



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

Date: Revised September 22, 2016

To: Jim Scholl, City Manager

From: Jim Bouquet, P.E., Director of Engineering

Cc: Greg Veliz, Assistant City Manager
Mark Finigan, Director of Finance

Subject: **Approve use of Unforeseen Conditions Allowance and Contingency Allowance for construction of Phase IA of the Truman Waterfront Park**

ACTION STATEMENT

This Resolution would approve use of \$47,925.25 of the Unforeseen Conditions Allowance and \$101,229.88 of the Contingency Allowance for construction of Phase IA of the Truman Waterfront Park, and authorize the City Manager to execute necessary documents.

BACKGROUND

Resolution No. 15-326 accepted the proposal of Charley Toppino and Sons Inc., (CTS) for construction of the Truman Waterfront Park Phase 1A in the amount of \$17,453,752.67. The project Contract Documents and bid award for Notice to Proceed (NTP) 1 and NTP 2 provide \$629,236.33 for unforeseen conditions encountered during project construction and \$487,161.31 in project contingency funds. Resolution No. 16-220 approved the initial use of these allowances. Subsequent to this resolution, additional unforeseen conditions have been encountered and additional expenditures of contingency funds were required as described below. Referenced Unforeseen Conditions Authorization (UCA), Contingency Use Authorization (CUA) and associated cost proposals from CTS are attached.

Unforeseen Conditions – UCA No. 2:

- Per Field Directive Change (FCD) 8A, CTS continued placement of unsuitable subgrade material with imported “Superblend” aggregate to achieve the necessary load bearing factor (\$33,851.25).
- Per FCD 10, Item 3, CTS replaced a section of gravity sewer with a stainless steel force main to avoid an existing ATT communication duct (\$3,360.00).
- Per FCD10 Item 6, CTS conducted one soft dig to investigate a KEYS energy duct in conflict with a sewer line (\$700.00).

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

MEMORANDUM

- Per FCD10 Item 10, CTS furnished #4 stone for pipe trench subbase stabilization of unsuitable soils (\$4,389.00).
- Per FCD12, Item 2 survey and auger holes for new KEYS poles Parcel E2 (area of contaminated soil) (\$5,625.00).

Total UCA No. 2 Cost: \$47,925.25

Contingency - CUA No. 3

- Per FCD04, CTS provided a cost credit of \$47,899.03 to incorporate landscape and irrigation system revisions to simplify the system, eliminate above ground water storage tanks and improve system operational efficiency.
- Per FCD10 Item 1, CTS provided additional surveying to support transitions to the future Navy Entry Control Point (ECP) and the new Ft. Zachary State Park entrance currently under construction (\$1,687.50).
- Per FCD10 Item 2, CTS provided additional asphalt pavement to transition to Navy ECP limit of work (\$5,850.00).
- Per FCD10 Item 4, CTS constructed modifications to storm drain system to accommodate curb cuts for future parking east of the spline road and amphitheater access (\$4,702.00).
- Per FCD10 Item 5, CTS furnished and installed silt fence on Parcel K to provide erosion controls for stockpiling of excavated soil from Parcel C for future use as clean fill elsewhere on the site (\$711.15).
- Per FCD Item 7, CTS conducted two soft digs to locate an existing water line and Navy fuel line in Parcel K (\$1,400.00).
- Per FCD10 Item 8, CTS performed additional site work including excavation and concrete work to support transitions to new Navy ECP and Ft. Zachary State Park entrance (\$4,376.00).
- Per FCD10 Item 9, CTS implemented design modifications to accommodate curb cuts, crosswalk striping and ADA access. Construction included a new sidewalk providing access to a new bus stop, NOAA, the EcoDiscovery Center and a future parking area east of the spline road (\$51,157.60).
- Per FCD 10 Item 11, CTS relocated an irrigation sleeve under the spline road for future service to Parcel C (\$650.00).
- Per FCD 12, CTS, on behalf of the City, paid the KEYS Service Fee of \$78,594.66 to provide aboveground electrical service to the site including the USGCS Ingham and Building 103.

Net Total CUA No. 3 Cost: \$101,229.88

PURPOSE AND JUSTIFICATION

Considering past history and use of the site as a military facility, unforeseen condition encounters were expected

and a bid item price to address these situations was included in the contract award to CTS. Addressing conditions identified in UCA No. 2 are required to complete the work and maintain project schedule.

Similarly, the need for a project contingency to address work scope changes and fees was included as a cost item. Contingency expenditures were required to accommodate park roadway and hardscape interface with future Ft. Zachary State Park entrance, the Navy Outer Mole ECP and the Truman Amphitheater. KEYS required service fees to be paid upon submittal of installation permit applications.

Construction of the Truman Waterfront Park is consistent with the City of Key West's Strategic Goals #3 *Parks and Recreation areas are accessible to all residents and visitors* and Goal #5 *All of the City's Destinations and Resources Are Accessible to Residents and Visitors*.

FINANCIAL ISSUES

Approval of this resolution will reduce available Unforeseen Conditions Allowance to \$515,990.58 and will reduce available contingency funds to \$254,938.43. Additional contingency funds will be available upon issuance of the Notice to Proceed for NTP3.

Use of above ground electrical in lieu of originally specified underground service will save the City approximately \$200,000.

The total contract price and time remain unchanged.

RECOMMENDATION

Staff recommends approving the use of \$47,925.25 of Unforeseen Conditions Allowance and \$101,229.88 of the Contingency Allowance to continue construction of Phase IA of the Truman Waterfront Park, and authorize the City Manager to execute necessary documents.