

TO: Jim Scholl, City Manager

**FROM:** Greg Veliz, Director of Community Services

VIA: Sarah Spurlock, Assistant City Manager- Administration

**DATE:** July 31, 2014

**SUBJECT:** Approving the Exemption to Competitive Bid requirements for the purchase and installation of fire suppression systems at three concession stands.

ACTION STATEMENT: Approving the Exemption to Competitive Bid requirements for the purchase and installation of fire suppression systems at three concession stands in the best interests of the city; Authorizing the City Manager to enter into a contract for the purchase and installation of fire suppression systems at three concession stands from Atlantic Coast Restaurant & Mechanical Services in an amount not to exceed \$38,134.

**BACKGROUND:** The City Commission approved the purchase and installation of fire suppression systems at three concession stands in the FY 13-14 capital improvement program budget. In accordance with City Ordinance Sec. 2-796, all purchases of commodities and contractual services when the estimated total cost thereof shall exceed \$20,000.00 shall be awarded by the city commission through the process of competitive, sealed bidding or except as otherwise provided in this division.

A formal Invitation to Bid (ITB)# 14-023 was properly advertised and scheduled to open on July 15, 2014. A mandatory prebid was scheduled on July 9, 2104. No companies attended this mandatory meeting. ITB# 14-023 Install Automatic Fire Suppression Systems was subsequently cancelled.

The need for the fire suppression systems still existed. In an attempt to maximize the purchasing value of public funds and maintain a procurement system of quality and integrity, staff requested quotes from two companies that provide these services. The following are the quotes for the fire suppression systems:

Atlantic Coast Restaurant & \$39,900
Mechanical Services
CaptiveAire Systems
\$57,599.28

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

Staff was unable to locate open federal government, state or political subdivisions contracts (Piggy Back Contacts) that match the City of Key West fire suppression system requirements.

**PURPOSE & JUSTIFICATION**: Pursuant to Sec. 2-797 (4)b of the City of Key West City Ordinances, the City Manager has determined that exceptional circumstances exist to exempt the procurement and installation of fire suppression systems at three concession stands from the competitive bid requirements of this subdivision for the best interests of the city.

## **OPTIONS:**

- 1. Approve the Exemption to Competitive Bid requirements for the purchase and installation of fire suppression systems at three concession stands; Authorize the City Manager to enter into a contract for the purchase and installation of fire suppression systems at three concession stands from Atlantic Coast Restaurant & Mechanical Services in an amount not to exceed \$38,134.
- 2. Disapprove the Exemption to Competitive Bid requirements for the purchase and installation of fire suppression systems at three concession stands.

**FINANCIAL IMPACT**: This project is an infrastructure project under Account 101-7201-572-63. The project allocation for this project is \$40,000.

**RECOMMENDATION**: Staff recommends approval of Option #1.