



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#18-0336

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: April 3, 2018

TITLE: Resolution Approving the Water and Sewer Bond Budget Amendment

Recommendation

It is recommended that the City Commission adopt a resolution amending the Fiscal Year 2018 Budget and Community Investment Plan (CIP).

Background

Examples of recommended actions within the budget amendment are:

- transfer between funds;
- transfer between capital and operating budgets;
- transfer between capital projects;
- acceptance and appropriation of grant funding;
- amendment to staffing level;
- appropriation from fund balance; and
- appropriation for modified revenue and related expenditures.

Staff is recommending that the City Commission amend the FY 2018 Operating Budget and Community Investment Plan by approving the following transfers and appropriations:

Public Works

A. Reconciliation of Bond Proceed Funds – Water and Sewer Master Plan 2017 Fund, Water and Sewer Regional Master Plan 2017 Fund

On February 18, 2003, the City Commission adopted Resolution 03-29, which constitutes the master bond resolution for the City's water and sewer revenue bonds. On January 23, 2018, the City Commission adopted a resolution and issued a fifth series in the amount of \$200,000,000 for the purpose of funding projects from the comprehensive utilities strategic master plan. At that time, an associated Budget Amendment Resolution was approved and all funds associated with the transaction were assumed to be related to the City's Water and Sewer Fund until a project list was finalized. It has been determined that \$84,365,734, 42.18% of the bond proceeds will be used to fund projects within the Central Regional Wastewater System.

This request is to amend the Community Investment Plan to appropriately account for the distribution of approved bond funds for the newly issued bond based upon the final project list.

Staff recommends that the City Commission amend the Community Investment Plan in the amount of \$84,365,734 to apportion bond proceeds to Central Region Wastewater projects. This action includes a commensurate de-appropriation of funds in Water/Sewer accounts.

De-Appropriate:

Funds available as of March 21, 2018					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	ACTUAL RECEIVED (Character)	AMOUNT
495-FD495.01-T305	Water and Sewer - Master Plan 2017	Other Sources / Bond Proceeds	\$200,000,000	\$0	(\$84,365,734)
				TOTAL AMOUNT →	(\$84,365,734)

De-Appropriate:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
495-TBD-6599	Water and Sewer - Master Plan 2017	Capital Outlay / Construction	\$200,000,000	\$0	(\$84,365,734)
				TOTAL AMOUNT →	(\$84,365,734)

Source:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
496-FD496.01-T305	Water & Sewer Regional Master Plan 2017	Other Sources / Bond Proceeds	\$0	\$0	\$84,365,734
				TOTAL AMOUNT →	\$84,365,734

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
496-TBD-6599	Water & Sewer Regional Master Plan 2017	Capital Outlay / Construction	\$0	\$0	\$84,365,734
				TOTAL AMOUNT →	\$84,365,734

B. Reconciliation of Bond Transaction- Debt Proceeds, Debt Issuance, and FY 2018 Debt Interest Payment – Water and Sewer Fund, Regional Wastewater System Fund

On February 18, 2003, the City Commission adopted Resolution 03-29, which constitutes the master bond resolution for the City’s water and sewer revenue bonds. On January 23, 2018, the City Commission adopted a resolution and issued a fifth series in the amount of \$200,000,000 for the purpose of funding projects from the comprehensive utilities strategic master plan. At that time, an associated Budget Amendment Resolution was approved based upon estimates. The actual interest payment for FY 2018 was determined to be \$4,077,744, which is \$298,836 lower than the original estimate of \$4,373,580. The actual proceeds and debt issuance expenses associated with the bond were \$478,983 higher than the original estimate.

This request is to amend the operating budget to appropriately account for the distribution of the actual bond proceeds, the actual interest payment, and debt issuance expense based upon the final project list.

Staff recommends that the City Commission amend the Operating Budget in the amount of \$3,738,821 to apportion bond proceeds based upon the actual bond transaction and \$478,983 to apportion the cost of debt issuance based upon the actual bond expense.

Source:

Funds available as of March 29, 2018					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
450-REV2018.450-7203	W&S Rev 2018 Principal & Interest	Debt Service/ Loan Interest	\$4,376,580	\$4,376,580	\$2,018,828
TOTAL AMOUNT →					\$2,018,828

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
450-FD450.01-9901	Water and Sewer - Operations	Other Uses/ Anticipated Year End Fund Balance	NA	NA	\$2,018,828
TOTAL AMOUNT →					\$2,018,828

Source:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
451-FD451.01-9901	Regional Wastewater System	Other Uses/ Anticipated Year End Fund Balance	NA	NA	\$1,719,992
TOTAL AMOUNT →					\$1,719,992

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
451-REV2018.451-7203	W&S Rev 2018 Principal & Interest	Debt Service/ Loan Interest	\$0	\$0	\$1,719,992
TOTAL AMOUNT →					\$1,719,992

Source:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
450-FD450.02-T305	Water and Sewer - Debt Service	Other Sources / Bond Proceeds	\$1,559,266	\$0	(\$380,812)
451-FD451.01-T305	Central Regional Wastewater System	Other Sources / Bond Proceeds	\$0	\$0	\$859,795
TOTAL AMOUNT →					\$478,983

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
450-FD450.02-7305	Water and Sewer - Debt Service	Debt Service/ Other Debt Cost	\$1,559,266	\$0	(\$380,812)
451-FD451.01-7305	Central Regional Wastewater System	Debt Service/ Other Debt Cost	\$0	\$0	\$859,795
TOTAL AMOUNT →					\$478,983

C. Appropriation of Fund Balance – Water and Sewer Master Plan 2017 Fund, Water and Sewer Regional Master Plan 2017 Fund, Water & Sewer General Capital Projects Fund, Regional Wastewater System – Appropriation of Water and Sewer Bond Funds and Projects – \$200,000,000

To finance a portion of the costs of improving and upgrading the City's Water and Sewer System, the City issued Water and Sewer Revenue Bonds in the amount of \$200,000,000.

Specific capital projects to be funded from the bond proceeds and projects that are eligible for reimbursement are now being brought to the Commission for approval. Based upon the reimbursement resolution, \$10,271,251 was spent in the Water & Sewer General Capital Projects Fund (454) and \$1,588,874 in the Regional Wastewater System Fund (451) from September 8, 2017 to March 13, 2018.

In addition to the reimbursement above, \$82,776,860 will be appropriated to specific project accounts for Central Regional Wastewater System Bond Funded projects and \$105,363,015 to specific accounts for projects related to the City's Water and Sewer System.

Staff recommends that the City Commission amend the FY 2018 Community Investment Plan in the amount of \$200,000,000 for the appropriation of water and sewer bond projects into specific project accounts.

Source:

Funds available as of March 21, 2018

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
495-TBD-6599	Water and Sewer - Master Plan 2017	Capital Outlay / Construction	\$200,000,000	\$0	\$115,634,266
496-TBD-6599	Water & Sewer Regional Master Plan 2017	Capital Outlay / Construction	\$0	\$0	\$84,365,734
TOTAL AMOUNT →					\$200,000,000

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
454-FD454.01-9901	Water & Sewer General Capital Projects	Other Uses/ Anticipated Year End Fund Balance	NA	NA	\$10,271,251
451-FD451.01-9901	Regional Wastewater System	Other Uses/ Anticipated Year End Fund Balance	NA	NA	\$1,588,874
495-P12391.495-6599	Bermuda Riviera Small Watermain Improvements	Capital Outlay / Construction	\$0	\$0	\$5,276,700
495-P10814.495-6599	Central New River Watermain River Crossings	Capital Outlay / Construction	\$0	\$0	\$1,632,562
495-P10850.495-6599	Victoria Park A - North Small Watermain	Capital Outlay / Construction	\$0	\$0	\$4,961,073
495-P11080.495-6599	Port Condo Large Watermain Improvements	Capital Outlay / Construction	\$0	\$0	\$557,559
495-P11563.495-6599	Victoria Park Sewer Basin A-19 Rehabilitation	Capital Outlay / Construction	\$0	\$0	\$5,892,153
495-P11566.495-6599	Rio Vista Sewer Basin Rehabilitation Pump Station D-43	Capital Outlay / Construction	\$0	\$0	\$1,215,964
495-P11589.495-6599	Fiveash Disinfection / Reliability Upgrades	Capital Outlay / Construction	\$0	\$0	\$33,500,000
495-P11901.495-6599	Victoria Park B - South Small Watermain	Capital Outlay / Construction	\$0	\$0	\$5,437,049
495-P12055.495-6599	Basin A-18 Sanitary Sewer Collection System	Capital Outlay / Construction	\$0	\$0	\$4,183,475
495-P12180.495-6599	Croissant Park Small Watermains	Capital Outlay / Construction	\$0	\$0	\$3,460,125
495-P12184.495-6599	Davie Blvd. 18" Water Main	Capital Outlay / Construction	\$0	\$0	\$525,500
495-P12202.495-6599	Pump Station D-10 and D-11 Flow Analysis and Redesign	Capital Outlay / Construction	\$0	\$0	\$1,254,020
495-P12319.495-6599	Emergency Repairs 30" Force Main A-Repump Station to GTL	Capital Outlay / Construction	\$0	\$0	\$8,542,313

495-P12367.495-6534	Asset Management & CMOM Programs	Capital Outlay / Consultant Design	\$0	\$0	\$729,180
495-P12368.495-6534	Sewer Capacity Analysis For Gravity	Capital Outlay / Consultant Design	\$0	\$0	\$762,640
495-P12375.495-6534	Consent Order Program	Capital Outlay / Consultant Design	\$0	\$0	\$385,000
496-P12375.496-6534	Consent Order Program Management	Capital Outlay / Consultant Design	\$0	\$0	\$115,000
495-P12388.495-6599	NE 13th Street 24" Force Main Replacement	Capital Outlay / Construction	\$0	\$0	\$3,313,090
495-P12389.495-6599	18" Force Main Replacement Across the New River from	Capital Outlay / Construction	\$0	\$0	\$2,112,550
495-P12390.495-6599	Las Olas Blvd. 16" Force Main from Lido Road to	Capital Outlay / Construction	\$0	\$0	\$2,500,000
495-P12395.495-6599	Peele Dixie Electrical Studies	Capital Outlay / Construction	\$0	\$0	\$210,000
495-P12396.495-6599	Peele Dixie Surge Protection Upgrades	Capital Outlay / Construction	\$0	\$0	\$100,000
495-P12399.495-6599	Fiveash WTP PCCP Replacement	Capital Outlay / Construction	\$0	\$0	\$4,000,000
495-P12400.495-6599	Prospect Wellfield Electrical Studies and Testing	Capital Outlay / Construction	\$0	\$0	\$185,000
495-P12402.495-6599	Peele Dixie Wellfield Electrical Studies and Testing	Capital Outlay / Construction	\$0	\$0	\$150,000
495-P12404.495-6599	Excavate and Dispose of Dry Lime Sludge	Capital Outlay / Construction	\$0	\$0	\$2,600,000
495-P12407.495-6599	Subaqueous Force Main Crossing Reinstatement	Capital Outlay / Construction	\$0	\$0	\$609,000
495-P12413.495-6599	Force Main (from Pump Stations D-35	Capital Outlay / Construction	\$0	\$0	\$580,000
495-P12414.495-6599	Gravity Pipe Improvements to the Downtown	Capital Outlay / Construction	\$0	\$0	\$843,000
495-P12415.495-6599	Pump Station A-7 Upgrade	Capital Outlay / Construction	\$0	\$0	\$2,031,862

495-P12418.495-6599	Water and Wastewater Distribution and Collection System Mapping	Capital Outlay / Construction	\$0	\$0	\$4,000,000
495-P12419.495-6534	Force Main Assessment	Capital Outlay / Consultant Design	\$0	\$0	\$3,813,200
496-P12367.496-6534	Asset Management & CMOM Programs	Capital Outlay / Consultant Design	\$0	\$0	\$170,820
496-P12368.496-6534	Sewer Capacity Analysis For Gravity and Force Mains	Capital Outlay / Consultant Design	\$0	\$0	\$37,360
496-P12383.496-6599	NE 25th Avenue Force Main Replacement	Capital Outlay / Construction	\$0	\$0	\$4,784,890
496-P12384.496-6599	NE 38th Street 42" FM and NE 19th Avenue 24" Force Main Replacements	Capital Outlay / Construction	\$0	\$0	\$11,096,690
496-P12385.496-6599	SE 10th Avenue 48" Force Main Replacement and 36" Bypass	Capital Outlay / Construction	\$0	\$0	\$19,711,450
496-P12386.496-6599	54" Force Main Replacement on SE9th and 10th Avenue and New Parallel	Capital Outlay / Construction	\$0	\$0	\$14,589,850
496-P12387.496-6599	Effluent Main Rehabilitation	Capital Outlay / Construction	\$0	\$0	\$8,184,000
496-P12406.496-6599	Redundant Force Main from B-Repump	Capital Outlay / Construction	\$0	\$0	\$23,900,000
496-P12419.496-6534	Force Main Assessment	Capital Outlay / Consultant Design	\$0	\$0	\$186,800
TOTAL AMOUNT →					\$200,000,000

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2018 initiative, included within the Internal Support Cylinder, specifically advancing:

- Goal 12: Be a leading government organization, managing our resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community*.

Attachments

Exhibit 1 – Resolution

Exhibit 2 – January 23, 2018 Consolidated Budget Amendment

Prepared by: Laura Reece, Budget Manager

Department Director: Lee R. Feldman, ICMA-CM, City Manager's Office