



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	June 20 , 2018		Item Type: <i>(Enter X in box)</i>	Resolution X	Ordinance	Other
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1st Reading		2nd Reading
	X			Public Hearing: <i>(Enter X in box)</i>	Yes	No
					x	
Funding Source:	Federal Share (FEMA Grant): \$6,626,312 Required Local Share: \$ 2,185,978.23		Advertising Requirement: <i>(Enter X in box)</i>	Yes		No
						X
Account Balance:	490-3390W-534010 - \$14,151 490-3590S-534010 - \$4,774 440-3660-534010 - \$2,212,926 347-4905C-534010 - \$20 440-4989-534010 - \$133,484		Quasi-Judicial: <i>(Enter X in box)</i>	Yes		No
						X
Project Number :	P1610		RFP/RFQ/Bid Number:	NA		
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Strategic Plan Priority Area: <i>(Enter X in box)</i>			
	X		Safety	<input type="checkbox"/>		
			Quality of life	<input checked="" type="checkbox"/>		
			Improve City Infrastructure	<input checked="" type="checkbox"/>		
Sponsor Name:	Roger M. Carlton, City Manager		Department: Public Works	Steven F. Parkinson, P.E., PWLF, Assistant City Manager / Public Works Director		

Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE THE FEDERALLY FUNDED SUBGRANT AGREEMENT MODIFICATION FOR THE HAZARD MITIGATION GRANT PROGRAM WITH THE FLORIDA DEPARTMENT OF EMERGENCY MANAGEMENT, IN SUBSTANTIALLY THE SAME FORM AS ATTACHED AS EXHIBIT "7", INCREASING THE GRANT FUNDING BY SIX MILLION SIX HUNDRED TWENTY SIX THOUSAND THREE HUNDRED AND TWELVE DOLLARS AND EIGHTY SEVEN CENTS (\$6,626,312.87), REQUIRING A CITY GRANT MATCH OF TWO MILLION, ONE HUNDRED EIGHTY FIVE THOUSAND, NINE HUNDRED SEVENTY EIGHT DOLLARS AND TWENTY THREE CENTS (\$2,185,978.23) FOR PHASE II OF THE DRAINAGE IMPROVEMENTS PROJECT IN THE SOUTHWEST QUADRANT AND PROVIDING FOR AN EXTENSION OF TIME; AND PROVIDING FOR AN EFFECTIVE DATE.

Staff Summary:

Background:

The City of Hallandale Beach was awarded a Hazard Mitigation Grant Program (HMGP) award in 2006. The grant was initially awarded to fund design and construction for drainage improvements in the NE quadrant. The grant agreement was amended via several modifications and a project including drainage improvements for the SW Quadrant was added. As a result of these modifications, the City moved forward with two distinct projects known as the NE Quadrant Drainage Improvement Project and the SW Quadrant Drainage Improvement Project.

Construction of the NE Quadrant Drainage Improvement Project was completed in December 2014, and project closeout was finalized by the permitting agencies and the Florida Department of Emergency Management in March 2015.

The Federal share of the grant for the SW Quadrant Drainage Improvement project expired on December 31, 2014. Although requested well in advance, City staff was unable to obtain an extension for the grant prior to its expiration. However, staff worked in conjunction with the City's lobbyist Maurice Kurland of Alcade & Fay, and received support from various local and state elected officials, in order to obtain an extension for the grant after its initial expiration.

On May 25, 2016, staff received a response letter from FEMA regarding the Hazard Mitigation Grant Program extension. FEMA approved a phased Period of Performance extension that allowed 24 months, from the date of the letter, for the project design, permitting and construction bid process (Phase I). In accordance with FEMA's guidelines, if these activities were completed within 24 months (May 25, 2018), FEMA would extend the Period of Performance for an additional 28 months. This additional extension would include the project construction phase (Phase II) (*Exhibit 2-FEMA Letter*).

On July 6th 2016, a professional services contract was awarded by the City Commission to Calvin, Giordano & Associates, Inc., to provide Grant Phase I activities including design, permitting, bidding and award assistance for the SW Drainage Project (*Exhibit 3-Resolution No. 2016-103*). The HMGP grant contract (DEM No. 17HM-3B-11-16-02-213), which includes project design permitting, and the pre-developmental construction bid process was executed by the City of Hallandale Beach and the Florida Division of Emergency Management (FDEM) on August 9, 2016 (*Exhibit 4-HMGP Subgrant Agreement*). The approved grant budget for Phase I included \$750,000 federal share, \$250,000 local share, and \$10,000 administrative allowance for a total project cost of \$1,010,000.

Per contract terms, Phase I deliverables were due by April 25, 2018; however, these were completed and submitted to FDEM ahead of schedule on March 13, 2018. Reimbursement for this phase of the project has been submitted for the full federal share amount of \$750,000 and \$10,000 administrative allowance.

In anticipation of the FEMA agreement to include the construction phase of the project (Phase II), and as previously reported to the Commission on May 2, 2018, BID # 2017-2018-006 City of Hallandale Beach S.W. Drainage Improvements Project – FEMA Project #1609-75-B was released on December 13, 2017.

The scope of work for BID 2017-2018-006 consists of drainage improvements, and its purpose is to reduce the property damages caused by flooding during major storm events and also reduce the duration of street flooding conditions. This project was designed to increase the capacity of the Shaffer Canal and limiting its tidal backflow and discharge from Miami Dade County by installing a new pump station on SW 7th Street to pump into injection wells to lower the water level in the canal. This project also includes the installation of a control structure at SW 11th Street and an alternative power supply for the pump station (generator) (*Exhibits 5-BID FY2017-2018-006 Scope of Work*).

The work is located within portions of the right-of-way of the project area as defined by South Dixie Highway to the East, SW 11th Street to the South, SW 6th Avenue to the West, and SW 5th Street to the North, in the City of Hallandale Beach, Florida.

Four (4) prospective bidders submitted proposals for the project:

1. Lanzo Construction Co., Florida: \$11,835,000
2. Ric-Man International, Inc.: \$12,340,416
3. Kiewit Infrastructure South Co.: \$14,710,932
4. Munilla Construction Management (MCM): \$15,084,567

Lanzo Construction Co., Florida was awarded the contract by the City Commission on May 2, 2018 (*Exhibit 6-Resolution No. 2018-038*). It should be noted that construction will not commence until the City has secured an extension of the period of performance under the FEMA agreement and Phase II of the project has been included for reimbursement of construction costs.

Current Situation:

As stated on FEMA’s letter dated May 25, 2016, FEMA approved a phased period of performance extension for 24 months from the date of the letter for project design, permitting and construction bid process. If those activities were completed within 24 months, FEMA would continue the period of performance extension to include project construction for an additional 28 months.

Due to the City’s compliance with the approved timeline for Phase I deliverables, the City is in receipt of grant modification number one to reinstate and extend the terms of the agreement through September 25, 2020, modify the scope of work, and increase the federal funding by \$6,626,312.87 (inclusive of an administrative allowance in the amount of \$68,378.19). The approved grant budget for Phase II (construction) includes \$6,557,934.68 federal share, and \$2,185,978.23 local share, for a total grant (plus local share) project cost of \$8,743,912.91. Additionally, the City will receive \$68,378.19 to offset administrative costs (*Exhibit 7-HMGP Modification to Sub-agreement*).

Execution of this agreement modification is necessary to proceed with the construction phase of the project.

Fiscal Impact:

The project is funded in part by the grant and in part by the City. Total Project Cost inclusive of construction and 10% contingency (as presented to the City Commission on May 2, 2018) is \$13,018,500.

Federal Share (construction):	\$ 6,557,935
Required Grant Match:	<u>\$ 2,185,978</u>
Total Grant Project Cost per Contract:	\$ 8,743,913
Actual Project Cost:	\$13,018,500
Less Federal Share:	<u>\$ 6,557,935</u>
Variance:	\$ 6,460,565

The variance between the actual project cost and the federal share is \$6,460,565. The City currently has \$2,365,355 (P1610) available to cover the required grant match; however, additional funding in the amount of \$4,095,210 will be needed to complete the project. This funding will be provided from the Storm Water Utility in FY 18/19 and FY 19/20.

Why Action is Necessary:

Pursuant to Article V, Section 5.01 of the City of Hallandale Beach Charter, Resolutions are to be presented to and adopted by a majority of the City Commission. Furthermore, City Commission approval is required for all grant applications with a City match.

Proposed Action:

Staff recommends the City Commission adopt the attached Resolution authorizing the City Manager to execute the attached Federal Funded Subgrant Agreement, in substantially the same form as the attached Exhibit 7, for the drainage improvement in the SW Quadrant funded through the Hazard Mitigation Grant Program (HMGP).

Attachment(s):

- Exhibit 1 – Resolution
- Exhibit 2 – FEMA Letter Dated May 25, 2016
- Exhibit 3 - Resolution 2016-103
- Exhibit 4 – HMGP Subgrant Agreement – Phase I (DEM No. 17HM-3B-11-16-02-213)
- Exhibit 5 – BID FY 2017-2018-006 Scope of work
- Exhibit 6 – Resolution 2018-038
- Exhibit 7 – HMGP Modification to Subgrant Agreement – Phase II (DEM No. 17HM-3B-11-16-02-213)

Prepared By:



Manga Ebbe, Project Manager



Noemy Sandoval, Grants Manager

Department Head Review:



Steven F. Parkinson, Assistant City Manager
Director of Public Works



Marie Gouin, Budget Director