



## THE CITY OF KEY WEST

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

MEMORANDUM

### EXECUTIVE SUMMARY

**TO:** Bob Vitas, City Manager  
E. David Fernandez, Asst. City Manager - Operations

**FROM:** Terrence Justice, Engineering

**DATE:** March 13, 2013

**RE:** **Award of ITB 13-011 to D. N. Higgins, Inc. in the amount of \$2,056,140.00 for Switchgear Enclosures & Fuel Station at the Navy Mole Pier.**

#### **ACTION STATEMENT:**

This resolution will approve the award of the bid of **D. N. Higgins, Inc.** in response to ITB 13-011 in a total amount not to exceed \$2,056,140 for "Switchgear Enclosures & Fuel Station," approve necessary budget transfers, and authorize the City Manager to execute the contract.

#### **BACKGROUND:**

Invitation to Bid (ITB) 13-011 was advertised on 20 February, 2013 and bids were opened on 13 March 2013. The lowest Base Bid was received from D. N. Higgins, Inc. in the amount of \$1,257,000. At the direction of the U.S. Navy (NAVFAC) alternate bid items are also to be awarded in the amount of \$799,140. As such, the total not-to-exceed award (Base Bid plus Alternate Bid Items) is \$2,056,140.

A bid was also received from Pedro Falcon Electrical Contractors, Inc. which included a local vendor certification affidavit and a bid amount within 5 percent of the lowest non-local bid. Under the provisions of the Local business enterprise preference, City Ordinance 2-798, Pedro Falcon Electrical Contractors, Inc. notified the City that they would fully match the low bid received from D. N. Higgins, Inc., the lowest non-local bidder. However, the Pedro Falcon bid was deemed non-responsive due to their submitted Construction Administration subcontractor not meeting the minimum requirements specified in the ITB package.

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

**BACKGROUND (continued):**

In lieu of rent payments to the Navy for the use of the Mole pier, the CITY has agreed to perform certain In-Kind Projects. ITB 13-031 Switchgear Enclosures & Fuel Station was requested by the Navy via In-kind letter 11011 OPDBRM/0010 dated 25 January 2013.

This ITB was advertised in The Key West Citizen, DemandStar, and the City of Key West web site. All three bids received were deemed responsive and within the budgeted amount for the project.

**PURPOSE AND JUSTIFICATION**

This project is in conformance with the Lease Agreement N62467-03-RP-00077 between the City and the U.S. Navy as approved by Resolution 03-138 and has been requested by the Navy via the aforementioned In-Kind Letter.

**OPTIONS:**

1. City Commission can approve the award of this contract to bid proposal to D. N. Higgins, Inc. in the amount of \$2,056,140.
2. City Commission could reject all bids and direct staff to solicit additional bids.

**FINANCIAL IMPACT:**

Budget Transfer: Additional funds in the amount of \$2,056,140 will be moved from the Navy Reserves Account #602-1900-519.98-06 to Navy Repairs and Maintenance Account #602-1900-519.46-00 and used to fund project number OM1301.

**RECOMMENDATION:**

Staff recommends that the City Commission select option 1, approving the award of this contract to D. N. Higgins, Inc. in the amount of \$2,056,140.