

RESOLUTION NO. 23-247

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED "THIRD AMENDMENT TO AGREEMENT" TO THE "AGREEMENT FOR OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES FOR THE CITY OF KEY WEST, FLORIDA, WASTEWATER FACILITIES" BETWEEN THE CITY AND OPERATIONS MANAGEMENT INTERNATIONAL, INC. (OMI), TO EXTEND THE CURRENT TERM OF THE AGREEMENT TO SEPTEMBER 30, 2024 TO ALIGN WITH THE CITY OF KEY WEST FISCAL YEAR; AUTHORIZING THE CITY MANAGER TO EXECUTE NECESSARY DOCUMENTS UPON CONSENT OF THE CITY ATTORNEY; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution No. 13-304 the City Commission approved an Agreement with OMI to operate, maintain and manage the City's Wastewater Treatment Facilities; and

WHEREAS, in Resolution No. 18-366 the City Commission approved a First Amendment to the Agreement, approving certain amendments and a five-year contract extension; and

WHEREAS, in Resolution 21-159, the City Commission approved a Second Amendment to Agreement, approving an amendment to adjust the spending limits for repairs and maintenance; and

WHEREAS, City staff and OMI desire to amend certain provisions of the Agreement to extend the current term to align with the end of the City's fiscal year;

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

Section 1: That the attached "Third Amendment to Agreement", amending Section 4.1 of the "Agreement for Operations, Maintenance, and Management Services for the City of Key West, Florida, Wastewater Facilities" is hereby approved.

Section 2: That the City Manager, upon the advice and consent of the City Attorney, is authorized to execute any necessary documents.

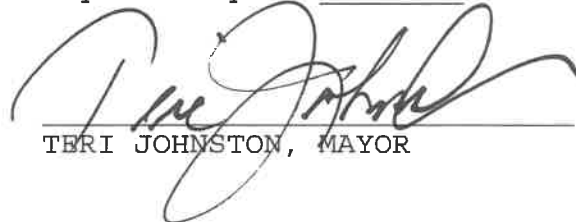
Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 14th day of September, 2023.

Authenticated by the Presiding Officer and Clerk of the Commission on 14th day of September, 2023.

Filed with the Clerk on September 14, 2023.

Mayor Teri Johnston	<u>Yes</u>
Vice Mayor Sam Kaufman	<u>Yes</u>
Commissioner Lisette Carey	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>


TERI JOHNSTON, MAYOR

ATTEST:


KERI O'BRIEN, CITY CLERK



MEMORANDUM

Date: September 14, 2023

To: Honorable Mayor and City Commissioners

Via: Albert P. Childress, City Manager 

From: Kelly Crowe, P.E.
Utilities Director

Subject: **Approval of Third Amendment to a Contract with Operations Management International (OMI) to Extend the Current Term to Align with the City of Key West Fiscal Year**

Introduction

Approval of this resolution will amend the contract with Operations Management International (OMI) to extend the current term of the contract to align with the City of Key West Fiscal Year that ends annually on September 30th.

Background

Per Resolution 13-304, the City of Key West and OMI entered into a contract to provide operations and maintenance services for the city's sanitary sewer collection system, wastewater treatment plant and storm water collection system. The original contract term started on March 1, 2014. The contract allows for two additional five-year terms. Currently, we are within the second term which is scheduled to end on February 29, 2024.

Staff and OMI held discussions regarding aligning the contract term with the city's fiscal year that ends annually on September 30th. Per the existing contract, each term ends prior to March 1st. The main reason for adjusting the dates of the terms is consistency with the budgeting process. The current end of the term is within the start of our budget process. By aligning the fiscal year, staff and OMI can concentrate on setting the Fiscal Year 2024/2025 budget needs in April 2024 then pursue an extension in June 2024.

In the past year, staff and OMI have continued to develop a solid working relationship. We have focused on improving infrastructure, developing budgets and finding more efficient means of project delivery. Approval of this item will allow us to prioritize budget development for FY 24/25. Assuming the city and OMI agree on extending the contract for the final term starting on October 1, 2024, the contract will be competitively bid near the end of the final term in 2029. Aligning the contract with the fiscal year now will ensure operations and maintenance coverage throughout FY 28/29.

The proposed amendment will be the third under this contract. The first amendment was approved per Resolution 18-366 and the second amendment was approved per Resolution 21-159.

Procurement

The amendment is administrative in nature and there is no direct cost to this action. Aligning the terms with our fiscal year will ensure operations and maintenance coverage through the final term fiscal year in 2029.

Recommendation

The City Manager's Office recommends the Mayor and City Commission approve the third amendment to the contract with Operations Management International (OMI) to align the current term with the City of Key West Fiscal Year.

THIRD AMENDMENT TO
AGREEMENT FOR OPERATION, MAINTENANCE,
AND MANAGEMENT SERVICES FOR
THE CITY OF KEY WEST, FLORIDA, WASTEWATER FACILITIES

This Third Amendment to the Agreement is made and entered into this 15th day of September, 2023, by and between Operations Management International, Inc., ("Contractor") and the City of Key West, Florida ("City").

WITNESSETH:

WHEREAS, the City entered into an Agreement ("Agreement") with Contractor on March 1, 2014, for a period of five years upon certain terms and conditions, with a renewal 5-year term, and a final 5-year renewal term; and

WHEREAS, City and Contractor renewed the agreement with a new 5-year term commencing on March 1, 2014;

WHEREAS, the current term expires on February 29, 2024;

WHEREAS, City and Contractor desire to amend certain provisions of the Agreement and extend the current term to align with the end of the fiscal year;

NOW, THEREFORE, in mutual consideration of the benefits conferred upon the parties by the terms of this Amendment, the City and Contractor agree to modify the Agreement as follows:

a. Paragraph 4.1 is hereby deleted and replaced in its entirety with the following:

4.1 Term. The initial term of this Agreement shall be for five (5) years commencing on March 1, 2014 and upon mutual agreement, will be renewable for up to (2) two additional terms of (5) five year periods. The terms of any subsequent renewal shall be as follows:

First Renewal: (Begin) March 1, 2019; (End) September 30, 2024

Second Renewal: (Begin) October 1, 2024; (End) September 30, 2029

All other terms and conditions of the Agreement dated March 1, 2014 and subsequent amendments, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have signed the day and year first above written.



ATTEST

City Clerk

WITNESS

[Signature]

Kuya Tado
Print Name

CITY OF KEY WEST

[Signature]
City Manager Sept. 15, 2023

CONTRACTOR

Andy Rouse

Andy Rouse, Vice President
Print Name and Title

