

EXECUTIVE SUMMARY



To: Jim Scholl, City Manager

From: Norman Whitaker, Director / KWDoT

VIA: Sarah Spurlock, Assistant City Manager
Greg Veliz, Assistant City Manager

Date: Revised September 3, 2015

Subject: New Transit Facility: Service Agreement with Key West Resort Utilities Including Issuance of Purchase Orders for Associated Fees.

Action Statement:

Approve agreement with Key West Resort Utilities and issuance of purchase orders for associated fees to provide sanitary sewer service to the new facility. Authorize the City Manager to negotiate and execute the agreement with KWRU.

Background:

The design-build contract to construct a New Transit Facility on the closed Stock Island Landfill site was awarded to D.N. Higgins, Inc. (Higgins) under Resolution 13-080. The Notice to Proceed was subsequently issued on May 17, 2013.

Key West Resort Utilities

Sanitary service to the new Transit Facility will be provided by Key West Resort Utilities Corp. (KWRU) in accordance with the attached ***Draft Utility Agreement***. Fees associated with providing required service and the agreement include:

Administrative and Engineering Fee:	\$ 3,125.00
Capacity Reservation Fee (not to exceed estimate):	\$76,680.00
Pro-rata share of North Stock Island Force Main Construction:	\$17,765.98
On-Site Inspection of Service Main Installation:	<u>\$ 3,000.00</u> (estimated)

Total Not-to Exceed KWRU Agreement Fees: \$100,570.98

The City and KWRU are negotiating the Capacity Reservation Fee. This fee will not exceed the original estimate of \$76,680.00.

Purpose & Justification:

Executing the agreement with KWRU and issuance of purchase orders for associated fees will provide sanitary sewer service to the new facility.

This resolution and construction of the new Key West Public Transportation facility supports the Key West Strategic Plan Infrastructure Goal #1, *A transportation system which is aesthetically attractive, functional, efficient, safe and environmentally sensitive.*

Financial Impact:

Fees will be paid directly from the City to KWRU via new purchase orders (P.O). Costs associated with this resolution (not-to-exceed \$100,570.98) will be funded by existing excess funds available from the Florida Department of Transportation (FDOT) grant for this project (Project Number TS 0402).

Recommendation:

The Key West Transit Director and Engineering Services staff recommends approval of executing the agreement with Key West Resort Utilities including issuing purchase orders for associated fees to provide sanitary sewer service to the new facility. This resolution will authorize the City Manager to negotiate and execute the agreement with KWRU.