



Broward County

Legislation Text

File #: 22-529, Version: 1

Broward County Commission Regular Meeting

Director's Name: Jonathan Daniels

Department: Port Everglades

Division: Director's Office

Information

Requested Action

MOTION TO APPROVE Performance Based Milestone Funding Agreement between Broward County and the Florida Department of Environmental Protection to provide up to \$27,500,000 in funding to Broward County for site rehabilitation of petroleum contaminated areas at Port Everglades as part of the Port Everglades Slip 1 Expansion Project; and authorize the Mayor and Clerk to execute same.

Why Action is Necessary

Broward County Board of County Commissioners approval is required for funding agreements.

What Action Accomplishes

Approves a Performance Based Milestone Funding Agreement to provide up to \$27,500,000 in state funding for site rehabilitation of petroleum contaminated areas at Port Everglades as part of the Port Everglades Slip 1 Expansion Project.

Is this Action Goal Related

Yes

Previous Action Taken

None

Summary Explanation/Background

THE PORT EVERGLADES DEPARTMENT RECOMMENDS APPROVAL.

This action supports the Broward County Board of County Commissioners' ("Board") Value of "Ensuring economic opportunities for Broward's diverse population and businesses" and the Goal to "Increase the economic strength and impact of revenue-generating County enterprises balancing economic, environmental, and community needs," as well as the Board Value of "Encouraging investments in renewable energy, sustainable practices and environmental protection" and the Goal to "Proactively lead in the planning, design and construction of projects supporting resilience and climate adaptation, including coordination with other entities to foster resilient design as part of local and regional projects, especially shore protection efforts."

Slip 1 at Port Everglades is the oldest slip in the Port and has been used to berth petroleum tank vessels since 1931. The 2014 Port Everglades Master/Vision Plan approved by the Board on June 24, 2014 (Item No. 59) identified the need to widen the slip to accommodate larger tank vessels by

constructing a new south bulkhead in Slip 1 (Berths 9 and 10) approximately 150 feet south of its present location. In addition to the bulkhead and marine infrastructure construction, the project includes the remediation of petroleum-contaminated soils required to be removed for the widening, and the private sector replacing most of the petroleum pipeline infrastructure servicing the berth.

On February 7, 2017 (Item No. 10), the Board approved a deliberately phased Agreement between Broward County and HDR Engineering, Inc. (“HDR”), for Design and Engineering Services - Port Everglades Slip 1 Expansion. The final HDR design calls for removal of approximately 158 feet of the Pier 1 land mass providing for the widening of Slip 1. The Florida Department of Environmental Protection (“FDEP”) has identified historical petroleum contamination in the top ten to twelve feet of the soils to be removed within this site. FDEP also determined that such contamination is eligible for site rehabilitation coverage under the Early Detection Incentive (“EDI”) Program pursuant to Section 376.3071, Florida Statutes (“Eligible Discharge(s)”).

Traditionally, FDEP site rehabilitation has been conducted and fully funded by FDEP using FDEP-selected contractors performing the work under their direct control. The timing of the bulkhead removal/installation and remediation integration is expected to be complicated due to the complexity of the Project, number of contractors, and schedule. Therefore, FDEP has determined that it is in the best interest of the State for the source removal of the discharge to be funded by the State and performed by a County contractor that meets minimum state qualifications. This will allow the County to contract and coordinate all aspects of the Project, including source removal, while mitigating the environmental risks.

Staff requests Board approval of the Performance Based Milestone Funding Agreement (“Agreement”) between Broward County and the FDEP for site rehabilitation of petroleum contaminated areas within the Slip 1 project area. The Agreement provides for FDEP to fund up to \$27,500,000 for source removal of the Eligible Discharge located within the Project footprint. The \$27,500,000 includes contingent funding of \$2,500,000, which will be authorized by FDEP for transport and disposal of petroleum-impacted soil exceeding 189,000 tons, if needed. Payments will be made by FDEP to the County in accordance with the completion of project milestones enumerated in Section 13 of the Agreement. The cost schedule and scope of work is defined in the Remedial Action Plan Volumes I and II approved by FDEP on October 1, 2020.

The FDEP will encumber the funds, including contingent funding, for this Agreement in its entirety upon execution of the Agreement. If the site remediation and rehabilitation costs for the Eligible Discharge area exceeds \$27,500,000, the County will be responsible for paying all additional costs.

The Agreement has been reviewed and approved as to form by the Office of the County Attorney. Agreements with FDEP are executed by the County prior to execution by FDEP.

Source of Additional Information

Neil J. Kutchera, Assistant Port Director, Energy and Innovation, Port Everglades Department, (954) 468-3520

Fiscal Impact

Fiscal Impact/Cost Summary

The Slip 1 Expansion Project is included in the Port Everglades Capital Budget approved by the

Board. The County will receive \$25,000,000, payable in defined amounts, upon completion of each Project milestone. A contingency of up to \$2,500,000 is provided for the transport and disposal of additional petroleum-impacted soil in excess of the project amount.