



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING SYSTEMS COMMAND SOUTHEAST
JACKSONVILLE, FL 32212-0030

11011
Ser RE13B/00125
February 25, 2026

Mr. Brian Barroso
City of Key West Manager
P.O. Box 1409
Key West, FL 33014-1409

Dear Mr. Barroso:

**SUBJECT: MODIFICATION TO APPROVAL OF IN-KIND CONSIDERATION FUNDS FOR
SMALL CRAFT BERTHING FACILITY PROJECT / CITY OF KEY WEST
MOLE PIER SEAWALL REPAIR FOR LEASE N69450-12-RP-00166**

In the enclosed letter dated 18 July 2019, the Navy authorized the City of Key West to construct a small craft berthing facility at the Mole Pier as in-kind consideration for Lease N69450-12-RP-00166. In that authorization, the City of Key West was provided with a not to exceed cost ceiling of \$1,179,717.00, which was based on a Government estimate. During the subsequent construction, a sinkhole and seawall issues were discovered and required repair.

Approximately \$783,602.00 was expended for the Small Craft Berthing Facility project, leaving approximately \$396,115.00 remaining from the original not to exceed approval. The City of Key West created a separate project to repair the sinkhole and seawall using the Small Craft Berthing Facility not to exceed value to obtain bids as approved by the Navy. It was determined that due to required scope changes and the passage of time, the Government estimate was no longer accurate and that the not to exceed cost ceiling of \$1,179,717.00 was no longer a reasonable value of the project. An increase of \$468,885.00 to the original not to exceed will be required to cover the additional costs associated with repairing the sinkhole and seawall. This will provide the City \$865,000.00 to allocate towards the Mole Pier Seawall Repair project.

The Navy is approving a revised not to exceed cost ceiling of \$1,648,602.00 for the Small Craft Berthing Facility and City of Key West Mole Pier Seawall Repair projects.

Please note that any change to the not to exceed cost ceiling must be approved in writing by a Real Estate Contracting Officer prior to the City of Key West incurring any cost in excess of \$1,648,602.00. Additionally, upon receipt of this letter, the City of Key West shall provide the estimated date of project completion to my point of contact listed below.

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My point of contact for this action is Ms. Elizabeth Parker, who can be reached at (904) 652-9290 or elizabeth.c.parker18.civ@us.navy.mil.

Sincerely,

MICHAEL BROOKS
Real Estate Contracting Officer

Enclosure: (1) RECO In Kind Approval Letter of 18 July 2019

Copy to: NAS Key West (PWD)