



Cover Memorandum/Staff Report

File #: 25-929

Agenda Date: 8/12/2025

Item #: 6.U.6.

TO: Mayor and Commissioners
FROM: Hassan Hadjimiry, P.E., Utilities Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: August 12, 2025

APPROVAL OF RESOLUTION NO. 148-25, TO APPROVE AN AGREEMENT WITH SOUTHERN UNDERGROUND INDUSTRIES, INC., FOR THE CONSTRUCTION OF RECLAIMED WATER IMPROVEMENTS FOR AREA 5, 10 AND 14, PURSUANT TO ITBC NO. 2025-035 (PROJECT NO. 24-101U) IN A TOTAL CONTRACT VALUE AMOUNT OF \$2,183,839.20.

Recommended Action:

Motion to Approve Resolution No. 148-25, to approve an agreement with Southern Underground Industries, Inc., for the construction of Reclaimed Water Improvements for Area 5, 10, and 14, pursuant to ITBC No. 2025-035 (Project No. 24-101U) in total contract value amount of \$2,183,839.20.

Background:

The City of Delray Beach (City) adopted the Reclaimed Water Master Plan in 2003. Subsequently, the City has progressively pursued expansion of the reclaimed water system for use as an alternative source for irrigation. This project (project) will provide relief on the potable water demand while being able to meet compliance with the Water Use Permit.

The City issued Invitation to Bid Construction (ITBC) No. 2025-035 on February 25, 2025, to acquire all labor, materials, tools, equipment, supplies and supervision related to the construction of the project. On April 30, 2025, the City of Delray Beach received one (1) submittal from Southern Underground Industries. On June 13, 2025, after Purchasing conducted its due diligence Southern Underground Industries was deemed responsive and responsible to the Bid requirements. The construction will include approximately 4,400 linear feet (LF) of pipe for Area 5, 10, 14, providing a total of 21 properties with reclaimed water service.

Therefore, staff recommends award of the bid to Southern Underground Industries, Inc. in a total amount of \$2,183,839.20. Construction is expected to be substantially completed within 335 calendar days from the date of the City's issuance of the Notice to Proceed, barring typical construction delays, such as those forced by inclement weather, and completed and ready for final payment no later than 30 days after final completion is accepted by the City.

This motion is in accordance with Code of Ordinances, Section 36.02 Commission Approval Required.

City Attorney Review:

Approved to form and legal sufficiency.

Funding Source/Financial Impact:

442-36-260-536.63-90 Utilities - Capital Outlay Other Improvements (Finance Project #36019)

Attachments:

1. ITBC 2025-035 Agreement
2. Resolution No. 148-25
3. Legal Review Checklist
4. Southern Underground bid submittal
5. ITBC 2025-035 Solicitation