

EXECUTIVE SUMMARY

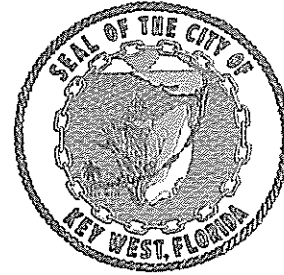
TO: Community Redevelopment Agency

CC: Jim Scholl, Marilyn Wilbarger

FROM: Mark Tait

DATE: May 20, 2010

SUBJECT: Power Pedestals and Transformers for Key West Bight



ACTION STATEMENT: This is a request to approve the budgeted purchase of the 23 remaining power pedestals and 14 transformers located on the docks of Key West Bight Marina.

BACKGROUND: In October 2005 salt water covered all the docks in Key West Bight Marina during Hurricane Wilma. After the storm FEMA representatives agreed to pay for the replacement of 66 Marina Power, power pedestals and 7 Marina Power electrical transformers that were damaged. Total cost for that project was \$140,776 and was 100% reimbursed by FEMA. Today there are an additional 23 power pedestals and 14 transformer modules that also had salt water intrusion, which FEMA did not identify, that are now failing and need to be replaced. We have worked closely with the FEMA Coordinator and it has been determined that there is no further reimbursement available from FEMA.

It is an opportune time to replace the remaining failing pedestals as we have recently issued an RFP to replace all the decking on the Key West Bight Marina docks and HarborWalk. All existing power pedestals and transformer modules will need to be removed so the new decking can be installed therefore efficiencies will be gained by installing the new pedestals in conjunction with this project.

Pursuant to Purchasing Code 2-844 staff is requesting utilization of brand name specification and pursuant to Purchasing Code 2-844 award of a contract without competition, to purchase new Marina Power Company, power pedestals and transformer modules as the Marina Power Company pedestals have been redesigned specifically for us to raise them 2 feet per FEMA mitigation requirements. They also separate in half easily so the electrical component half can be removed and stored safely during a storm.

During the initial replacement of the damaged power pedestals and transformer modules, the need to use Marina Power as a sole source provider came before FEMA, one of the most rigorous agencies to scrutinize sole source providers. After an exhaustive analysis, FEMA arrived at the same conclusion that regarding power

pedestals and transformers and other related equipment, the sole source provider, Marina Power was appropriate and funded the project 100%.

OPTIONS/ ADVANTAGES/ DISADVANTAGES:

1. The CRA can approve the purchase of 23 power pedestals and 14 transformer modules from Marina Power Inc. for the amount of \$82,979.
 - The new power pedestals and transformer modules will match all existing power pedestals and transformer modules provided by FEMA in appearance and electrical capability providing for consistency in repairs and maintenance.
 - As directed by FEMA, the new power pedestals and transformer modules already in place, and the ones requested to be purchased, have been raised two feet to comply with mitigation by FEMA and lessen the potential for storm surge damage from future tropical storms.

2. The CRA can request staff to look at other companies that manufacture power pedestals and power transformers to purchase to replace the failing equipment.
 - A different manufacturer will have different styles of power pedestals and power modules that will not match existing equipment furnished by FEMA in appearance and electrical compatibility.
 - Mixing electrical components from different manufacturers should be avoided; for it degrades the ability to identify the faulty component and responsible party should system failure occur.

FINANCIAL IMPACT: The cost to replace the remaining 23 power pedestals and 14 transformer modules is \$82,979 plus maximum shipping costs of \$500 each for up to three shipments for a total potential expenditure of \$84,479.00. They will be purchased directly from the manufacturer Marina Power saving the 20% overhead that would have been charged purchasing them from one of Marina Power's distributors. Attached is a quote for the same equipment from Mercedes Electrical Supply, a distributor for Marina power. Distributer cost for the equipment is \$102,720. This is a cost savings of \$19,741.

There is \$150,000 for power pedestal and transformer replacement in the current approved budget, account 405 7503 575 64. The cost of the purchase of the Marina Power pedestals and transformer modules will result in a favorable variance of at least \$65,500.

RECOMMENDATION: The price of Marina Power's pedestals is consistent with comparable pedestals in the market place and has previously been approved by FEMA as a sole source provider therefore staff recommends that the CRA approve the purchase of 23 power pedestals and 14 transformer modules from Marina Power Inc.

ATTACHMENTS:

- A. Quote from Marina Power
- B. Brand Name Sole Source for Marina Power
- C. Quote from Mercedes Electrical Supply