C. Robinson, IV, Mayor

**SUBJECT:**

PENSACOLA ENERGY - AWARD OF BID #19-005, NATURAL GAS PIPELINE CONSTRUCTION NORTH HILL LOW PRESSURE AREA UPGRADES

**RECOMMENDATION:**

That City Council award Bid #19-005 Natural Gas Pipeline Construction to R.A.W. Construction, LLC, in the amount of \$881,650.00 for the natural gas infrastructure replacement project, \$289,468.38 for the unit price and miscellaneous work option as outlined in the bid specifications plus a 10% contingency of \$117,111.84 for a total amount of \$1,288,230.22 for a period of one year. Further, that Council authorize the Mayor to execute a contract and take all actions necessary to complete the project.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

Sealed bids were received December 18, 2018 for a contract to replace aging natural gas pipelines (infrastructure replacement). One vendor, R.A.W Construction, responded to the City's invitation to bid. Pricing is for one (1) project for the completion of the cast iron low pressure upgrade in the North Hill area. The contract also provides for unit price option and miscellaneous outside work in addition to the specified work order. Unit price option is for miscellaneous work for natural gas pipeline maintenance, replacement, and new construction. Miscellaneous outside work is based on hourly rates for out of scope work or change order work. Miscellaneous projects may arise, for example, in a case of emergency such as unusual weather conditions or to assist with system expansion.

**PRIOR ACTION:**

November 8, 2018 - City Council adopted FY 2019 Non-Encumbered Carryover Budget Resolution No. 18-50 appropriating the remaining balance of the Gas System Revenue Note, Series 2016.

November 29, 2016 - City Council approved a resolution authorizing a financing not to exceed \$15 million to finance the acquisition and construction of certain capital improvements to the gas system.

**FUNDING:**

Budget: \$1,288,300.00

Actual:   \$ 881,650.00 Construction Contract  
          289,468.38 Miscellaneous Work Option  
          117,111.84 10% Contingency  
Total     \$1,288,230.22

**FINANCIAL IMPACT:**

Funds have been appropriated in the Gas Utility Fund from the Florida Gas System Revenue Note, Series 2016. The balance remaining at the end of Fiscal Year 2018 was carried forward on Supplemental Budget Resolution No. 18-50

**CITY ATTORNEY REVIEW:** Yes

1/28/2019

**STAFF CONTACT:**

Christopher L. Holley, City Administrator  
Richard Barker, Jr., Chief Financial Officer  
Don J. Suarez, Pensacola Energy Director

**ATTACHMENTS:**

- 1) Bid Tabulation - Bid No. 17-012
- 2) Final Bidder Reference List - Bid No. 19-005

**PRESENTATION:** No