



THE CITY OF KEY WEST

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TO: Jim Scholl, City Manager
Greg Veliz, Asst. City Manager – Operations

FROM: John Paul Castro, Utilities Director

DATE: October 27, 2014

SUBJECT: Ratification of the City Manager's Emergency Change Order
Approval for repairs at Pump Station D by D.N. Higgins, Inc. in the
Amount of \$11,167.23

ACTION STATEMENT:

This resolution will ratify the City Manager's emergency approval of a change order to D.N. Higgins, Inc. for emergency repairs in the amount \$11,167.23. The change order added to the original task order for \$16,333.87 under general services contract totals \$27,501.10

The agreement was executed pursuant to City of Key West Code of Ordinances Sec. 2-797(2), exemption for emergency procurement, which authorizes the City Manager to make emergency procurement to approve contractual services where the cost exceeds \$20,000.00 and when there exists a threat for substantial loss to the city.

BACKGROUND:

During the middle of September OMI started noticing increased run times at Pump Station D. After inspection a split in one of the three discharge pipes in the wet well was found. OMI clamped the pipe in an attempt to temporarily keep pressure. Discharge pipe 2 was already out of service with a pump being repaired. During that time the corroded condition of the other pipes was identified. The highest capacity pump station in the city had one down pump, one temporarily fixed discharge pipe, with the last discharge pipe highly corroded in imminent danger of rupturing.

A task order was requested from D.N. Higgins through their general services contract to replace the 3 discharge pipes expeditiously. The task order was approved for \$16,333.87.

PURPOSE & JUSTIFICATION:

OMI assisted D.N. Higgins in plugging gravity lines and pumping down the wet well to service the discharge lines. After removing the first pipe it was apparent the 90 degree pipes going out were also in need of replacement and one of the pump bases was in need of repair.

MEMORANDUM

With only one discharge line in service the city was at high risk for back up with any increase of normal capacity due to increased vacancies or rain events.

D.N. Higgins, working with OMI, ordered the parts necessary for the repairs as an emergency. The general services contract stipulates the maximum mark up on materials and the contractor worked diligently to complete the repairs in as short a time as possible. The change to the original task order was \$11,167.23.

The total cost of the repair was \$27,501.10 which exceeded the City Managers approval limit of \$20,000, requiring an emergency declaration and City Commission ratification.

FINANCIAL IMPACT:

Funds for the pump station repairs were budgeted in FY 14/15 in account 401-3503-535-4600 which currently has a balance of \$276,000.00

RECOMMENDATION:

City staff recommends ratification of the City Manager's emergency procurement for change order to Pump Station D emergency repair task order to D.N. Higgins, Inc. in the amount of \$11,167.23, which brings the total repair cost to \$27,501.10