

# EXECUTIVE SUMMARY



**To:** Bogdan Vitas, City Manager

**cc:** Jim Fitton / Director Port & Transit

**From:** Myra Wittenberg, Manager / KWDoT *Myra W.*

**Date:** October 1, 2012

**Subject:** Supplemental No. 1 - Contract No. AQN20 - Joint Participation Agreement (JPA)  
\$2.0 Million Grant (Capital Funding) - New Transit Facility

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## **Action Statement:**

This is a request for approval of Supplement No. 1, to the original Joint Participation Agreement (JPA) previously approved by Resolution No. 12-209, for partial funding of the total \$2,000,000, available in capital assistance for construction of the New Transit Facility. This supplement to the original Agreement increases the total project amount eligible from \$1,000,000, to a total of \$2,000,000.

## **Project History:**

As most of you may recall, in FY periods 2003-2004 and 2004-2005, the City of Key West Department of Transportation received two (2) separate partial grants for capital construction funding assistance from the Florida Department of Transportation, D6, to assist with a New Transit Facility building.

However, due to numerous delays in the project, the funding was returned in good faith back to FDOT; and commitments were exchanged to allow the funding to be reissued at a later date when the City was prepared to use the funds. The City is at that point in time and the Agreements, and funding, have been programmed into the State's budget for award and execution by the City. Supplement No. 1, to JPA Contract AQN20 approved by Resolution 12-209, in the amount of \$1,000,000, increases total funding to \$2,000,000, from FDOT to the City of Key West.

These capital funds represent a portion of the funding package required to build the New Transit Facility, but they are extremely necessary to complete full grant funding for this project. Note that the funds available are based on engineering cost estimates for the project.

Finally, please note that the project *Request for Proposal* is currently advertised and due to be opened and evaluated on October 31, 2012. A full evaluation team and all proposals received will be presented to the Commission at a later date for discussion and contract award recommendation on this project.

## **Option #1:**

Option #1 would see the City Commission approve Supplement No. 1 to Contract AQN20, increasing the amount of capital funding available from Florida Department of Transportation, D6, from \$1,000,000, to a total maximum participation by FDOT of \$2,000,000, thereby completing the funding package for this project.

## **Advantages**

The greatest advantage to Option #1 being approved is that this is the last piece of funding required to complete the project funding package with regard to meeting 100% funding of the new facility based on the engineering cost estimates provided for this project.

**Disadvantages**

There is no disadvantage to this Option except that there is a lien requirement which was discussed in great detail in previous items relating to this project. However, because the City is in need of adequate work space for several City departments and divisions, the Transit Facility construction and relocation of all services to the new Transit Facility will provide a major pivot point for the City to begin addressing a city wide facilities plan.

**Fiscal Impact**

There is no fiscal impact identified and associated with Option #1 above as current operating expenses of the 627 Palm Avenue site will be taken over by other City departments, allowing Transit to take over operating expenses of the new site, which we anticipate to be less due to a more efficient and newer building.

**Option #2:**

Option #2 would see the City Commission not approve the Supplement to Agreement (No. 1) and reject the funding for the New Transit Facility.

**Advantages**

There are no advantages to this option.

**Disadvantages**

The disadvantage is obvious in that it would prevent the City from construction of the New Transit Facility without having to fund the \$2,000,000, required for full funding and construction of that project.

**Fiscal Impact**

The City would be required to fund the \$2,000,000 shortfall or not complete the construction project as has been approved.

**Recommendation:**

KWDoT and City Staff recommend approval of Option #1, which will provide full funding of the New Transit Facility, as anticipated by engineering cost estimates.

Attachments:

Resolution No. 12-209  
Supplement No. 1 – JPA / Contract AQN20