

The Proposer will provide cost adjustments for “**Proposal Alternate**” items as follows:

Alternate No. 1 – Add the second solar array structure, including solar panels, steel structure with foundations and miscellaneous equipment required for a fully operational system.

Alternate No. 2 – Add the third solar array structure, including solar panels, steel structure with foundations and miscellaneous equipment required for a fully operational system.

Alternate No. 3 – Substitute concrete for asphalt at the parking lot.

Alternate No. 4 – Substitute alternative roof framing at Commission Chamber shown on Sheets S1.3A and S2.11 for that shown on Sheet S1.3.

Alternate No. 5 – Add Pavilion to Butterfly Garden, including structure with foundations, as shown on Sheets 1.11, 1.13, 1.21 and S2.9.

Alternate No. 6 – Upgrade drip irrigation system with additional pedestal mount controller and 6 moisture sensors and hydrometer, as well as upgraded centrifugal pump.

Alternate No. 7 – Delete the four historic fire escapes, concrete foundation and extended sidewalks at their bases, leaving landing at the top and adding railing and guard on the 3rd side where the stair was.

Alternate No. 8 – The base bid includes manually operated dual roller shades (blackout and shear) for all windows at the Commission Chamber. Upgrade all shades at Commission Chamber to Lutron Sivoia QS motorized dual roller shades, or equal.

20. **OWNER DIRECT PURCHASE OF MATERIALS AND SERVICES**

It is the City’s intent to direct purchase Carpeting and its installation through “piggybacking” on an existing State Contract. The contract with the Supplier and Subcontractor will be assigned to the General Contractor at execution of its Contract and the General Contractor will be responsible for management and quality of the work of the Carpeting Supplier and Subcontractor performing the installation.

The City may, at its option, institute an Owner Direct Purchasing (ODP) Program for the purchase other materials, which have been bid by the Contractor directly, as a cost saving measure directed at reducing the capital costs associated with construction of the New City Hall. The Owner has prepared an ODP procedure, subject to the rules of the Florida Department of Revenue and other agencies having jurisdiction, for the use in this Program, which is attached hereto.

21. **UNFORESEEN CONDITIONS AND PERMITS ALLOWANCE**

The Unforeseen Conditions and Permits Allowance included in the approved budget amount is not a part of the Contractor's Contract and is set aside specifically to cover Field Change Directives that do not constitute a change in scope for the project or to be used as so determined by the City, and to pay for the required City of Key West Building Permit and the Art in Public Places Fee. Utility Permits, such as those for Mechanical, Electrical and Plumbing work, are not included in this allowance and are to be included in the Proposer's Proposal.

CITY OF KEY WEST LICENSES, PERMITS, AND FEES

Pursuant to the Public Proposal Disclosure Act, there are a number of licenses, permits, and/or fees a Contractor REQUIRED BY THE CITY OF KEY WEST before or during construction by virtue of this construction as part of the Contract. Payment of these licenses, permits and/or fees is the responsibility of the Contractor unless specifically excluded.

Notes: (1) Building and Demolition Permit(s) will be paid directly by the City from an allowance set aside by the City for that purpose, and (2) Contractor shall verify each license, permit, or fee before submitting the Proposal.

PROCEDURES FOR THE OWNER DIRECT PURCHASING (ODP) PROGRAM

ODP Process:

Step 1: The City shall prepare a Purchase Requisition with the information received from the Contractor and appropriate Subcontractor and their supplier for material(s) or equipment which will be used in the construction of the Key West City Hall at Glynn Archer. The minimum amount of the Purchase Requisition shall be five thousand U.S. Dollars (\$5,000). The Purchase Requisition shall include, in addition to the payment terms, a description of the material or equipment in the appropriate quantity/quantities, shipping, insurance, and invoice instructions.

Step 2: Upon City approval of the Purchase Requisition, it will develop a Purchase Order for the vendor. The City shall forward a copy of said Purchase Order to the vendor with a required copy to the Contractor. The Contractor is responsible for forwarding a copy of the Purchase Order to the subcontractor with instructions for the subcontractor to contact the vendor and inform vendor that the Purchase Order has been processed and forwarded to the Contractor.

Note: The City shall include its Tax Exempt Number on all Purchase Orders issued as part of the Owner Direct Purchase Program.

Step 3: The vendor shall ship the material or equipment to the Project site or other designated location. The Contractor shall submit the original invoice received from the vendor and subcontractor to the City for approval along with a Conditional Release of Lien from the vendor. The City shall review the Purchase Order invoice with the Contractor to confirm delivery and to confirm material(s) and/or supplies are not damaged or missing and that the materials and/or supplies match the description of those materials and/or supplies included in the Purchase Order. Upon City's approval of the invoice, both parties shall sign the Material Equipment Verification and Confirmation Form for payment. If the Purchase Order invoice is rejected, City shall inform the Contractor, who shall inform the subcontractor and vendor.

Step 4: Upon City's, Contractor's and subcontractor's approval of a Purchase Order, City will submit the Purchase Order invoice for payment. Payments made pursuant to any Purchase Order shall be pursuant to the Florida Prompt Payment Act.

Step 5: At the end of each calendar month, Contractor will calculate the total sum of Purchase Orders issued by the City pursuant to this Owner Direct Purchase Program for the Key West City Hall at Glynn Archer Project and submit to the City. City shall review this submittal prepare a deductive change order for the material(s)/equipment, including the sales tax saved and submit for review and execution.

Step 6: Upon completion of the Key West City Hall at Glynn Archer Project, the City will reconcile any differences between the total amount of all Purchase Orders issued pursuant to this Program for the Key West City Hall at Glynn Archer and the actual amount paid on said Purchase Orders. The net difference will be adjusted in a Change Order provided to the Owner.

Changes to an ODP Purchase Order:

Step A: If a change is required to an existing Purchase Order, Contractor shall fill out an Owner Direct Purchase Order Change Request Form. Included in said Change Request Form shall be a description of the reason for the change and the appropriate backup information from the vendor shall be attached. The Contractor shall submit the Request for review by the Owner.

Step B: Owner, upon receipt and review of a Direct Purchase Order Change Request Form, may issue an amendment to the existing Purchase Order or void the original Purchase Order and issue a new Purchase Order for the increased or decreased amount.

Step C: Contractor shall reconcile with City all adjustments to any existing Purchase Orders at the end of each calendar month as required pursuant to Step 5 above.

Additional Comments:

a) The sales tax savings realized pursuant to the Owner Direct Purchase Program shall be calculated as actual savings incurred through the ODP Program.

b) Contractor shall prepare a Direct Purchase Order Summary Log, which will provide a list of all Purchase Orders issued pursuant to the ODP Program along with the amounts invoiced and paid to date for each Purchase Order. The Summary Log shall also include the amount of sales tax saved on each Purchase Order and shall indicate the number of change orders issued for each Purchase Order. Contractor shall be responsible for constant updates to the Summary Log and shall include a copy of the updated log in its Monthly Progress Report.

c) Contractor shall prepare a Vendor Direct Purchase Order Log for each vendor that has been issued a Purchase Order pursuant to this Program. The Log shall itemize each invoice submitted to Owner for payment, the amount Owner paid, and any change orders issued to vendor under each Purchase Order. This Log will be updated regularly and transmitted to Owner with each vendor invoice.

d) All **original** invoices must be mailed directly from the vendor/supplier to:
City of Key West
Attn: Mike Vieux - Engineering
Post Office Box 1409
Key West, FL 33041

e) All communication with the Owner regarding the Owner Direct Purchase Order Program must be directed to the same address.