

**Agenda Item 13.A  
Meeting of 4/21/21****RESOLUTION 2021-14627**

**A RESOLUTION AMENDING THE FY 2020-21 BUDGET ADOPTED BY RESOLUTION 2020-14570 TO PROVIDE SUFFICIENT FUNDING FOR CONSTRUCTION SERVICES TO ABANDON SEPTIC TANKS AND CONNECT HOMES TO THE NEW SEWER LATERALS INSTALLED AS PART OF THE WEST GOODLETTE-FRANK ROAD - GULF ACRES / ROSEMARY HEIGHTS SEPTIC TO SEWER PROJECT; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** the City adopted a budget for Fiscal Year (FY) 2020-21 via Resolution 2020-14570; and

**WHEREAS,** Section 5 of Resolution 2020-14570 states that "Budget adjustments that would increase total expenditures of a budgetary fund or would transfer money between funds require City Council approval via resolution."; and

**WHEREAS,** the FY 2020-21 Capital budget allocated funding within CIP 21N12 in the amount of Nine Hundred Thousand Dollars (\$900,000) for construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road - Gulf Acres / Rosemary Heights Septic to Sewer Project; and

**WHEREAS,** the approved budget for CIP 21N12 did not include sufficient funding for the project; and

**WHEREAS,** the cost for construction services to abandon septic tanks and connect homes to the new sewer laterals is One Million, Eight Hundred Sixty-Seven Thousand, Five Hundred Forty Dollars (\$1,867,540); and

**WHEREAS,** the City was awarded One Million, Two Hundred Thousand Dollars (\$1,200,000) through a State Appropriation that is administered through the Florida Department of Environmental Protection - reference Agreement No. LPA0028 – executed August 9, 2019; and

**WHEREAS,** on October 17, 2018 City Council adopted the "Final Assessment Resolution" (2018-14223) for the Gulf Acres / Rosemary Heights sewer assessment area that identified the costs that would be imposed for the sewer improvements; and

**WHEREAS,** due to the timing for when the City was awarded the \$1.2-million State Appropriation, the Final Assessment Resolution did not include these funds as part of the calculated assessment; and

**WHEREAS,** staff is recommending applying the \$1.2-million State Appropriation as a funding source for abandoning septic tanks and connecting homes to the new sewer laterals in lieu of calculating the appropriation within the final "Annual Assessment"; and

**WHEREAS**, to fund the cost for construction services to abandon septic tanks and connect homes to the new sewer laterals, a budget amendment is required to increase CIP 21N12 (Sewer Connection Program) by transferring \$967,540 from the Water/Sewer Fund's Unrestricted Net Position;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NAPLES, FLORIDA:**

**Section 1.** That the FY 2020-21 budget of the City of Naples, adopted via Resolution 2020-14570, is hereby amended to provide sufficient funding for construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road - Gulf Acres / Rosemary Heights Septic to Sewer Project.

**Section 2.** That Capital Improvement Project 21N12 is increased by Nine Hundred Sixty-Seven Thousand, Five Hundred Forty Dollars (\$967,540) by transferring funds from the Water/Sewer Fund's Unrestricted Net Position.

**Section 3.** That this resolution will become effective immediately upon adoption.

**PASSED IN OPEN AND REGULAR SESSION OF THE CITY COUNCIL OF THE CITY OF NAPLES, FLORIDA, THIS 21ST DAY OF APRIL, 2021.**



Attest:

THE

*Patricia L. Rambosk*  
Patricia L. Rambosk, City Clerk

*Teresa Lee Heitmann*  
Teresa Lee Heitmann, Mayor

Approved as to form and legality:

*Nancy Stuparich*  
Nancy Stuparich, City Attorney

Date filed with City Clerk: 5-4-21



# Agenda MEMORANDUM

## Utilities Department

Equipment Services • Solid Waste • Water-Sewer

**To:** City Council  
**From:** Robert Middleton, Utilities Director  
**Date:** April 12, 2021  
**Regular Meeting Date:** April 21, 2021

Legislative  Quasi-Judicial

### SUBJECT:

- a. Resolution amending the FY 2020-21 budget adopted by Resolution 2020-14570 in the amount of \$967,540 to provide sufficient funding to provide construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project; and
- b. Award of contract to Denco Construction, Inc. in the amount of \$1,867,540 to provide construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project.

### SUMMARY:

City Council is requested to consider the following:

- a. Resolution amending the FY 2020-21 budget adopted by Resolution 2020-14570 in the amount of \$967,540 to provide sufficient funding to provide construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project; and
- b. Award a contract to Denco Construction, Inc. in the amount of \$1,867,540 to provide construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project, and authorize the City Manager to execute the contract.

The contract will be pursuant to the pricing, specifications, and terms outlined in City Bid 21-031 in which the contract amount equates to: Section 1 (Rosemary Heights) \$458,370 (total base bid) + Section 2 (Gulf Acres) \$1,409,170 (total base bid) = \$1,867,540.

It is important to note that the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project has also been known, or referred to, as the "Naples Bay Red Tide/Septic Tank Mitigation Project."

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**BACKGROUND:**

On June 13, 2018, City Council awarded a contract to WPM – Southern, LLC to construct sanitary sewer and potable water improvements within the Gulf Acres/Rosemary Heights Special Assessment area. A copy of the Agenda Memorandum from June 18, 2018 has been included for reference regarding the history of the project.

On March 8, 2021, the sanitary sewer system was substantially completed and accepted by the City of Naples. Considering that the system has been accepted, customer connections from the homes to the new sanitary sewer system can commence and septic tanks can be abandoned as part of the connection services. This contract will provide services to connect 331 properties to the new sewer laterals that were installed as part of the project.

Bid 21-031 was publicly advertised on February 24, 2021 for the Department's requirements to provide sanitary sewer connections and septic tank abandonment services for the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project. Two-hundred thirty-three (233) vendors were mailed notices, DemandStar sent three-hundred seventy-one (371) notices to potential vendors, nine (9) plan holders were mailed a copy of the bid, and the bid was advertised in the Naples Daily News and City's website. Supplemental vendors were also sent information on the project that included two-hundred seventy-eight (278) Collier, Lee, and Charlotte County registered minority business enterprises, and forty-eight (48) HUD Section 3 Collier County registered businesses. Three (3) vendors provided pricing in response to the bid. The apparent low bid was provided by Denco Construction, Inc. of Ft. Myers, Florida for an amount of \$1,867,540.

The engineer of record, Q. Grady Minor, has also reviewed the three (3) bids received and recommends award of a contract to Denco Construction, Inc. of Ft. Myers, Florida as the lowest most responsive bidder. Denco Construction, Inc. is an experienced contractor that has provided these type services for similar projects.

City Bid 21-031 included a "Bid Alternate" (listed as "3b" within each bid schedule) that provided pricing to dispose of the septage removed from the septic tanks at a FDEP permitted facility other than the City's permitted treatment facilities. The Bid also included pricing to dispose of such material at the City's Wastewater Treatment Plant (WWTP). Considering that a total cost savings of \$66,400 can be achieved by allowing the contractor to dispose the septage at the WWTP, staff is not recommending awarding the Bid Alternate.

**FUNDING SOURCE:**

Funding for the sewer lateral connections and septic tank abandonments are allocated and recommended from the following two (2) sources:

1. The Water Sewer Fund contains CIP 21N12 (Sewer Connection Program), budgeted in the amount of \$900,000; this amount includes \$500,000 from a State of Florida Department of Environmental Protection Grant (Agreement No. NS051), with a City matching contribution of \$400,000.
2. The City was awarded \$1.2 million through a State Appropriation that is administered through the Florida Department of Environmental Protection; reference Agreement No. LPA0028 – executed August 9, 2019.

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On October 17, 2018, City Council adopted the "Final Assessment Resolution" (2018-14223) for the Gulf Acres/Rosemary Heights sewer assessment area that identified the costs that would be imposed for the sewer improvements. Due to the timing for when the City was awarded the \$1.2 million State Appropriation, the Final Assessment Resolution did not include these funds as part of the calculated assessment.

Considering that connection to the sewer system is imperative for the residents residing within the assessment area, staff is recommending to apply the \$1.2 million State Appropriation as a funding source for the "home connection and septic tank abandonment" portion of the project in lieu of calculating the Appropriation within the final "Annual Assessment." These intentions will avoid placing immediate financial burden on the residents for funding the cost for the home connection and septic tank abandonment. The requested budget amendment will allow staff to administratively increase budget expenditures and will account for the State Appropriation of \$1.2 million for this project.

**RETURN ON VISION (ROV):**

2006 Master Sewer Plan of the City's Unsewered Service Areas. The Vision Goal is Environmental Sensitivity.

**RECOMMENDED ACTION:**

Approve the following:

- a. Resolution amending the FY 2020-21 budget adopted by Resolution 2020-14570 in the amount of \$967,540 to provide sufficient funding to provide construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project; and
- b. Award a contract to Denco Construction, Inc. in the amount of \$1,867,540 to provide construction services to abandon septic tanks and connect homes to the new sewer laterals that were recently installed as part of the West Goodlette-Frank Road Gulf Acres Rosemary Heights Septic to Sewer Project, and authorize the City Manager to execute the contract.

