



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041 (305) 809-3883

MEMORANDUM

TO: Jim Scholl, City Manager
FROM: Terrence Justice, Engineering – Construction Coordinator
DATE: June 5, 2015
RE: Award of ITB 15-005 Mallory Square electrical upgrades to D.N. Higgins, Inc. in the amount of \$141,900.

ACTION STATEMENT:

A resolution approving the award of ITB 15-005 Mallory Square Electrical Upgrades to D. N. Higgins, Inc., with the exercise of Bid Alternate #3 waiving performance and payment bonds, in the amount of \$141,900 and necessary budget amendment(s) and budget transfer(s). Authorize City Manager to execute the contract.

BACKGROUND:

Invitation to Bid (ITB) 15-005 was advertised on May 10, 2015 and bids opened on June 3, 2015. Two bids were received, both deemed responsive by City staff. The lowest bid was received from D.N. Higgins, Inc. (DNH) in the amount of \$143,700. Copies of bid forms and an interoffice memorandum summarizing the bid results are attached. It is staff's recommendation to exercise bid alternate #3 for a credit of \$1,800, waiving the requirement for payment and performance bonds. Legal and purchasing staff have both reviewed this option and concur that this is viable and in the best interest of the City.

The existing electrical distribution system at Mallory Square consists of extensive lighting circuits for ornamental street lights. These circuits have, in previous years, been modified to provide numerous utility outlets for Sunset Celebration vendors as overseen by the Cultural Preservation Society (CPS), a use that was not accounted for in the original site electrical design. Due to the current poor electrical system condition and lack of maintainability, the Engineering Department was requested by Facilities Maintenance Team (FMT) to design electrical improvements to the Mallory Square system.

This project will rehabilitate the existing electrical system including replacement of all conductors for site lighting. In addition, a new separately metered system containing multiple ground fault circuit interrupter (GFCI) outlets will be installed for use by Sunset Celebration vendors. The vendor electrical distribution system will

be configured such that a separate billing account can be established for the City's leaseholder (currently CPS).

During construction, two-thirds of the limit of work within Mallory Square will remain accessible for use by CPS. No work will occur after 4:00 pm daily.

PURPOSE AND JUSTIFICATION:

The award of ITB 15-005 Mallory Square Electrical Upgrades aligns with elements of several stated goals of the City's Strategic Plan:

- Infrastructure Goal #4 – Long term sustainability of the City's hard assets.
- Economy Goal #1 – Support and nurture existing sources of income.
- Culture Goal #1 – Identification and promotion of the "unique" character of Key West.

FINANCIAL IMPACT

Funding the ITB 15-005 award amount of \$141,900 requires a Budget Transfer from Account 001-7901-579.99-00 (Reserves) in the amount of \$55,629. This budget transfer will augmenting existing budgeted funds in Account 001-7901-579.62-00/Project FM1301. This budget transfer into Account 001-7901-579.62-00/Project FM1301 will fund ITB 15-005 for issuance of a Purchase Order to DNH in the amount of \$141,900.

RECOMMENDATION

Staff recommends awarding this contract to D.N. Higgins, Inc. in the amount of \$141,900 for Mallory Square Electrical Upgrades. This resolution authorizes the City Manager to execute the contract, exercises Bid Alternate #3 waiving performance and payment bonds, and authorizes the necessary Budget Transfer.