



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: June 29, 2011

RE: **Approval and Authorization to execute Modification Number Two to Contract No. 09HM-37-11-54-02-030 with the Florida Division of Emergency Management to reinstate and extend the term of the George Street Stormwater Pump Assisted Outfall Project Phase I Agreement to August 30, 2011 and to increase Federal Funds by \$6,240.00 for a total of \$234,000.00 in Federal Funds**

ACTION STATEMENT:

This resolution will approve Modification Number Two to reinstate and extend the term of Phase I Agreement for the design of the George Street Stormwater Pump Assisted Outfall Project (Contract number 09HM-37-11-54-02-030) to August 30, 2011 and increase Federal Funds by \$6,240 (Federal Share will increase from 73% to 75%, Local Share will decrease from 27% to 25%).

BACKGROUND:

The City entered into a grant agreement with the State of Florida Division of Emergency Management/FEMA on February 18, 2009 (Resolution 09-006) for the design of a pump assisted stormwater system at George/1st Street.

The Phase I period of agreement began on June 24, 2008 and ended July 28, 2009. The agreement amount was \$235,000 (including \$7,240 in administrative costs) with a City match of \$84,240.

Modification Number One (Resolution 09-195, August 4, 2009) reinstated the agreement and extended the period of agreement to January 25, 2010.

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

CH2M Hill, the consultant tasked for designing the pump assisted stormwater system (Task Order 2-09-STM, Resolution 09-082, April 7, 2009), completed the design on schedule and all deliverables were submitted to FDEM by the January 25, 2010 due date.

PURPOSE AND JUSTIFICATION

The design of this project coincided with the construction of the new Horace O'Bryant Middle School. Despite coordination between the City and school district and subsequent to the submittal of the deliverables, changes in the school's design affected the design of the George Street Outfall project.

City Staff is requesting approval of Modification Number Two so that the agreement can once again be reinstated and an extension to August 30, 2011 approved. The time extension will allow the City to redesign the outfall piping that is necessary to accommodate design changes to the Horace O'Bryant Middle School project.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can approve and authorize the execution of Modification Number Two. This will allow the period of agreement to be extended so that the project can be redesigned and will also allow the Federal Funds to be increased by \$6,240 for a total amount of \$234,000 in Federal Funds.
2. The City Commission can reject Modification Number Two. With this option, the Phase I period of agreement will not be extended leaving no valid grant agreement in place for the time needed to redesign the project.

FINANCIAL IMPACT:

With Modification Number Two approved, Federal Funds will increase by \$6,240 for a total amount of \$234,000 in Federal Funds. This increase has the following effect:

	BEFORE Modification Two	AFTER Modification Two	Increase / (Decrease) In Funding	% Funding BEFORE Mod 2	% Funding AFTER Mod 2
Federal Share	\$ 227,760	\$ 234,000	\$ 6,240	73%	75%
Local Share	\$ 84,240	\$ 78,000	(\$ 6,240)	27%	25%
Total	\$ 312,000	\$ 312,000	\$ 0	100%	100%

In addition, up to \$7,240 in administrative costs above the \$234,0000 is available for reimbursement of eligible City administrative fees.

All other Phase I costs that exceed the remaining funding will be the responsibility of the stormwater utility fund 402-3802-538-65-00.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, approving Modification Number Two to extend the Phase I period of agreement to August 30, 2011 and increase Federal Funds by \$6,240.

JG/cds