

EXECUTIVE SUMMARY

To: Bogdan Vitas, City Manager

From: Norman Whitaker, Director / KWT

Date: November 12, 2013

Subject: Supplemental No. 3 - Contract No. AQN20 - Joint Participation Agreement (JPA)
\$434,534 Million Grant (Capital Funding) - New Transit Facility

Norman Whitaker
11/12/2013



Action Statement:

This is a request for approval of Supplement No. 3, to the original Joint Participation Agreement (JPA) previously approved by Resolution No. 12-209, Supplement Joint Participation Agreement (SJPA) No. 1 Resolution No. 12-316, and Supplement Joint Participation Agreement (SJPA) No. 2 Resolution No. 13-171. SJPA #3 to the original Agreement and the Supplement Agreements increases the total project amount eligible from \$3,781,266, to a total of \$4,215,800.00.

Project History:

As most of you may recall, in FY periods 2003-2004 and 2004-2005, the City of Key West Department of Transportation received two (2) separate partial grants for capital construction funding assistance from the Florida Department of Transportation, D6, to assist with a New Transit Facility building. The funding was returned in good faith with the agreement that FDOT will reissue the funds when the City was prepared to use it. The City was issued the \$2 million in FY 2012.

Supplement #2 was originally allocated for the Bus Fleet Replacement in FY 2012-2013, and after meeting with the City Engineer, it was noted that Key West Transit needed extra funding for the construction of the New Transit Facility. After communications with FDOT about the situation, we were successful in transferring the Bus Fleet Replacement funds to the New Transit Facility.

Key West Transit and FDOT District 6 has had numerous discussion in reference to extra funding available within the District that other agencies were not able to use last fiscal year. FDOT was able to obtain additional funding in the amount of \$434,534.00 for the New Transit Facility Project to be used for construction cost and / or other related capital expenses. This will bring the total of Contract AQN20 to \$4,215,800.

Below is funding breakdown of Contract AQN20:

New Transit Facility Funding – FDOT

Contract No.	TOTAL Cost	80% STATE Max	20% CITY Match
AQN20	\$1,250,000.00	\$1,000,000.00	\$250,000.00 / Demolition Costs
AQN20 Supplement #1	\$1,250,000.00	\$1,000,000.00	\$250,000.00 / Demolition Costs
AQN20 Supplement #2	\$2,226,582.50	\$1,781,266.00	\$445,316.50 / Toll Revenue Credits
AQN Supplement #3	\$543,168.00	\$434,534.00	\$108,634 / Toll Revenue Credits
AQN20 TOTAL	\$5,269,750.50	\$4,215,800.00	N/A

Option #1:

Option #1 would see the City Commission approve Supplement No. 3 to Contract AQN20, increasing the amount of capital funding available from Florida Department of Transportation, D6, from \$3,781,266, to a total maximum participation by FDOT of \$4,215,800, thereby increasing the funds for this project.

Advantages

The greatest advantage to Option #1 being approved is that this additional funding will be used for the New Transit Facility and other capital items needed for this project.

Disadvantages

There is no disadvantage to this Option except that there is a lien requirement which was discussed in great detail in previous items relating to this project. However, because the City is in need of adequate work space for several City departments and divisions, the Transit Facility construction and relocation of all services to the new Transit Facility will provide a major pivot point for the City to begin addressing a city wide facilities plan.

Fiscal Impact

There is no fiscal impact identified and associated with Option #1 above as current operating expenses of the 627 Palm Avenue site will be taken over by other City departments, allowing Transit to take over operating expenses of the new site, which we anticipate to be less due to a more efficient and newer building.

Option #2:

Option #2 would see the City Commission not approve the Supplement to Agreement (No. 3) and reject the funding for the New Transit Facility.

Advantages

There are no advantages to this option.

Disadvantages

The disadvantage is that it would prevent the City from building the New Transit Facility and / or purchasing other capital items for the New Transit Facility without having the additional funding of \$434,534.

Fiscal Impact

The City would be required to fund the \$434,534, for shortfall of necessary additional capital items for the New Transit Facility.

Recommendation:

KWT and City Staff recommend approval of Option #1, which will provide additional funding of the New Transit Facility and / or the option to purchase necessary capital items for this project.

Attachments:

Resolution No. 12-209
Resolution No. 12-316
Resolution No. 13-171
Supplement No. 3 – SJPA / Contract AQN20