



MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: October 31, 2017

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE FIRST AMENDMENT TO THE CAPITAL BUDGET FOR FISCAL YEAR 2017/18.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

BACKGROUND

Planning for capital improvements is an ongoing process; as needs change within the City, capital programs and priorities must be adjusted. The Capital Improvement Plan ("CIP") serves as the primary planning tool for systematically identifying, prioritizing and assigning funds to critical City capital development, improvements and associated needs.

The City's capital improvement plan process begins in the spring when all departments are asked to prepare capital improvement updates and requests on the department's ongoing and proposed capital projects. Individual departments prepare submittals identifying potential funding sources and requesting commitment of funds for their respective projects.

The CIP is updated annually and submitted to the City Commission for adoption. The 2017/18 – 2021/22 Capital Improvement Plan and FY 2017/18 Capital Budget was adopted on September 25, 2017 by Resolution 2017-30026.

Section 166.241(4) (c.), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as the original budget. Administration recommends adopting the Resolution for the First Amendment to the FY 2017/18 Capital Budget.

FIRST AMENDMENT TO THE FY 2017/18 CAPITAL BUDGET

The First Amendment to the FY 2017/18 Capital Budget totals a decrease of \$847,543.93 and re-appropriations of \$3,621,461.79 in order to provide additional funding, and to reallocate funding between the following capital projects.

- 1. Española Way Conversion between Washington Avenue and Drexel Avenue:**
 The scope of this project includes the reconstruction of the existing pavement to pavers or colored concrete, replacement of existing water main, drainage improvements and rehabilitation of existing sanitary sewer main, laterals and manholes. The project also includes new decorative LED pedestrian street lights. During the development of the FY 2017/18 Capital budget, \$400,276 was added to this project to allow for the installation of security bollards on Espanola Way.

This budget amendment would increase funding to this project by \$100,000, as the bids received to purchase and install the bollards at this location have exceeded the original estimate. Funding for this amendment would come from the Capital Reserve Fund balance- Fund 304

Prior Years' Appropriations	\$2,545,466
October 31, 2017 Budget Amendment	100,000
Proposed Total Appropriations	\$2,645,466

- 2. 555 Building Mold Remediation:** The scope of this project comprises mold remediation work, including roof work, exterior wall repair, new flooring, and drywall repair to the 555 Building. This budget amendment would increase funding to the project by \$186,760.76 in order to cover the cost of additional expenditures encountered after the initial demolition and abatement of the mold at the 555 building.

Complete remediation of the mold will include removal and replacement of ductwork currently built with asbestos, as well as replacement of the kitchen cabinets due to significant water damage. Funding for this amendment would come from the transfer of funds, which are not needed in the three projects outlined below, as well as \$94,100 from the Capital Renewal & Replacement Fund balance- Fund 125

- South Shore Community Center Exterior Paint - \$27,446.11
- South Shore Community Center Switch Gear Replacement - \$16,700
- South Shore Community Center- Replacement Chilled Water Pump - \$48,514.65

Prior Years' Appropriations	\$222,712.00
October 31, 2017 Budget Amendment	186,760.76
Proposed Total Appropriations	\$409,472.76

3. Reallocation of Funds between General Obligation (G.O.) Bond-Funded Projects: A general obligation bond is a form of debt financing payable solely from property taxes, backed by a pledge of the City’s “full faith and credit” or taxing power, and used to finance capital projects that do not produce revenues. The City currently has unspent dollars associated with five G.O. bonds. These include the 1996 Parks bond, the 1999 Fire Safety bond, the 2003 Fire Safety bond, the 2003 Parks & Recreation bond, and the 2003 Neighborhood bond.

During the development of the FY 2017/18 budget, the Commission decided to develop a new G.O. Bond program for voter approval on November 6, 2018. As part of this process, the Finance department advised that an analysis of the unspent G.O. Bond funds would be conducted with a goal of expediting the expenditure of these bond funds by re-allocating the dollars from projects which are either completed (as indicated below), or will not be completed within this fiscal year to projects which are projected to spend these funds in FY 2017/18. The funding from the donor projects in this realignment is anticipated to be replaced by new funding from the new proposed G.O. bond program. This budget amendment would transfer G.O. bond funding between existing projects in order to meet this objective as follows:

West Avenue Phase II – Funding would be transferred from the projects outlined below in order to increase funding in the West Avenue Phase II project. These 2003 Neighborhood G.O. bond dollars would be used to fund a portion of the unfunded above-ground costs of this project:

- Indian Creek Greenway - \$33,453.82
- Seawall- Dickens Avenue Shoreline - \$26,250.00
- La Gorce Neighborhood Improvement - \$1,455,549.32
- La Gorce Island Lighting - \$66,376.00 (swapping 2003 Neigh. Bond funding with PAYGO funding, and releasing PAYGO funds)
- Public Works Facility - \$21,378.72
- Parks Maintenance Facility - \$404,882.31
- Normandy Isle Neighborhood ROW Phase II - \$231,013.65
- Property Management Facility (**completed**) - \$24,398.75
- West Avenue /Bay Road Neighborhood Facility - \$157,433.53

Prior Years' Appropriations	\$56,108,748.00
October 31, 2017 Budget Amendment	2,420,736.10
Proposed Total Appropriations	\$58,529,484.10

Flamingo Park – \$307,510.67 in 2003 Parks & Recreation G.O. bond funds (Fund 383) would be transferred to this project from the projects outlined below. An existing \$307,510.67 in Pay As You Go funds (Fund 302) would be released from the Flamingo Park project, resulting in a net \$0 change in funding to this project.

- Public Works Facility - \$283,582.41
- Parks Maintenance Facility - \$11,523.85
- Property Management Facility - \$12,404.41

Prior Years' Appropriations	\$18,100,716.00
October 31, 2017 Budget Amendment	0.00
Proposed Total Appropriations	\$18,100,716.00

Altos Del Mar Park Development – \$315,849.26 in 1996 Parks G.O. bond funds (Fund 370) would be transferred to this project from the Parks Maintenance Facility project. \$315,849.26 in Capital Reserve funds (Fund 304) would be released from the Altos Del Mar Park Development project, resulting in a net \$0 change in funding to this project.

Prior Years' Appropriations	\$4,295,492.00
October 31, 2017 Budget Amendment	0.00
Proposed Total Appropriations	\$4,295,492.00

Fire Station #1 Refurbishment – Due to the station's current condition, construction of a new facility is being considered as a result of the updated refurbishment costs. In the interim, \$441,050 in 2003 Fire Safety G.O. bond funds (Fund 382) would be transferred to the projects outlined below. \$441,050 in Capital Renewal & Replacement funds (Fund 125) would be released from these projects, resulting in the budgets of these projects remaining the same.

- Fire Station #3 Emergency Generator - \$122,435
- Fire Station #2 Alarm System - \$89,000
- Fire Station #4 Roof- \$73,757
- Fire Station #1 Electrical Replacement - \$69,000
- Fire Station #1 Floor Replacement - \$86,858

Prior Years' Appropriations	\$500,000.00
October 31, 2017 Budget Amendment	-441,050.00
Proposed Total Appropriations	\$58,950.00

Fire Station #4 Exterior Painting & Waterproofing – This project has been completed. As a result, \$43,610 in 2003 Fire Safety G.O. bond funds (Fund 382) is proposed to be transferred to the Fire Station #3 Emergency Generator Replacement project. \$43,610 in Capital Renewal & Replacement funds (Fund 125) would be released from Fire Station #3 Emergency Generator Replacement project, resulting in its budget remaining the same.

Prior Years' Appropriations	\$60,610.00
October 31, 2017 Budget Amendment	-43,610.00
Proposed Total Appropriations	\$17,000.00

As a result of the proposed G.O. Bond funding realignments included in this budget amendment, the following funds would be released increasing the available balance in each fund as follows:

- Capital Renewal & Replacement (Fund 125) - \$390,560.00
- Pay As You Go (Fund 302) - \$241,134.67
- Capital Reserve (Fund 304) - \$215,849.26

Attachment A- FY 2017/18 Capital Budget- Projects

JLM/JW/TOS

**ATTACHMENT A
 FY 2017/18 CAPITAL BUDGET
 PROJECTS
 Amended 10/31/17**

Project	New \$	Transfer \$	Fund	Program	Proj. #
Española Way between Washington Avenue and Drexel Avenue	\$ 100,000.00		304	STREET / SIDEWALKS STREESCAPE	28580
555 Building Mold Remediation	\$ 94,100.00		125	RENEWAL & REPLACEMENT	60627
555 Building Mold Remediation		\$ 92,660.76	125	RENEWAL & REPLACEMENT	60627
South Shore Community Center Exterior Paint		\$ (27,446.11)	125	RENEWAL & REPLACEMENT	67080
South Shore Community Center Switch Gear Replacement		\$ (16,700.00)	125	RENEWAL & REPLACEMENT	60127
South Shore Community Center- Replacement Chilled Water Pump		\$ (48,514.65)	125	RENEWAL & REPLACEMENT	69250
Indian Creek Greenway		\$ (33,453.82)	384	STREET / SIDEWALKS STREESCAPE	20150
West Avenue Phase II		\$ 33,453.82	384	STREET / SIDEWALKS STREESCAPE	20597
Seawall- Dickens Ave Shoreline		\$ (26,250.00)	384	SEAWALLS	20220
West Avenue Phase II		\$ 26,250.00	384	STREET / SIDEWALKS STREESCAPE	20597
La Gorce Neighborhood Improvement		\$(1,455,549.32)	384	STREET / SIDEWALKS STREESCAPE	23240
West Avenue Phase II		\$ 1,455,549.32	384	STREET / SIDEWALKS STREESCAPE	20597
Public Works Facility		\$ (21,378.72)	384	GENERAL PUBLIC BUILDINGS	23130
Parks Maintenance Facility		\$ (404,882.31)	384	GENERAL PUBLIC BUILDINGS	21660
Normandy Ilse Neighborhood ROW Phase II		\$ (231,013.65)	384	STREET / SIDEWALKS STREESCAPE	29730
Property Management Facility		\$ (24,398.75)	384	GENERAL PUBLIC BUILDINGS	23140
West Ave Phase II		\$ 681,673.43	384	STREET / SIDEWALKS STREESCAPE	20597
La Gorce Island Lighting		\$ (66,376.00)	384	STREET / SIDEWALKS STREESCAPE	20250
La Gorce Island Lighting	\$ 66,376.00		302	STREET / SIDEWALKS STREESCAPE	20250
West Ave Phase II		\$ 66,376.00	384	STREET / SIDEWALKS STREESCAPE	20597
West Avenue/ Bay Road Neigborhood Improvement		\$ (157,433.53)	384	STREET / SIDEWALKS STREESCAPE	23360
West Ave Phase II		\$ 157,433.53	384	STREET / SIDEWALKS STREESCAPE	20597
Public Works Facility		\$ (283,582.41)	383	GENERAL PUBLIC BUILDINGS	23130
Parks Maintenance Facility		\$ (11,523.85)	383	GENERAL PUBLIC BUILDINGS	21660
Property Management Facility		\$ (12,404.41)	383	GENERAL PUBLIC BUILDINGS	23140
Flamingo Park		\$ 307,510.67	383	PARKS	23200
Flamingo Park	\$ (307,510.67)		302	PARKS	23200
Parks Maintenance Facility		\$ (315,849.26)	370	GENERAL PUBLIC BUILDINGS	21660
Altos Del Mar Park Development		\$ 315,849.26	370	PARKS	22750
Altos Del Mar Park Development	\$ (315,849.26)		304	PARKS	22750
Fire Station # 1 Refurbishment		\$ (441,050.00)	382	GENERAL PUBLIC BUILDINGS	20160
Fire Station #3 Emergency Generator		\$ 122,435.00	382	RENEWAL & REPLACEMENT	60057
Fire Station # 2 Alarm System		\$ 89,000.00	382	RENEWAL & REPLACEMENT	60077
Fire Station # 4 Roof		\$ 73,757.00	382	RENEWAL & REPLACEMENT	60587
Fire Station # 1 Electrical Replacement		\$ 69,000.00	382	RENEWAL & REPLACEMENT	62070
Fire Station 1 Floor Replacement		\$ 86,858.00	382	RENEWAL & REPLACEMENT	62080
Fire Station #3 Emergency Generator	\$ (122,435.00)		125	RENEWAL & REPLACEMENT	60057
Fire Station # 2 Alarm System	\$ (89,000.00)		125	RENEWAL & REPLACEMENT	60077
Fire Station # 4 Roof	\$ (73,757.00)		125	RENEWAL & REPLACEMENT	60587
Fire Station # 1 Electrical	\$ (69,000.00)		125	RENEWAL & REPLACEMENT	62070
Fire Station # 1 Floor Replacement	\$ (86,858.00)		125	RENEWAL & REPLACEMENT	62080
Fire Station # 4 Exterior Painting & Waterproofing		\$ (43,610.00)	382	RENEWAL & REPLACEMENT	67000
Fire Station # 3 Emergency Generator Replacement		\$ 43,610.00	382	RENEWAL & REPLACEMENT	67220
Fire Station # 3 Emergency Generator Replacement	\$ (43,610.00)		125	RENEWAL & REPLACEMENT	67220