



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

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

FROM: Jay Gewin, Utilities Manager

DATE: February 10, 2014

RE: **Acceptance and Execution of Contract No. 14HM-2V-11-54-02-xxx with the Florida Division of Emergency Management for \$2,454,440 (25% match) Phase II FEMA Funding for the East Front Street Drainage Project. Authorizing Necessary Budget Amendments or Transfers to Accept the Funding.**

ACTION STATEMENT:

This resolution will accept and authorize the execution of a grant agreement with the Florida Division of Emergency Management (FDEM) to accept a \$2,454,440 Phase II FEMA grant that requires a 25% match (\$2,454,440 FEMA / \$818,146 City of Key West) for the construction of the East Front Street Drainage Project (Contract number 14HM-2V-11-54-02-xxx). Additionally, \$40,408 in administrative costs reimbursable to the City for eligible expenses (no City share required) is available in Phase II, increasing the Federal funding amount to \$2,494,848. This resolution will also authorize necessary budget amendments or transfers to accept the funding.

The last three digits of the contract number will be assigned by FDEM once the contract is executed.

BACKGROUND:

Phase I FEMA funding was approved with Resolution 11-123 on May 3, 2011, which provided funding for the design of stormwater gravity wells for the East Front Street Drainage Project. There were four modifications to the Phase I grant agreement. Modifications 1 thru 3 extended the period of performance and Modification 4 increased the Phase I Federal funding amount. Phase I

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

deliverables were submitted in time to meet the January 15, 2013 deadline and was funded at \$173,858 Federal / \$57,953 City share for a total Phase I amount of \$191,031. The City incurred administrative costs of which up to \$5,636 are reimbursable (no City share required).

With the approval of Task Order 12-02 (Resolution 12-036, January 18, 2012), Perez Engineering and Development, Inc. designed stormwater gravity wells for the East Front Street Drainage Project. A change order to Task Order 12-02 was approved for additional Engineering Services to modify the design to include the replacement of an existing outfall and replacement of Duval Street inlets (Resolution 12-200, June 19, 2012). This design was reviewed and approved by FEMA resulting in the obligation of Phase II funding for the construction of the approved project. The East Front Street Drainage Project design includes five (5) stormwater wells at these locations:

- Angela Street between Simonton Street and Duval Street
- Simonton Street Eaton Street and Fleming Street
- Fleming Street at Bahama Street
- Eaton Street at Bahama Street
- Whitehead Street between Greene Street and Caroline Street

The design also includes the replacement of the 12" Front Street outfall that is in poor condition that runs underneath the Aquarium Building with a new upsized 24" outfall terminating at Mallory Square, replacement of 31 small inlet tops on Duval Street with larger ones designed to capture more of the water flow, and triple chamber treatment boxes at each well to pretreat stormwater.

PURPOSE AND JUSTIFICATION:

With Phase I design complete, FEMA has approved Phase II funding for construction. The East Front Street Drainage Project will protect surrounding properties and infrastructure from future localized flooding and pretreat stormwater run-off. It will significantly increase our ability to recover from torrential rains.

A public meeting was held on February 10th at Old City Hall to discuss the project with local residents and businesses. Our community is generally understanding of the need to improve the drainage of the East Front St. stormwater basin, and desires the construction to be completed in a timely manner with as much work as possible taking place off the traditional "tourist season". The City is committed to continuing our dialogue with our residents and businesses, and will meet again as construction nears for each segment of the project. We have also created an e-mail list so that we can keep everyone updated on the progress of the project.

The City of Key West's Stormwater fund is heavily grant-dependent. The fund has been very aggressive and successful at pursuing state and federal grants over time, and many of our improvements would not be possible without grant assistance.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can accept and authorize the execution of the Phase II contract. This will allow the East Front Street Drainage Project to move forward. Without the grant funding, the proposed project cannot be accomplished with available resources unless other projects are set aside and funds are transferred from other City accounts.
2. The City Commission can reject the Phase II contract. With this option, no grant funding will be available for this project. The East Front Street Drainage project will not be constructed and the surrounding properties and infrastructure will not be protected from future localized flooding. In addition, stormwater run-off in the area will not be pretreated.

FINANCIAL IMPACT:

Funds will be deposited into the Stormwater fund revenue account 402-0000-331-51-01 / ST1201. Project costs are budgeted in expense account 402-3802-538-65-00 / ST1201.

Funding for this project was based on the City’s construction estimate for this project. The percentage breakdown is as follows:

FEMA/FDEM Share (75%)-	\$2,454,440
<u>City Stormwater Utility Match (25%)-</u>	<u>\$ 818,146</u>
TOTAL -	\$3,272,584

The City also budgeted an additional \$200,000 to this figure to cover any unanticipated costs relating to the project. These unanticipated costs are eligible for potential reimbursement at a 75% rate should FDEM agree that they are directly related to the construction of the project as per plan and FEMA funding is available.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, accepting the Phase II contract with the Florida Division of Emergency Management for the East Front Street Drainage Project.

JG/cds