



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041 (305) 809-3883

MEMORANDUM

TO: Jim Scholl, City Manager
FROM: Jim Bouquet, P.E., Director of Engineering
DATE: June 2, 2015
RE: Traffic Signal Maintenance and Compensation Agreement,
Contract No. ARU46.

ACTION STATEMENT:

The City of Key West agrees to maintain traffic signals, beacons, controls, and mast arms in accordance with a Florida Department of Transportation (FDOT) *Traffic Signal Maintenance and Compensation Agreement, Contract No. ARU46*. Authorize the City Manager to execute the agreement.

BACKGROUND:

The City of Key West has a standing Maintenance and Compensation Agreement with the FDOT, Contract No. A-Q764, executed May 6, 2011, under which the City maintains FDOT traffic signals and receives annual payment for this service. FDOT has requested that the City enter into a new Maintenance and Compensation agreement to replace the current agreement. The new agreement provides the following benefits to the City over the current agreement:

1. The new agreement includes an 'opt-out' clause allowing the City, for any reason, to terminate the agreement at the close of the FDOT's fiscal year with a minimum of two years notice. The current agreement has no provision for termination by the City.
2. The new agreement provides a higher rate of compensation.
3. Under the new agreement, the FDOT agrees to compensate the City for emergency repair and replacement costs if the City is unable to recover those costs from the responsible party(s) within 180 days.

PURPOSE AND JUSTIFICATION:

Approval of the *Traffic Signal Maintenance and Compensation Agreement* is a specific example of collaboration among community partners (government agencies) to address specific concerns for the benefit of the community (Government Goal #3). Furthermore, this agreement supports and nurtures an existing source of income for the City (Economy Goal #1).

FINANCIAL ISSUES

FDOT will compensate the City for services provided under the Agreement. The **estimated** annual compensation due the City based on the schedule of currently installed signals is:

2015-2016 **\$48,640**

2016-2017 **\$50,095**

Subsequent years' compensation shall be increased based on the Consumer Price index (CPI).

The City currently has an agreement with KEYS Energy Services, Inc. (KEYS) for maintenance and periodic inspection of traffic signals. The KEYS agreement is consistent with the new FDOT *Traffic Signal Maintenance and Compensation Agreement*. The average cost to the City for these services has historically been well below the scheduled FDOT compensation. Compensation and KEYS maintenance costs are managed under City project EN1304.

RECOMMENDATION

Staff recommends The City of Key West agree to maintain traffic signals in accordance with the Florida Department of Transportation *Traffic Signal Maintenance and Compensation Agreement, Contract No. ARU46*. Staff recommends the City Manager be authorized to execute the agreement.