



THE CITY OF KEY WEST

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

MEMORANDUM

To: **Jim Scholl. City Manager**

From: **E. David Fernandez
Assistant City Manager - Operations**

Date: **April 15, 2011**

Subject: **Inter-local Agreement between the City of Key West and
Keys Energy for Maintenance of Essential Lighting
Infrastructure.**

ACTION STATEMENT:

This Resolution authorizes the City Manager to execute the attached inter-local agreement providing for Keys Energy to maintain street lights, traffic signals and parks & recreation lights on behalf of the City.

BACKGROUND

The City of Key West is responsible for the maintenance of key lighting in the City. The City of Key West historically has relied on Keys Energy to maintain street lights, traffic signals and parks & recreation lights. Keys Energy has requested clarification and modification of insurance and other terms of the agreement. The agreement has been cancelled pursuant to Section 5 of the original agreement and is currently operating on a month to month basis pending renegotiation and approval of a new agreement.

PURPOSE & JUSTIFICATION:

The agreement provides for continued maintenance of lighting infrastructure by Keys Energy on behalf of the City. This one year agreement automatically renews unless cancelled by either party with written notice prior to July 1.

OPTIONS:

1. The City can decline the inter-local agreement with Keys Energy and require these tasks be done by City Staff. However, the City Staff does not have the staffing levels, expertise, tools and equipment necessary to perform these duties. Tooling up to take on these responsibilities requires a significant investment in staffing, training, tools and equipment. This effort duplicates a service that can be provided more efficiently by another local government agency
2. The City can approve the execution of the inter-local agreement with Keys Energy. This option takes advantage of expertise, tools, and equipment held by Keys Energy



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for the maintenance of street lights, traffic signals and parks & recreation lights. This option will result in reduced cost for the citizens of Key West.

FINANCIAL IMPACT:

Approve the execution of the Keys Energy inter-local agreement for maintenance of lighting infrastructure has no additional budgetary impact. Funds related to parts inventory maintained by the City are budgeted in the Recreation Department or Gas Tax Fund.

RECOMMENDATION:

The staff recommends option#2 approving the execution of the Keys Energy street lights, traffic signals and parks & recreation lights inter-local agreement.

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