



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: July 20, 2012

RE: **Approval and Authorization to execute Modification Number Four to Contract No. 11HM-2V-11-54-02-004 with the Florida Division of Emergency Management to increase Federal Funds by \$30,585.00 for a Total of \$173,858.00 in Federal Funds and Authorize a Budget Amendment to Increase the Local Share Amount by \$10,195.00 to \$57,953.00 of the East Front Street Flood Mitigation Drainage Area Project Phase I Agreement.**

ACTION STATEMENT:

This resolution will approve Modification Number Four to increase Federal Funds by an additional \$30,585.00 for a total of \$173,858.00 in Federal Funds of the East Front Street Flood Mitigation Drainage Project Phase I Agreement for the design of drainage improvements in the East Front Street basin (Contract number 11HM-2V-11-54-02-004). The Federal Share and Local Share remain at 75% and 25%, respectively. As such, the Local Share amount will increase by an additional \$10,195.00 to a total of \$57,953.00, which requires a budget amendment.

BACKGROUND:

The City entered into a grant agreement with the State of Florida Division of Emergency Management/FEMA on May 25, 2011 (Resolution 11-123) for the design of drainage improvements in the East Front Street area.

The Phase I period of agreement began on August 12, 2010 and was extended to April 15, 2012 with the approval of Modification Number One (Resolution 11-228) at the August 2, 2011 City Commission Meeting. The agreement amount is \$148,094.00 (including \$4,821.00 in administrative costs) with a City match of \$47,758.00.

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

Modification Number Two (Resolution 12-079, March 6, 2012) extended the agreement to July 15, 2012. The time extension was requested to allow the City ample time to complete the design of the East Front Street Drainage Project. The design is being completed by Perez Engineering and Development, Inc. through Task Order No. 12-02 for \$191,000.00 which was approved on January 18, 2012 (Resolution 12-036). An amendment to add \$40,780.00 was also approved on June 19, 2012 (Resolution 12-200) to perform the work described in Modification Number Three (see next paragraph).

Modification Number Three (Resolution 12-222, July 17, 2012) reinstates and extends the agreement to January 15, 2013. The time extension was requested to allow the City additional time to include a replacement outfall (to be located at the seawall along the western edge of the Mallory Square parking lot) in the design of the project that will better serve the project area rather than the installation of a new gravity well. The existing outfall is located under the Key West Aquarium and is in poor condition and not able to be maintained due to its location.

PURPOSE AND JUSTIFICATION

City Staff is requesting approval of Modification Number Four to increase Federal Funding by \$30,585.00 for a total of \$173,858.00 in Federal Funds. The additional funding was requested from FEMA to cover the cost of including a replacement outfall in the design (see paragraph regarding Modification Number Three above).

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can approve and authorize the execution of Modification Number Four. This will approve additional FEMA funding to cover the cost of including the replacement outfall at a 75% FEMA / 25% City share and improves the design of the East Front Street Drainage Project.
2. The City Commission can reject Modification Number Four. With this option, no additional Federal Funding (75% FEMA / 25% City share) will be approved and the City would be responsible for 100% of the cost of including the replacement outfall in the design.

FINANCIAL IMPACT:

With Modification Number Four approved, Federal Funding will increase by \$30,585.00 for a total of \$173,858.00 in Federal Funds. In turn, grant revenue will increase by \$30,585.00 (Stormwater fund revenue account 402-0000-334-36).

The project cost associated with the City's matching share of this grant (25%) is budgeted in expense account 402-3802-538-31-00 and will need to be increased by \$10,195.00, which requires a budget amendment.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, approving Modification Number Four to increase FEMA funding from the Florida Division of Emergency Management.

JG/cds