



## THE CITY OF KEY WEST

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MEMORANDUM

### EXECUTIVE SUMMARY

**TO:** Bob Vitas, City Manager  
E. David Fernandez, Asst. City Manager

**FROM:** Jay Gewin, Utilities Manager

**DATE:** August 2, 2012

**SUBJECT:** **Extending the Contract for Lanzo Construction Co. on the Patricia and Ashby Streets Stormwater Emergency Outfall Project to December 7, 2012 on a No-Cost Basis**

#### ACTION STATEMENT:

This resolution will extend the contract of with Lanzo Construction for the Patricia and Ashby Streets Stormwater Emergency Outfall project for an extra 60 days to December 7, 2012. The City will be billed no extra cost for this extension. The substantial completion deadline will now be November 7, 2012.

#### BACKGROUND:

The City Commission awarded a contract for the Patricia and Ashby Streets Stormwater Emergency Outfall Project to Lanzo Construction Co. in the amount of \$1,485,580 at its meeting on December 6, 2011. (Resolution 11-347) 75% of the costs of this project are being funded through a FEMA grant.

The project consists of the construction of an emergency discharge to the Atlantic Ocean consisting of a pipeline that connects the existing Patricia and Ashby Pump Station to a new outfall structure at the end of Bertha St. A generator and elevated concrete platform are being constructed at the Ashby St./Patricia St. site. All stormwater will be treated with existing vortex sediment separator prior to discharging to the outfall. The emergency outfall will only be utilized during tropical storm/hurricanes or during severe rain events where homes could be under immediate threat of flooding.

## **PURPOSE & JUSTIFICATION:**

The reason for the project delay is due to postponement in the expected arrival date for the automatic transfer switch (ATS) and generator delivery. Once those components are received, the project should be able to be completed in a timely basis.

The rest of the Emergency Outfall project will achieve completion before the contract deadline. The outfall pipeline is completed and has already been tested successfully. Once the ATS and generator are received, they can be mounted, installed, and completed within a few weeks. The final step would then be the final testing of the Pump Station and generator.

This extension will not inhibit the City's ability to utilize the full 75% share of FEMA funding of the project. This extension would be at no additional cost to the City.

## **OPTIONS:**

1. Approve the contract extension with Lanzo Construction on the Patricia and Ashby Street Stormwater Emergency Outfall project to December 7<sup>th</sup>, with a substantial completion deadline of November 7<sup>th</sup>. This will allow the City to complete the project while utilizing the full share of FEMA funding.
2. Do not approve the contract extension. This option is not recommended, because it could result in the City having to endure the time-consuming delays of finding another contractor to finish the work.

## **FINANCIAL IMPACT:**

There will be no financial impact to this no-cost contract extension. Additionally, this contract extension will not impact our ability to receive the grant funding for the project as per the City's agreement with the FEMA.

## **RECOMMENDATION:**

Staff recommends option # 1, that the City Commission approves an extension to the Lanzo Construction Co. contract for the Patricia and Ashby Street Stormwater Emergency Outfall project to December 7<sup>th</sup>, with a substantial completion deadline of November 7<sup>th</sup>.