

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: July 24, 2020

SUBJECT: **GO BOND PROGRAM UPDATE AND GO #30 SKATE PARK PROJECT**

The purpose of this Memorandum is to advise the Committee of the status of the G.O. Bond Program and to discuss options and recommend a path forward for the implementation of the Skate Park project.

HISTORY:

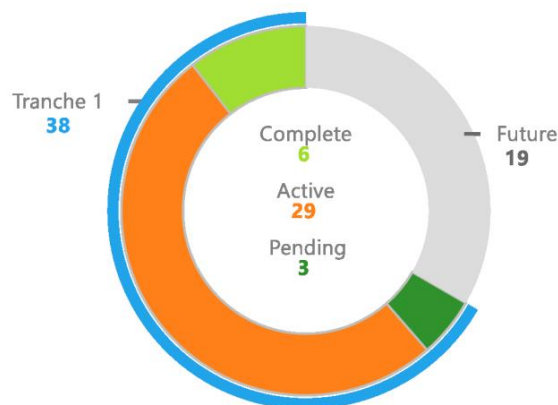
At the June 12, 2020 Finance and Economic Resiliency meeting, the Committee requested that the Administration find a funding source for the design of the Skate Park project and to consider advancing the project from Tranche 3 to Tranche 2. This was agreed upon by all members of the Committee and was to be brought back to the July meeting. During the discussion, the Committee also mentioned the desire to be updated, at a future date, on the status of the G.O. Bond Program.

ANALYSIS

The G.O. Bond Program is in its 15th month of project implementation for Tranche 1 projects. The current status of the projects is as follows:

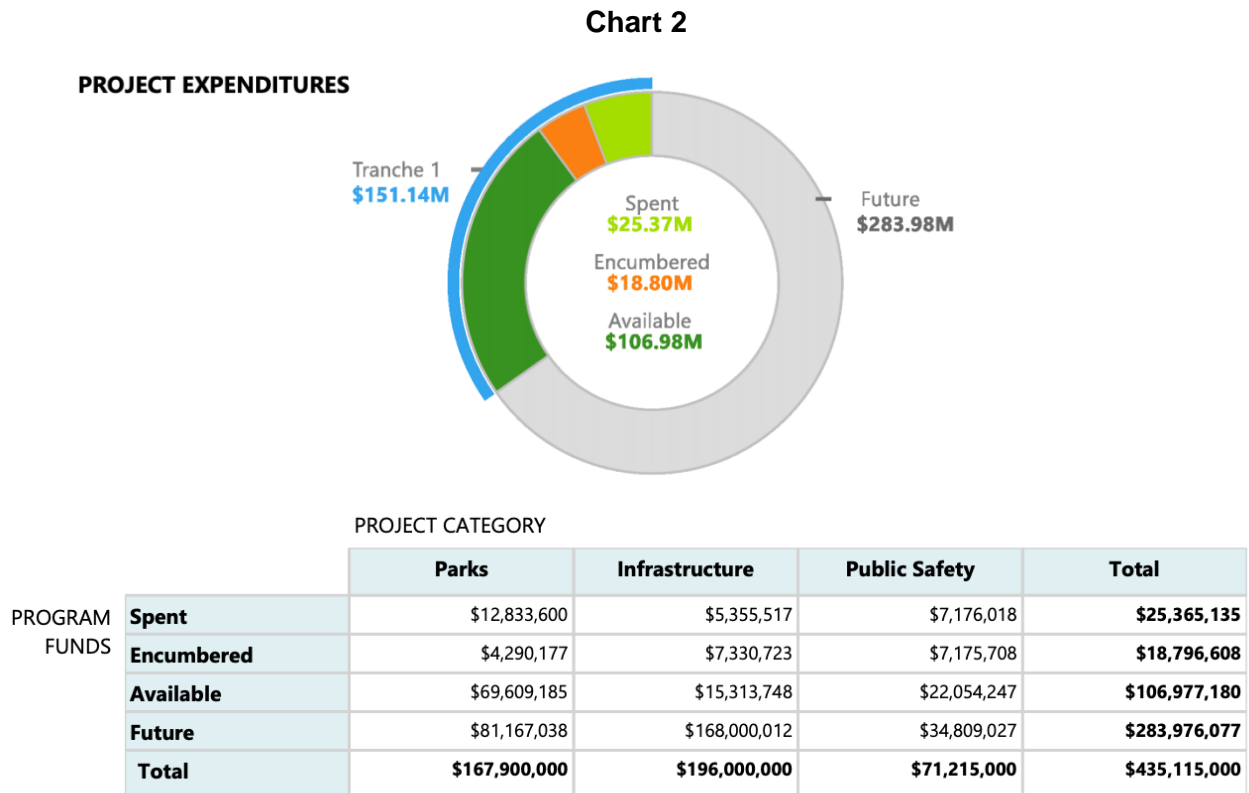
As of July 10, 2020, a total of **29** out of the **38** Tranche 1 projects are in some form of “Active” status and **6** projects are completed. Chart 1 below shows the full breakdown by Category.

Chart 1



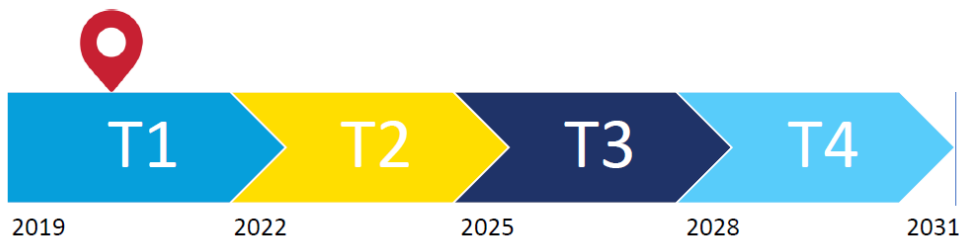
	Parks	Infrastructure	Public Safety	All
Complete	5	1	0	6
Active	12	7	10	29
Pending	2	0	1	3
Future	11	6	2	19
All	30	14	13	57

Approximately **\$25.4 million** dollars have been expended and another **\$18.8 million** are encumbered for a total of **\$44.2 million**. Chart 2 below shows the full breakdown of the expenditures broken down by Category.



Tranche 1 Progress – Timeline

The G.O. Bond Program spans a period of 12 years commencing in 2019 and ending in 2031. Tranche 1 officially commenced in April 2019 when the first issuance of bonds was approved by Commission. Today we are in the 15th month of the first 36-month period for Tranche 1 (or 42%) of the time of Tranche 1.

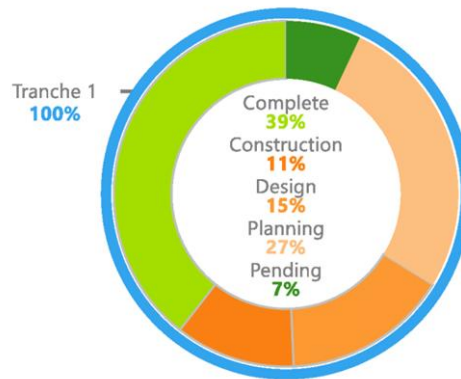


Subproject Tracking Summary by Phase

The tracking summary indicates that **28 (39%)** of the **71** total Tranche 1 subprojects have been completed, **8 (11%)** are under construction, **11 (15%)** are in a design phase, **19 (27%)** are in a planning phase, and **5 (7%)** are pending to become active. Chart 3 below shows the status of all subprojects broken down by Phase and Category.

Chart 3

SUBPROJECT ACTIVITY



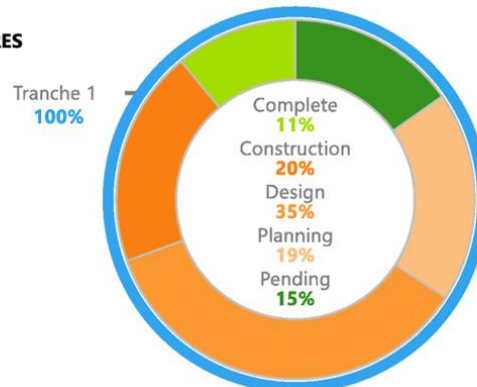
SUBPROJECT CATEGORY

		Parks	Infrastructure	Public Safety	All
SUBPROJECT STATUS	Complete	20	1	7	28
	Construction	1	4	3	8
	Design	4	4	3	11
	Planning	5	4	10	19
	Pending	4	0	1	5
	All	34	13	24	71

The expenditures summary indicates that the **28** completed subprojects equate to **\$16.7 million** of the budget (11%), **\$29.4 million** (20%) equate to subprojects under construction, **\$53.2 million** (35%) equate to subprojects that are in the design phase, **\$28.7 million** (19%) equate to subprojects that are in the planning phase, and a total equating to **\$23 million** (15%) are for subprojects which are pending to become active. The total funding expenditures for each of the sub-project categories is indicated on Chart 4 below:

Chart 4

SUBPROJECT EXPENDITURES



SUBPROJECT CATEGORY

		Parks	Infrastructure	Public Safety	Total
SUBPROJECT FUNDS	Complete	\$13,709,990	\$1,000,000	\$2,000,997	\$16,710,987
	Construction	\$4,500,000	\$14,239,499	\$10,715,000	\$29,454,499
	Design	\$31,000,000	\$10,500,000	\$11,700,000	\$53,200,000
	Planning	\$17,218,998	\$2,260,496	\$9,289,996	\$28,769,490
	Pending	\$20,304,000	\$0	\$2,700,000	\$23,004,000
	Total	\$86,732,988	\$27,999,995	\$36,405,993	\$151,138,976

Project Savings

Chart 5 below summarizes the savings which will be realized over the next 30-day period. A total of almost **\$3 million** will be saved in total for **28** completed subprojects with total budgets of **\$16.7 million**. This depicts a current savings of approximately **18%** of the budget so far. A total of **\$2 million** have been saved in the Parks category and **\$955K** have been saved in the Public Safety category.

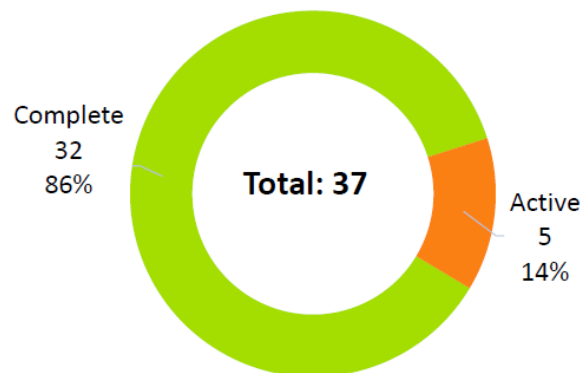
Chart 5

Category	Projects	\$ Budget	\$ Savings	%
Infrastructure	1	1,000,000	-	0%
Parks	20	13,709,990	2,011,024	15%
Public Safety	7	2,000,997	955,677	48%
TOTAL	28	16,710,987	2,966,701	18%

“Quick Wins”

A total of 37 subprojects are being tracked as part of the original 21 quick win projects. Of those, 32 are Completed and or Closed out. A total of 4 public safety projects are remaining and are targeted for completion by October. The Middle Beach Beachwalk will be completed in early 2021. All Quick Win projects remain on or below budget. The overall status is summarized in Chart 6 below:

Chart 6



GO# 30 – SKATE PARK

At the June 12th Finance and Economic Resiliency Committee the Administration was directed to evaluate the possibility of advancing the design of this project to an earlier Tranche. Staff had previously determined, and reported to the G.O. Bond Oversight Committee, that the GO #13 North Shore Path & Fields subproject needed to be postponed from Tranche 1 to Tranche 2 since it cannot commence until the parking garage at the 72nd Street Complex is completed in the summer of 2023.

This offers the opportunity to advance the design portion and/or the construction of the Skate Park project to Tranche 1 since the budget (\$750,000) is substantially less than the North Shore Park & Fields project (\$3,694,000) and since both projects are within the same Category (Parks).

Another way to advance the project would be to utilize funding from the current savings of \$2 million in the Parks category. This option, however, would not be recommended by either the G.O. Bond Oversight Committee or the Administration as it has been discussed in meetings that current savings be set aside or “parked” to be used when other larger projects may need additional funding over the life of the program due to cost increases or other unknown reasons.

CONCLUSION:

The option the Administration would recommend for the advancement of the Skate Park project would be to utilize needed funding for the design, or the full construction, in place of the North Shore Park and Fields subproject which must be postponed to Tranche 2.

Attachment: G.O. Bond Program Update Presentation

JLM / MH

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