



## THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

### EXECUTIVE SUMMARY

**TO:** Jim Scholl, City Manager  
Greg Veliz, Asst. City Manager – Operations  
Sarah Spurlock, Asst. City Manager – Administration  
Jim Bouquet, PE, Director of Engineering

**FROM:** Terrence Justice, Engineering

**DATE:** October 17, 2014

**RE:** **Approving Change Order #1 Totaling \$139,117.00 for Project OM1301 Switchgear Enclosures and Fueling Station, a Navy In-kind Project.**

#### ACTION STATEMENT:

This resolution will approve Change Order #1 totaling **\$139,117.00** for Project **OM1301 Switchgear Enclosures and Fueling Station**, approve necessary budget transfers and extend the contract completion time.

This Navy In-Kind Project falls under Government Goal #3 of the 2011 Strategic Plan, Team Key West – Cooperative planning efforts of among organizations, businesses and all governments.

#### BACKGROUND:

In lieu of rent payments to the Navy for the use of the Mole pier, the City of Key West (CITY) has agreed to perform certain In-Kind Projects. ITB 13-031 Switchgear Enclosures & Fuel Station was requested by the Navy via In-kind Letter 11011 OPDBRM/0010 dated 25 January 2013 which authorizes the expenditure of In-Kind funds for this undertaking not-to-exceed \$2,250,000.

Invitation to Bid (ITB) 13-011 was advertised on February 20, 2013 and the contract was awarded to D.N. Higgins, Inc. on April 3, 2013 in the amount of \$2,056,140.00 by Resolution 13-097. The contract was executed on April 26, 2013.

*Key to the Caribbean – Average yearly temperature 77° F.*

## **BACKGROUND (Continued):**

Various changes and additions have been required in order to complete this project due to field conditions encountered and design changes initiated by the Navy/Naval Facilities Engineering Command (NAVFAC) engineering team. As approved by the Navy, Change Order #1 includes the following Work Change Directives (WCD):

- WCD-0: Extend contract dates, delete stormwater structures.
- WCD-1: Rebuild ground fields at four locations due to conflict with foundation locations.
- WCD-2: Upgrade surge arrestors, modify fire extinguisher specification, relocate photocell, add forklift ramps.
- WCD-3: No change (this proposal was disapproved).
- WCD-4: Feed Switchgear #1, #2, and #3 from lift station main distribution panel (MDP) and remove bus-tap connections.
- WCD-5: Feed Switchgear #4 from existing 208/120 transformer, remove bus-tap connections.
- WCD-6: Ship 16 Basler relays to manufacturer for repair service.

Detailed descriptions and cost data for these changes are provided in the attached Work Change Directives.

Extension of the contract time by 387 calendar days is required due to unforeseen below-ground structures in the Mole Pier, the condition and configuration of existing infrastructure, specialized material availability and fabrication time, and NAVFAC-initiated design changes. The scheduled date of project substantial completion is November 14, 2014.

## **PURPOSE AND JUSTIFICATION:**

This project is in conformance with the Lease Agreement N62467-03-RP-00077 between the City and the U.S. Navy as approved by Resolution 03-138 and this work has been requested by the Navy via the aforementioned In-Kind Letter.

## **FINANCIAL IMPACT:**

### **Budget Transfer:**

Funds in the amount of **\$64,387.00** will be transferred from account **#602-1900-519.46-00** (In-Kind Project OM1302) to account **#602-1900-519.46-00** (In-Kind Project OM1301). Any additional budget transfers that may be necessary to complete the project will come from account **#602-1900-519.46-00**.

## **RECOMMENDATION:**

Staff recommends that the City Commission approve this Change Order to increase the authorized expenditures for this contract by **\$139,117.00**, extending the contract duration by 387 calendar days, and authorizing necessary Budget Transfers.