



THE CITY OF KEY WEST

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

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
Sarah Spurlock, Asst. City Manager
James Bouquet, P.E., Director of Engineering

FROM: Terrence Justice, Engineering

DATE: July 7, 2014

RE: **Ratify an emergency Budget Transfer, Award ITB 13-023 to D. H. Higgins, Inc. in the amount of \$219,700.00 for Mole Pier Fender Replacement, a Navy In-Kind Project.**

ACTION STATEMENT:

This resolution will ratify an emergency Budget Transfer, award the bid of **D. N. Higgins, Inc.** in response to ITB 13-023 in a total amount not to exceed \$219,700 for "Mole Pier Fender Replacement" and authorize the City Manager's execution of a contract for services.

This Navy In-Kind project falls under Government Goal #3 of the 2011 Strategic Plan, Team Key West – Cooperative planning efforts of among organizations, businesses and all governments.

BACKGROUND:

Invitation to Bid (ITB) 13-023 was advertised on September 26, 2013 and bids were opened on October 9, 2013. The lowest bid was received from D. N. Higgins, Inc. (Higgins) in the amount of \$219,700.00. Copies of these bid forms and Interoffice Memorandum dated October 10, 2013 summarizing the bid results are attached.

In lieu of rent payments to the Navy for the use of the Mole pier, the City of Key West (City) has agreed to perform certain In-Kind Projects. This project was requested by the Navy via In-kind Letter 11011 OPDBRM/0010 dated January, 25, 2013 which authorized a not-to-exceed cost of \$300,000.

ITB 13-023 Mole Pier Fender Replacement was advertised in The Key West Citizen,

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

MEMORANDUM

DemandStar, and the City's web site. Two bids were received and both deemed responsive; however, only the lowest bid was within the Navy's authorized not-to-exceed for this In-Kind project. The Navy authorized use of in-kind funds for this project (not to exceed \$300,000) ITB 13-023 Mole Pier Fender Replacement in accordance with the attached letter dated June 7, 2013.

PURPOSE AND JUSTIFICATION

The existing fenders and associated mounting hardware (e.g., chains and shackles) are in poor condition and require replacement. The project was requested by the Navy to be performed using available In-Kind funds. To fully utilize those funds before expiration of the previous Mole Pier Lease on June 30, 2013, an emergency procurement was authorized by the City Manager under emergency procurement provisions of the Municipal Code of the City of Key West (Section 2-797 subpart 2). Refer to the attached memorandum Emergency Procurement- OM1302 Mole dated June 26, 2013 as signed by the City Manager.

FINANCIAL IMPACT:

Budget Transfer: Navy In-Kind funds in the amount \$300,000 have been reallocated from account #602-1900-519.98-06 (Navy Outer Mole Payments Reserves) to #602-1900-519.46-00 to fully fund Project OM1302. This action will ratify the Budget Transfer.

RECOMMENDATION:

Staff recommends that the City Commission award this contract to D. N. Higgins, Inc. in the amount of \$219,700 and ratify the associated budget transfer.