



THE CITY OF KEY WEST

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TO: Bogdan Vitas, Jr., City Manager

FROM: Elizabeth Ignoffo, Permit Engineer

THROUGH: E. David Fernandez, Assistant City Manager
Doug Bradshaw, Senior Project Manager

DATE: July 10, 2013

SUBJECT: **After-the-Fact Approval of Increase Contract Amount for Payment of Construction Engineering and Inspection Services to AMEC Environment & Infrastructure, Inc., in the Amount of \$20,000.00.**

ACTION STATEMENT:

This resolution will approve the contract increase in the amount of \$20,000.00, to pay for construction engineering and inspection (CEI) services, awarded to AMEC Environment & Infrastructure, Inc. under Resolution No. 12-169. The amended contract amount will be \$45,659.00.

STRATEGIC PLAN:

Key West Strategic Plan 2011 Infrastructure Goal #5 to make destinations and resources accessible to residents and visitors by creating pedestrian pathways is furthered by this project to construct sidewalks. Construction of ADA accessible sidewalks by this Safe Routes to School Poinciana Elementary School sidewalk installation project will improve and enhance pedestrian safety.

BACKGROUND:

The LAP Agreement between the City of Key West and Florida Department of Transportation (FDOT) for Safe Routes to School - Poinciana Elementary School was approved by Resolution No. 10-218, in the amount of \$437,726.00, which included design, construction, and construction engineering and inspection (CEI) services. The LAP Agreement has been modified with the approval of LAP Supplemental Agreement #1 (Resolution 12-142, May 1, 2012) and LAP Supplemental Agreement #2 (Resolution 12-328, November 20, 2012), bringing the current amount of funding to \$622,994.00. The city funding cost share for this project is 0.0%.

Resolution No. 12-169 authorized and approved the contract to AMEC Environment & Infrastructure, Inc., in the amount of \$25,659.00.

MEMORANDUM

City staff request additional funding from FDOT for the \$20,000.00 increase in the AMEC Environment & Infrastructure, Inc. CEI services contract. FDOT has approved the additional funding and requires a LAP Supplemental Agreement to accept the funding. No City match is required. A separate agenda item was prepared for City Commission approval of LAP Supplemental Agreement #3, in the amount of \$20,000.00, to be approved at the August 6, 2013 Commission meeting.

PURPOSE & JUSTIFICATION:

In order to pay for CEI services to inspect construction methods and materials, perform and document testing of construction materials and installation, and measure quantities of materials used, complete audit forms, and review contractor pay applications, as required by the LAP Agreement, the contract amount must be increased to cover costs for construction observation.

FPN 425854-1 LAP Agreement was developed with a funding schedule that anticipated CEI services to cost \$65,659.00 and project construction to be \$306,408.00.

The Engineer's construction estimate, based on the FDOT approved design plans, exceeded the available LAP Agreement construction estimate.

In an effort to locate additional funding for construction, City Staff proposed transferring funds from the CEI services phase to the construction phase. At the time, it could be justified that construction observation could be accomplished in conjunction with the sidewalk installation construction project occurring on 14th Street, between Flagler Avenue and North Roosevelt Boulevard. The CEI services consultant, AMEC Environment & Infrastructure, was tasked with both projects. A significant savings for construction observation on the SRTS-Poinciana Sidewalk Installation Project could be realized.

CEI services were initially budgeted as \$65,659.00. A request was made, granted and approved to transfer \$40,000.00 to the project construction phase (Supplemental Agreement No. 1, Resolution No. 12-142).

All bids received exceeded the LAP Agreement construction budget. Additional construction funds to cover the cost of construction were requested from FDOT. While additional funds were granted and approved (Supplemental Agreement No. 2, Resolution No. 12-328), the construction project on 14th Street progressed and was completed. The opportunity to perform work concurrently with the adjacent sidewalk installation project and gain CEI services cost savings was lost.

CEI services costs for construction observation, testing, and record keeping are sustained entirely by the SRTS-Poinciana Sidewalk Installation project. Cost savings initially anticipated are not being realized, due to lost opportunity to perform work concurrently with other Safe Routes to School and LAP sidewalk installation projects.

City Staff is requesting City Commission give approval to amend and increase the contract with AMEC Environment & Infrastructure, Inc., in the amount of \$20,000.00, for a construction engineering and inspection services contract shall not exceed \$45,659.00.

OPTIONS:

1. City Commission could approve the construction engineering and inspection services contract increase; and authorize the expenditure of funds. Approval will allow the City of Key West to utilize FDOT grant funds for the purpose of sidewalk installation, as part of the Safe Routes to School Program at Poinciana Elementary School.
2. City Commission could elect to reject the construction engineering and inspection contract increase. Failure to amend and increase the contract amount will cause the city to be without a firm to inspect construction methods and materials, perform and document testing of construction materials and installation, and measure quantities of materials used, complete audit forms, and review contractor pay applications. Not utilizing a FDOT pre-qualified consultant for construction engineering and inspection services could result in the loss of the federal funding.

FINANCIAL IMPACT:

Safe Routes to School Poinciana Elementary School sidewalk installation project is funded through budget line item 102-4104-541-6300. Design, construction, and CEI services will be reimbursed 100% from FDOT, as provided in the LAP Agreement and Supplemental Agreement Nos 1, 2 and 3. Local match is not required. FDOT is designated by the federal government to manage, distribute funding, and oversee the project.

Safe Routes to School - Poinciana Elementary School LAP Agreement provides \$65,659.00 for project design, \$531,676.00 for construction, and \$45,659.00 for CEI services, pending City Commission approval of LAP Supplemental Agreement #3. City funding cost share for this project is 0.0%.

Safe Routes to School - Poinciana Elementary School Sidewalk Installation construction engineering and inspection services funding breakdown is as follows:

Florida Department of Transportation (100.0 %)	_____	\$25,659.00
FDOT Supplemental Agreement (100%)	_____	\$20,000.00
City of Key West (0.0 %)	_____	\$0.00
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Total		\$45,659.00

RECOMMENDATION:

City Staff recommends the City Commission select Option 1; approve the construction engineering and inspection services contract increase not to exceed \$45,659.00; and authorize the expenditure of funds.