



## THE CITY OF KEY WEST

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MEMORANDUM

### EXECUTIVE SUMMARY

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

**FROM:** Jay Gewin, Utilities Manager

**DATE:** July 20, 2011

**SUBJECT:** **Awarding a Task Order for Douglas N. Higgins to Mill and Pave Eaton St. from Simonton St. to White St. in Partnership with Monroe County in the Amount of \$418,655.79 (City Share \$241,827.90) Utilizing the City's General Services Contract. Rescinding City Commission Resolution 11-191. Authorizing the City Manager to Enter into an Agreement with Monroe County and the Contractor to Proceed with the Project.**

#### ACTION STATEMENT:

This resolution will approve a General Services Contract task order in the amount of \$418,655.79 from Douglas N. Higgins to complete repairs to sewer trenches on Eaton St. The Project will be in partnership with Monroe County. The City Share of this task order is not to exceed \$241,827.90. This resolution will rescind City Commission Resolution 11-191. The City entered into a General Services contract with DN Higgins via City Commission Resolution 10-319. This resolution will authorize the City Manager to enter into an agreement with Monroe County and DN Higgins to proceed with the project, with the City share not-to-exceed \$241,827.90.

#### BACKGROUND:

While Monroe County owns Eaton St., the City of Key West is responsible for its sewer laterals that exist beneath the County roadway. Approximately 50 of these sewer trenches between William St. and White St., and 300 lf of sewer force main are subsiding to varying degrees. This has resulted in a roadway that has become increasingly unsafe for vehicles. The City therefore seeks to

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

repair the sewer trenches on Eaton St. in a timely manner.

The City Commission approved Resolution 11-191 that authorized the City to approve the repair of the sewer lateral trenches and its sewer main by DN Higgins utilizing the City's General Services contract in the amount of \$306,843.13. The scope of work for this task order included a repair of 50 sewer trenches and a section of sewer main. Due to the urgent need for repairs on Eaton St., Staff decided to use our General Services contract rather than take the extra months that would likely be required to formally bid this project.

Upon further examination and consultation with Monroe County and City Engineering consultants, City Staff has decided to recommend a less expensive solution that will result in an improved final product. Staff therefore seeks to rescind the previous resolution for this repair work, in favor of a revised project.

### **PURPOSE & JUSTIFICATION:**

City Staff engaged CH2M Hill to determine whether a full excavation and repair of the sewer lateral trench was required to adequately address the trench failure that currently exists for many laterals on Eaton St. The geologist from CH2M Hill evaluated value engineering performed by the contractor and agreed that excavation of the trench could pose new soil compaction issues. The value engineering would allow the project scope to be expanded from the approved White to Williams St. repair to a White St. to Simonton St. repair while reducing the total cost for the larger scope from \$725,230.88 to \$418,655.79. The alternate mill and pave and trench repair provides the City and County the opportunity to partner on a rebuilding of Eaton St. while reducing cost to both governments.

This solution will also result in a completed project that will be much more satisfactory to our residents and visitors. Rather than a patch repair of the individual sewer laterals and main, we will now completely mill and pave the entire Eaton St. roadway curb-to-curb from the East side of Simonton St. to the West side of White St.

At the July 20<sup>th</sup> Monroe Board of County Commissioners meeting, the Board approved spending \$176,827.89 of County funds towards the project. The City share will be \$241,827.89. The City share includes \$176,827.90 towards the Mill and Pave, and \$65,000 to provide additional compaction and a leveling course as required to adequately repair the sewer lateral trenches and sewer main.

Therefore, the overall cost to the City will be \$65,015.23 less than the amount approved via Resolution 11-191. This resolution will also authorize the City Manager to enter into an agreement with Monroe County and DN Higgins to proceed with the project, with the City's cost not to exceed \$241,827.90.

### **OPTIONS:**

1. Authorize the task order with DN Higgins to proceed with the mill and pave of Eaton St. from Simonton St. to White St. This option will help improve the safety of a road that is becoming increasingly dangerous for the vehicles of

residents and visitors. It will also allow an improved fully-paved final product at a lesser cost than the original scope of work approved by the City Commission.

2. The City can decline the task order. This option is not recommended due to the increasingly dangerous condition of Eaton St., which will continue to deteriorate.

**FINANCIAL IMPACT:**

The total cost to the City will be \$241,827.90. Of that amount, \$100,000 will be funded through sewer budget line item 401-3503-535-46 for emergency sewer repairs. The remaining \$141,827.90 will be funded from sewer fund reserve line item 401-3501-535-99.

**RECOMMENDATION:**

The staff recommends option # 1, that the City awards the task order in the amount of \$418,655.79 from DN Higgins to proceed with the mill and pave of Eaton St. The City share for this project will be not to exceed \$241,827.90.