

EXECUTIVE SUMMARY



To: Bob Vitas, City Manager

From: Norman Whitaker, Director / KWDoT

Date: April 4, 2014

Subject: Request to Amend Maximum Participation Grant Contract #AQN20

Action Statement:

This is a request to amend the maximum participation or grant award from Florida Department of Transportation (FDOT) from \$3,781,266.00 to \$3,225,600.00. This reflects a reduced amount to be used for construction costs or related capital expenses of the New Transit Facility.

Due to miscommunication and fund transfers between Florida Department of Transportation D6 and Central Office in Tallahassee, SJPA #2 has been decreased by \$555,666.00, bringing the amount to \$1,225,600.00. Please note that this will not affect the budget and contract for the New Transit Facility. The City only accounted \$1,000,000.00 towards the project. Please see Attachment A: Sources & Uses.

Project History:

Project history for the New Transit Facility remains the same.

As stated in the attached SJPA #3, FDOT will recover the \$555,666 in FY2014 – 2015. KWDoT will present SJPA #4 to the City Commissioners for approval and acceptance of the agreement.

Option #1: Advantage / Disadvantages

The City Commission approves the required amendment to Resolution 13-171, to reflect the revised amount of \$1,225,600.00.

The advantage of approving the requested amount to the resolution is that FDOT can finalize and execute SJPA #3 and will not affect the funding for the New Transit Facility.

There are no disadvantages to approving this agreement. This is a simple housekeeping task.

Option #2: Advantages / Disadvantages

Option #2 would see the City Commission opt to not approve the amended resolution as requested, which may result in FDOT terminating Supplemental Joint Participation Agreement #2 in the amount of \$1,781,266.00 and #3 in the amount of \$1,225,600.00.

There are no advantages that can be identified.

The disadvantage of not approving the requested amendment to the resolution is that FDOT will not be able to finalize and execute the funding agreement; thus the project may be delayed due to funding restraints.

Fiscal Impact:

There are no fiscal impacts identified and associated with Option #1.

Option #2 - The City may be required to fund the \$1,000,000.00 shortfall or delay the construction project until FDOT has recovered the full funding of \$1,781,266.00

Recommendation:

Key West Transit staff recommends Option #1, as noted above.