



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

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

FROM: Jay Gewin, Utilities Manager

DATE: September 24, 2012

RE: **Approval and Authorization to execute Modification Number One to Contract No. 13HM-3B-11-54-02-136 with the Florida Division of Emergency Management to amend the commencement date of the Phase II Agreement for the Stormwater Pump Station and Outfall System for the George Street Drainage Area to September 1, 2011.**

ACTION STATEMENT:

This resolution will approve Modification Number One to amend the commencement date of the Phase II Agreement for the construction of the Stormwater Pump Station and Outfall System for the George Street Drainage Area (Contract number 13HM-3B-11-54-02-136) to September 1, 2011.

BACKGROUND:

The City entered into a grant agreement with the State of Florida Division of Emergency Management/FEMA on July 16, 2012 (Resolution 12-201, June 19, 2012) for the construction of the George Street Drainage Project.

The Phase II period of agreement currently has a beginning date of July 16, 2012 and ends October 22, 2013. The agreement amount is \$2,610,804.00 (including \$32,853.00 in administrative costs) with a City match of \$859,317.00.

The George Street Drainage Project consists of the construction of two pump-assisted wells located at Catherine and Ashby St., an elevated generator platform, and an emergency outfall pipeline running from the wells to the retention pond located off of Jose Marti Dr. between the Police Station and Bayview Park.

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

PURPOSE AND JUSTIFICATION

City Staff is requesting approval of Modification Number One so that the agreement's commencement date can be amended to September 1, 2011. The earlier commencement date will allow for all of the re-design costs associated with this project to be eligible for reimbursement with Phase II funding at a cost share of 75% Federal / 25% City. Currently, only a small portion of the re-design costs are eligible for reimbursement.

The original route designed and permitted for the outfall pipeline on the project crossed a field through a proposed easement at Horace O'Bryant Middle School, and traversed between the Middle School and Key West Police Station before emptying into the stormwater retention pond at Jose Marti Blvd. However, this planned pipeline route was rendered unfeasible after site plan changes were implemented to the Horace O'Bryant Middle School construction project. The site plan changes included shifting the footprint of some buildings, such that there was no longer enough room to construct and maintain a pipeline at this location resulting in the need to re-design part of the George Street Drainage Project.

The re-design included the re-routing of the pipeline down Catherine St., before turning on the City's right-of-way on Leon St. in the Horace O'Bryant Middle School parking lot, before eventually emptying into the Jose Marti pond. The re-design of this pipeline was necessary to proceed with the project.

The City Commission approved Task Order 2-09-STM from CH2M Hill for the original design of this project on April 8, 2009 in the amount of \$311,821.00 (Resolution 09-082). Task Order 11-11-STM was approved on September 20, 2011 (Resolution 11-272) for re-design, permitting and bid phase services in the amount of \$69,894.00.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can approve and authorize the execution of Modification Number One. This will allow the commencement date of the grant agreement to be changed to September 1, 2011 and all costs associated with the re-design to be eligible for reimbursement from Phase II funding of the George Street Drainage Project at a cost share of 75% Federal / 25% City.
2. The City Commission can reject Modification Number One. With this option, the Phase II commencement date will remain July 16, 2012. As a result, only \$4,257.64 of the \$69,894.00 re-design costs would be eligible for reimbursement. The majority of the re-design costs were incurred prior to July 16, 2012.

FINANCIAL IMPACT:

With Modification Number One approved, the new commencement date of September 1, 2011 will allow all costs associated with the re-design to be eligible for reimbursement as follows:

Task Order 11-11-STM \$69,894.00 x 75% Federal Share = \$52,420.50

Funds would be deposited into the Stormwater fund revenue account 402-0000-334-36.

Project cost associated with the City's matching share of this grant is budgeted in expense account 402-3802-538-31-00 / ST0802.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, approving Modification Number One to amend the commencement date of the grant agreement to September 1, 2011.

JG/cds