



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
E. David Fernandez, Asst. City Manager - Operations

FROM: Jay Gewin, Utilities Manager

DATE: April 5, 2011

RE: **Approval of Task Order # 9-11-STM from CH2M Hill in the Amount of \$111,698 for Engineering Services for Bidding and Construction for the Patricia/Ashby Street Drainage Project.**

ACTION STATEMENT:

This resolution will approve Task Order # 9-11-STM from CH2M Hill in the Amount of \$111,698 for Engineering Services for Bidding and Construction for the Patricia/Ashby Emergency Outfall Drainage Project.

The agreement will be executed pursuant to F.S. 287.055 (CCNA), City Code 2-841, and the City's contract with CH2M Hill approved by Resolution # 07-331 and extended and amended through Resolution 10-287.

BACKGROUND:

With the approval of Task Order 1-09-STM (Resolution 09-083, April 7, 2009), CH2M Hill designed an emergency outfall system originating at the pump-assisted well located at the intersection of Patricia and Ashby Streets. This design was reviewed and approved by FEMA resulting in the obligation of Phase II funding for the construction of the approved project. The City Commission approved the Phase II grant for construction funding at its March 16, 2011 meeting. (Resolution 11-076)

The project entails the construction of an emergency discharge to the Atlantic Ocean consisting of a pipeline that will connect the existing Patricia and Ashby Pump Station and terminate at a new outfall structure at the end of Bertha St. A generator and elevated concrete platform will be located at the Ashby

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

St./Patricia St. site. All stormwater will be treated with existing vortex sediment separator prior to discharging to the outfall. The emergency outfall will only be utilized during tropical storm/hurricanes or during severe rain events where homes could be under immediate threat of flooding.

The Patricia/Ashby Drainage Project will provide protection against a 25 year rain event for 50 years for approximately 30 homes. The benefit-to-cost ratio is over 2.0 saving the taxpayer an estimated \$4,000,000 for a \$2,000,000 lifecycle cost (including maintenance). Adjacent neighborhoods will also benefit from this project. Improved drainage in this Patricia/Ashby basin will help lessen the duration of flooding in some of the surrounding areas.

A public meeting is scheduled for April 28th to discuss this improvement with the neighborhood. The project is ready to go out for bid. City Staff and OMI will assist with construction inspection.

PURPOSE AND JUSTIFICATION

The Patricia/Ashby Emergency Outfall Project involves many technical components that require the assistance of an engineer. This task order will include project management, engineering services to review RFI, RFQ's and project correspondence, bid phase services, and field services to monitor the progress and performance of construction that will make sure the project drawings and terms of the construction contract are followed.

The scope of work within the task order includes the following:

- *Bid Phase Services* – CH2M Hill will complete plans so that they can be uploaded for bidding, will answer technical questions from prospective bidders, lead the mandatory pre-bid meeting, draft addenda as needed, and will review and evaluate bids for compliance.
- *Monthly Meetings* – CH2M Hill will coordinate 12 project meetings over the term of the project. They will also coordinate the pre-construction meeting.
- *Review of Shop Drawings and Other Materials* – CH2M Hill will review up to 48 shop drawings and other construction materials
- *Specialty Inspections on Site* – CH2M Hill will be on-site to conduct 3 specialty inspections.
- *Final Inspections and Start-Up* – CH2M Hill will prepare a punch-list, substantial and final completion inspection, and will provide on-site start-up assistance. This will include a total of two two-day visits. They will also provide record drawings incorporating the mark-ups of the construction contractor.

The City or OMI does not have the staff available with the technical expertise required to perform this work independently. Staff has reviewed this submittal and found it consistent with the new hourly rates established in the City's contract extension with CH2M Hill.

Further, Staff does not feel that the hours that will be billed under this task order are disproportionately allotted to higher-wage management staff. In fact, the Principal Project Manager, Principal Technologist, and Senior Technologist combined only account for approximately 12.67% of the hours allotted in this task order.

The task order also includes CH2M Hill staff's trips to Key West over the course of the project. City staff feels that this number of trips, and the associated costs, are reasonable to assure that the consultant staff has sufficient oversight for the completion of the project.

The City plans to utilize Perez Engineering for additional project management services relating to the outfall pipeline.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can award the task order to CH2M Hill and proceed with the Patricia/Ashby St. Emergency Outfall Project on a timely basis. The contractor has successful experience working with the City on other projects of a technical nature, and has very capable staff to ensure successful project completion. This option is recommended by City Staff, as the neither City nor OMI have the staff available with the ability to perform the scope of work included in this task order.
2. The City Commission can decline the task order from CH2M Hill. This option is not recommended by Staff, as the City will not be able to utilize the engineering services that are essential in completing the project. City Staff believes that CH2M Hill is the firm that can best manage the Patricia/Ashby St. Drainage Project of the engineering firms we have under contract.

FINANCIAL IMPACT:

The Bid Phase services (\$21,172) are not eligible for reimbursement. FEMA will be covering 75% of the construction costs of this project. The funding breakdown for this task order would be as follows:

Bid Phase Services (City Share)	\$21,172.00
City Share (25% of non-Bid Phase Costs) ...	<u>\$22,631.50</u>
Total City Share	\$43,803.50
<u>FEMA share (75% of non-Bid Phase Costs).....</u>	<u>\$67,894.50</u>
 TOTAL.....	 \$111,698.00

The project cost was originally budgeted in years FY 2012 and FY 2013, however FEMA has indicated a desire to move forward with construction now. The City could risk losing FEMA's share if it does not proceed with construction immediately.

When the City Commission approved the project grant, it also approved a budget transfer from Stormwater fund reserves to cover the City's share of the project. There is sufficient balance in reserves to fund our share of this project. The City's share will be charged to account number 402-3802-538-65/ST0803.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, approving task order 9-11-STM from CH2M Hill in the amount of \$111,698.00 for Engineering Services for Bidding and Construction for the Patricia and Ashby St. project.