



THE CITY OF KEY WEST

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PURCHASING EXEMPTION

Date: March 25, 2020

To: Gregory Veliz, City Manager

From: Albiona Balliu, Sr. Project Manager

CC: Patti McLauchlin, Assistant City Manager
Mark Finigan, Finance Director
Steve McAlearney, Director of Engineering

Subject: College Road Affordable Housing Mosquito Control Remediation – Emergency Procurement

Action Statement

Approve purchasing exemption under Sec. 2-797 (2) Emergency Procurement, for a work order in the amount of \$437,402.00 to TetraTech. (Tetra) to provide remedial measures necessary for a clean site for the proposed 104- unit College Road Affordable Housing. Included in the above total is a post-remediation monitoring proposal of \$56,996.00 that will only be tasked if deemed necessary by the Florida Department of Environmental Protection (FDEP).

Background

City Commission Resolution 18-126 directed the City Manager to “*to expedite the development and construction of affordable workforce housing at the entire 2.62-acre parcel on College Road.*” Subsequent to that resolution, William P. Horn Architect, P.A., developed construction documents for a 104, one-bedroom unit housing facility for the City of Key West. The 2.62-acre parcel for the 104-unit Affordable Housing is contracted to be sold to the Key West Housing Authority to construct and manage the complex.

The Key West Housing Authority received an award letter to receive state grant funding totaling \$11,600,000.00 and invited to go into underwriting for the 104-unit Affordable Housing Project. They are currently in the underwriting process for the grant funding which requires a clean site. Before the Key West Housing Authority receives the state funding, the City will have to complete remediation.

Florida Department of Environment Protection (FDEP) has identified and documented a source of **petroleum-based** soil contamination. FDEP requires that the contaminated petroleum-based

soil be removed, and the site be restored before it is developed. Tetra, tasked by the City (Resolution 19-332) started remediation on March 16th, 2020 and scheduled to be completed on March 27th, 2020.

Tetra has now discovered **chemical** contamination while performing Phase I & II Environmental Reports for underwriting. The City then tasked Tetra to provide an assessment of the chemical contamination including boundaries.

Tetra provided a report of the chemical contamination to the City including a proposal for remediation. Tetra's current proposal of \$437,402 includes removal of all contaminated soil, approximately 1,000 tons to be replaced with clean soil. Additionally, \$56,996 included in the \$437,402 is for well installation and **monitoring and will only be tasked if determined necessary by governing authorities.**

Purpose and Justification

In response to the COVID-19 threat, the City declared State of Local Emergency on March 15, 2020 in accordance with F.S. 252.38 and CKW Resolution 2007-182. On March 22, the City continued the State of Emergency an additional seven days. Due to these extraordinary circumstances, Emergency Procurement for this contract is being invoked. This Emergency Procurement must be ratified by the City Commission at the next available meeting.

Tetra will be performing the work under the 2017 Environmental Engineering Contract authorized by Resolution # 17-229 and extend for an additional two years by Resolution # 20-039. To follow are reasons for our declaration of emergency procurement.

- This will save the City mobilization and demobilization fees, since Tetra is already on site working on petroleum-based soil contamination.
- Award of this work provides critical time for the completion of necessary pre-construction site-work.
- There are exceptional circumstances as the City and Key West Housing Authority are scheduled to advertise for bid solicitation for the 104-unit Affordable Housing Project in the first week of November. To prevent delays to the housing project, the sale of the property to Key West Housing Authority and grant funding award, it is in the best interest of the city to expedite the remediation of the former Mosquito Control property.

This resolution supports Key West Strategic Plan Economy Goal #2: Commercial and residential (re) development that is appropriate to a small city and enhances the sociability of neighborhoods, Economy Goal #4 and Quality of Life Goal #2.

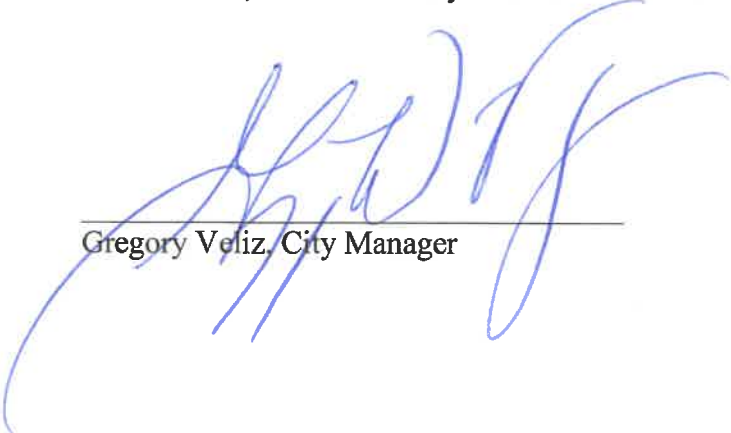
Financial

Construction of Affordable Housing at College Road will access Fund 104 Affordable Housing /

Housing Admin/ Professional Services, 104-5401-554.31. Upon approval, a work order will be issued to Tetra in the amount of \$437,405.00.

Recommendation

Staff recommends City Manager utilize Emergency Procurement procedures of Sec. 2-797 (2) to approve the procurement of contractual services for Tetra to provide remediation of former Mosquito control property at the proposed 104-unit College Road Affordable Housing site in the amount of \$437,405.00. The post-remedial services in the amount of \$56,996.00 included in the total of \$437,405.00 will only be tasked if deemed necessary by FDEP.



Gregory Veliz, City Manager

Date

3/24/20