

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: May 19, 2009 (X) Consent () Regular
() Workshop () Public Hearing

Submitted By: Environmental Resources Management
Submitted For: Environmental Resources Management

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Second Amendment to the Interlocal Agreement with the City of West Palm Beach (City) and the South Florida Water Management District (SFWMD) (R2006-0140) for the C-51 Canal Sediment Management Project.

Summary: The Second Amendment supersedes and replaces the amendment approved by the Board of County Commissioners on April 7, 2009 (R2009-0574), due to minor additional changes which were not included therein. County budget adjustments which recognize the revenue and provide the required match were approved on April 7, 2009. The amendment was approved by Resolution No. 2009-413 of the Governing Board of the SFWMD on April 8, 2009. District 2 & 3 (SF)

Background and Justification: Interlocal Agreement (R2006-0140) provided for fifty percent (50%) cost share from SFWMD and the County, not to exceed \$1 million, for the C-51 Sediment Management Project. The First Amendment to the Interlocal Agreement (R2007-1345) provided for additional funding of \$500,000 each from SFWMD and County to cover increased costs associated with a revised scope of work to include transportation, sediment management and construction management costs. The Second Amendment to the Interlocal Agreement modifies the project Scope of Work to include C-51 sediment management (muck capping) at adjacent Ibis Isles. The total project cost will be increased from \$3,000,000 to \$4,100,000. The additional project costs will be covered by \$250,000 State appropriation, \$300,000 State funding through Lake Worth Lagoon Partnership grant program and \$300,000 Manatee Protection Program funds and \$250,000 in prior year expenditures.

Attachments:

- ## 1. Second Amendment to Interlocal Agreement

Recommended by: Richard E. Walchley 4/22/09
Department Director Date

Approved by: W. R. New 5/11/09
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2009	2010	2011	2012	2013
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>*</u>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes _____ No _____

Budget Account No.: Fund _____ Department _____ Unit _____ Object _____

Program _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

There is no fiscal impact associated with this item.

C. Department Fiscal Review:

JP

III. REVIEW COMMENTS

A. OFMB Fiscal and /or Contract Dev. and Control Comments:

* No additional fiscal impact. Agenda item approved on 4/7/2009 showed the fiscal impact as a result of Amendment 2.

John D. L. 5-5-09

OFMB

4/29/09

5/10/09

PM

4/23/09

Contract Development and Control

J. J. Law 5/10/09

B. Legal Sufficiency:

Mary 5-8-09

Assistant County Attorney

C. Other Department Review:

This replacement Amendment complies with our review requirements. At the time of our review it was not executed.

Department Director

**SECOND AMENDMENT TO THE
INTERLOCAL AGREEMENT
BETWEEN
PALM BEACH COUNTY
AND
THE CITY OF WEST PALM BEACH
AND
SOUTH FLORIDA WATER MANAGEMENT DISTRICT**

This Second Amendment to the Interlocal Agreement, is entered into on this _____ day of _____, 2009, between the **City of West Palm Beach**, a municipality incorporated under the laws of the State of Florida (hereinafter "City"), **Palm Beach County**, a political subdivision of the State of Florida, (hereinafter "County") and the **South Florida Water Management District**, a public corporation of the State of Florida (hereinafter "District"), collectively referred to hereinafter as the "Parties".

WITNESSETH

WHEREAS, on February 1, 2006, the Parties entered into an Interlocal Agreement ("Agreement") (County Interlocal Agreement #2006-1410, District Interlocal Agreement #CP060614/3600000543, and City Interlocal Agreement #25-06) for sediment management within the C-51 Canal and Lake Worth Lagoon to enhance the environmental condition and water quality in the Lake Worth Lagoon (the "Project"); and

WHEREAS, the Parties entered into an Amendment to the Agreement ("Amendment") on September 13, 2007 (County Amendment to Agreement #2007-1345 and District Amendment to Agreement #9500002549, and City Amendment to Agreement 322-07); and

WHEREAS, subsequent to execution of the Amendment, the State of Florida appropriated \$250,000.00 for the Project to be distributed by the District to the County; and

WHEREAS, the Parties wish to perform muck capping in the Lake Worth Lagoon as part of the Project, which will be managed by the County; and

WHEREAS, the Parties wish to enter into this Second Amendment to the Agreement to modify the Scope of Work, to provide for the expenditure of the \$250,000 appropriated by the State of Florida for the Project, to acknowledge the funds contributed by each Party on the Project to-date, and to set forth each Party's remaining funding obligations; and

WHEREAS, the Parties agree that this Second Amendment to the Agreement increases the total project costs to \$4,100,000, increases the County's funding obligation

for the Project to \$2,350,000, does not modify the District's ad valorem funding obligation and does not impose any funding obligations upon the City.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations herein contained, the Parties agree as follows:

1. Exhibit A to the Amendment is hereby replaced with the Revised Scope of Work attached hereto as Exhibit A, and all references in the Amendment and Agreement to Exhibit A shall refer to the Revised Scope of Work attached hereto.
2. Paragraph 2 is hereby replaced with the following: **Purpose of the Agreement.** The purpose of this Agreement is to commence a Sediment Management Project ("Project") within the C-51 Canal and Lake Worth Lagoon, which shall include dredging of the C-51 Canal and capping muck sediments in the Lake Worth Lagoon. Under this Agreement, the County will be responsible for managing and completing the dredging and capping of muck sediments described in the Scope of Work attached as Exhibit A. Upon completion of dredging in the C-51 Canal, the District and the County shall evaluate the effectiveness of that aspect of the Project to determine whether dredging will continue under the management and operation of the District. The intent of this Agreement is for the County to commence a Sediment Management Project that, if successful, will be continued by the District. This Agreement sets forth each Party's obligations with regard to project management, cost-sharing, and the provision of easements necessary to complete the Project and sets forth each Party's duties and obligations with regard to the Project.
3. Paragraph 7.1 is hereby replaced with the following: The District agrees to provide advalorem funds to the County in the amount of One Million Dollars and 00/100 (\$1,000,000.00) for the Project, of which \$752,665.77 has already been paid by the District to the County and \$247,334.23 shall be paid to the County in fiscal year 2009-2010. In addition, the District agrees to provide funds to the County in the amount of Seven Hundred and Fifty Thousand Dollars and 00/100 (\$750,000), which has been appropriated by the State of Florida to be used for the Project. The total amount of the District's contribution shall be One Million Seven Hundred Fifty Thousand and 00/100 (\$1,750,000.00) Of the above-cited appropriations from the State of Florida, the District has already paid the County \$500,000 and shall pay the County \$250,000 upon execution of this Agreement, as described in 9.1 below.
4. Paragraph 7.6 is hereby replaced with the following: Should the District determine in its sole discretion that the Project is effective and should the District desire to continue the Project after the County completes the Project described in the Scope of Work attached as Exhibit A, the District shall

assume the duties of the County and become responsible for the operation, management and maintenance of the Project.

5. Paragraph 8.2 is hereby replaced with the following: The County agrees to fund the Project in an amount not to exceed Two Million Three Hundred and Fifty Thousand Dollars and 00/100 (\$2,350,000.00), of which the County has already expended One Million Six Hundred Thousand Dollars and 00/100 (\$1,600,000.00) for the Project.
6. Paragraph 8.8 is hereby replaced with the following: The County shall have no duties or responsibilities under this Agreement once the Project described in the Scope of Work attached as Exhibit A is complete.
7. Paragraph 9.1 is hereby replaced with the following: If the County expends funding for any of the District's share of the cost of the Project, the County shall invoice the District as needed and the District shall provide payment to the County within forty-five (45) days of receipt of an invoice for work performed pursuant to the Scope of Work. District payment shall be made subject to receipt of adequate documentation from the County to support payments made by the County in accordance with Exhibit B, attached hereto and made an integral part of this Amendment No. 2.
8. Paragraph 12.2 is deleted and replaced with the following: "Either the County or the District may terminate this Agreement at any time for convenience upon (30) calendar days prior written notice to the other Party. In the event of such termination by the District, and subject to the availability of funding as authorized by the District's Governing Board, the District shall compensate the County for the District's share of Project-related costs that have been expended by the County through the date of termination, up to the limits established in Paragraph 7.1, as revised."
9. Except as expressly amended herein, all terms and conditions of the Amendment One and Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each of the Parties, by and through its duly authorized representative, has caused this Second Amendment to the Interlocal Agreement to be signed in its name by its chair and its seal to be affixed hereto, attested to by its Clerk, on the date and year first above written.

ATTEST: Sharon R. Bock,
Clerk & Comptroller

PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

By: _____
Deputy Clerk

By: _____
John F. Koons, Chairman

Date: _____, 2009

**APPROVED AS TO TERMS
AND CONDITIONS:**

By: Richard E. Voluntary
Department Director

ATTEST:

By: _____

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

By: _____
Assistant County Attorney

**SOUTH FLORIDA WATER
MANAGEMENT DISTRICT
GOVERNING BOARD**

By: _____
Eric Buermann, Chair

Date: _____, 2009

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

By: _____
District Attorney

ATTEST:

By: _____
City Clerk

**CITY OF WEST PALM BEACH,
FLORIDA**

By: _____
Lois J. Frankel, Mayor

Date: _____, 2009

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

By: _____
City Attorney's Office

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SECOND AMENDMENT TO
INTERLOCAL AGREEMENT
BETWEEN
PALM BEACH COUNTY
AND
THE CITY OF WEST PALM BEACH
AND
SOUTH FLORIDA WATER MANAGEMENT DISTRICT

EXHIBIT A
C-51 SEDIMENT MANAGEMENT PILOT PROJECT
REVISED SCOPE OF WORK

Objective

Palm Beach County ("County"), the South Florida Water Management District ("District") and the City of West Palm Beach ("City") agree to work cooperatively to secure and improve property at the West Palm Beach Municipal Golf Course as described in Exhibits B and C ("Parcel 1"), for long-term spoil management. The District and the County shall fund the initial phases of the Project; during which, the County shall dredge, process and remove approximately 100,000 cubic yards of sediment from a deep-water section of the C-51 canal; shall conduct surveys; and shall implement a muck capping and restoration in the vicinity of C-51 (i.e. Ibis Isles).

Permitting

The work is anticipated to be considered maintenance and restoration work. The County will apply for any required permits.

Site Preparation

Except for a buffer of trees adjacent to the golf course and berm vegetation along the canal, which will be maintained for aesthetic purposes, the site will be cleared to construct a series of distillation ponds and to provide a site for dewatering equipment. Upon City approval of a landscape buffer plan, the County will replace the existing vegetation along the golf course within Parcel 1 with vegetation as provided in the landscaping plan.

Construction Contract

The District requires that the County utilize J. F. Brennan Co., Inc, of La Crosse, WI as the contractor for dredging. The Parties acknowledge that J. F. Brennan is the best qualified source to complete such work because it recently accomplished a similar project on time, on budget, and using proprietary technology for sediment removal that will expedite this Project. Therefore, the County shall be required to utilize J. F. Brennan to accomplish the dredging phase of the Sediment Management Project, provided the contractual terms and conditions contained in the contract with J. F. Brennan are the same as those used in Palm Beach County Project No. 2004058, Lake Osborne Muck Dredging Contract. The muck capping shall be completed using competitive contracts as required by State law.

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Project Management

The County shall be responsible for the satisfactory completion of the initial phases of the Project, as outlined below under **Projected Timeline and Costs**, and may retain a consultant through a competitive bidding process to provide any professional services needed. During the initial phases of the Project as set forth herein, the County shall be responsible for contract oversight, budget management, and quality control and for all work included in any subcontract and for the payment of all monies due under any subcontract.

Sediment Removal

Sediment will be excavated from the C-51 canal to a depth of up to -18 feet MWL using a hydraulic cutterhead dredge. The resulting slurry will be piped to the processing site for dewatering and removal.

Processing Site

The Project shall utilize an ingress/egress access Corridor to access three parcels of land adjacent to the C-51 canal to process and stockpile the spoil for removal. The dredged slurry will be mechanically screened to remove inorganic and coarse sediments, treated with flocculants, and piped to shallow ponds for final distillation. The dried sediments will be trucked from the site during the hours of 8:00 A.M. and 6:00 P.M., weekdays.

Transportation and Handling

A portion of the sediment will be transported offsite by truck and handled at the place of disposition by heavy equipment. Sediment (muck) capping and habitat restoration work at Ibis Isles will utilize clean sand to cap approximately 8 acres of muck sediments (discharged from the C-51) to create mangrove, spartina and oyster habitat.

Project Evaluation and Assessment

The District and the County shall conduct an assessment of the Project to evaluate its effectiveness in removing and managing sediments, shall consider recommendations for improving methodology, and shall evaluate the feasibility of expanding the Project to benefit both the Lake Worth Lagoon and the Chain of Lakes.

Projected Timeline and Costs

Activity	Schedule	Est. Cost	PBC	SFWMD	State
Plan/Design	2-06 to 4-09	180,168	105,168		75,000
Permitting	3-08 to 4-09	100,166	55,166		45,000
Geotechnical	2-06 to 5-10	108,167	49,167		59,000
Construction	2-06 to 2-10	3,493,332	2,050,332	872,000	571,000
Project Eval.	6-08 to 8-10	218,167	90,167	128,000	
Totals		4,100,000	2,350,000	1,000,000	750,000

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Deliverables

The County shall provide copies of the Notice to Proceed for the Project construction contract(s) and a Project Construction Substantial Completion Certification(s) to the District. The County shall submit quarterly financial reports to the District providing a detailed accounting of all expenditures incurred throughout the initial phase of the Project. The County shall submit quarterly progress reports to the District detailing the status of the Project. When all responsibilities of the County for the initial phases of the Project are complete, the County shall submit a final report to notify the District that the County has fulfilled its obligations under the Agreement.

EXHIBIT B
REQUIRED DOCUMENTATION FOR PAYMENT OF CONTRACTS
FUNDED BY STATE FUNDS WHERE A COST MATCH IS REQUIRED

Listed below are the types of documentation and examples of the minimum requirements for documentation to support invoice payment requests.

INVOICE REQUIREMENTS

All requests for payments must be submitted in the form of an invoice. The following requirements apply to all invoices submitted for payment.

- Invoices for contractual services must clearly reflect the services/deliverables that were provided.
- Invoices for contracts paid on a reimbursement basis must be supported by deliverable documentation that clearly reflects the services/deliverables provided during the invoice period.
- A billing statement will not be paid unless it can be clearly shown that the vendor intended it to be used as an invoice.
- Invoices and supporting documentation must be arranged in the same order as listed on the invoice. Acronyms and non-standard abbreviations for charges should not be used in the supporting documentation unless an explanation is also included.
- Invoices must clearly show 100% of the actual costs incurred of which the entity is entitled to be reimbursed for 50% as long as this remains within the not-to-exceed funding limitations of the contract.

SUPPORTING DOCUMENTATION

The District is required to prove that not only were the funds expended as the State grantor wished, but that they were spent in a fiscally responsible manner and that the required cost match has been provided. **Therefore, the entity's invoices must provide all documentation to support the payment. The documentation which is then provided to the State government to support the expenditures should be stand alone documents as much as is reasonable.**

Supporting documentation for each amount for which reimbursement is being claimed must indicate that the item has been paid. Check numbers may be provided in lieu of copies of actual checks. Each piece of documentation should clearly reflect the dates of service. Only expenditures for categories in the approved contract budget shall be reimbursed. This is the same documentation to support required cost matching.

Listed below are the types of documentation and examples of the minimum requirements for each type:

- **Salaries:** A payroll register or similar documentation should be maintained. The payroll register should show gross salary charges, fringe benefits, other deductions and net pay. If an individual for whom reimbursement is being claimed is paid by the hour, a document reflecting the hours worked times the rate of pay will be acceptable. Personal information should be redacted.
 - **Fringe Benefits:** Fringe Benefits should be supported by invoices showing the amount paid on behalf of the employee, e.g., insurance premiums paid. If the contract specifically states that fringe benefits will be based on a specified percentage rather than the actual cost of fringe benefits, then the calculation for the fringe benefit amount must be shown.
 - **Travel:** Reimbursement for travel must be in accordance with Section 112.061, F.S., which includes submission of the claim on the approved state travel voucher or comparable form.
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- Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property (assets) are purchased using state or federal funds, the contract should include a provision for the transfer of the property when services are terminated. Documentation must be provided to show compliance with DMS Rule 60A-1.017, F.A.C., regarding the requirements for contracts which include services and that provide for the contractor to purchase tangible personal property as defined in Section 273.02, F.S., for subsequent transfer to the State.
 - In-house charges: Charges which may be of an internal nature excluding personal services (e.g., postage, copies, etc.) may be reimbursed based on a usage log which shows the quantity times the rate being charged. The rates must be reasonable.
 - Indirect costs: If the contract specifies that indirect costs will be paid based on a specified rate, then the calculation should be provided.

Questions about this attachment may be referred to Bill Langford, Revenue Manager (561) 682-6479.

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