

Executive Summary



To: Gregory W. Veliz, City Manager

From: Todd Stoughton, Risk Manager 

Date: 9/15/2020

RE: Keys Overnight Shelter (KOTS) Management

Action:

Respectfully request the City Commission authorize the City Manager to execute, subject to the review and consent of the City Attorney, an Agreement between the City of Key West (CKW) and Cornerstone Resource Alliance, Inc., for the daily management of the Keys Overnight Temporary Shelter, referred to as KOTS, located on Stock Island, Florida, commencing October 1, 2020.

Background:

On July 14, 2020, the City Manager notified Mr. Peter Dswonyk, Chairman for the Southernmost Homeless Assistance League, that the City would not be renewing the month to month lease as of September 30, 2020., effectively terminating the City's month to month agreement with SHAL that was adopted on March 1st, 2016, by the City Commission in Resolution No. 16-075.

The original agreement with SHAL was entered into on October 1, 2011 and ended September 30, 2012 (Res. 12-096) for the operation and maintenance of KOTS. The first amendment to the agreement was entered into on August 9, 2013, extending the original agreement on a month to month basis until such time the daily management of KOTS could be solicited and made available to other qualified service providers (Res. 13-095). The second amendment to the agreement was passed and adopted by the City Commission on October 7, 2014 (Res. 14-289), adding language to the agreement increasing the amount paid to SHAL in FY 2015 due to an increase obtained from an Emergency Solutions Grant, thus requiring language be added to the agreement to comply with grant requirements.

On August 21, 2020, the City published RFP 008-20, Keys Overnight Temporary Shelter (KOTS) Management, inviting groups to bid on the management and operations for a three-year period. On August 28, 2020, a mandatory pre-proposal meeting was held in which only two organizations attended; Cornerstone Resource Alliance, Inc. and Key West Homeless Coalition, Inc. On September 15, 2020, an evaluation committee met, in a publicly noticed virtual meeting, and scored each proposal. Cornerstone Resource Alliance, Inc., was given an overall score of 265.4 out of 300, and Key West Homeless Coalition, Inc, scored 177.6 out of 300.

Financial Impact:

The City of Key West has appropriated \$680,601 in the FY 2020-21 Annual Budget under account General Fund / Homeless Services / Other Contractual Services, (001-6901-569.34) for the daily management of the Keys Overnight Temporary Shelter. Such an amount was proposed by SHAL, prior to their termination, and determined to be acceptable by City Staff as the amount necessary to effectively and efficiently operate a 24 hour a temporary overnight shelter for FY 2021. As part of the RFP process, both prospective proposers were asked to acknowledge their acceptance of the appropriated amount and explain any adjustments that may be required. Key West Homeless Coalition, Inc. acknowledged acceptance and Cornerstone Resource Alliance, Inc. indicated that City insurance requirements would require an additional \$5,821 be added to the \$680,601 appropriated for next fiscal year. If the City Commission accepts the proposal of Cornerstone, and prior to execution of an Agreement, Staff will work with Cornerstone to explore opportunities in the \$680,601 appropriation to cover the \$5,821 shortfall. If the shortfall cannot be supported by the appropriated amount a transfer from the City Manager's General Fund Contingency will be required.

Recommendation:

Request the City Commission approve the recommendation of Staff as submitted. If approved the City will enter into an agreement with Cornerstone Resource Alliance, Inc, commencing October 1st, 2021, for three years, terminating September 30, 2023. Authorizing the City Manager to execute all documents consistent therewith with the consent and advice of the City Attorney.