



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Bob Vitas, City Manager
E. David Fernandez, Asst. City Manager – Operations

FROM: Jay Gewin, Utilities Manager

DATE: July 27, 2012

RE: **Approval and Authorization to Execute Modification #2 to Contract No. 12HM-3B-11-54-02-001 with the Florida Division of Emergency Management to Extend the Term of Phase II FEMA Funding for Patricia/Ashby Street Drainage Project to February 28, 2013**

ACTION STATEMENT:

This resolution will approve and authorize the execution of Modification #2 to extend the term of the Phase II agreement with the Florida Division of Emergency Management (FDEM) for the Patricia/Ashby Street Drainage Project (Contract number 12HM-3B-11-54-02-001) to February 28, 2013.

BACKGROUND:

Resolution 11-076 approved and authorized the execution of Contract No. 11HM-3B-11-54-02-002 on March 15, 2011. Resolution 11-076 was subsequently rescinded (incorrect funding amounts were listed in the original contract) and a revised contract that included the correct funding amounts was approved and authorized for execution with Resolution 11-220 on July 19, 2011. Please note that FDEM changed the Contract Number to 12HM-3B-11-54-02-001 prior to their execution in accordance with an FDEM requirement that the number on the contract reflects the fiscal year of the funding. Per FDEM, the numerical change has no other significance and will not affect the rights or interests of the parties to the contract in any way.

Resolution 12-015 approved and authorized the execution of Modification #1 on January 3, 2012 to increase Federal Funds by \$334,407.00 to a total of \$1,064,897.00 in Federal Funds. The additional funding was requested from FEMA after it was determined that the low bid for the construction of the *Key to the Caribbean – Average yearly temperature 77° F.*

project far exceeded the funding provided by FEMA. The local share amount was also increased by \$111,469.00 to a total of \$354,965.00. Additionally, the administrative allowance available to the City was changed from \$13,078.00 to \$19,727.00, an increase of \$6,649.00 (no matching funds required).

The Patricia/Ashby project is designed to pump water from the existing well pump station to the ocean out-falling at the end of Bertha Street eliminating the need for bypass pumping during hurricane storm surge events. The project also includes a generator that will be installed on site and available for immediate use as opposed to one being brought on site as it currently is.

PURPOSE AND JUSTIFICATION

City Staff is requesting approval of Modification Number Two so that the agreement can be extended to February 28, 2013. The time extension will allow the City to complete construction of the Patricia/Ashby Street Drainage Project. More time is needed due to timing delays associated with the generator manufacturer. Outfall piping work is complete.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can accept and authorize the execution of Modification #2. This will allow the grant to be extended to February 28, 2013. If Modification #2 is accepted, more time will be allowed for construction of the Patricia/Ashby Drainage Project to be completed and approximately 30 homes will be provided protection against flooding.
2. The City Commission can reject Modification #2. With this option, the Phase II period of performance will not be extended. As a result, the Patricia/Ashby Drainage project will not be constructed in time to meet the current deadline of August 31, 2012 and funding could be jeopardized.

FINANCIAL IMPACT:

Modification #2, if approved, will allow for additional time to complete construction. There is no financial impact with the time extension.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, accepting Modification #2 to extend the grant period to February 28, 2013.

JG/cds