



## THE CITY OF KEY WEST

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

MEMORANDUM

### EXECUTIVE SUMMARY

**TO:** Jim Scholl, City Manager  
David Fernandez, Asst. City Mgr.-Operations

**FROM:** Jay Gewin, Utilities Manager  
Scott Fraser, FEMA Coordinator

**DATE:** February 3, 2011

**SUBJECT:** **Sole-Source Purchase from Suntree Technologies, Inc. of 218 Stormwater Inlet Filters and Installation Services in the Amount of \$236,099 to Complete a FEMA Disaster Recovery Project for Stormwater Cleaning and Future Hazard Mitigation. Amending the FY 2011 Stormwater Budget to Recognize Additional Anticipated Revenue in the Amount of \$47,200. Waiving Competitive Bidding for the Installation Cost in the Amount of \$21,800.**

#### **ACTION STATEMENT:**

This resolution would approve the purchase and installation of 218 stormwater inlet filters from Suntree Technologies Inc., amounting to \$236,099. These filters would be installed citywide, limit future storm clogging/damage to the stormwater system and complete the City's last FEMA disaster recovery Large Project requirements related to Hurricanes Katrina & Wilma.

This resolution will also amend the FY 2011 budget to incorporate the additional anticipate grant revenue from FEMA in the amount of \$47,200. It will additionally waive competitive bidding for the installation cost of the inlet filters from Suntree Technologies in the amount of \$21,800. City Ordinance 2-797 (4) (b) allows the City Manager to utilize such an waiver "if exceptional circumstances exist to exempt a purchase from the competitive bid requirements of this subdivision for the best interests of the city, he shall place a resolution before the city commission for approval of such exemption."

#### **BACKGROUND:**

The 2005 storm season resulted in four federally declared city disasters (Hurricanes Dennis, Katrina, Rita & Wilma). Three of those disasters required cleaning debris from the stormwater system, at a total cost of \$1.3m, all of which has been completely reimbursed by FEMA.

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

Cleaning was so costly following storms Katrina and Wilma, that FEMA attached a "Mitigation Proposal" to one of its stormwater cleaning authorizations. FEMA funds mitigation efforts when a relatively small amount of federal funding has the likelihood of greatly reducing future costs for similar damage.

Under its Katrina authorization, FEMA reimbursed the city \$1.3m for stormwater cleaning, and in addition, attached a Hazard Mitigation Proposal to purchase 218 stormwater inlet filters.

Additionally, FEMA authorized Suntree Technologies Inc. of Cocoa, Florida, as a sole source provider of these filters, eliminating the usual competitive bidding requirement.

### PURPOSE & JUSTIFICATION:



Debris filters reside under the metal grates covering stormwater inlets. These filters are constructed of marine grade fiberglass, with stainless steel rivets and screens.

Stormwater passes over a contaminate containment boom, then flows down into the lower filtration chamber which is equipped with three different sieve size filtration screens and bypass openings.

With its Katrina project, FEMA attached an additional (funded) Mitigation Proposal, aimed at limiting damages to the stormwater system from future storms. As with all Mitigation Proposals, FEMA requires the City either complete the mitigation portion of this project or reimburse FEMA the full amount of the entire project (i.e. the \$1.3m reimbursement already received for cleaning). Failure to complete the Mitigation aspect is not a viable nor prudent option.



This Mitigation Proposal pre-authorizes reimbursement for the purchase of 218 inlet filters at locations throughout the city, along with engineering and construction management costs.

Approximately, 10-25 of these 218 filters are simple drop-in installation. However, the majority require three supports with three concrete drive pins. "Landing kits" are also required where vehicle traffic will impact grates.

The cost for installing these filters (\$21,800) won't be reimbursable by FEMA, but it is tactically advantageous to the City that this be the case for several reasons:

1. For a relatively small investment, the City obtains twice the number of filters that would otherwise be funded.
2. Installation:
  - a. A number of these filters require specialized installation because the grates will bear the weight of vehicle traffic, and the manufacturer is best equipped and experienced to make these installations.
  - b. If the City were to utilize OMI staff to install the filters, it would limit their ability to simultaneously clean and maintain existing city stormwater infrastructure. It is therefore in the City's best interest to have a private contractor install the devices while OMI ensures they are installed properly.
  - c. Having the manufacturer install the filters helps guarantee that all warranty conditions for the product are met. It could help expedite replacement filters and parts should they be needed.

#### **OPTIONS/ ADVANTAGES/ DISADVANTAGES:**

1. Purchase 218 stormwater inlet filters (\$214,229.00), and install those filters (\$21,800), for a total cost of \$236,099:
  - a. Advantages:
    - i. Lower future costs for cleaning the stormwater system by limiting the amount of debris clogging inlets, catch basins, and drainage pipes during tropical storms.
    - ii. City remains eligible for any future FEMA disaster recovery funds for stormwater system cleaning.
  - b. Disadvantages:
    - i. Incur cost of installation in the amount of \$21,800.
2. Opt not to proceed with the FEMA Mitigation Proposal:
  - a. Advantages:
    - i. Eliminates unbudgeted \$21,800 expense for filter installations.
  - b. Disadvantages:
    - i. City continues to experience excessive stormwater cleaning costs following tropical storms.
    - ii. Future federal disaster relief funding for stormwater cleaning is either severely curtailed or eliminated because the City opted not to enact past FEMA recommendation and funding that would have mitigated such future costs.
    - iii. City would be required to return entire \$1.3m in federal disaster recovery funds already received as reimbursement for this overall cleaning project.

**FINANCIAL IMPACT:**

FEMA Pre-Authorization	Anticipated FEMA Over-run	City Cost (Installation)	Total Costs
\$173,057.50	\$41,241.50	\$21,800.00	\$236,099.00

\$214,299 of the total project cost of \$236,099, is eligible for disaster recovery reimbursement from FEMA. This portion will be funded from budget line item 402-3802-538-63/HU1001.

The City will only pay the \$21,800 cost of installation. Funds are available from the FY 2011 Stormwater miscellaneous repair/maintenance account (402-3802-538-46), which has funding available.

A budget amendment will be necessary to cover the full cost of the project. This will include \$47,200 in anticipated additional revenue from FEMA above the original budgeted amount, along with the corresponding extra costs.

**RECOMMENDATION:**

Staff recommends Option #1, to approve the expenditure of \$236,099 from Suntree Technologies for the storm inlet filters along with their installation, recognize the additional FEMA grant revenue, and to waive competitive bidding for the \$21,800 installation cost.