



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

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: December 12, 2018

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SECOND AMENDMENT TO THE CAPITAL BUDGET FOR FISCAL YEAR 2018/19.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

BACKGROUND

Planning for capital improvements is an ongoing process; as needs change within the City of Miami Beach ("the City"), capital programs and priorities must be adjusted accordingly. 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 CIP 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 2018/19 – 2022/23 Capital Improvement Plan and FY 2018/19 Capital Budget was adopted on September 26, 2018 by Resolution 2018-30515.

The First Amendment to the FY 2018/19 Capital Budget was approved on November 14, 2018 by Resolution 2018-30610.

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. The Administration recommends adopting the Resolution for the Second Amendment to the FY 2018/19 Capital Budget.

SECOND AMENDMENT TO THE FY 2018/19 CAPITAL BUDGET

The Second Amendment to the FY 2018/19 Capital Budget totals an increase of \$17,248,439.35 and re-appropriations of \$119,115.00 in order to provide additional funding for,

and to reallocate funding between the following capital projects:

- 1. Bridge Repairs FY 2019:** At the November 30, 2018 Finance and Citywide Projects Committee (“FCWPC”) meeting, the Committee recommended appropriating funding for the design cost associated with this project. The Florida Department of Transportation (“FDOT”) bi-annually inspects all traffic bridges, including all City-owned bridges to determine their structural integrity and deficiencies. These are expressed as a sufficiency rating on a scale from 0 to 100, with 0 being the worst condition and 100 the best. The City performs necessary maintenance and repairs when the sufficiency rating falls below 70 in order to bring bridges to an acceptable sufficiency rating of 70 or above.

The City has one (1) bridge that has a sufficiency rating of less than 50 (at 77th Street over Biscayne Point Canal) and three (3) bridges with a rating scale of less than 70 (77th Street over Tatum Waterway, Henedon Avenue over Biscayne Point Canal, and 73rd Street over Tatum Waterway). The cost to repair each bridge is divided into two phases, one for design and the other for construction (fee determined at the completion of the design phase). This budget amendment would appropriate \$70,000.00 in funding for the design phase of each bridge, totaling \$280,000.00. Funding for the construction phase will be discussed during the FY 2020 budget process.

Funding for this proposed amendment would come from the Pay As You Go fund balance (Fund 302), in the amount of \$280,000.00.

Prior Years' Appropriations	\$ 0.00
December 12, 2018 Budget Amendment	280,000.00
Proposed Total Appropriations	\$ 280,000.00

- 2. Fire Station #2 Garage Door:** At the November 30, FCWPC meeting, the Committee recommended additional funding for the replacement of the engine bay doors at Fire Station #2. On August 21, 2018, an Invitation to Quote was issued pursuant to ITB 2017-049-WG and the lowest quote received was for \$173,000.00 inclusive of labor. Of the \$30,000 original budget, \$5,961.60 has already been expended. This proposed budget amendment would allow for the full funding of the cost to replace the doors.

Funding for this proposed amendment would come from the transfer of dollars previously appropriated to the projects outlined below:

- Fire Station #4 Roof (2003 GO Bonds – Fire Safety Fund 382) - \$32,257.00 due to project savings
- Fire Station #1 Floor Replacement (Fund 382) - \$86,858.00 due to alternative funding through the 2019 GO Bonds for the replacement of Fire Station #1

Funding for this proposed amendment would also come from the following fund balances:

- 2003 GO Bonds – Fire Safety (Fund 382) - \$3,503.57
- 1999 GO Bonds – Fire Safety (Fund 378) - \$10,859.34
- Gulf Breeze Bond Fund (Fund 369) - \$15,483.69

Prior Years' Appropriations	\$30,000.00
December 12, 2018 Budget Amendment	148,961.60
Proposed Total Appropriations	\$178,961.60

- 3. West Avenue Phase II:** The purpose of the West Avenue Project is to upgrade aging infrastructure. The City has intentions of entering into negotiations through Change Order No. 3 to the Design/Build Agreement with Ric-Man Construction Florida, Inc. regarding the West Avenue Phase II Improvements project (North of 14th Street) for additional design and construction services in conjunction with additional scope (additional pump capacity and pre/post storm water analysis). The Office of Capital Improvement Projects is also requesting additional funding for Resident Project Representative (“RPR”) services, public information services, testing and permitting fees, and construction management fees. This proposed budget amendment would allow for funding of the additional services and scope in the amount of \$16,938,592.75. Of this amount, \$11,178,917.75 represents below-ground costs, and would be funded using 2017 Storm Water Bond dollars. The remaining \$5,759,675 is needed for above-ground costs, and would be funded from the Miami Dade County RDA Interlocal Agreement (MDC ILA) funds, which the City has set aside for storm water projects.

At the February 14, 2018 Commission meeting, \$3,690,487.00 was appropriated for the above-ground portion of this project via the Third Amendment to the FY 2018 Capital Budget. The amendment stated that payment of actual expenses would either be made from anticipated GO Bond proceeds or from PAYGO or RDA agreement funds, as alternative sources. Of this amount, the RDA agreement funded \$2,059,587. The remaining \$1,630,900 would be funded with MDC ILA funds via this proposed budget amendment and would swap funding of the appropriations and encumbrances to the Line of Credit.

Funding for this proposed amendment would come from the following fund balances:

- 2017 Storm Water Bonds (Fund 429) - \$11,178,917.75
- MDC ILA (Fund 320) - \$7,390,575.00
- Line of Credit (Fund 350) - \$1,630,900 de-appropriation

Prior Years' Appropriations	\$64,279,558.00
December 12, 2018 Budget Amendment	16,938,592.75
Proposed Total Appropriations	\$81,218,150.75