



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Bob Vitas, City Manager
E. David Fernandez, Asst. City Manager - Operations

FROM: Carolyn Sheldon, Grants Administrator
Doug Bradshaw, Senior Project Manager

DATE: October 29, 2012

SUBJECT: **Approving and authorizing the City Manager to execute a Local Agency Program (LAP) Supplemental Agreement for additional Phase 58 construction funding of \$185,268.00 for the Poinciana Elementary School Safe Routes to School (SRTS) Sidewalk Improvement Project; approving any budget amendments necessary for the additional funding**

ACTION STATEMENT:

This resolution will approve and authorize the City Manager to execute a Local Agency Program (LAP) Supplemental Agreement for additional Phase 58 construction funding of \$185,268.00 for the Poinciana Elementary School Safe Routes to School (SRTS) Sidewalk Improvement Project (EN1101) and approve any budget amendments necessary for the additional funding. The \$185,268.00 will be added to the \$346,408.00 currently funded for a total of \$531,676.00 in construction funding.

BACKGROUND:

The LAP Agreement for Poinciana Elementary School Safe Routes to School (FM 425854-1) was approved with Resolution 10-218 on July 20, 2010. Funding for design, construction and construction, engineering and inspection (CEI) was included in the LAP Agreement. This project proposes the construction of sidewalks, curbs, curb ramps, residential and commercial property driveway aprons and property entrances, bicycle and pedestrian crosswalks, paving, stormwater improvements, and traffic calming devices on Duck Avenue, from Glynn Archer Drive (14th Street) to 17th Street, and 12th

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

MEMORANDUM

Street, from Staples Avenue to Seidenberg Avenue, to provide a bicycle safe zone and pedestrian access routes to Poinciana Elementary School.

LAP Supplemental Agreement #1 was approved with Resolution 12-142 on May 1, 2012. City Staff requested that FDOT transfer \$40,000.00 in CEI funds to construction funds after the preliminary Engineer's estimate showed an estimated cost of \$379,428.07 (which included a 7% contingency) versus the \$306,408.00 originally funded by FDOT. At the time, City Staff was aware that, based on the Engineer's estimate, a shortfall of approximately \$33,020.07 was still anticipated even with the \$40,000.00 transfer. FDOT allowed the City of Key West to transfer the funds using the preliminary Engineer's estimate as basis for the transfer. The purpose of LAP Supplemental Agreement #1 was to reduce the amount of the anticipated shortfall at bid opening. LAP Supplemental Agreement #1 added \$40,000.00 to construction funding of \$306,408.00 for a total of \$346,408.00 in funding.

PURPOSE & JUSTIFICATION:

The City received three bids that were opened on August 8, 2012. The low bidder was Charley Toppino and Sons, Inc. with a bid of \$531,676.00. The other bids received were from Douglas N Higgins, Inc. for \$556,697.00 and OTAK Group, Inc. for \$748,000.00. See copy of City Clerk's Memo regarding bid opening. Since the bids came in significantly higher than the current funding of \$346,408.00 (original funding in the LAP Agreement plus LAP Supplemental Agreement #1 funding), a request was made to FDOT for additional funding of \$185,268.00 to cover the shortfall that exists after bid opening. FDOT has agreed to provide the additional funding and has required the City to submit LAP Supplemental Agreement #2 to accept the additional funding.

Here is a breakdown of the grant funding with Supplemental LAP Agreement #2 funding in place:

Poinciana Elementary SRTS LAP Agreement (FM 425854-1)			
Project Phase	Current LAP Agreement	LAP Supplemental Agreement #2	Total Funding
Design	\$ 65,659.00	\$ 0.00	\$ 65,659.00
Construction	\$ 346,408.00	\$ 185,268.00	\$ 531,676.00
CEI	\$ 25,659.00	\$ 0.00	\$ 25,659.00
Total	\$ 437,726.00	\$ 0.00	\$ 622,994.00

Please note that the funding above is 100% FDOT. There is no local match required.

OPTIONS:

1. Approve the LAP Supplemental Agreement and authorize the City Manager to execute LAP Supplemental Agreement #2. This allows for an additional \$185,268.00 in FDOT funding to complete the construction of the Poinciana Elementary School Safe Routes to School (SRTS) Sidewalk Improvement Project. Construction funding will be increased to \$531,676.00 and the project would be 100% funded by FDOT.

2. Do not approve the LAP Supplemental Agreement. With this option, the City would need to fund the \$185,268.00 difference between current FDOT funding available of \$346,408.00 and the low bid amount of \$531,676.00 in order to complete the project.

FINANCIAL IMPACT:

The LAP Supplemental Agreement, if approved, will increase grant revenue by \$185,268.00 (FDOT LAP Grant revenue account 102-0000-334-49-01) / Project EN1101.

The project costs associated with the Poinciana Elementary School SRTS Sidewalk Improvement Project are budgeted in expense account 102-4104-541-63-00 / EN1101.

RECOMMENDATION:

Staff recommends the City Commission select option 1, approve the LAP Supplemental Agreement and authorize the City Manager to execute LAP Supplemental Agreement #2 allowing for an additional \$185,268.00 in FDOT funding to complete construction of the Poinciana Elementary School SRTS Sidewalk Improvement Project.