



THE CITY OF KEY WEST

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

MEMORANDUM

TO: Jim Scholl, City Manager

FROM: Christina Hepworth, Fleet Manager – Community Services

VIA: Sarah Spurlock, Assistant City Manager- Administration
Greg Veliz, Assistant City Manager-Operations
Rod Delostrinos, Director of Community Services

DATE: September 17, 2014

SUBJECT: Authorizing purchase/installation of a replacement 12,000 gallon unleaded fuel tank with two dispensing systems for \$64,993.68 from Containment Solutions.

ACTION STATEMENT: Authorizing the purchase and installation of a replacement 12,000 gallon unleaded fuel tank with two dispensing systems from Containment Solutions for \$64,993.68 via the General Services Administration (GSA) Contract #80576-B without formal competitive procurement under Sec 2-797 (3) Purchases and acquisitions under contracts of federal government and the state or its political subdivisions.

BACKGROUND: The Community Services Department request for a replacement unleaded fuel tank for \$130,000 was approved by the City Commission for Fiscal Year 13-14.

The existing unleaded fuel tank is 26 years old. This tank is showing signs of severe corrosion and deterioration throughout the tank body. In an effort to curtail tank failure, staff has reduced the amount of fuel storage.

PURPOSE & JUSTIFICATION: The tank described is necessary to maintain proper function of essential vehicles and equipment throughout the City. This purchase will allow the City to continue using the most cost effective and secure means for providing unleaded fuel to its vehicles and equipment.

OPTIONS:

1. Approve the purchase of a replacement 12,000 gallon unleaded fuel tank with two dispensing systems for \$64,993.68 from Containment Solutions.
2. Disapprove the purchase of a replacement 12,000 gallon unleaded fuel tank with two dispensing systems for \$64,993.68 from Containment Solutions.

FINANCIAL IMPACT: The fuel tank purchase and installation, Project Number FL1401, is funded under the Infrastructure Surtax Fund in Account 101-1900-519.63 for the amount of \$130,000.

RECOMMENDATION: Staff recommends approval of Option #1.

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