

Agenda Item: 2.d

Meeting Date: September 3, 2026

MEMORANDUM

To: City Commission

Through: Jennifer K. Bramley, City Manager

From: Clayton Watkins

Date: 2026-08-17

Subject: Award of Bid #26-2619 for the Production Well Drilling Services Project to FTE Drilling USA, Inc., in the amount of \$326,672.50 and approve First Amendment to the agreement..

Presenter(s): Alejandro "Alex" Gonzalez, P.E., Project Engineer II, Engineering Division, Utilities Department

Staff Recommendation: Motion to award Bid #26-2619 for the Production Well Drilling Services Project to FTE Drilling USA, Inc., of Myrtle Beach, SC, in the amount of \$326,672.50 and approve First Amendment to the agreement.

Strategic Themes: Infrastructure, Planning & Growth

Boards & Committees: N / A

Budget Impact: Funds for this project are budgeted in the Water Distribution Utility Fund, in Acct. #441-5165-533-056301-WU, under Project #511801.

Past Action: 1.) July 23, 2024 - Commission awarded WSP USA, Inc., (WSP) a GEC Task Assignment to evaluate currently permitted sites for a new production well, evaluate new potential well sites on all City-owned properties, design / permit a new production well, and administer engineering construction services for the well installation, above-ground appurtenances and new raw water main, in the amount of \$341,306.55, under Agenda Item #2.c; and 2.) A Delegated Authority Memo was approved on January 9, 2025 for Change Order #1, in the amount of \$28,460 to WSP, for additional permitting services for the Water Production Wells Evaluation and New Well Installation Project.

Next Action: Commence construction following the issuance of a "Notice to Proceed" (NTP) subject to Commission approval of award recommendation.

Attachments:

A. Purchasing Manager Memo & Bid Summary - Bid No. 26-2619 - (Production Well Drilling Services).pdf
B. FTE Drilling USA, Inc. Bidding document.PDF
C. Reference checks for FTE Drilling Bid #26-2619.pdf
D. Bid #26-2619 - Production Well Drilling Project - (Bid Tabulation Spreadsheet).pdf
E. Location Map-Amberlea Park.pdf
F. Dunedin_Contract_First Amendment to FTYE Drilling USA Inc. Agreement_08252026(1018561.1).pdf

Background:

The City operates and maintains a well field to supply "raw" (untreated ground) water to the Reverse Osmosis Water Treatment Plant (ROWTP) for the production of potable (drinking) water. The well field includes 29 existing production wells that are located throughout the City. The City's Water Use Permit (WUP) issued by the Southwest Florida Water Management District (SWFWMD) in 2017 also identified the need for four (4) additional wells to be developed in the well field over the twenty-year term of the permit.

The purpose for additional wells is two-fold: first to increase supply for additional water demand over time; and second to provide operational flexibility and rotational capacity to ensure the well field is sustainable. The addition of wells will require planning and hydrogeologic modeling of the proposed wells to evaluate the effect of the new wells on the entire well field, as well as other permitted water users in the area.

Staff previously solicited a scope of services and fee from WSP, one of the City's General Engineering Consultants (GEC's) for Division 4 - "Hydrogeological & Environmental Engineering Services". The City entered into a GEC agreement with WSP on May 16, 2023, under RFQ 23-1221. At the July 23, 2024 Commission Meeting, WSP was awarded a GEC Service Authorization Task Assignment under Agenda Item #2.c for the Water Production Well Facilities Project, in the amount of \$341,306.55. WSP's task was to evaluate currently permitted sites for a new production well, evaluate new potential well sites on all City-owned properties, design / permit a new production well, and administer engineering construction services for the well installation, above-ground appurtenances and new raw water main.

A Delegated Authority Memo was approved on January 9, 2025 for Change Order #1 with WSP, in the amount of \$28,460, for additional permitting services for the Water Production Wells Evaluation and New Well Installation Project.

With the assistance of WSP, the City received a modification to

it's Water Use Permit (WUP), successfully re-permitting well sites amongst various city-owned properties. The City's Utilities staff, with permission from the City Park's Department, considered the installation of a new production well in Amberlea Park. Doing so would result in a second (2nd) production well in Amberlea Park, capitalizing on good hydrogeological strata, close proximity to an existing raw water main coming from the other well, and a sufficient electrical power source from the existing Duke Energy at-grade Transformer located in Amberlea Park.

The installation of the new production well is to be spilt into two (2) bids: the first for the drilling and development of the well; and the second project will be for the installation of pumps, above-ground piping, control panels, electrical appurtenances, and tying into the existing raw water main. The well drilling project plans and specifications, as described herein, were completed in April 2026 and subsequently solicited for bidding.

The project was competitively advertised and bid as indicated in the attached Purchasing Manager's Memorandum. Three (3) bids were received, ranging in cost from \$326,672.50 to \$431,959 (bid calculation error in highest bid, actual highest bid totals \$425,051). City staff reviewed all of the bids and determined FTE Drilling USA, Inc., of Myrtle Beach, SC, was the lowest, responsive, and responsible bidder, in the amount of \$326,672.50.

The bid package was created and bid prior to The State of Florida's Fiscal Year, which commenced on July 1, 2026 included new 2027 State Statute requirements. As such, the City's contract documents, created in April 2026, included in the bid documents for this project need to be updated to address the new State Statute requirements. The updates are included as the First Amendment.

As such, staff hereby recommends awarding Bid #26-2619 for the Production Well Drilling Project to FTE Drilling USA, Inc., of Myrtle Beach, SC, in the amount of \$326,672.50 and approve First Amendment to the agreement., as detailed herein.