



MEMORANDUM TO VENICE CITY COUNCIL

FROM: Javier Vargas, Utilities Director, and R. David Jackson, Assistant City Attorney

DEPARTMENT: Utilities Department

THROUGH CHARTER OFFICER: Edward Lavalley, City Manager **E-SIGN:**

DATE: June 30, 2023

MEETING DATE: Tuesday, July 11, 2023

COUNCIL ACTION REQUESTED: For Council Adoption by Consent Motion

SUPPORTS STRATEGIC PLAN: Goal Four: Upgrade and Maintain City Infrastructure and Facilities

SUBJECT / TOPIC: First Amendment to Utility Upsizing and Reimbursement Agreement with Meritage Homes of Florida, Inc.

BACKGROUND INFORMATION: Meritage Homes of Florida, Inc. ("Meritage") is currently developing a residential project within the City of Venice, northeast of Interstate 75 in the vicinity of Rustic Road (the "Project"). In order to provide adequate wastewater service for the Project, Meritage is required to construct and upgrade certain infrastructure. This includes a lift station on the site of the Generation at Venice project, which had been designed to serve both projects; however, the City requested that Meritage upsize the subject lift station so that it would also be able to provide City wastewater service for anticipated future development in the area (the "Knights Trail Road Lift Station"). On February 14, 2023, the City and Meritage entered into a Utility Upsizing and Reimbursement Agreement ("Agreement") under which Meritage would construct the Knights Trail Road Lift Station, as requested by the City, in exchange for reimbursement of certain costs and approval by the City's Utilities Department for the issuance of Certificates of Occupancy for the Project, subject to certain conditions. Exhibit "E" to the Agreement is a bid obtained by Meritage from a contractor for the construction of the Knights Trail Road Lift Station. Subsequently, the City's engineer for this project made modifications to the design of the Knights Trail Road Lift Station, which necessitated a modification to the construction bid. More specifically, the access drive and associated drainage were originally expected to be constructed with The Generation at Venice project; however, due to delays with that project, the engineer added the access to the Knights Trail Road Lift Station plans, which resulted in the necessary modification to the contractor's proposal.

STAFF RECOMMENDATION: Under the proposed Amendment, Meritage's contractor will construct the Knight's Trail Road Lift Station in accordance with the City's modified construction plans. Accordingly, the construction bid attached as Exhibit "E" to the Amendment will replace the construction bid originally attached as Exhibit "E" to the Agreement. This will result in an increase in the overall construction cost for the Knights Trail Road Lift Station in the amount of

\$555,100.00 for the project base bid total, along with an increase of \$55,510.00 for the owner's allowance.

Meritage has approved the Amendment and it is anticipated that it will be executed by Meritage prior to the City Council meeting. Accordingly, the Amendment between the City and Meritage is provided for approval by the City Council and execution by the Mayor.

Original(s) attached: First Amendment to Utility Upsizing and Reimbursement Agreement

Cc: Kelly M. Fernandez, City Attorney
Kelly Michaels, City Clerk
Linda Senne, Finance Director
James Clinch, Assistant City Manager