



THE CITY OF KEY WEST
Post Office Box 1409 Key West, FL 33041 (305) 809-3883

FORMAL COMPETITIVE PROCUREMENT EXEMPTION

TO: Jim Scholl, City Manager
FROM: Kreed Howell, Senior Construction Manager
DATE: March 11, 2016
RE: Truman Waterfront Park Phase 1A Owner Direct Purchase Materials

ACTION STATEMENT:

Approving a Competitive Bidding Exemption for the emergency procurement of Owner Direct Purchased (ODP) construction materials to support the Truman Waterfront Park Phase 1A Construction Project resulting in an estimated cost savings of \$29,188.

ORDINANCE:

Pursuant to the City of Key West Code Ordinances Subpart A, Chapter 2, Article VII, Division 3, Subdivision 2, Sec. 2-797 (2) Emergency Procurement, the City Manager may make emergency procurement of commodities or contractual services where the cost exceeds \$20,000 when there exists a...substantial loss to the City... All emergency procurements in excess of \$20,000 shall be ratified by the City Commission at the next scheduled City Commission meeting.

BACKGROUND:

Resolution No. 15-326 awarded ITB 15-022 to Charley Toppino and Sons Inc., (CTS) for construction of Truman Waterfront Park Phase 1A in the amount of \$17,453,752.67. The project Contract Documents provide, as an option, that the City of Key West (City) may utilize Owner Direct Purchase (ODP) of materials per Contract Specification Section 11000 Summary of Work Sections 1.10 Procedures for the Owner Direct Purchasing Program and 1.11 Changes to Owner Direct Purchase Order (Attachment A). Upon request of the City, CTS provided a tentative list of initial ODP items and associated costs (Attachment B). Based on Attachment B's

MEMORANDUM

Purpose and Justification

Approval of the Owner Direct Purchase program eliminates sales tax fee on selected project materials for construction of Truman Waterfront Park Phase 1A. The ODP Program for this project will reduce overall funding required to construct a long-term, state of the art facility to serve the Key West community as a new park.

The improvement of infrastructure is critical to meeting the current and future needs of the City. This project is in accordance with the City of Key West's Strategic Goal #5:

All of the City's Destinations and Resources Are Accessible to Residents and Visitors.

Financial Issues

Approval of the requested emergency procurement via the ODP program initially reduces project GR0703 funding requirements by an estimated \$26,612.05.

Recommendation

Staff recommends approving a Competitive Bidding Exemption for the emergency procurement of Owner Direct Purchased (ODP) construction materials to support the Truman Waterfront Park Phase 1A Construction Project.



Approved by Jim Scholl, City Manager

11 MARCH 2016

Date