



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

EMERGENCY PROCUREMENT MEMORANDUM

DATE: February 12, 2024

TO: Albert P. Childress, City Manager

FROM: Kelly Crowe, P.E., Utilities Director

CC: Christina Bervaldi, Finance Director

SUBJECT: **Declaration of Emergency Procurement in Excess of \$50,000.00 for Mechanical Integrity Testing of Deep Injection Wells at the Richard A Heyman Environmental Protection Facility; and Approval of Budget Transfer Within the Sewer Fund; With Ratification of the Emergency Procurement and Budget Transfer to Occur at the March 14, 2024 City Commission Meeting.**

Action Statement:

Approve a contract for mechanical integrity testing with Florida Design Drilling LLC, in the amount of \$225,000.00; and approve a budget transfer from sewer fund 4013501 5359900 Other Uses to 4013503 5354600 Repairs and Maintenance, in the amount of \$101,000.00.

Background:

The City of Key West operates two deep injection wells for disposal of treated effluent from the Richard A Heyman Environmental Protection Facility. Chapter 62-528, F.A.C. stipulates that each injection well must undergo mechanical integrity testing (MIT) every five years. MIT report must be completed and submitted to the Florida Department of Environmental Protection (DEP) no later than April 2, 2024.

The City issued an Invitation to Bid, ITB 24-005 City of Key West WWTP Well System Mechanical Integrity Testing, on January 11, 2024. Bid proposals were received from A.C. Schultes of Florida, Inc., Florida Design Drilling, LLC, and Layne Christensen Company, in the amounts of \$274,7000.00, \$225,000.00, and \$254,000.00, respectively. Bid proposals were opened and read by the senior deputy city clerk, on January 31, 2024, and are deemed to be responsive, reasonable, and fair.

\$150,000 is budgeted in account 4013503 5354600 Repairs and Maintenance for Mechanical Integrity Testing of Deep Injection Wells. Low bid exceeds amount budgeted for MIT and insufficient funds remain in account 4013503 5354600 to pay for MIT services.

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

Purpose and Justification:

City of Key West Code of Ordinances Sec. 2-797(2) empowers the city manager to authorize contractual services, where the cost exceeds \$50,000.00 and when there exists a threat of substantial loss to the city. An emergency procurement for services to perform mechanical integrity testing is necessary to meet the deadline for submittal of the MIT report to the Florida Department of Environmental Protection (DEP). MIT report is due April 2, 2024. Failure to perform mechanical integrity testing, as required by the permit, will result in a significant penalty to the city.

Pursuant to Sections 2-739(b), the city manager may effect transfers within in a fund without limit, provided that the fund remains in balance.

Record of this emergency procurement, including selection of the contractor, amount of the contract services, and the budget transfer will be presented to the city commission for ratification.

Financial:


Mechanical integrity testing has been budgeted in account 4013503 5354600 Repairs and Maintenance. \$101,000.00 will be transferred from sewer fund 4013501 5359900 Other Uses into account 4013503 5354600 Repairs and Maintenance.

Recommendation:

Staff recommends the city manager approve the contract with Florida Design Drilling and budget transfer of \$101,000.00 for mechanical integrity testing services.



Albert P. Childress, City Manager



Date

