



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
Greg Veliz, Asst. City Manager

FROM: John Paul Castro, Utilities Director

DATE: April 2, 2018

SUBJECT: Requesting to Reject of Bid for ITB 17-023 VFD Replacement for Effluent Pump and ITB 18-017 VFD Procurement for the WWTP

Action statement:

City staff is requesting the commission reject the base and alternate bid for ITB 18-017 - Procurement of the VFD for Effluent Pump at the Wastewater Treatment Plant (WWTP) and ITB 17-023 VFD and FP-3-1 Control Replacement do to receiving only one bid which is over budget.

Background:

Utilities needs to replace one of the two variable frequency drives for the effluent pumps at the wastewater treatment plant along with the control system FP-3-1 for the pumps. The package was broken out into the purchase of the VFD with start-up costs which also includes a spare VFD and the purchase of the control and install of the control system and new VFD.

Purpose and Justification:

The City received one bid for ITB 18-017 from D.N. Higgins with a base bid for the ready to install VFD for a cost of \$112,000 and bid alternate for a spare VFD of \$62,000.

The City purchased and installed the newest VFD for the effluent pumps in 2016. The cost of the VFD was \$53,706. The install was complete by OMI staff and Nearshore Electric for less than \$10,000.

The City received one bid for ITB 17-023 from D.N. Higgins for the install of the VFD and FP-3-1 control system with a base bid of \$314,000.

The project budget for both the VFD and FP-3-1 control purchase and install for FY18 is \$225,000. Not including bid alternates, the bid total for VFD purchase ITB 18-017 and FP-3-1 Control ITB 17-023 equals \$426,000.

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

MEMORANDUM

City staff would like to reject this bid and attempt to value engineer the project or consider phasing.

Attached is a letter of clarification to the bidder and a new bid form for ITB 18-017. Upon reviewing the bid there was a note that the base bid had a spare VFD in addition to the bid alternate including a spare VFD for a total of 3 VFD's. The City requested clarification and the bid form was amended to be consistent with the cost per each VFD in the original bid which now matches the City's intent of purchasing 2 VFD's total.

Recommendation:

Staff recommends rejecting the base bid from D.N. Higgins for ITB 18-017 in the amount of \$112,000, the bid alternate in the amount of \$62,000 and rejecting the bid for ITB 17-023 in the amount of \$314,000.