



THE CITY OF KEY WEST

3140 Flagler Ave Key West, FL 33040 (305) 809-3700

EXECUTIVE SUMMARY

TO: Bob Vitas, City Manager

FROM: Janet Muccino, Project Manager

CC: David Fernandez, Asst. City Manager
Mark Finigan, Asst. City Manager
Doug Bradshaw, Senior Project Manager

DATE: May 17, 2013

SUBJECT: Resolution approving the award and the City Manager's execution of the contract for Beach Renourishment to Dickerson Florida, Inc. in the amount of \$1,029,891.45 and approve necessary budget transfers.

ACTION STATEMENT:

This Resolution will award the Smathers & Rest Beach Renourishments to Dickerson Florida, Inc. for the placement of permit specified of sand in the amount of \$1,029,891.45, approve the City Manager executing the contract, and approve necessary budget transfers.

BACKGROUND:

In 2011 the City renourished 2,000 feet of the 3,000 foot Smathers Beach with the permitted amount of 17,500 tons of sand. Due to the 5 year permitting timeframe and ongoing erosion, the 17,500 tons was not enough sand to fully renourish the beach. This project will place an additional 6,033 tons on the easterly 1,000 feet of Smathers beach. The City has received an Army Corps permit modification of the 2011 permit and is expecting a FDEP permit in May.

Rest beach has not been renourished since 1996 and requires 10,350 tons. The City expects to receive the Joint Coastal Permit (JCP) in May. No work can begin for either beach until the permits are received.

The City issued ITB #13-006 for Smathers & Rest Beach Renourishments and received three (3) bids on May 08, 2013; Dickerson was the low bid at \$1,029,891.45.

1. Charley Toppino & Sons. Inc. (CTS),	\$1,199,121.48
2. D.N. Higgins	\$1,077,072.75
3. Dickerson Florida, Inc. (Dickerson)	\$1,029,891.45

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

EXECUTIVE SUMMARY

FINANCIAL IMPACT:

Smathers Beach: The current budget for sand placement is \$329,150 which is funded 50/50 by the City of Key West and TDC. The bid for sand placement is \$393,249. A budget transfer from 103-1900-519.98-03 Operating Reserves to 103-1900-519.46 / EN 1201 for \$64,100 is needed to fully fund sand placement.

Total project cost including design & permitting (\$39,640), construction (\$393,150) and, Task Order # 14 for CEI and four years of monitoring (\$193,609) is estimated at \$632,609 of which TDC is funding \$187,500.

Rest Beach: The current budget for sand placement is \$856,433 which is funded 50/50 by the City of Key West and TDC. The bid for Rest is \$587,600 which is under the budget by \$268,833. However, since the City has not maintained or renourished the beach since 1996, FDEP will require mitigation which is estimated at \$400,000 plus 4 years monitoring estimated at \$100,000. The City is working with TDC to allow the excess funds (\$268,833) from construction to go towards the mitigation.

Total project cost including design & permitting (\$87,000), construction (\$587,600) Task Order 15 for CEI & four years of monitoring (\$171,150) and mitigation & monitoring (\$500,000) is estimated at \$1,345,750 of which TDC is funding up to \$452,000 through two grants.

PURPOSE & JUSTIFICATION:

Maintenance and enhancement of the physical environment of Key West and its near shore waters is one of the city's strategic priorities. Periodic renourishment of Smathers & Rest Beach will extend the useful life and maintain the integrity of the beach. Locals and tourists alike will benefit from the renourishment of the beach.

OPTIONS:

Option # 1 Approve the award of the Smathers & Rest Beach Renourishment to Dickerson for the placement of sand in the amount of \$1,029,891.45, allow City Manager to execute the contract and approve any necessary budget transfers. The advantage to awarding the contract to Dickerson is that the contractor has performed beach renourishments projects and received good reviews from their references. Also all beach work must be completed and submitted for reimbursement to TDC by September 30, 2013. Any delays in construction will jeopardize the TDC grant reimbursements.

Option # 2 The City Commission can choose not to move forward with the renourishment project. This is not recommended by staff. The beach is an important component of our tourism industry, home to not only swimmers, but water sports, sunbathers, and weddings. The Key West beaches are promoted and funded by the TDC and having less than fully nourished and maintained beaches is a disservice to citizens & tourists alike. Smaller hotels, motels, guest house and inns all rely on beaches for guest recreation as they do not have their own beaches.

RECOMMENDATION:

Approve the award of the Smathers & Rest Beach Renourishments to Dickerson in the amount of \$1,029,891.45, and authorize City Manager to execute the contract and approve any necessary budget transfers.

City of Key West
BUDGET TRANSFER

Account No./Project No.	Current Budget <i>Finance Use Only</i>	Increase to nearest whole dollar	Decrease to nearest whole dollar	Revised Budget <i>Finance Use Only</i>
103-1900-519.98-03	654,984		64,100	590,884
103-1900-519.46-00 / EN1201	335,360	64,100		399,460
TOTALS:	<u>990,344</u>	<u>64,100</u>	<u>64,100</u>	<u>990,344</u>

Justification: Res # _____ Fully fund project EN1201 Smathers Sand Placement from Fund 103

Operating Reserves _____

Authorized Signatures

Department Head: _____ **Date:** _____
Budget Analyst: _____ **Date:** _____
Finance Director: _____ **Date:** _____
 (up to \$5,000 w/in category w/in fund)
City Manager: _____ **Date:** _____
 (all w/in category w/in fund; all uses of CM contingency;
 up to \$20,000 among categories w/in fund)

City Commission Approval Required? Yes _____ No _____

Finance Use Only	
Total Items: _____ Group No.: _____ Acct. Balance Verified: _____	Entered by: _____ Date: _____