



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 # 11-006 from Perez Engineering and Development in the Amount of \$47,400 for Engineering Services for Construction Administration for the Patricia/Ashby Street Drainage Project.**

ACTION STATEMENT:

This resolution will approve Task Order # 11-006 from Perez Engineering and Development in the Amount of \$47,400 for Engineering Services for Construction Administration 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 Perez Engineering approved by Resolution # 07-332 and extended and amended through Resolution 10-294.

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.

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

A generator and elevated concrete platform will be located at the Ashby 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 civil construction components that require the assistance of an engineer and an on-site project manager, as has been done for all City projects of this scale historically. This task order will include project management, engineering services to review RFI, RFQ's and project correspondence, 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.

Perez Engineering will provide construction administration services for the emergency outfall portion of the Patricia/Ashby outfall project. They have significant experience providing similar services for numerous City projects including sewer force main, stormwater gravity well, and stormwater pump station projects.

The scope of work within the task order includes the following Construction Administration Tasks:

- *Contract Administration* – Perez Engineering will provide administration of the contract for construction, and will advise and consult with the City during construction. They will also provide certification to the City of satisfactory completion of all phases of work in compliance with the plans. Perez Engineering shall recommend disapproval or rejection of contractor's work that does not conform to the contract documents.
- *Review of Contractor Pay Requests* – Perez Engineering will review and certify the contractor's applications for payment based on evaluations, observation, and verification of quantities working with the City's own field inspectors.
- *Review of Shop Drawings and Other Materials* – Perez Engineering will review shop drawings and product data for the outfall pipeline products to determine conformance with the design documents.
- *Construction Change Directives* – Perez Engineering will prepare construction change directives as needed in consultation with the City.
- *Final Inspections and Start-Up* – Perez Engineering will prepare a punch-list, substantial and final completion inspection for the pipeline portion of the project.

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 Perez Engineering and Development.

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 and Design Engineer combined only account for approximately 13.91% of the hours allotted in this task order. Perez Engineering is a local firm, therefore there will be no travel expenses required within their task order.

The City plans to utilize CH2M Hill for additional project construction engineering services relating to the platform, generator, and other components.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can award the task order to Perez Engineering 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 similar 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 Perez Engineering. This option is not recommended by Staff, as the City will not be able to utilize the construction administration services that are essential in completing the project. City Staff believes that Perez Engineering is the firm that can best manage the emergency outfall portion of the Patricia/Ashby St. Drainage Project of the engineering firms we have under contract.

FINANCIAL IMPACT:

FEMA will be covering 75% of the construction and construction administration costs of this project. The funding breakdown for this task order would be as follows:

Total City Share	\$11,850.00
<u>FEMA share</u>	<u>\$35,550.00</u>
TOTAL.....	\$47,400.00

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 11-006 from Perez Engineering and Development in the amount of \$47,400 for Construction Administration Services for the Patricia and Ashby St. project.