



THE CITY OF KEY WEST

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

EXECUTIVE SUMMARY

TO: Community Redevelopment Agency

FROM: Karen Olson, Deputy Director Port and Marine Services

DATE: August 4, 2017

SUBJECT: Emergency/Sole Source Procurement Award to K2 Summit LLC

ACTION STATEMENT:

Staff requests Emergency/Sole Source Procurement ratification for contract awarded to K2 Summit LLC for roof repairs and payment in the amount of \$38,698 pursuant to Section 2-797.1(b),2 of the City of Key West Code of Ordinances.

BACKGROUND:

The Waterfront Brewery at 201 William St. was under extensive renovations, by the tenant, for approximately two years with completion in early 2016. During the renovations, several penetrations were made in the roofing membrane by the tenant's contractor for installation of various items such as mechanical equipment, railings, rooftop deck and stage. Tears in the roofing membrane were also created by laborer's using the roof as staging area and worksite.

With the installation of mechanical equipment, railings, rooftop deck and stage the contractor used improper methods to seal the penetrations. And the tears in the roof were patched using incompatible roofing materials to the existing Duro-last roof. To further the roof damage guests to the rooftop deck began "flicking" their cigarette butts burning holes in the roofing membrane.

Although there have been reports of minor leaking in shops adjacent to the Brewery the leaking intensified during construction and after. Causing damage to the tenant's interior finishes, displays and merchandise.

Staff has requested on numerous occasions that the Waterfront Brewery tenant make proper repairs to the roof to no avail.

MEMORANDUM

PURPOSE & JUSTIFICATION:

K2 Summit LLC, the sole authorized Duro-last roofing contractor within 120 miles of Key West, was contracted to perform the repairs in the amount of \$38,698. Seaport staff is optimistic that these repairs will reduce if not eliminate the roof leaks. If the leaking continues staff will need to further explore possibilities of penetrations below the rooftop deck and stage.

City Manager approved the procurement on June 20, 2017 to prevent further damage to tenant's merchandise and store.

FINANCIAL IMPACT:

Funds were used for Building account 405-7502-575-6200 (KB 1404).

RECOMMENDATION:

Staff recommends ratification of the funds in the amount of \$38,698 to K2 Summit LLC per sec. 2-797.1(b),2, Emergency/Sole Source Procurement for 201 William Street for roof repairs.