



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
E. David Fernandez, Asst. City Manager - Operations

FROM: Jay Gewin, Utilities Manager

DATE: March 31, 2011

RE: **Acceptance and Execution of Contract No. HGMP 1539-47-R (State Project Number 1539-116) with the Florida Division of Emergency Management for \$148,094 (25% match) Phase I FEMA funding for East Front St. Flood Mitigation Project. Amending the FY 2011 Stormwater Budget to Accept the Grant. Approving a Budget Transfer from Stormwater Reserves to Fund City Match.**

ACTION STATEMENT:

This resolution will accept and authorize the execution of a grant agreement with the Florida Division of Emergency Management (FDEM) to accept a \$148,094 FEMA grant that requires a 25% match (\$148,094 FEMA / \$47,758 City of Key West) for the design of the East Front St. Flood Mitigation Project (Contract number HGMP 1539-47-R – State Project # 1539-116). This resolution will also approve a budget transfer from stormwater fund reserves to fund the design costs.

This resolution will also amend the FY 2011 stormwater budget to reflect our acceptance of the grant.

BACKGROUND:

The Front St. area is historically troubled with flooding after severe rains. Stormwater flows downhill all the way from Olivia St. towards this basin, and high tides can make drainage even more difficult. The City's two pump-assisted wells at the end of Simonton St. can struggle to keep up with the inundation during severe rain events.

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

This project seeks to design stormwater gravity wells or other alternatives that will try to capture much of the rainwater flowing downhill before it can reach Front St.

PURPOSE AND JUSTIFICATION

We are currently in the midst of preparing our comprehensive Stormwater Master Plan for the entire City of Key West. This project will inventory our entire stormwater infrastructure, and will run a series of models for rain storms of varying severity using current LIDAR satellite data. Based on the results of the modeling, the City will be presented with a prioritized stormwater capital project list. The projects ranking highest will be those that will benefit that greatest number of homes and businesses that flood most frequently. CH2M Hill is our consultant that is tasked with creating the Master Plan, which should be completed in August 2011.

This FEMA Phase I grant would cover 75% of the design costs for those projects that will be recommended by the Master Plan that will benefit the East Front St. basin. The grant also may be used to reimburse the portion of the Master Plan that includes the modeling of the East Front St basin.

Phase II of the grant, if approved by FEMA, would include reimbursing 75% of the construction costs. FEMA has indicated a willingness to increase the funding for the grant should the design costs of the East Front St. projects recommended the Master Plan exceed this funding amount of \$148,094. They are also willing to extend the grant deadlines to help accommodate the City as needed.

Once the Master Plan is completed, representatives from FEMA plan to visit the City to look at the locations that would benefit from the entire list of capital project recommendations. They have indicated that additional projects from the Master Plan's capital project list, even those outside of the East Front St basin, could be eligible for grant funding at a 75% reimbursement rate.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can accept the grant and proceed with the design of stormwater improvements to the East Front St. basin after the recommendations from the Master Plan have been determined. Without the grant, which covers 75% of design costs, it would be difficult to proceed with the project without impacting other planned capital projects. This grant will also allow a portion of the Stormwater Master Plan to be reimbursed. This option will also amend the City budget to recognize the grant revenue, and will transfer the City's 25% share to cover the project from stormwater fund reserves.
2. The City Commission can reject the grant. With this option, the East Front St Drainage project would likely be delayed, and the City would lose the opportunity to have a portion of the Stormwater Master Plan reimbursed.

FINANCIAL IMPACT:

The grant funds were not included in the City's FY 2011 budget. Grant funds would be deposited into the Stormwater fund revenue account 402-0000-331-5001.

The project cost associated with the City's matching share of this grant is budgeted in expense account 402-3802-538-65 in years starting in FY 2015. We will process a budget transfer from Stormwater Fund reserves to fund the City's match for the design costs of the project.

The Stormwater Master Plan was included in the FY 2011 budget without benefitting from these grant funds.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, accepting the \$148,094 Phase I grant for the East Front St Basin from the Florida Division of Emergency Management. Additionally, we will recognize the additional grant revenue in the 2011 budget, and will process a budget transfer from the City's Stormwater Fund reserves to fund the City's 25% match share.