



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
E. David Fernandez, Asst. City Manager

FROM: Gary W. Bowman, General Services and Engineering Director

DATE: May 7, 2010

SUBJECT: Approval of Amendment No. 1 to DEP Agreement No. 08MO2 with the Florida Department of Environmental Protection (FDEP) to extend the grant period to July 31, 2011 for the Rest Beach Nourishment project GR0702; Authorize City Manager to execute Amendment No. 1

ACTION STATEMENT:

This resolution will approve Amendment No. 1 to DEP Agreement No. 08MO2 between the City of Key West and the Florida Department of Environmental Protection (FDEP) to extend the grant agreement period to July 31, 2011. Currently, the grant period ends on July 31, 2010. The extension will provide additional time to obtain the necessary permits for the renourishment of Rest Beach.

City Staff is also requesting the City Manager be authorized to execute the amendment.

BACKGROUND:

The City is in the final stages of obtaining the necessary permits for the Rest Beach Nourishment project. The City's consultant is addressing Requests for Additional Information (RAI's) from the permitting agencies. As a result, an extension to this grant is necessary to preserve the funding provided as described below.

Original grant agreement: Resolution 09-019, passed and adopted by the City Commission on January 21, 2009, approved Grant Agreement #08MO2 for the Rest Beach Nourishment project in the amount of \$120,000.00 with a grant period ending on July 31, 2010. \$60,000.00 is funded by FDEP. The

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

other \$60,000.00 is funded by the City. Eligible project tasks include: 1) a study to determine the feasibility and extent of improvements necessary to nourish Rest Beach; 2) the feasibility and preliminary engineering analysis outlined in the approved scope of work; 3) professional services required for engineering and design, obtaining environmental permits and other authorizations, and the preparation of plans and specifications. Permit application fees or any other fees paid to the State of Florida were excluded; 4) design and joint coastal permitting efforts for the approved alternative in accordance with the approved scope of work. A summary of the funding by task is as follows:

DEP Agreement No. 08MO2 Funding Summary by Task					
Task #	Eligible Project Tasks	Estimated Project Costs			
		Federal	DEP	Local	Total
1.0	Feasibility Study				
1.1	Feasibility and Engineering Analysis	\$0	\$31,730	\$31,730	\$63,460
2.0	Design and Permitting				
2.1	Design and Permitting of Approved Alternative	\$0	\$28,270	\$28,270	\$56,540
	TOTAL PROJECT COSTS	\$0	\$60,000	\$60,000	\$120,000

Amendment No. 1: This is the amendment before the Commission for approval. It extends the grant period to July 31, 2011. Other changes included in the amendment are “housekeeping” issues related to changes between Project Tasks line item amounts, disbursement of retained amounts, the addition of Attachment G “Certification of Applicability to Single Audit Act Reporting,” submittal of the bid form for the successful bidder, and change orders.

There were no changes in project funding.

PURPOSE & JUSTIFICATION:

Renourishing Rest Beach helps control beach erosion and assists the City in meeting requirements for post disaster funding, mainly Federal Emergency Management Agency (FEMA) funding. Keeping the beach nourished also enables the City to continue attracting tourists and locals to the beach.

Beach renourishment is costly. Therefore, the City is always in pursuit of grant funding to lessen the burden of keeping the beaches adequately nourished. In addition, the permit application process for renourishment efforts is a lengthy process so it is not uncommon to require extensions to the grant period while obtaining the necessary permits.

OPTIONS:

1. Approve Amendment No. 1 to DEP Agreement No. 08MO2 extending the grant period to July 31, 2011. This option will allow additional time to obtain the permits needed to renourish Rest Beach.
2. Do not approve Amendment No. 1 to DEP Agreement No. 08MO2. Without the amendment, the grant period would end on July 31, 2010 leaving very little time prior to that date to obtain the necessary permits. This would make it difficult to complete the grant requirements resulting in the loss of \$60,000 in funding from FDEP for the Rest Beach renourishment effort.
3. Take no action. This option will forego funding for design and permitting for the Rest Beach Nourishment project that would otherwise be funded up to \$60,000 by FDEP (50%) and \$60,000 by the City (50%) for a total project cost of \$120,000.

FINANCIAL IMPACT:

There is no additional cost to the City to extend the grant period to July 31, 2011 with the approval and execution of Amendment No. 1 to DEP Agreement No. 08MO2. However, if Amendment No. 1 is not approved, the City would lose \$60,000 in funding from FDEP.

RECOMMENDATION:

Staff recommends the City Commission select option 1, approve Amendment No. 1 to DEP Agreement No. 08MO2 to extend the grant period to July 31, 2011.

GWB/cds