



## THE CITY OF KEY WEST

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### EXECUTIVE SUMMARY

**TO:** Bob Vitas, City Manager  
E. David Fernandez, Asst. City Manager - Operations

**FROM:** Doug Bradshaw: Port Operations  
Birchard Ohlinger, P.E. , Engineering

**DATE:** January 22, 2014

**RE:** Rescind Contract issued under Resolution 12-184 to the OTAK Group

**ACTION STATEMENT:**

This resolution will rescind the contract issued under Resolution 12-184 to the OTAK Group.

**BACKGROUND:**

In June, 2012, Resolution 12-184 awarded ITB#12-008 to the OTAK Group in the amount of \$92,490.19 dollars for the installation of a sanitary sewer pump out system on Wahoo and Kingfish Piers. On 7 November 2012 the City of Key West issued the Notice to Proceed with contract duration of 150 calendar days. The scope of work under the ITB called for the use of either schedule 80 PVC or HDPE SDR-17 piping. OTAK indicated their bid was based on the use of schedule 80 PVC

The 2012 Florida Building Code or the FDEP Grant does not specifically prohibit the use of PVC piping on floating docks. City Marina Staff witnessed the movement of the floating docks during a storm event and determined that a flexible piping system (ie HDPE) would be required. Currently the industry standard for vacuum systems installed on dock systems is to use HDPE piping as PVC glued joints are brittle and susceptible to hairline cracks and air leakage.

Discussion began between the City and OTAK to use HDPE. . In January 2013, OTAK formally submitted a cost proposal for an additional amount of \$28,228.82 over the bid proposal of \$92,490.19 dollars. The City was unable to verify these additional costs and negotiations stalled. On November 14, 2013, OTAK notified the City via email requesting to be released from the

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contract agreement and have the bonds released.

**PURPOSE AND JUSTIFICATION**

This resolution will rescind the contract entered into with OTAK. This action is necessary to enable the city to release the contractor's Performance and Payment Bonds.

**OPTIONS:**

The City Commission can direct staff to rescind the contract entered into with OTAK.

**FINANCIAL IMPACT:**

The rescinding of this contract will have no financial cost impacts.

**RECOMMENDATION:**

Staff recommends that the City Commission select option 1 and rescind this contract.