

EXECUTIVE SUMMARY



To: Bogdan Vitas, City Manager

cc: Jim Fitton / Director Port & Transit

From: Myra Wittenberg, Manager / KWDoT

Date: June 13, 2013

Subject: Supplemental No. 2 - Contract No. AQN20 - Joint Participation Agreement (JPA) \$1,781,266 Million Grant (Capital Funding) - New Transit Facility

Action Statement:

This is a request for approval of Supplement No. 2, to the original Joint Participation Agreement (JPA) previously approved by Resolution No. 12-209 and Supplement Joint Participation Agreement (SJPA) No. 1 Resolution No. 12-316. Supplement No. 2 to the original Agreement increases the total project amount eligible from \$2,000,000, to a total of \$3,781,266.

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.

This agreement was original allocated for the Bus Fleet Replacement, 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.

Mrs. Myra Wittenberg communicated with FDOT about the situation and was successful in transferring the Bus Fleet Replacement funds to the New Transit Facility Project to be used for construction cost or other related capital expenses. This will bring the total of Contract AQN20 to \$3,781,266.

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
AQN20 TOTAL	\$4,726,582.50	\$3,781,266.00	N/A

Option #1:

Option #1 would see the City Commission approve Supplement No. 2 to Contract AQN20, increasing the amount of capital funding available from Florida Department of Transportation, D6, from \$2,000,000, to a total maximum participation by FDOT of \$3,781,266, thereby completing the funding package for this project.

Advantages

The greatest advantage to Option #1 being approved is that this is the last piece of funding required to complete the project funding package with regard to meeting 100% funding of the new facility based on the engineering cost estimates provided 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. 2) 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 without having \$3,781,266., required for full funding and construction of that project.

Fiscal Impact

The City would be required to fund the \$3,781,266, shortfall or not to complete the construction project as has been approved.

Recommendation:

KWT and City Staff recommend approval of Option #1, which will provide full funding of the New Transit Facility, as anticipated by engineering cost estimates.

Attachments:

- Resolution No. 12-209
- Resolution No. 12-316
- Supplement No. 2 – JPA / Contract AQN20