




## MEMORANDUM

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Date: October 12, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress  
City Manager 

From: Kelly Crowe, P.E.  
Utilities Director

Subject: **Approving the Purchase of an MWI 60hp Stainless Steel Submersible Electric Pump in the Amount of \$122,305.00 from PSI Technologies, Inc. on a Sole Source Basis Pursuant to Section 2-797(1)(b) and 2-797(4)(b) of the Code of Ordinances.**

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### Introduction

Authorize the City Manager to execute a sole source purchase pursuant to Section 2-797(1)(b) and 2-797(4)(b) of the Code of Ordinances in an amount not to exceed \$122,305.00 with PSI Technologies Inc. for the purchase of a new replacement pump. Authorize any necessary budget transfers or adjustments.

### Background

One of two 60 horsepower stormwater pumps at Stormwater Station 5 (Simonton Beach) failed due to Hurricane Ian in September 2022. The second pump was not damaged and is currently in operation. The pumps drain a significant portion of the northeast corner of Old Town adjacent to Front and Simonton Street. The area served by the pump station is in one of the lower lying areas and stormwater pumps are critical to discharging stormwater.

Staff determined that the repair of the old pump would be 80% of the cost of a new pump. The pump is approximately eight (8) years old. Given the cost to replace the pump versus the remaining useful life, staff recommends completely replacing the pump. The cost to replace it with a new pump would be eligible for 85% reimbursement from FEMA further justifying the recommendation to completely replace the pump.

The Simonton Street stormwater pumps are MWI stainless steel submersible electric pumps. Staff recommends replacing the existing damaged pump with a similar MWI pump to ensure consistency with the second pump. PSI Technologies Inc. is the only distributor for MWI pumps in Florida.

### **Procurement**

Staff recommends authorizing the sole source purchase of an MWI pump from PSI Technologies, Inc. in the amount of \$122,305.00 per Section 2-797(1)(b) of the Code of Ordinances. PSI Technologies Inc has provided a quote for replacement and is the only distributor of the equipment needed. A Finance Verification form is attached for this purchase. In addition, per Section 2-797(4)(b), replacement of the pump is critical to continued redundant operations and is in the best interest of the City.

It is estimated that FEMA will reimburse this purchase in the amount of \$103,960.00, however, initially the funds for the purchase will need to be transferred from the Stormwater Fund reserve account 402-3801-538-9900 to the Repairs and Maintenance account 402-3803-538-4600. Once the estimated FEMA reimbursement is received, the funding will be allocated to the Stormwater Fund reserves and the net expenditure expected to be approximately \$18,345.00.

### **Recommendation**

The City Manager's Office recommends the Mayor and Commission approve the resolution authorizing the purchase of an MWI pump from PCI Technologies Inc. in the amount of \$122,305 pursuant to Section 2-797(1)(b) and 2-797(4)(b) of the Code of Ordinances and authorize any necessary budget transfers or adjustments.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING THE PURCHASE OF AN MWI SUBMERSIBLE PUMP, FROM PSI TECHNOLOGIES, INC. ON A SOLE SOURCE BASIS, PURSUANT TO SECTION 2-797(1)(b) OF THE CODE OF ORDINANCES, AND IN THE BEST INTERESTS OF THE CITY, PURSUANT TO SECTION 2-797(4), IN A TOTAL AMOUNT NOT TO EXCEED \$122,305.00; AUTHORIZING ANY NECESSARY BUDGET TRANSFERS; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, City staff recommends the purchase of an MWI submersible pump to replace essential pump equipment destroyed by Hurricane Ian; and

WHEREAS, Section 2-796 of the Code of Ordinances requires competitive bidding for purchases or services in excess of \$50,000.00; and

WHEREAS, City staff has determined that an MWI pump and related equipment, available exclusively through PSI Technologies in this region, is a sole source product, pursuant to Section 2-797(1)(b), which meets the specific requirements of the pump replacement project; and

WHEREAS, the City Manager finds that exceptional circumstances exist to exempt this purchase of an MWI pump and related equipment from competitive bid requirements in the best interests of the City, pursuant to Section 2-797(4)(b) of the Code of Ordinances; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the purchase of an MWI Submersible Pump, from PSI Technologies, Inc. is hereby approved on a sole source basis, pursuant to Code of Ordinances Section 2-797(1)(b), and in the best interests of the City, pursuant to Section 2-797(4)(b), in an amount not to exceed \$122,305.00.

Section 2: That this purchase is funded through budget account stormwater/repairs and maintenance 402-3803-538-4600 in the amount of \$122,305.00.

Section 3: A budget transfer in the amount of \$122,305.00 from Account 402-3801-538-9900 (Reserves/Other Uses) to account 402-3803-538-4600 (Stormwater/Repairs and Maintenance) is hereby approved.

Section 4: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

Authenticated by the Presiding Officer and Clerk of the Commission on \_\_\_\_\_ day of \_\_\_\_\_, 2023.

Filed with the Clerk on \_\_\_\_\_, 2023.

Mayor Teri Johnston	_____
Vice Mayor Sam Kaufman	_____
Commissioner Lissette Carey	_____
Commissioner Mary Lou Hoover	_____
Commissioner Clayton Lopez	_____
Commissioner Billy Wardlow	_____
Commissioner Jimmy Weekley	_____

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TERI JOHNSTON, MAYOR

ATTEST:

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KERI O'BRIEN, CITY CLERK