



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

DATE: October 22, 2020

TO: Gregory W. Veliz, City Manager

FROM: John Paul Castro, Utilities Director

Cc: Patti McLauchlin, Assistant City Manager

SUBJECT: **Ratify Change Order to the Task Order for Design and Permitting of the Dennis Street Storm Water Pump Station, in the Amount of \$15,314.00.**

Action Statement:

This resolution will ratify an out-of-scope change order issued to Black & Veatch for engineering and permitting services to obtain the water use permit for dewatering during construction of the Dennis Street pump station, as requested by South Florida Water Management District for concurrent review of applications for surface water management and water use, and in accordance with Environmental Resource Permit Applicant's Handbook Volume II, Subsection 2.3(b).

Background:

South Florida Water Management District (SFWMD) advised the engineer that concurrent review of the environmental resource permit application for surface water management and water use application for construction dewatering will be required.

Services for water use permitting were not included in the task order scope of work, as approved by Resolution 18-306. The engineer, Black & Veatch, provided a proposal for water use permit application submittal and review services.

Purpose and Justification:

The water use permit was required as a condition of the environmental resource permit for surface water management that would authorize construction of the pump station and outfall connection to the salt ponds.

To prevent a delay to start of construction due to no permits, the water use application was developed and submitted to SFWMD, in conjunction with the environmental resource permit application.

MEMORANDUM

Pursuant to section 2-845(a), change orders that exceed five cumulative percent of the contract must have the city commission approval. This change order plus the previous change order total \$21,778.00 equating to 7.9% of the original task order cost. Previous task order encompassed services to permit the abandonment of the existing gravity injection well, located on Venetia Street, where the pump station will be constructed.

Options:

1. Ratify the change order to develop and submit the application for a water use permit, in the amount of \$15,314.00. This option allowed the city to stay on schedule to start construction of this critical storm water pump station, important for alleviation of flooding in a very low-lying neighborhood.
2. Not ratify the change order to develop and submit the application for a water use permit. Code of Ordinances, section 2-845, requires city commission approval for a change order that exceeds five percent of the purchase order amount. This change order equates to 5.6% of the original cost. Without ratification, payment for this out-of-scope work will be in violation of the Code.

Financial Impact:

Dennis Street storm water pump, project number ST38021601, is sufficiently funded in the Utilities stormwater CIP account 402-3802-538-6500 to pay for the out-of-scope work for the water use permit.

Recommendation:

Staff recommends option number 1, ratify the change order to develop and submit the application for a water use permit, necessary to obtain the environmental resources permit which authorizes pump station construction and outfall connection to the salt ponds.