



Public Works Department • Water and Wastewater Services
WATER AND WASTEWATER ENGINEERING DIVISION
2555 West Copans Road • Pompano Beach, Florida 33069
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MEMORANDUM

DATE: May 14, 2025

TO: Robert Gleason, Director
Purchasing Division

THRU: Trevor M.A. Fisher, PE, MBA, Director
Public Works Department

THRU: Alan W. Garcia, PE, Director
Water and Wastewater Services

FROM: Alicia Dunne, PE, PMP, Director
Water and Wastewater Engineering Division

RE: **Recommendation to Terminate Contract with Shiff Construction & Development, Inc.
BCWWS Project No. 9214-100937
BCWWS Bid/Contract No. PNC2120945C1
Septage Receiving Facility Operations Administration Building**

On November 10, 2020 (Item No. 46), the Board of County Commissioners (Board) approved a contract with Shiff Construction & Development, Inc. (Shiff Construction) for the construction of the Septage Receiving Facility Operations Administration Building, Bid No. PNC2120945C1.

Under the Construction Agreement (“Contract”), Shiff Construction was to provide all labor, materials, equipment, services, and incidentals necessary for constructing an office building, restroom, stormwater system, civil site work, landscaping, irrigation, and other improvements at the County’s Septage Receiving property located at 3092 North Powerline Road, Pompano Beach, FL. These services were valued at \$3,070,648.00 including allowances in the amount of \$135,000.00 to be completed within 360 calendar days from the Second Notice to Proceed.

Shiff Construction submitted their bid on July 8, 2020. The County signed the Contract on November 10, 2020, and issued the First Notice to Proceed with Schiff Construction on January 13, 2021. On August 30, 2021, Shiff Construction submitted a Change Order request for cost recovery for electrical materials increases. Schiff Construction alleged that multiple permit review cycles, updates to the bid plans to meet new building code requirements, and work to extend the expired Development Order issued by the City of Pompano Beach, impacted their ability to obtain all the permits required to start Construction. In addition, Schiff Construction alleged that supply chain disruptions and market volatility, made it financially unfeasible to proceed with the work for the original Contract cost. The County rejected the Change Order request and investigated other alternatives to address the cost increases and move forward with the Contract.

County staff explored Value Engineering alternatives, including reducing slab thickness, modifying roof slope profiles with lower rib height panels, substituting terrazzo flooring with vinyl composition tile (VCT), and replacing the reinforced duct bank with direct burial or gravel backfill. However, the cost savings identified

were insufficient to offset the increase in material costs. In a letter dated January 27, 2022, Shiff Construction formally stated their inability to proceed with the project under the original contract terms. On April 21, 2022, the County issued a Notice to Cure for failure to pursue permits, giving Shiff 10 days to comply or face contract termination for cause. On April 28, 2022, Shiff’s legal counsel, Coker & Feiner, asserted that the Notice to Cure should be interpreted as a termination for convenience.

Article 15.4 allows the County to terminate the contract for convenience within ten days' written notice to the contractor. Upon termination, the contractor will be compensated for all work completed and actual expenses incurred up to the termination date, including a reasonable profit for the work and services performed.

Given these circumstances, Water and Wastewater Services requests the Purchasing Division's assistance in executing the termination of the contract with Shiff Construction & Development, Inc. for convenience. Shiff Construction has been informed of the County’s intent to terminate the contract for convenience and has not raised any objections.

The following is a summary of key project events:

Date	Event
July 8, 2020	Bid Opening – Shiff Construction submitted pricing based on 2020 material and labor costs
November 10, 2020	County executed the contract
December 7, 2020	Purchasing issued Purchase Order WWE2100009.
January 13, 2021	Water and Wastewater Services Engineering Division (WWED) issued the First Notice to Proceed (NTP 1)
February 23, 2021	Shiff Construction submitted the first-time permit application to the City of Pompano Beach (First submittal)
March 23, 2021	Bid Plans Updated by EOR to reflect new Building Code
April 13, 2021	City of Pompano Beach assigned all disciplines for permit review (First Round)
May 11, 2021	The City of Pompano Beach posted the finalized comments for all disciplines (First Round)
July 16, 2021	City of Pompano Beach approves Development Order extension
August 10, 2021	Shiff Construction submitted responses to the first-round permit comments (Second Submittal)
August 16, 2021	City of Pompano Beach assigned all disciplines for permit review (Second Round)
August 30, 2021	Shiff Construction submitted a letter requesting cost recovery for electrical material increases totaling \$113,052
September 4, 2021	The City of Pompano Beach posted the finalized comments for all disciplines (Second Round)
September 21, 2021	WWED issued a response letter to Shiff Construction, rejecting the change order request for the electrical materials cost increase
September 21, 2021	WWED, Engineer of Record (EOR), and Shiff Construction begin work on Value Engineering alternative (VE)
December 16, 2021	Shiff Construction rejected the option to accept the Value Engineering (VE) proposal via email
January 25, 2022	WWED issued a response letter to Shiff Construction regarding their change order request. The letter reaffirmed the County’s previous denial, summarized VE discussions, and directed Shiff Construction to proceed with the project as originally bid.
January 27, 2022	Shiff Construction rejected the County’s directive to proceed and requested a resolution or project termination.
April 11, 2022	EOR submitted responses to the second-round permit comments (Third Submittal)

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April 13, 2022	Shiff Construction notified the City of Pompano Beach Building Department that they were no longer the general contractor for the project.
April 21, 2022	WWED issued a Notice to Cure to Shiff Construction for failing to pursue permits and gave them 10 days to comply or face contract termination for cause.
April 28, 2022	Coker & Feiner (Law Offices), on behalf of Shiff Construction, asserted that the Notice to Cure should be interpreted as a termination for convenience
June 1, 2022	WWED approved the first payment request from Shiff Construction, which includes permit fees and review of shop drawing activities.
July 6, 2022	Champion Controls delivered the server rack cabinets to the County
September 7, 2022	WWED approved the second payment request from Shiff Construction, which includes stored materials for equipment procured by the contractor, such as irrigation pumps and server racks.
July 25, 2023	The irrigation pumps were delivered by Hoover Pumps to the designated staging area at NRWTP.
July 25, 2023	Hoover Pumps issued the final invoice for the irrigation pumps to Shiff Construction.
May 20, 2024	WWED approved the third payment request from Shiff Construction, which includes partial of retainage
May 23, 2024	WWED approved the fourth payment request from Shiff Construction, which includes full retainage release and charges associated with project administrative coordination. These charges primarily reflect administrative time spent on permitting coordination, shop drawing discussions, and contract dispute resolution with County staff.

Respectfully submitted.

AD/LMS/ss

C: Monica Cepero, Broward County Administrator
 Kevin Kelleher, Broward County Assistant County Administrator
 Michael J. Kerr, Chief Counsel
 Matthew Haber, Assistant County Attorney
 Gerald Soto, Capital Program Administrator, WWED
 Lance (Mike) Saltzman, Construction Project Manager Supervisor, WWED
 Merle Medina, Expansion Project Administrator, WWED
 Tim O'Neil, PE, Construction Project Manager, CDM Smith, Inc.
 Project File: 9214-100937