



## THE CITY OF KEY WEST

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### EXECUTIVE SUMMARY

**Date:** April 30, 2015

**To:** Jim Scholl, City Manager

**From:** Greg Veliz, Assistant City Manager

**Cc:** Sarah Spurlock, Assistant City Manager  
Jim Bouquet, P.E., Director of Engineering  
Nancy Kielman, Director of Finance

**Subject:** **Approval of Estimated Project Cost and Budget Amendments for Funding Construction of New City Hall at Glynn Archer School.**

#### Action Statement

Resolution approving Budget Amendment to fund Project GN1302 - New City Hall at Glynn Archer School. Approving all necessary budget amendments from current Project's Adopted Funding Level and Key West Bight fund reserves account as funding sources. Approval of estimated project cost of \$18,838,660.

#### Background

Resolution No. 14-348 accepted the proposal of Burke Construction Group Inc., for construction of a New City Hall at 1300 White Street with a base bid amount of \$14,997,500.00 and authorized the City Manager to execute a contract in accordance with the solicitation documents (RFP 001-015). As discussed at the November 18, 2014 City Commission meeting, additional funding required to complete the project including the base bid funding shortfall, Arts in Public Places fee, City permit fees, inspection and testing during construction, office furnishings and equipment and a project contingency was approximately \$1.8 million. Current funding shortfall is itemized below:

Base Bid Funding Shortfall	\$ 114,960
Art in Public Places Fee	\$ 149,975
Building Related Permit Fees	\$ 386,775
Inspection & Testing	\$ 31,000
Office Furnishings and Equipment	\$ 757,000
Project Contingency (FY 2015)	<u>\$ 198,950</u>

**Estimated additional funding shortfall for FY 2015: \$1,638,660**

MEMORANDUM

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

The above total includes a contingency of \$198,950 for FY 2015. Additional contingency (approximately \$300,000) will be included in the FY 2016 budget for this project.

**Purpose and Justification**

This funding request will support construction of a long-term, state of the art facility to serve the Key West community as a New City Hall.

The improvement of infrastructure is critical to meeting the current and future needs of the City. This project is in accordance with the City of Key West's Strategic Goal #5: *All of the City's Destinations and Resources Are Accessible to Residents and Visitors.*

**Options**

1. City Staff recommends approval of budget amendment and necessary budget transfers from current Projects and Key West Bight fund reserves account in the amount of \$1,638,660 to fund construction of New City Hall at Glynn Archer School. This option includes approval of an estimated project cost of \$18,838,660.00.
2. The City Commission may choose not to approve presented funding sources and direct City staff to seek funding from other City projects (e.g., Truman Waterfront Park).

**Financial Issues**

Identified Project GN1302 New City Hall at Glynn Archer School expenditures shortfall of \$1,638,660 requires additional appropriations. Suggested funding sources for budget transfers from current project funding levels and Key West Bight fund reserves account include:

Fort Street Parking Lot Construction 101-4303-543-6300 / TR1201	\$ 53,187
Key West Bight 405-7501-575-9803	\$1,300,000
Police Station Roof Replacement Project 101-2101-521-6200 / PD1409	<u>\$ 285,473</u>
<b>Total</b>	<b>\$1,638,660</b>

An explanation of above selected funding sources are:

TR1201 – Fort Street Parking Lot – The parking lot is complete and \$53,187 remains in this account.

Key West Bight – A transfer of \$1,300,000 from Key West Bight operating reserves will reduce the reserves balance to approximately \$4.9 million.

PD1409 – Police Station Roof Replacement – Current project balance after issuance of a purchase order to the roof replacement contractor and transferring \$285,473 to the City Hall project is approximately \$20,000. Staff recommends maintaining this balance until after the roof project is complete.

**Recommendation**

Approve Option 1 for a budget amendment and necessary budget transfers from current projects and Key West Bight fund reserves account in the amount of \$1,638,660 to fund construction of New City Hall at Glynn Archer School. This option includes approval of estimated project cost of \$18,383,660.00.