

EXPLANATION OF CONSENT AGENDA ITEM E.2.c. (6) July 29, 2015

ITEM:

Consideration of approving a purchase order to KMI International under their continuing Project Management Services contract for project management assistance for the SR-524 Logistics Center Project, the Cove Project and the Marine Terminal Phase II at NCB5 projects, in the amount not to exceed \$145,000. (Crowe/Hicks)

EXPLANATION:

To support growth in Port Canaveral's business sectors, several civil engineering projects are currently being proposed or are already under design such as the SR-524 Logistics Center, The Cove and the Auto Terminal at NCB5. The projects require a substantial amount of coordination and management by Port staff in order to ensure timely completion of the projects within the allocated budget. Personnel are needed to be dedicated to working with project stake holders such as designers, developers, contractors and the Port. For this reason, additional project management support is being sought from KMI, one of our recently selected project management consultants, to assist with design, bidding and construction management of the projects. The scope of this purchase order will provide one full time project manager for a period of six months working out of the CPA Maritime Center office. The assigned project manager from KMI will be highly experienced with these types of projects and will manage the project through the design and construction lifecycle.

Funding Review by Finance (Pat Poston): The total NTE amount of \$145,000 is included in the FY15 Capital Budget and no increase is required. The original purchase of this property was approved under the Land Acquisitions line item. While there are still funds available for use in FY15, the development of this project will need to be moved to a separate improvement line item. While this project is included in the current application for USDOT-TIGER funding, there is not currently funding in place. This project will require proceeds from the LOC or capital borrowing. [Budget item 2250 - Land Acquisitions]

Staff recommends approval.

Prepared by: Bill Crowe, P.E.



KMI International

Project Management & Construction Consulting



Revised July 10, 2015

Mr. Terry Hicks
Senior Director - Facilities, Construction and Engineering

Mr. Bill Crowe, P.E.
Director, Civil Engineering & Construction

Canaveral Port Authority
445 Challenger Road, Suite 301
Cape Canaveral, FL 32920

Subject: Initial Project Management Services

Dear Terry and Bill,

This proposal initial for project management services to support your efforts on several Canaveral Port Authority (CPA) projects is revised in accordance with your email of July 9th and our discussion this morning, July 10, 2015. We understand this will be our first assignment under our recently approved and ratified Continuing Services Contract for Project Management Services.

As per our discussions, the assignment is expected to support you and CPA on the following projects:

- Phase 2 Marine Terminal improvements. This is the cargo yard adjacent to the recently completed improvements for GT USA.
- Inland Logistics Center at Route 524.
- Cove Redevelopment. This work will as liaison and support the efforts of the selected developer, Sooner Development.
- Other miscellaneous assignments mostly of civil and/or marine nature or scope.

We also understand that this initial assignment will be based on an approximate six month duration and may be extended. All services and labor rates to be in accordance with the ratified continuing services contract. The proposed Project Manager is Todd Schultz. He has handled very similar Port work. I will assist as required with his transition on to your team. Summary resumes were presented in the recent qualifications statement.

Although not to be included under this initial proposal and assignment, KMI is ready to assist further with support from our team with:

- Cost estimating services
- Construction scheduling services



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- Full-time in the field Construction Managers as may be required when the project or projects move into the construction phase.

The detailed scope is not known at this time due to the preliminary nature of the assignment but our scope of services is anticipated to be similar to that presented in the recently submitted qualifications statement. That scope has been extracted and is presented in the attached Preliminary Scope of Work to be refined in accordance with you and the CPA requirements and expectations. This scope may contain more services than required for this initial assignment but is a good overall outline.

Regarding fees, as noted services and fees will be in accordance with the ratified contract. Accordingly we propose to provide the requested Project Manager at the hourly rate noted on Exhibit A, Fee Schedule. The applicable rate is \$145 per hour which is a flat rate inclusive of all labor and anticipated expenses.

We understand that the authorization will be based on an initial six months or approximately 1000 hours (6 months @ 168 hours per month equals 1008 hours) at \$145 per hour. Accordingly, \$145,000 is the requested authorization for this initial assignment. Invoicing will be at actual hours on a monthly basis.

Please let me know if this meets your expectations. KMI is committed to developing an excellent working relationship with the Port and excited to get moving.

Respectfully,

KMI International

Michael E. Kraus, P.E., CCM
Principal / President

Attachment

