



Memorandum

File #: 17-00618

City Council

11/9/2017

LEGISLATIVE ACTION ITEM

SPONSOR: City Council President Brian Spencer

SUBJECT:

EXPLORE THE BUY OUT OPTIONS WITH FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) FOR THE PORT ADMINISTRATION BUILDING, MAINTENANCE BUILDING AND PARKING LOT

RECOMMENDATION:

That City Council explore the buyout options with FDOT for the Port Administration Building, Maintenance Building and Parking Lot in accordance with the Joint Participation Agreement between the Florida Department of Transportation and the Port of Pensacola for Construction of a New Port Administration Building, Maintenance Building and Parking Lot entered into in August of 1999. Further determining the cost, process and result of such a buyout.

HEARING REQUIRED: No Hearing Required

SUMMARY:

In August of 1999 the City Council approved the Port of Pensacola to enter into a Joint Participation Agreement with FDOT for the construction of a New Port Administration Building, Maintenance Building and Parking Lot.

The result of that agreement provided for an agreement whereby FDOT would provide 50% of the building funding for construction; FDOT provided \$200,000 towards that construction.

As part of that Joint agreement, Section 14.70 - Use and Maintenance of Project Facilities and Equipment, states:

The Agency agrees that the project facilities and equipment will be used by the Agency to provide or support public transportation for the period of the useful life of such facilities and equipment as determined in accordance with general accounting principles and approved by the Department. The Agency further agrees to maintenance the project facilities and equipment in good working order for the useful life of said facilities or equipment.

Section 14.80 - Disposal of Project Facilities or Equipment, states:

If the Agency disposes of any project facility or equipment during its useful life for any purpose except its replacement with like facility or equipment for public transportation use, the Agency will comply

with the terms of 49 CFR Part 18 relating to property management standards. The Agency agrees to remit to the Department a proportional amount of the proceeds from the disposal of the facility or equipment. Said proportional amount shall be determined on the basis of the ratio of the Department financing of the facility or equipment as provided in this agreement.

This item provides a mechanism to explore a potential buyout in accordance with Section 14.80 of the agreement.

PRIOR ACTION:

August 26, 1999 - Joint Participation Agreement between FDOT and Port of Pensacola

FUNDING:

Budget: \$0

Actual: \$TBD

FINANCIAL IMPACT:

Cost of the buyout.

STAFF CONTACT:

Don Kraher - Council Executive

ATTACHMENTS:

- 1) Joint Participation Agreement - FDOT & Port
- 2) City Council Action - November 16, 2000
- 3) City Council Action - November 18, 1999
- 4) City Council Action - November 16, 1995
- 5) City Council Action - September 8, 1994
- 6) City Council Action - July 14, 1994

PRESENTATION: No