

# STAFF REPORT UTILITY MEETING

**AGENDA DATE:** February 27, 2024

**DEPARTMENT:** Electric Utility

**TITLE:**

Change Order 1 to contract with Energy Erectors, Inc. for increased costs due to permitting delays of the Canal 138 kV Transmission Switchyard Project

**SUMMARY:**

Change Order 1 to contract with Energy Erectors, Inc. for increased costs due to permitting delays of the Canal 138 kV Transmission Switchyard Project in the amount of \$115,575.06. This project has been identified as an element of the City's electric utility System Hardening and Reliability Improvement Project (SHRIP) and for which bonds were sold in November 2020.

**BACKGROUND AND JUSTIFICATION:**

The Energy Erectors, Inc. Change Order 1 in the amount of \$115,575.06 to their \$3,352,690.00 contract with the City of Lake Worth Beach IFB # 22-110 dated September 21, 2022, reflects increased subcontractor costs and direct labor cost increases as a result of Palm Beach County permitting delays.

The new drilled pier subcontractor and the concrete slab on grade foundations subcontractor had increased costs compared to the original subcontractor cost. The original subcontractor could not maintain costs and availability as a result of the permitting delays.

**MOTION:**

Move to approve/disapprove Change Order 1 to contract with Energy Erectors, Inc. for increased costs due to permitting delays of the Canal 138 kV Transmission Switchyard Project not to exceed the amount of \$115,575.06.

**ATTACHMENT(S):**

Fiscal Impact Analysis  
Change Order #1

**FISCAL IMPACT ANALYSIS**

Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	0	0	0	0
Capital	\$115,575.06	0	0	0	0
Net Fiscal Impact <i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Transmission
GL Description	Improve other than Build/Infrastructure
GL Account Number	421-6034-531.63.15
Project Number	SH2113
Requested Funds	\$115,575.06
Remaining Balance	\$365,070.74
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Bond 2020