



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

Cc: David Fernandez, Asst. City Manager - Operations

FROM: Jay Gewin, Utilities Manager

DATE: June 20, 2010

SUBJECT: **Authorizing a Change in Scope to the Stormwater Gravity Well Phase V Project with Charley Toppino and Sons to Construct 8 Inlets and Piping that will be Incorporated Within the United St. Mill and Pave Project in the Estimated Amount of \$100,671.03 from Project Contingency Funds. Extending the Gravity Well Phase V Contract to a New Deadline of August 25, 2010.**

ACTION STATEMENT: This resolution will approve a change in scope for the Stormwater Gravity Well Phase V project with Charley Toppino and Sons to utilize contingency funds to construct stormwater improvements at two intersections within the United St. Mill & Pave project in the estimated amount of \$100,671.03. This extra work will not exceed the total bid amount for the Gravity Well Phase V project. The resolution will also extend the construction contract deadline to August 25, 2010.

The City will be reimbursed for 65% of this expenditure from US Army Corps of Engineers funding. The rates for items within the project are established through the competitively-bid prices established through the Gravity Well Phase V bid from Charley Toppino and Sons (Resolution 09-335)

BACKGROUND: The Gravity Well Phase V project consists of the construction of stormwater pipe, storm inlets, pollution control structures, and gravity injection wells at 10 locations within the City. Construction is 84% complete to date.

The City Commission approved the low-bid to construct the project from Charley Toppino and Sons in the amount of \$1,998,385.68 at its December 15, 2009 meeting. (Resolution 09-335).

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

This bid included a \$200,000 contingency allotment, of which \$15,502.12 has been spent to date, leaving a current balance of \$184,497.88. The contingency has been used to fund FDEP permit fees for the project, FKA water main relocate fees, and minor structure modification and sidewalk improvements.

PURPOSE & JUSTIFICATION:

The City awarded a contract to DN Higgins on May 4, 2010 to construct the United St. Mill and Pave project in the amount of \$477,000. (Resolution # 10-149). The project intercepts with the George St. Pump-Assisted Outfall Project, which includes stormwater piping to be placed down Thompson St. and Ashby St. Design for the George St. portion of the project has been completed by CH2M Hill, but the project has not yet been bid.

The proposed work in this resolution by Charley Toppino and Sons will keep a soon-to-be repaved United St. from having to be dug up shortly thereafter for the George St. Pump-Assisted Outfall project. The infrastructure of the George St. project within the scope of the United St. Mill and Pave project would now be constructed simultaneous to the United St. construction.

By utilizing contingency funds remaining from the Gravity Well Phase V project, Toppino's will replace a total of 8 inlets, install new associated piping, and will connect into existing piping at the United St/Ashby St. and United St./Thompson St. intersections. Once the construction contract is awarded for the George St. Pump-Assisted Outfall Project, it will connect with this work that would be done by Toppino's. This would preclude having to dig up United St. after it is re-paved in coming months.

The \$100,671.03 estimated cost of this additional work utilizing contingency funds is based upon the unit prices established through the competitive bid for the Gravity Well Phase V project that was awarded by the City Commission. The additional work, by utilizing unused project contingency funds, will not result in the total expenditure exceeding the \$1,998,385.68 the City Commission awarded for the Gravity Well Phase V project.

Due to this additional work being requested, the terms of the Gravity Well V contract with Toppino's would be extended from July 30, 2010 to August 25, 2010.

Army Corps of Engineers funds are available to be utilized for this additional construction. This will fund 65% of construction costs.

OPTIONS:

1. The City can utilize remaining contingency funds from the Gravity Well Phase V project to fund the replacement of 8 inlets with associated piping at United St. This will enable the United St. Mill and Pave project from having to be dug up a short time later to accommodate the George St. Pump-Assisted Outfall project. It will also allow us to have the Army Corps of Engineers reimburse us for 65% of this additional work.

2. The City could choose not to proceed with this additional work. This option would either result in a newly-repaved United St. being dug up for the George St. Pump-Assisted Outfall project, or the postponement of the George St. project which could jeopardize grant funding from FEMA.

FINANCIAL IMPACT:

The fees for this project will be funded through stormwater budget line item 402-3802-538-65/ST0902. The Gravity Well V project costs are included in the FY 2010 stormwater capital improvement plan. The additional work being proposed in this resolution would utilize unused project contingency funds and would not exceed the \$1,998,385.68 total the City Commission awarded for the project. No additional construction costs beyond what the City Commission has already approved would be expended.

The Army Corps of Engineers will reimburse the City for 65% of the cost of this work. The City will pay the remaining share.

Funds for this additional work are as follows:

<i>ACOE Grant (65%)</i>	\$ 65,436.17
<i>City Stormwater Utility Funds (35%)(account # 402 3802 538 65)</i>	\$ 35,234.86
<i>Total Estimated Cost</i>	\$ 100,671.03

RECOMMENDATION:

The staff recommends option # 1, that the City Commission approves a change in scope for the Gravity Well Phase V project to allow the construction of 8 stormwater inlets and associated piping on United St.