



Agenda Item: Discuss and Consider Approval of a Budget Amendment to Nourished Beach for the Dellanera Beach Repair

Background:

The stretch of beach for this project encompasses the area from the western end of the Galveston Seawall to the western property line of Dellanera RV Park. 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 our project partner the Texas General Land Office (GLO) Coastal Erosion Planning & Response Act (CEPRA). This project is being funded through FEMA (90%) and CEPRA (10%) and can be found in the Park Board Nourished Beach budget. The FEMA project worksheet was valued at \$4,680,797.02 in 2021 when awarded.

A construction contract was awarded in October 2022 and was valued at approximately \$6.4 million dollars. With this change in project costs the Park Board received an amended contract with CEPRA for the increase for their 10% share in the project.

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.

Due to the increases in accounts 5195, 4665 & 4650 Nourished Beach budget a budget amendment is requested. This item was approved at the February Finance & Operations Committee meeting.

Staff Recommendation:

Staff is recommending approval of this amendment to align the Park Board budget with actual project costs.

Funding Source (if applicable):

FY23 BUDGET PROJECTIONS				
Nourished Beach -- Expenses				
Account Code	Account Short Title	Original Budget	Budget Adj.	Adjusted Budget
5195	FEMA Storm Repa	\$7,663,650.00	\$2,133,879.00	\$9,797,529.00
FY23 BUDGET PROJECTIONS				
Nourished Beach -- Revenues				
Account Code	Account Short Title	Original Budget	Budget Adj.	Adjusted Budget
4650	Grant Proceeds	\$1,414,271.00	\$213,387.90	\$1,627,658.90
4665	FEMA Reimbu	\$6,897,285.00	\$1,920,491.42	\$8,817,776.42