



Agenda Item: Update on Dellanera Beach Nourishment Costs and Activities

Background:

The stretch of beach for this project will encompass the area from the western end of the Galveston Seawall to the western property line of Dellanera RV Park. The project will span over 2,100 linear feet placing 118,668 cubic yards of beach quality material. This nourishment is necessary due to the damage sustained to the beach from Hurricane Harvey in 2017 and is a beach project with no dune work.

The project is being carried out through a FEMA claim in conjunction with the Texas General Land Office (GLO) Coastal Erosion Planning & Response Act (CEPRA). HDR Engineering, Inc. is the engineer of record for the project.

After the final set of plans and specifications were produced, HDR provided an opinion of probable construction cost. Their estimates ranged between \$5 and \$8 million dollars for construction of a truck haul job. This is in addition to the fees for their services, which are also funded through FEMA & CEPRA. This brought the possible project totals to approximately \$8,378,000. The FEMA project worksheet was valued at \$4,680,797.02.

A construction contract was awarded in October 2022 to Apollo Environmental Strategies, Inc. They are performing the work through a truck haul job with material from Texas International Terminals. Their contract is valued at approximately \$6.4 million dollars.

After the final bids came in for actual construction costs Park Board staff engaged with FEMA through the Texas Division of Emergency Management (TDEM) to make them aware of the funding shortfall in the obligated project worksheet. A request has been made for the cost overrun for the total project costs in the amount of \$6.8 million dollars. The reasoning conveyed was that the estimated cost to complete this project's scope of work greatly exceeds the obligated amount due to increased material, labor, surveying, and other associated costs relating to the coastal work. This request has been supported by TDEM and all necessary documentation has been presented to FEMA Region 6 for review. The FEMA Consolidated Resources Center is currently reviewing the cost change request for completeness. Upon their acceptance they will write an amendment to the project worksheet to increase the cost of the project. This is important because otherwise this activity would happen at close out and would hold up approximately \$2 million in reimbursements until the entire project is closed.

The project should be substantially complete by the end of February 2023. Upon completion, this beach nourishment will provide a better beach experience, increased land for wildlife & recreation and greater protection for the island.

Staff Recommendation:

There are no recommendations.

Funding Source (if applicable):

This project is being funded through FEMA (90%) and CEPRA (10%) and can be found in the Park Board Nourished Beach budget. The Park Board has an amended contract with CEPRA for the increase of project costs for their 10% share in the project.