



## THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

### EXECUTIVE SUMMARY

**TO:** Jim Scholl, City Manager  
Greg Veliz, Assistant City Manager

**CC:** John Paul Castro, Utilities Director  
Mark Finigan, Finance Director

**FROM:** Carolyn Sheldon, Senior Grants Administrator

**DATE:** April 18, 2017

**RE:** **Approval and authorization to execute the attached Amendment No. 2 to State Financial Assistance Agreement (DEP Agreement No. LP44030) between the State of Florida Department of Environmental Protection and the City of Key West to reallocate the project budget of the grant.**

#### **ACTION STATEMENT:**

This resolution will approve and authorize the execution of the attached Amendment No. 2 to State Financial Assistance Agreement (DEP Agreement No. LP44030) between the State of Florida Department of Environmental Protection and the City of Key West to reallocate the project budget of the grant.

#### **BACKGROUND:**

The City Commission approved DEP Agreement No. LP44030 (Resolution 15-080, March 3, 2015) in an amount not to exceed \$3,000,000.00 to assist with the construction of Variable Frequency Drive (VFD) upgrades to Pump Stations A, B, C, D, & DA as well as concrete repairs to the Richard P. Heyman Environmental Pollution Control Facility and to the Fleming Key Bridge. Amendment 1 was approved to extend the date of completion of the project to September 30, 2017 (Resolution 16-146, May 4, 2016).

The grant funding is generated by the issuance of Everglades restoration bonds and is administered by the Florida Communities Trust (the "Mayfield Grant Funds"). The distribution of the grant funding is detailed in an interlocal agreement between the City of Key West, Monroe County, the City of Key Colony Beach, the City of Marathon, the Florida Keys Aqueduct Authority, Key Largo Wastewater Treatment District and Islamorada Village of Islands for state

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

wastewater funding distribution (Resolution 13-067, March 5, 2013 and amended with Resolution 13-235, September 17, 2013).

**PURPOSE AND JUSTIFICATION:**

The funding between the Task 1 VFD upgrades and Task 2 concrete repairs project budget line items need to be adjusted to take the remaining funds of \$290,601.00 from Task 2, which is complete, and reallocate them to Task 1. If Amendment 2 is approved, Task 1 will have a project budget of \$1,658,015.00 and Task 2 will have \$1,341,985.00.

**FINANCIAL IMPACT:**

Amendment No. 2 reallocates the project budget of the grant at no cost to the City.

**RECOMMENDATION:**

Staff recommends that the City Commission approve and authorize the execution of the attached Amendment No. 2 to State Financial Assistance Agreement (DEP Agreement No. LP44030) between the State of Florida Department of Environmental Protection and the City of Key West to reallocate the project budget of the grant.