

PORT ST. LUCIE CITY COUNCIL  
AGENDA ITEM REQUEST

COUNCIL ITEM 13F  
DATE 12/10/12

Meeting Date: December 10, 2012

Public Hearing \_\_\_\_\_ Ordinance \_\_\_\_\_ Resolution \_\_\_\_\_ Motion X

Item: #20130026, Wetland Impact Mitigation for the C-24 Canal Park Project

- 1) Recommended Action: Approval to purchase from Bluefield Ranch Mitigation Bank 2.72 credits for the C-24 Canal Park Boat Ramp Project for a total of \$50,000.00.

Exhibits: Department Memo, proposal, past purchase order, invoice & emails

Summary Explanation/Background Information: The City is required to purchase forested wetland impact mitigation credits from a local mitigation bank as part of the regulatory permit conditions for the C-24 Canal Park Boat Ramp Project. The City began installment payments for 2.44 credits from Bluefield Ranch Mitigation Bank (BRMB) in 2011 for \$61,000.00 for the Environmental Resource permit as directed by South Florida Water Management District. Two payments have been made for \$24,400.00. The regulatory project permit of August 2012, from the U.S. Army Corps of Engineers requires the City to purchase .28 more credits. The price per credit has increased from \$25,000.00 to \$72,000.00. However, through negotiation BRMB is offering a lump sum purchase total for all remaining credits of \$50,000.00. This would result in the City saving \$6,760.00.00.

Purchase is not a replacement

Purchase is budgeted.

One time Expenditure: \$50,000.00

Department requests expenditure from the following:

Fund	307	Parks MSTU
Cost Center	7210	Parks
Object Code	549000	Other current obligations
Project		

Department requests expenditures from the following:

Director of OMB concurs with award: CAS

City Manager concurs with award: 

Submitted by: Sherman Conrad

Title: Director Parks & Recreation

Date Submitted: 12/6/12

RECEIVED

DEC 07 2012

City Manager's Office



## INTER-OFFICE MEMO

TO: David Pollard, Director, OMB

FROM: Brad Keen, Assistant Director, Parks & Recreation *BRK*

THROUGH: Sherman Conrad, Director, Parks & Recreation *SC*

RE: Wetland Impact Mitigation for the C-24 Canal Park Project

DATE: December 6, 2012

As part of the regulatory permit conditions for the C-24 Canal Park Boat Ramp Project, the City is required to purchase forested wetland impact mitigation credits from a local mitigation bank. When we received our Environmental Resource Permit from the South Florida Water Management District in 2011, we were required to purchase 2.44 credits. This purchase was initiated with the Bluefield Ranch Mitigation Bank (BRMB) for a full contract price of \$61,000, or \$25,000 per mitigation credit. The mitigation bank also allowed us to pay the mitigation credit purchase price of \$61,000 in five annual installments of \$12,200. To date, we have made two installment payments totaling \$24,400 leaving an unpaid balance of \$36,600 for the original purchase of 2.44 forested wetland impact mitigation credits.

In August 2012, the last regulatory project permit was issued by the U.S. Army Corps of Engineers with a condition that the project mitigate a total of 2.72 forested wetland mitigation credits, or .28 credits more than the City originally contracted to purchase from BRMB. When contacted to get a purchase price for the additional .28 credits, BRMB offered a price of \$72,000 per credit, which would yield a purchase price of \$20,160 ( $\$72,000 \times 0.28$ ). When combined with the previous purchase price of \$61,000, the need to acquire an additional .28 credits for \$20,160 brings the total price to purchase the required 2.72 forested wetland mitigation credits to \$81,160.

Staff contacted our project consultants and asked them to reach out to BRMB to try and negotiate a lower purchase price for the additional .28 credits. BRMB responded with a favorable offer of a lump sum purchase total of \$50,000 to complete the purchase of the original 2.44 credits and

2195 SE Airoso Blvd.  
Port St. Lucie, FL 34984  
Telephone: (772) 878-2277  
Fax: (772) 871-5290

the additional assessment of .28 credits. If the City accepts this offer, a savings of \$6,760 in total mitigation costs would be realized. To illustrate the costs and potential savings, I offer the following:

Original 2.44 credits	\$61,000 (\$25,000 per credit)
Additional .28 credits	<u>\$20,160 (\$72,000 per credit)</u>
TOTAL	\$81,160
Current PO amount	\$61,000
Less 1 <sup>st</sup> annual payment	<\$12,200>
Less 2 <sup>nd</sup> annual payment	<u>&lt;\$12,200&gt;</u>
Current PO Balance	\$36,600
Plus additional .28 credits	<u>\$20,160</u>
New Balance	\$56,760
Current Offer	< <u>\$50,000</u> > (for all 2.72 required wetland mitigation credits)
Final Savings	\$ 6,760

As support documentation, I am providing you with copies of City Purchase Order #20122036-00 made out to Bluefield Ranch Mitigation Bank and a letter from Mr. David McIntosh, Trustee for Bluefield Ranch Mitigation Bank, outlining his offer. Funds are available in Fund #307 to make this purchase.

Immediate action is required as BRMB must receive payment of the \$50,000 payment on or before December 17<sup>th</sup>, 2012, necessitating this item be placed on the December 10<sup>th</sup> City Council agenda as an addendum.

**Recommendation:**

Staff recommends approval to accept the offer from Bluefield Ranch Mitigation Bank and complete the purchase of all required forested wetland mitigation credits for a final lump sum payment of \$50,000. In doing so, the City will realize a savings of \$6,760 from the previous proposed mitigation credit purchase price. Funds for this transaction are available in the City's #307 Parks MSTU account.

Your assistance in placing this item on the December 10<sup>th</sup> City Council agenda is sincerely appreciated. If you have any questions regarding this matter, please don't hesitate to contact me.

BRK/

C: J. Bremer, Assistant City Manager  
S. Shanaberger, Assistant Director-OMB

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# BLUEFIELD RANCH MITIGATION BANK

www.bluefieldranch.com

David McIntosh, Trustee  
901 North Olive Avenue  
West Palm Beach, Florida 33401  
(561) 355-3900  
Dave@BluefieldRanch.com

December 6, 2012

Brad Keen, CPRP, Parks Administrator  
City of Port St. Lucie  
Parks & Recreation Department  
2195 S.E. Airoso Blvd.  
Port St. Lucie, Florida 34984

## **C-24 Canal Park Boat Ramp: Wetland mitigation at Bluefield Ranch Mitigation Bank**

Dear Mr. Keen:

In April of 2011, the City contracted with Bluefield Ranch Mitigation Bank ("BRMB") to purchase 2.44 state-only forested wetland mitigation credits for its permitted wetland impacts at its C-24 Canal Park. The full contract price was \$61,000, an amazing one-time-only concession from BRMB. BRMB granted a financing option that the City accepted: 5 equal annual payments of \$12,200, but with acceleration of any unpaid balance if construction or any wetland impacts begins before the full contract price is paid.

BRMB has received from the City the 2011 and the 2012 payments in a timely manner, so the unpaid balance on the contract today is \$36,600. That amount, barring commencement of construction or other wetland impacts at the site, is due at the same rate of \$12,200 in each April of 2013, 2014 and 2015.

Mr. Bill Adams of American Consulting Professionals, LLC, has been working with BRMB in anticipation of a Federal Permit from The US Army Corps of Engineers ("Corps") for the project. That Permit was issued August 24, 2012. However, it requires 2.72 forested wetland mitigation credits.

On September 27, 2012, I offered to sell to the City the additional 0.28 credits required by The Corps at the discounted price of \$20,160. That would bring the total contract price to \$81,160 and the unpaid balance to \$56,760.

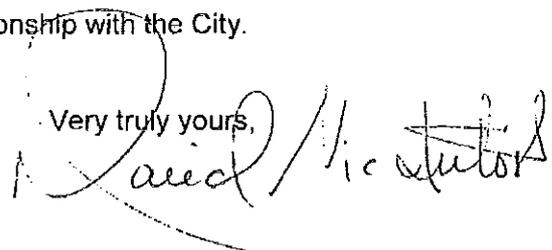
Today I repeated to you by phone, and I now confirm in writing, the offer that I extended to the City, through Mr. Adams, that BRMB will accept a full and final payment of \$50,000 for all of the City's obligations to BRMB for the purchase of 2.72 federal mitigation credits if payment is made on or before Monday, December 17, 2012.

Upon receipt of such payment, I will promptly advise Corps and the South Florida Water Management District that all of the City's obligations to purchase credits as stated in those respective agencies' permits have been satisfied.

Please advise if my still-highly-generous offer is acceptable to you. Please call on me at any time.

We're proud to continue our long and mutually-beneficial relationship with the City.

Very truly yours,



David McIntosh



CITY OF PORT ST. LUCIE  
 121 S.W. PORT ST. LUCIE BLVD.  
 PORT ST. LUCIE, FL 34984-5099  
 ph: 772-871-5223

20122036-00 FY 2012  
 Page Number: 1

CLOSE *JC*  
 PAY INVOICE AMOUNT  
 4/13/12

BLUEFIELD RANCH MITIGATION  
 BANK TRUST  
 921 W OLIVE AVE  
 WEST PALM BEACH, FL 33401

COMMUNITY CENTER  
 PARKS & RECREATION  
 2195 SE AIRSOB BLVD  
 PORT ST LUCIE, FL  
 34984-5099

Tel (561) 355-3900 Requisition  
 Fax (361) 559-9811 00000041

10/12/11 199539 09/30/12

OFFICE OF MANAGEMENT & BUDG

Contract #20110072 Agreement for purchase  
 & sale for Wetlands Mitigation Credits  
 submitted by Bluefield Ranch Mitigation  
 South Fla Water Management District  
 for Canal Park Boat Ramp project  
 Selecting option "B" payment which a  
 deposit of \$12,200.00 was paid in FY 2011  
 and 4 annual payments of that amount to be  
 paid every fiscal year for 4 years  
 This is payment 2 of 5  
 Council approved 5/9/11

001	Fy 11/12 payment Canal Boat Ramp Payment 2 of 5	1.00 Each	12200.00000	12,200.00
	3077210.549000.00000			12,200.00
			PO Total	12,200.00

Cheryl Shanaberger

City's Terms and Conditions apply to this purchase.  
 You may find the Terms and Conditions on [www.cityofpsl.com](http://www.cityofpsl.com)  
**VENDOR: IF PRICES WHICH APPEAR ABOVE ARE NOT  
 CORRECT CALL PURCHASING AGENT AND DELAY  
 FURTHER ACTION PENDING ADVICE**

STATE TAX EXEMPT NUMBER: 85-8012667200C-5  
 FEDERAL EXCISE NUMBER: 59-6141662

REQUISITIONER'S COPY

*Handwritten signature*

# Bluefield Ranch Mitigation Bank

901 North Olive Avenue  
West Palm Beach, FL 33401

## Invoice

City of Port St. Lucie  
Community Center  
Parks & Recreation  
2195 SE Airoso Blvd.  
Port St. Lucie, FL 34984-5099

Contract # 20110072  
Agreement for Purchase & Sale of wetland Credits  
Canal Park Boat Ramp

Payment # 2 of 5

\$12,200.00

Kindly remit to:

David McIntosh, Trustee  
Bluefield Ranch Mitigation Bank  
901 North Olive Avenue  
West Palm Beach, FL 33401

Contact:

David McIntosh  
[davemci@bellsouth.net](mailto:davemci@bellsouth.net)  
(561) 355-3900

**RECEIVED**

APR 12 2012

**PARKS & RECREATION DEPT.**

*OK -  
Brandy Rye*

*OK Specimen Collected  
4-13-12*

## Judy Creswell

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**From:** Judy Creswell  
**Sent:** Thursday, April 12, 2012 2:44 PM  
**To:** 'davemci@bellsouth.net'  
**Cc:** Bradley Keen  
**Subject:** PO for Bluefield Ranch Mitigation - Canal Park Boat Ramp Project  
**Attachments:** sharp@cityofpsl.com\_20120412\_130038.pdf

Mr. McIntosh,

Per our phone conversation of today, please forward an invoice in the amount of \$12,200 for payment #2 of 5.

Thank you!

Judy Creswell  
Administrative Assistant  
City of Port St. Lucie  
Parks & Recreation Dept.  
2195 SE Airoso Boulevard  
Port St. Lucie, FL 34984-5099  
Ph: 772.871.5091  
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[jcreswell@cityofpsl.com](mailto:jcreswell@cityofpsl.com)