

EXECUTIVE SUMMARY



TO: Jim Scholl, City Manager

COPIES: David Fernandez, Assistant City Manager
Mark Finigan, Assistant City Manager

FROM: Greg Veliz, Director Community Services

DATE: June 30, 2010

SUBJECT: Exercising the right to extend Evans Environmental & Geosciences (EE&G), LLC Beach Cleaning Contract for three (3) years. Original contract approved Resolution 05-248.

Action statement:

This resolution authorizes the extension of the Evans Environmental & Geosciences (EE&G), LLC contract for three (3) years as per original contract options, based on Resolution 05-248.

Background:

June 8, 2005, two proposals were submitted for RFP#012-05 for the Smathers & Rest Beach Cleaning. Robbie's Safe Harbor Marine Enterprises bid \$332,000.00 for beach cleaning; that bid was considered nonresponsive. Contract was awarded to Evans Environmental & Geosciences (EE&G), LLC in the amount not to exceed \$557,427.40 for a period of five years to expire September 30, 2010. Resolution 05-248 section 2 authorized the City Manager to negotiate and execute a 5-year contract, with a 3 year option with Evans Environmental & Geosciences (EE&G), LLC. The City entered into the contract on August 24, 2005 and said contract will expire on September 30, 2010.

Purpose and Justification:

Evans Environmental & Geosciences (EE&G) has provided the City of Key West a level of service that far exceeds past performance of beach cleaning.

Options:

- 1) Approve the option to extend the current Evans Environmental & Geosciences (EE&G) contract for the three (3) year term as originally authorized by Resolution 05-248. This option will allow the City to continue to maintain a high level of cleanliness and environmental stewardship of Smather's and Rest Beaches with minimal impact to the City operations.
- 2) Decline the option to extend the current Evans Environmental & Geosciences (EE&G) contract for the three (3) year term as originally authorized by Resolution 05-248 and direct the City to initiate internal beach cleaning operations. The following denotes estimated start up and annual operation costs:

Estimated Start Up Costs	
Barber	\$60,000.00
Tractor	\$60,000.00
Carrington Groomer	\$60,000.00
Loader	\$40,000.00
Beach Tech	\$120,000.00
Grapple	\$60,000.00
Dump Truck	\$75,000.00
Misc Parts	\$25,000.00
	\$500,000.00
Annual Operating Costs	
Maintenance	\$70,000.00
FTE	\$305,000.00
Rent	\$60,000.00
Fuel	\$12,000.00
* Accumulated Depreciation	\$100,000.00
* Administrative Costs	\$75,000.00
	\$622,000.00
Total Costs	\$1,122,000.00

*Accumulated depression of capital expenditures \$100,000.00 per year based on a five (5) year life expectancy of equipment

*15% Administrative fixed costs of \$75,000.00

Financial Impact:

On October 19, 2005 the Board of County Commissioners for Monroe County on behalf of the TDC entered into an interlocal agreement with the City to provide grant funding in an amount not to exceed \$380,000 per year for cleaning and maintenance of Smathers and Rest Beach. The TDC funds up to 50% of expenditures incurred by the City from the Beach cleaning contract as well as in-kind expenses. The cost associated with exercising the option to extend the Evans Environmental & Geoscience (EE&G) contract is \$610,487.71.

Recommendation:

Staff recommends the City Commission select option 1; approve the three year (3) extension to the current Evans Environmental & Geosciences (EE&G) LLC, contract as approved by Resolution 05-248.