



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
Greg Veliz, Asst. City Manager

FROM: John Paul Castro, Utilities Director

DATE: May 2, 2018

SUBJECT: Extending the Master Agreement for Financial Services Pursuant to Section 6.1 of the Contract Between the City of Key West and Black and Veatch Management Consulting LLC. for 1 year

Action statement:

This resolution will extend the financial services agreement with Black and Veatch Management Consulting LLC (Black and Veatch) executed July 10, 2015 in response to RFQ 15-002 for 1 year. Pursuant to master agreement section 6.1, the contract term was for 3 years with yearly renewals for 2 additional years.

Background:

The City has a need for financial consulting firms to assist staff as we create our rate models for utility budgets in wastewater, stormwater, and solid waste. These firms help staff analyze rates, revenues, capital expenditures, budgetary planning, along with other tasks. They also assist with the utility budget presentations to the City Commission.

In April of 2015 the City advertised a request for qualifications for financial consultants. Black and Veatch responded and was awarded a 3 year contract based on the qualifications assessed by City staff.

Purpose and Justification:

Black and Veatch and their financial consultants have been assisting City staff for over a decade. They have been instrumental in modeling and planning for the City's utilities and enterprise funds.

Black and Veatch has satisfactorily complete rate models for Sewer in 2017 and is under contract to complete the sewer rate model for 2018. They also completed the financial model for the City and Navy sewer contract in 2016.

The professionalism and performance from Black and Veatch has been outstanding and staff looks forward to having them on contract for financial consulting tasks for an additional year.

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

MEMORANDUM

Recommendation:

Staff recommends extending the financial services contract with Black and Veatch Management Consulting for 1 additional year.