



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Greg Veliz, City Manager
FROM: Carolyn Sheldon, Senior Grants Administrator
DATE: January 6, 2020
RE: **Approval to amend Resolution 19-284 for Tourist Development Council (TDC) Grant Award Agreement Contract ID# 2324 for beach maintenance to increase the not to exceed amount from \$620,000.00 to \$790,500.00 per fiscal year, authorize execution of the attached revised Contract ID #2324 and approve the attached budget amendment.**

ACTION STATEMENT:

This resolution will approve amending Resolution 19-284 for Tourist Development Council (TDC) Grant Award Agreement Contract ID# 2324 for beach maintenance to increase the not to exceed amount from \$620,000.00 to \$790,500.00 per fiscal year, authorize execution of the attached revised Contract ID# 2324 and approve the attached budget amendment. The approval to terminate TDC Contract ID# 1531 upon execution of Contract ID# 2324 is still effective with Resolution 19-284.

BACKGROUND:

Funds in the amount of \$620,000.00 per year for a period of five years (2019-2024) were awarded from the TDC's 2020 Bricks and Mortar Capital Projects funding cycle for beach maintenance at Smathers Beach, Rest Beach and South Beach. Contract ID# 2324 for \$620,000.00 was brought before the Board of County Commissioners for approval at their October 16, 2019 meeting where the item was postponed and the TDC asked to come back to the BOCC with a figure that is closer to what the City's request was. See attached meeting minutes. The City requested \$930,000.00.

PURPOSE AND JUSTIFICATION:

At their December 4, 2019 meeting (see attached agenda item), the District Advisory Committee (DAC I) to the TDC approved funding of \$790,500.00. Contract ID# 2324 was revised to reflect the new funding amount of \$790,500.00, a \$170,500.00 increase from the original amount of \$620,000.00.

FINANCIAL IMPACT:

The revised Contract ID# 2324 begins in FY 2020 retroactive back to October 1, 2019 and provides funding for beach maintenance costs with no match not to exceed \$790,500.00 per fiscal year for five years from October 1, 2019 to September 30, 2024. Costs exceeding \$790,500.00 are the City's responsibility. As a result, grant revenues already budgeted for FY 2019-2020 in Account 0010000 3377001 (General Fund/Revenues/TDC grant) will need to be increased by \$170,500.00 to increase the revenue from \$620,000.00 to \$790,500.00 as shown in the attached budget amendment.

RECOMMENDATION:

Staff recommends that the City Commission approve amending Resolution 19-284 to increase the amount of funding in TDC Grant Award Agreement Contract ID# 2324 to \$790,500.00.

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