

MEMORANDUM

TO: Bob Vitas, City Manager

FROM: Terrence Justice, Engineering

CC: E. David Fernandez, Assistant City Manager
Doug Bradshaw, Senior Project Manager

DATE: 9 August 2012

SUBJECT: **Approval to ratify the award of ITB 12-029: Ornamental Fencing Replacement to Smith Fence Company and approval of a budget transfer.**

ACTION STATEMENT:

Approval to ratify the award of ITB 12-029 to Smith Fence Company in the not-to-exceed amount of \$1,445,302.49. A part of this proposed Resolution is to transfer funds from Navy Reserves Account #602-1900-519-9800 to Navy Repairs and Maintenance Account #602-1900-519-4600 for project number OM1204.

BACKGROUND:

Invitation to Bid (ITB) 12-029 was advertised on 27 June, 2012 and bids were opened on 18 July 2012. The lowest Base Bid was received from Smith Fence Company in the amount of \$952,996.69. At the direction of the U.S. Navy (NAVFAC) alternate bid items are also to be awarded in the amount of \$492,305.80. As such, the total not-to-exceed award (Base Bid plus Alternate Bid Items) is \$1,445,302.49.

Pursuant to a request made by the U.S. Navy to expedite this undertaking, the Notice of Award was issued on 20 July 2012 on then City Manager Jim Scholl's signature. As of 3 August 2012, all required Bonds, Insurances, and Powers of Attorney have been received from the Contractor, Smith Fence Company.

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 12-029 Ornamental Fencing Replacement was requested by the Navy as indicated in Attachment 1. 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 & 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 In-Kind Letter approving Ser PR712/888 dated 30 March 2012. Replacement of existing corroded fencing material and upgrading the perimeter fencing specification to meet current Unified Facilities Criteria will help prevent unauthorized access and protect valuable assets located within NAS KW facilities at Truman Annex and Trumbo Point.

OPTIONS:

1. City Commission can approve the award of this contract to Smith Fence Company in the amount of \$1,445,302.49 dollars
2. City Commission could elect to reject all bids and cancel this project.
3. City Commission can reject all bids and direct staff to solicit additional bids.

FINANCIAL IMPACT:

Budget Transfer: Funds in the amount of \$1,445,302.49 will be moved from the Navy Reserves Account #602-1900-519-9800 to Navy Repairs and Maintenance Account #602-1900-519-4600 and used to fund project number OM1204.

RECOMMENDATION:

City Staff recommends that the City Commission approve option 1 and ratify the award of this project to Smith Fence Company.