

RESOLUTION 33-21

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF TEQUESTA, FLORIDA, INCREASING THE FISCAL YEAR 2020/2021 CAPITAL IMPROVEMENT FUND AND CAPITAL PROJECTS FUND BUDGETS BY INCREASING REVENUES AND EXPENDITURES IN THE AMOUNT OF \$196,000.00 TO RECOGNIZE AN INTER-FUND TRANSFER FROM THE CAPITAL IMPROVEMENT FUND TO THE CAPITAL PROJECTS FUND; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, on February 11, 2021 the Village entered into a contract for Construction Manager at Risk services with Hedrick Brothers Construction in the amount of \$6,013,394.00 to construct the new community center; and,

WHEREAS, unforeseen circumstances such as changes in the scope of the project, increases in the cost of construction materials, delays in the transportation of construction materials and the addition of threshold inspection and testing services have created a cost overrun for this project of \$196,000.00; and,

WHEREAS, staff is recommending to use unspent infrastructure surtax funds from the Capital Improvement Fund to cover the cost overrun; and,

WHEREAS, the following accounts will be increased:

Capital Improvement Fund

Revenues

Appropriate Fund Balance, 301-990-399.999 \$196,000.00

Expenditures

Transfer to Capital Projects Fund, 301-900-591.303 \$196,000.00

Capital Projects Fund

Revenues

Transfer from Capital Imp. Fund, 303-900-381.301 \$196,000.00

Expenditures

Buildings, 303-231-662.600-40001 \$196,000.00

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF TEQUESTA, PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:

Section 1: Resolution 33-21 is hereby approved, amending the Fiscal Year 2020/2021 Capital Improvement Fund and Capital Projects Fund Budgets by increasing revenues and expenditures in the amount of \$196,000.00 to recognize an inter-fund transfer from the Capital Improvement Fund to the Capital Projects Fund;

Section 2: This Resolution shall become effective immediately upon passage.

On February 11, 2021, the Village entered into a contract for Construction Manager at Risk services with Hedrick Brothers Construction in the amount of \$6,013,394.00 to construct the new community center. On June 10, 2021, the Village Council approved Change Order No. 1 totaling \$160,711.35. As a condition of approval, staff was instructed to work with Hedrick Brothers to determine if any credits could be generated. Since that time, Hedrick Brothers has received several subcontractor change order requests that were necessitated by steep material pricing increases brought about by an overall disruption in the global construction supply chain. According to Associated General Contractors, government data released earlier during the year, revealed that costly pricing increases and supply chain disruptions have perpetuated further hardships on contractors, not only driving up construction costs, but also slowing down progress on their projects. In some cases, prices per unit have almost doubled. Additionally, the data found that more than three-fourths of construction firms have indicated projects are being postponed or canceled altogether due to unavailable materials or cost overruns.

The total additional change orders amount to \$100,847.01, which brings the total change orders to date to \$261,558.36. A summary of the net change by change orders is below:

Description/Reason for Change Order	Revision Change No.	Amount
Original Contract Sum	N/A	\$6,013,394.00
Direct Owner Purchases + Tax Savings/Adjustments (Changes to bid set)	1-3	(434,320.11)
Subcontractor cost components; time delay of 51 calendar days	4	160,711.35
Plumbing changes per code	5	4,794.07
Truss modifications	6	13,647.20
Electrical owner requests	7	6,293.49
Barometric relief damper	8	2,598.07
Sink/shroud change	9	(634.44)
Additional fencing at Seabrook	10	3,998.19
Add 1 panel to operable partition	11	1,256.95
Lumber cost escalation	12	15,298.34
Correction to remove markup on price escalation items	13	(1,418.34)
Ductwork price escalation	14	22,928.00
N/A – "Voided"	15	0.00
Milling and overlay at Dover Road	16	22,771.56
Adjustment of tax savings – A/V Equip. (The Experts)	17	1,758.42
Adjustment of tax savings – structural steel (Epic Metals)	18	7,555.50
Revised contract sum to date (Hedrick Bros. Construction)		\$5,840,632.25

The change orders/adjustments reflected above will create a cost overrun for this project of approximately \$196,000.

The cost overrun was calculated as follows:

Description	Amount
Original Construction Budget	\$6,157,841
Less: Hedrick Bros. Construction	(5,840,632)

Less: Direct owner purchases	(495,722)
Less: Other ancillary expenses to completion	(17,000)
Budget Deficit (Funding Amount Needed)	(195,513)



RESOLUTION

Date

33-21

07/08/2021

Motion Council Member Laurie Brandon

Second Vice-Mayor Kyle Stone

	FOR	AGAINST	ABSENT	CONFLICT
Mayor Frank D'Ambra, III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice-Mayor Kyle Stone	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Council Member Laurie Brandon	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Council Member Molly Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Council Member Bruce Prince	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Mayor thereupon declared the Resolution duly passed and adopted.

MAYOR OF TEQUESTA:

Frank D'Ambra, III

ATTEST:

Lori McWilliams, MMC
Village Clerk

