



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: James K. Scholl, City Manager
Sarah Spurlock, Assistant City Manager - Administration
Greg Veliz, Assistant City Manager - Operations

FROM: Carolyn Sheldon, Senior Grants Administrator

DATE: September 21, 2015

RE: **Ratifying the Inter-local Agreement to accept the Tourist Development Council (TDC) grant for the Smathers and Rest Beach Maintenance Services Project in the amount of \$520,000.00 annually for five years with an option to extend for an additional five years.**

ACTION STATEMENT:

This resolution will ratify the Inter-local Agreement to accept the Tourist Development Council (TDC) grant for the Smathers and Rest Beach Maintenance Services Project in the amount of \$520,000.00 annually for five years with an option to extend for an additional five years.

BACKGROUND:

The City of Key West submitted an application on April 28, 2015 for TDC funding from their 2016 Bricks and Mortar Capital Projects funding cycle for the Smathers and Rest Beach Maintenance Services Project. The City was notified via email on July 2, 2015 that funds have been allocated and subsequently received the attached Grant Award Agreement for funding in the amount of \$520,000.00 annually for five years on September 4, 2015, after agenda setting for the September 15, 2015 City Commission meeting. The Agreement was signed by the Mayor and returned to the TDC, as instructed, prior to September 18, 2015.

Final approval of the grant agreement by the Board of County Commissioners is anticipated at the BOCC's October meeting.

PURPOSE AND JUSTIFICATION:

The TDC grant will be used to help fund the cleaning and maintenance of Smathers and Rest Beach. Daily cleaning of the beaches are performed by EE&G Environmental Services, Inc. (EE&G), whom the City contracted with through an Invitation to Bid (ITB# 14-001) for a 5-year contract commencing January 1, 2014. The additional cleaning to be performed by EE&G includes the

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

MEMORANDUM

eastern most groin at Smathers Beach. Estimated average costs per year (based on a 5-year projected average) are as follows:

Smathers and Rest Beach Maintenance Services Project	
Estimated Costs (based on 5-year projected average)	
Description	Average Project Costs (estimated)
Smathers Beach	
Daily cleaning	\$ 670,459
Additional cleaning	\$ 37,884
In-kind	\$ 174,871
Subtotal	\$ 883,214
Rest Beach	
Daily cleaning	\$ 137,353
In-kind	\$ 19,433
Subtotal	\$ 156,786
Total Estimated Average Costs	
Per Year	\$1,040,000

The TDC cost share is 50% of the estimated average project cost per year of \$1,040,000 or \$520,000.00 [$\$1,040,000 \times 50\%$]. The earliest date to commence the project is October 1, 2015.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can ratify the Inter-local Agreement to accept the Tourist Development Council (TDC) grant for the Smathers and Rest Beach Maintenance Services Project in the amount of \$520,000.00 annually for five years with an option to extend for an additional five years. This allows beach cleaning services to be funded 50% by the TDC.
2. The City Commission can choose to not ratify the Inter-local Agreement to accept the TDC grant. No TDC funding would be accepted and the City would fund beach cleaning services 100% at an estimated average cost of \$1,040,000.00 per year.

FINANCIAL IMPACT:

Expenditures for beach cleaning services for this project will be budgeted in 001-1905-519.34-00. In-kind amounts from labor performed by City staff, operating supplies and other contractual will be budgeted in the FY 2016 General Fund (Public Works, Parks and Recreation budgets). Revenues will be budgeted in 001-0000-337.70-01 (Project code to be determined).

RECOMMENDATION:

Staff recommends that the City Commission select option 1, ratifying the Inter-local Agreement to accept the Tourist Development Council (TDC) grant for the Smathers and Rest Beach Maintenance Services Project in the amount of \$520,000.00 annually for five years with an option to extend for an additional five years.