

# TOWN OF PALM BEACH

Information for Town Council Meeting on: September 10, 2019

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TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

FROM: H. Paul Brazil, P.E., Director of Public Works

RE: Continued Coordination with the U.S. Army Corps of Engineers for Mid-Town Federal Shore Protection Project  
**Resolution No. 107-2019**

DATE: August 27, 2019

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## **STAFF RECOMMENDATION**

Town staff recommends that Town Council approve Resolution No. 107-2019 approving a payment to the U.S. Army Corps of Engineers (Corps), in the not-to-exceed amount of \$100,000 for anticipated administrative and engineering services to complete project planning and bidding for Phipps Ocean Park Beach Nourishment within the new Mid-Town Federal Shore Protection Project.

## **GENERAL INFORMATION**

During the development of the FY 2019 Coastal Management Budget in the spring of 2018, it became evident to Town staff that the next Mid-Town and Phipps projects should be grouped together during construction to restore the shorelines following the impacts from hurricanes Matthew (2016) and Irma (2017). Grouping these projects had the potential to reduce costs to both the Town and FEMA due to savings in mobilization costs. The cost to mobilize dredge equipment continues to rise with rates between \$5 and \$8 million per project.

Once the U.S. Congress approved the Mid-Town project within the 2018 Supplemental Bill, Town staff informed Corps staff of the Town's interest to bid and construct the interim Phipps Ocean Park Beach Nourishment project with the next Mid-Town project. Through many months of planning, the Corps remained receptive of this request. However, in early August, Corps staff raised concerns that there would be administrative and engineering costs associated with adding Phipps to the Mid-Town project. These costs would prevent the Corps from moving forward with Phipps.

On August 13, the Mayor reached out to the Corps to find a solution to work together. The Corps informed that if the Town were responsible for the added administrative and engineering costs that the Phipps project could remain as an option to be bid and constructed with the Mid-Town project. The Corps anticipates that these costs are about \$100,000.

Following the Town's initial response to support this continued partnership, pending approval by Town Council, the Corps have started the process of adding the Phipps project to the Project Partnership Agreement (PPA) for Mid-Town. Inclusion within the PPA will provide the Town with an ability to add the Phipps project within every Mid-Town project in the future and not just for this one-time event. The revised PPA is expected to be provided to the Town at the end of September.

If the Town chose not to pay for the administrative and engineering services, the Phipps project would then need to be bid and constructed separately from Mid-Town. A likely result would be an increase in costs by several million dollars over the budgeted estimate due to mobilization costs. Given the late-season timeframe, results of an independent bidding process for Phipps could be unfavorable and cost prohibitive.

### **FUNDING/FISCAL IMPACT**

Town staff anticipated that there would be costs associated with planning of the next Mid-Town and Phipps projects. The Town Council approved FY 2018 and FY 2019 budgets included these anticipated costs; therefore, sufficient funds exist in the Coastal Management Program to fund the Corps' not-to-exceed cost of \$100,000.

### **TOWN ATTORNEY REVIEW**

This Resolution has been reviewed and approved by the Town Attorney for legal form and sufficiency.

#### Attachments

cc: Shore Protection Board  
Jane Le Clainche, Director of Finance  
Patricia Strayer, P.E., Town Engineer  
Robert Weber, Coastal Program Manager