RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, PURSUANT TO SEC. 2-774 OF THE CITY'S CODE OF ORDINANCES GOVERNING PUBLIC/PRIVATE PARTNERSHIPS (P3'S), AUTHORIZING THE CITY MANAGER TO INITIATE INTERIM CONTRACT NEGOTIATIONS WITH FORTRESS SECURED FOR THE DESIGN, CONSTRUCTION AND FINANCING OF FIRE STATION #3, AS IDENTIFIED IN BID #25-001, IN ACCORDANCE WITH THE PROCEDURES AND REQUIREMENTS OUTLINED IN SEC. 2-774 OF THE CITY'S CODE OF ORDINANCES, SUBJECT TO THE ADVICE AND CONSENT OF THE CITY ATTORNEY; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY NECESSARY RELATED DOCUMENTS AND BUDGET TRANSFERS/ADJUSTMENTS, UPON CONSENT OF THE CITY ATTORNEY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, In February 2025, the City of Key West received an unsolicited detailed proposal from Fortress Secured for the development, construction and financing of Fire Station #3 located at 1600 North Roosevelt Boulevard. This proposal was submitted under the Public-Private Partnership (P3) model, authorized under Section 255.065, Florida Statutes, and implemented locally by Ordinance 25-02 and Section 2-774 of the City Code; and

WHEREAS, as required, Fortress Secured submitted a non-refundable proposal review fee of $25,000.00 to initiate the City's evaluation process. On March 4, 2025, the City Commission approved staff's recommendation to proceed with a substantive review of the proposal. This review included a detailed analysis of technical, financial and legal considerations to ensure compliance with City

standards and statutory requirements; and

WHEREAS, on June 4, 2025, following this review, the Commission authorized the Office of Procurement to solicit competing proposals pursuant to Section 255.065, Florida Statutes, and Section 2-774 of the City Code. The solicitation period allowed for a transparent and competitive process, consistent with the statutory framework for P3 projects; and

WHEREAS, at the close of the solicitation window for BID #25-001, staff and the evaluation committee—comprised of stakeholders with expertise in infrastructure and public safety—concluded that the proposal submitted by Fortress Secured represented the most viable and advantageous option; and

WHEREAS, the review process also identified, however, that the original cost proposal submitted by Fortress Secured was higher than anticipated and not aligned with the City's financial objectives. This finding reinforces the necessity of engaging in interim contract negotiations with Fortress Secured in order to negotiate the scope and terms downward, ensuring affordability, fiscal responsibility and value for the City; and

WHEREAS, both Florida Statute §255.065(7)(b) and City Code §2-774 authorize the City to enter into an interim agreement with a private entity during the negotiation phase of a Public-Private Partnership. An interim agreement can address the following; and

- Project planning and development activities

- Design or design refinement
- Preliminary scheduling
- Financing terms and strategies
- Due diligence, survey, or environmental review, and
- Other project elements necessary to advance negotiations.

WHEREAS, importantly, an interim agreement does not obligate the City to execute a comprehensive or final contract; rather, it allows the City to safeguard its interests by ensuring preliminary issues are addressed, costs are negotiated downward, and the project framework is clearly defined before a full contract is presented for Commission approval; and

WHEREAS, there is no immediate fiscal impact associated with authorizing interim contract negotiations. Financial obligations, if any, will be determined through the negotiation process and will be subject to review by the City Attorney and final approval by the City Commission; and

WHEREAS, City staff recommends the City Commission initiate interim contract negotiations with Fortress Secured for the design, construction and financing of Fire Station #3, as identified in BID #25-001, pursuant to Section 2-774 of the City's Code of Ordinances governing Public-Private Partnerships (P3s), with the express goal of negotiating downward to align the City's fiscal priorities, subject to review and consent of the City Attorney;

NOW THEREFORE, BE IT ESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA:

Section 1. That the City Commission hereby authorizes the City Manager to commence interim negotiations with Fortress Secured for the design, construction and financing of Fire Station #3, as identified in BID #25-001, pursuant to Section 2-774 of the Code of Ordinances of the City of Key West, Florida governing Public-Private Partnerships (P3's), with the express goal of negotiating project costs down to align with the City's fiscal priorities, and subject to review and consent of the City Attorney.

Section 2. That the City Manager shall keep the City Commission updated, as part of his monthly report, as to the progress of the interim negotiations, as allowable pursuant to the City's Code of Ordinances and all applicable Florida Statutes and regulations.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this _____ day of _____, 2025.

Authenticated by the Presiding Officer and Clerk of the Commission on the _____day of _____, 2025.

Filed with the Clerk on _____, 2025.

Mayor Danise Henriquez	_____
Vice Mayor Donald "Donie" Lee	_____
Commissioner Lissette Carey	_____
Commissioner Aaron Castillo	_____
Commissioner Monica Haskell	_____
Commissioner Mary Lou Hoover	_____
Commissioner Sam Kaufman	_____

_____
DANISE HENRIQUEZ, MAYOR

ATTEST:

_____
KERI O'BRIEN, CITY CLERK