



Craig Cates
Mayor

THE CITY OF KEY WEST

P.O. BOX 1409
KEY WEST, FL 33041-1409

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OFFICE OF THE MAYOR

March 18, 2013

11011
Ser 044/OPDB

Mr. Robert W. McDowell III
Head, Real Estate and
Real Estate Contracting Officer
Naval Facilities Engineering Command Southeast
Box 30, Bldg. 903
Naval Air Station Jacksonville, FL 32212-0030

Subject: Sole Source Public Benefit Lease Proposal

Dear Mr. McDowell,

Thank you for your letter of March 12, 2013. I was pleased to learn that your office has submitted its determination to your chain of command for further consideration of the City's request for a public benefit lease for the US Navy Outer Mole Pier at Truman Harbor in Key West. In your letter you have requested further clarification of two specific points related to the City's plans to develop the master planned Truman Waterfront Park. My response appears immediately below and includes the attachment.

In the attached spreadsheet labeled "A", the City has identified the preliminary itemized costs that pertain to only to the non-revenue generating public purpose amenities. This spreadsheet further provides you with the preliminary development schedule all of which of course is dependent on the completion of the development review process current underway.

In the attached spreadsheet labeled "B", the City has provided a copy of the Key West Code of Ordinances from Volume 1, Administration, Article VII, Financial Matters, Division 2, Budget that clearly identifies our local financial management policies and the City Manager's ability to establish a new enterprise fund to account for the revenues generated by disembarkation fees from the US Navy Outer Mole. The City of Key West budget and accounting systems are conducted in accordance with the State of Florida, Uniform Accounting and System Manual.

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

I look forward to receiving updates on the progress of our request to the extent possible during the pendency of the US Navy's review. Once again, the City looks forward to our future negotiations and remains hopeful that a favorable determination will be received soon from the ASN (EI&E).

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Cates". The signature is fluid and cursive, with the first name "Craig" and last name "Cates" clearly distinguishable.

Craig Cates
Mayor

Attachments (2)

Cc: Bogdan Vitas Jr., City Manager
Captain Patrick Lefere, Commanding Officer, NAS Key West
Tim Yonce, Supervisory Realty Specialist

"A"



Truman Water Front
City of Key West, Florida
Based on Approved Concept
December 2012

CONSTRUCTION SCHEDULE - NON-REVENUE PRODUCING IMPROVEMENTS

SCHEDULE

- YEAR 1 Basic infrastructure for park - site grading, roads, demolition, utilities, landscaping completion of Noth park facility.
- YEAR 2 Development, lighting, sodding of olympic size multipurpose play field, water features and landscape.
- YEAR 3 Development of remainder of park and event fields, landscape, lighting and park police stables.



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DEMOLITION				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
29327	SY	Asphalt roadway & sub-base	\$4.50	\$131,969.50
1414829	SF	Clear and grub	\$0.15	\$212,224.35
1	LS	Electrical Utilities	\$0.00	\$0.00
1	LS	Sanitary Sewer	\$0.00	\$0.00
1	LS	Storm Sewer	\$0.00	\$0.00
67310	SF	Concrete slabs	\$13.00	\$875,030.00
1	LS	Rehab of Florida Keys Bldg (demo only) (no environmental)	\$100,000.00	\$100,000.00
1	LS	Partial Rehab of Bldg. 103 (demo only)	\$50,000.00	\$50,000.00
1	LS	Horse Stable (demo only)	\$25,000.00	\$25,000.00
1	LS	Community Center (demo only)	\$200,000.00	\$200,000.00
DEMOLITION SUBTOTAL				\$1,594,223.85

SITE PREPARATION				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
3000	LF	Gravity Sewer	\$55.00	\$165,000.00
4200	LF	Force Main	\$48.00	\$201,600.00
5500	LF	12" Waterline	\$62.00	\$341,000.00
2400	LF	8" Waterline	\$58.00	\$139,200.00
40	EA	Fire Hydrants	\$4,000.00	\$160,000.00
2	EA	Fire Pumps	\$25,000.00	\$50,000.00
1	EA	Injection Well	\$42,000.00	\$42,000.00
40	EA	Catch Basins	\$2,500.00	\$100,000.00
3200	LF	Exfiltration Trench	\$150.00	\$480,000.00
20	EA	Man Holes	\$3,500.00	\$70,000.00
3	EA	Pump Station	\$400,000.00	\$1,200,000.00
SITE PREPARATION SUBTOTAL				\$2,948,800.00

SITE WORK / LIGHTING				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
64,235	QY	Fill, 4'-0" average ht. in mounding areas	\$55.00	\$3,532,925.00
13,680	LF	Type 'F' curb	\$17.00	\$232,560.00
202,057	SF	Asphalt roadway paving and associated base	\$4.00	\$808,228.00
46,501	SF	Concrete paver parking, cross walks and associated base	\$8.50	\$395,258.50
34,999	SF	Bike path and transit stops specialty paving and associated base	\$8.50	\$297,491.50
62,522	SF	10" thick Specialty vehicular/dock paving and associated base	\$12.50	\$781,525.00
68,795	SF	Sidewalk - concrete	\$4.75	\$326,776.25
73,871	SF	Specialty pedestrian paving and associated base	\$8.00	\$590,968.00
10,527	SF	Traffic circle specialty paving	\$8.50	\$89,479.50
1	LS	Traffic circle water feature	\$75,000.00	\$75,000.00
110	EA	Lights - pedestrian	\$3,000.00	\$330,000.00
45	EA	Lights - spine road @ 50'-0" on center spacing	\$5,000.00	\$225,000.00
24	EA	Lights - parking	\$4,000.00	\$96,000.00
1	EA	Lights - recreational field	\$250,000.00	\$250,000.00
40	EA	Regulatory signage with concrete footer	\$250.00	\$10,000.00
10	EA	Wayfinding signage	\$2,000.00	\$20,000.00
1	LS	Interactive fountain	\$850,000.00	\$850,000.00
1	LS	Pedestrian/bicycle bridge	\$65,500.00	\$65,500.00
SITE WORK SUBTOTAL				\$8,976,711.75



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SITE FURNITURE

<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
25	EA	Umbrellas	\$1,500.00	\$37,500.00
32	EA	Light Obelisks	\$850.00	\$27,200.00
20	EA	Tables	\$500.00	\$10,000.00
80	EA	Chairs	\$250.00	\$20,000.00
30	EA	Benches	\$2,000.00	\$60,000.00
45	EA	Trash receptacles	\$1,500.00	\$67,500.00
10	EA	Bike racks - holds five bikes each	\$450.00	\$4,500.00
2	LS	Tot lot and associated safety surface	\$125,000.00	\$250,000.00
1,504	LF	Fencing - 6' decorative perimeter fence	\$80.00	\$120,320.00
480	LF	Fencing - stables - 48" tall aluminum picket	\$75.00	\$36,000.00
9	EA	Fitness station with rubberized surface and containment curb	\$4,500.00	\$40,500.00
SITE FURNITURE SUBTOTAL				\$673,520.00

LANDSCAPE

<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
10	EA	Large Palm; 30' overall height	\$2,500.00	\$25,000.00
517	EA	Small Palms; 12' overall height	\$250.00	\$129,250.00
450	EA	Canopy Trees; 15' X 7'; 4 1/2" cal.	\$1,250.00	\$562,500.00
40	EA	Ornamental trees; 8' X 6'; 3 1/2" cal.	\$385.00	\$15,400.00
14,000	SF	Shrubs; 7 gal; 30" X 24"; 42" on center spacing	\$4.00	\$56,000.00
120,000	SF	Shrubs; 3 gal.; 18" X 12"; @ 30" on center spacing	\$2.25	\$270,000.00
10,000	SF	Groundcover; 1 gal; 12" x 12"; 18" on center spacing	\$1.10	\$11,000.00
755,385	SF	St Augustine Sod with 2" of topsoil	\$0.60	\$453,231.00
LANDSCAPE SUBTOTAL				\$1,522,381.00

IRRIGATION

<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
875,385	SF	Full coverage emitter drip irrigation system	\$0.80	\$700,308.00
IRRIGATION SUBTOTAL				\$700,308.00

SUBTOTAL			\$16,415,944.60
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<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
GENERAL CONDITIONS & CONTEGENCY			(insert percentage)	
1	LS	Mobilization	1%	\$164,159.45
1	LS	Maintenance of Traffic	1.25%	\$205,199.31
1	LS	Bonds & Insurance	1.75%	\$287,279.03
1	LS	Testing & Quality Control	1%	\$164,159.45
1	LS	Permits & Inspections	1%	\$164,159.45
1	LS	Contingency	20%	\$3,283,188.92

GRAND TOTAL \$20,684,090.20

ANTICIPATED SCHEDULE EXPENDITURES

<u>YEAR</u>	<u>EXPENDITURE</u>
1	\$10,342,045
2	\$5,171,022
3	\$5,171,022

"B"

City of Key West

Code of Ordinances

Administration / Article VII Financial Matters / Division 2. Budget

DIVISION 2. - BUDGET ^[201]

Sec. 2-736. - Definitions.

Sec. 2-737. - Organization.

Sec. 2-738. - Process.

Sec. 2-739. - Management.

Secs. 2-740—2-765. - Reserved.

Sec. 2-736. - Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Account means a distinct unit used to measure financial activity; also referred to as a "line item."

Allocation means an amount of money contained in an account.

Balanced budget means the financial condition of the city when revenues equal expenses.

Carry forward means the process of moving an approved budgeted obligation (an encumbrance) from one fiscal year to the next to ensure operating continuity.

Category means a distinct series of accounts organized generically to facilitate analysis. Categories are also referred to as "object classifications" in the Uniform Accounting System Manual as published by the state.

Change means the process of increasing, decreasing or transferring an approved budget allocation.

Encumbrance means the commitment of budget allocations for authorized purposes.

Expenditure means an expense of the city as recorded by fund and account.

Fiscal year means the period beginning October 1 of a calendar year and ending September 30 of the following year.

Fund means that series of accounts distinctly organized and recorded, accounted to reflect the operations of an organizational entity.

Fund balance means the difference between assets and liabilities.

Line item means a distinct unit used to measure financial activity; also referred to as an "account."

Revenue means income to the city as recorded by fund and account.

(Code 1986, § 1.26)

Cross reference— Definitions generally, § 1-2.

Sec. 2-737. - Organization.

(a)

The city shall manage its financial resources by means of a budget. The budget shall be organized to reflect the various activities of the municipal government and shall adhere to the Uniform Accounting System Manual of the state.

(b)

Funds may be established or deleted from time to time by the city manager as he deems necessary and proper.

(c)

Categories shall consist of the following: revenue, personnel, operating, capital outlay, debt service, grants, and other (the latter to include transfers and reserves.) The city manager, by resolution that is attached to Ordinance No. 98-3 may make changes to categories.

(Code 1986, § 1.261)

Sec. 2-738. - Process.

(a)

City budgets shall be prepared, reviewed and approved in accordance with statutory requirements, including F.S. ch. 200 regarding millage determinations. The city manager shall prepare each budget on a fiscal-year basis. He shall prepare and present to the city commission a balanced budget.

(b)

The city commission shall review a budget at public workshops and at regular meetings as provided by F.S. § 200.065. The city commission shall adopt the budget by resolution. The ad valorem tax rate shall be adopted by ordinance. Approved budgetary allocations are valid for the fiscal year and will lapse at the conclusion of the fiscal year.

(Code 1986, § 1.262; Ord. No. 09-18, § 1, 9-1-2009)

Sec. 2-739. - Management.

(a)

The city manager shall cause the budget to be published.

(b)

The city manager may effect transfers within a category or within a fund without limit, provided that the fund remains in balance. The city manager may effect transfers among categories not to exceed \$20,000.00, provided that the fund remains in balance. Transfers among categories in excess of \$20,000.00 must be approved by the city commission. The city manager may effect increases to a fund in an amount not to exceed \$20,000.00. Increases in excess of \$20,000.00 must be approved by the city commission.

(c)

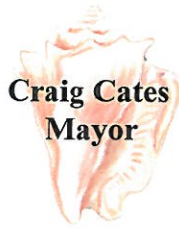
The city manager shall review actual performance as against the budget on a monthly basis and provide the city commission with a report on budgetary performance after six months of the fiscal year.

(d)

At the close of the fiscal year, the city manager shall provide a report on budgetary performance to the city commission. He shall also review encumbrances and carry forwards and effect the necessary budgetary changes to the next fiscal year.

(Code 1986, § 1.263)

Secs. 2-740—2-765. - Reserved



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DRAFT

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