



## THE CITY OF KEY WEST

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

MEMORANDUM

### EXECUTIVE SUMMARY

**Date:** August 22, 2017

**To:** Jim Scholl, City Manager

**From:** Jim Bouquet, Director of Engineering

**CC:** Greg Veliz, Assistant City Manager  
Mark Finigan, Finance Director  
Terrence Justice, Construction Coordinator

**Subject:** **Construction of Mole Pier Entry Control Point  
Ratification of emergency and sole-source procurement**

### Action Statement

Ratify emergency procurement approval of Change Order #6 to D.L. Porter Constructors, Inc. to construct Mole Pier Entry Control Point in the amount of \$586,727.01 utilizing in-kind and Florida Defense Support Task Force grant funds. Approve a purchasing exemption *In the Best Interest of the City* to exempt this procurement from the competitive bid requirements per Key West City Code 2-797(4)b. Ratify the City Manager's emergency procurement declaration, executed budget transfers/amendments, and execution of necessary contract documents.

### Background

Resolution 17-035 of the Naval Properties Local Redevelopment Authority of the City of Key West (LRA) awarded the bid of D.L. Porter Constructors, Inc. (Porter) for the Truman Waterfront Park Amphitheater (Amphitheater) construction (Resolution 17-035). Amphitheater work is ongoing with completion scheduled for September 2017; however, full buildout is not possible without relocation of Navy's Mole Entry Control Point (ECP). The ECP relocation project was to be completed during 2016, well in advance of the Amphitheater project; however, delays in the Navy's acquisition of the associated land parcel from the Florida Department of Environmental Protection (FDEP) and continual changes in ECP work scope postponed the relocation. To expedite the relocation and facilitate coordination with the ongoing Truman Amphitheater construction, Engineering Services Staff requested and received the attached cost proposal from D.L. Porter in the amount of \$586,727.01 for completion of the Navy Entry Control Point which includes all work necessary to complete the

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

Navy ECP as requested by in-kind endorsement letter 11011 AM1SA/0097 dated August 15, 2017.

Emergency procurement in accordance with Section 2-797 (2) of the City of Key West Code of Ordinances was exercised due to scheduling constraints and coordination with adjacent ongoing construction of the Truman Waterfront Amphitheater.

### **Purpose and Justification**

The Navy has requested that the City construct a new Mole Pier ECP using in-kind funds. Relocation of the Navy's ECP is a critical path requirement for completion of the Amphitheater project. The criteria supporting procurement of construction services on a sole-source basis *in the best interest of the City* are as follows:

- Porter is already mobilized to the site for construction of the Truman Waterfront Amphitheater.
- Porter has provided a cost proposal for this work that staff deems reasonable and consistent with the effort to perform the requested work.
- Porter obtained quotes from multiple subcontractors in an effort to provide the lowest cost to the City and Navy. Based on review of the Porter proposal and experience with Navy Outer Mole and Truman Waterfront projects, City staff does not believe lower cost would be achieved by competitive bidding the contract.
- The challenge of scheduling and coordinating interrelated construction efforts will be streamlined by consigning the work to the authority of a single contractor.
- To prevent undue delays in completion of the amphitheater, relocation of the Navy ECP has become urgent due to the delay in the Navy acquiring the necessary land parcel from FDEP.
- Direct award of this work to Porter on a sole-source basis will expedite construction of the ECP.

### **Financial Issues**

Project funding sources include the following:

1. Approximately \$75,000 in Florida Defense Support Task Force Grant 15-11 funds will be expended to support construction. Funds will be transferred to Account #602-1900-519-4600 (Project No. OM19001602).
2. In lieu of rent payments to the Navy for the use of the Mole pier, the City has agreed to perform certain In-Kind Projects as per the terms of Public Benefit Lease (PBL) N69450-12-RP-00166 which was approved by Resolution 14-034. The Navy has authorized \$586,250 to fund construction of the Entry Control Point. Funds will be transferred from Navy Reserves Account # 602-1900-519-9800 to Account #602-1900-519-4600 (Project No. OM19001602).

The City will issue a new purchase order to Porter under Project No. OM19001602, who will provide separate invoices for ECP work.

### **Recommendation**

Ratify emergency procurement approval of a change order to D.L. Porter Constructors, Inc. to construct Mole Pier Entry Control Point in the amount of \$586,727.01 utilizing in-kind and Florida Defense Support Task Force grant funds. Approve a purchasing exemption *In the Best Interest of the City* to exempt this procurement from the competitive bid requirements per Key West City Code 2-797(4)b. Ratify the City Manager's emergency procurement declaration, executed budget transfers/amendments, and execution of necessary contract documents.