



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Greg Veliz, City Manager
Patti McLauchlin, Asst. City Manager

FROM: John Paul Castro, Utilities Director

DATE: April 16, 2020

SUBJECT: Awarding the Bid of Douglas N. Higgins, Inc. in Response to ITB 20-001 for Richard A. Heyman Environmental Protection Facility Deep Well Injection Pump & HVAC project.

Action Statement:

This is a request to award the low bid for ITB 20-001 from Douglas N. Higgins, Inc. in the amount of \$827,000.00 for the RAHEPF Deep Well Injection Pump & HVAC project.

Purpose and Justification:

The City of Key West (CITY) has decided to install an additional deep well injection pump at the Richard A. Heyman Environmental Protection Facility (RAHEPF). RAHEPF is currently equipped with two 500hp deep well injection pumps. The City desires to install a third pump that will handle a majority of the average flows with the ultimate goal of achieving energy savings. The existing layout was designed with adequate space for the addition of a third pump. The two 500 hp pumps will work for higher than average flows and as redundancy.

With the addition of the city provided third pump, pump drive and pump control units as well as planned future upgrades to the electrical switch gear, the need to upgrade the heating, ventilation and air conditioning system is required for the electrical room at the facility.

Black & Veatch Corporation was approved to design the system. After determining the proper pump and HVAC sizing, they have since designed a system that has been determined to be effective in achieving the City's goals. City Staff has reviewed D.N. Higgins' bid and agree that the City should move forward with construction of this project.

The situation with the two existing pumps have created an urgency for the installation

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

MEMORANDUM

of a new 3rd pump. The two effluent pumps are original to plant and are 30 years old. The seals and bearings were all custom made. The breakdown of components due to age has become more frequent and finding parts usually means having them custom made, paying a large premium, and waiting for long lead times.

There was only one bid for the project. The bid price is within 11% of the engineers estimate. Due to the lack of expertise for this type of project at our remote destination and the urgency of the project staff finds the price reasonable and requests approval.

Financial Impact:

Project SE35041902 Third Effluent Pump was budgeted at \$1,200,000 for design and construction, cost center 401-3504-535-6500. The cost of the design, pump, controls, two VFD's, plus installation cost \$755,818.00 leaving a balance of \$444,182.00 in the project for the installation of the 3rd pump and HVAC system. The shortfall of \$382,818.00 will come from SE35041903 Sludge Conveyor Replacement (project was shelved) which has a balance of \$661,434.00 in account 401-3504-535-6500.

Recommendation:

Staff recommends awarding the bid to Douglas N. Higgins, Inc in the amount of \$827,000.00.