



Infrastructure Task Force (ITF) Status Report

October 10, 2018

ITF Where We've Been



- Established in March 2017
- Review and advise on the current state of, and needs for, the City's public infrastructure
- Hosted 17 public meetings
- Conducted four District open houses to seek Neighbor input
 - Received positive input from Neighbors on local infrastructure investment
- Provided the City Commission with four interim recommendations:
 1. Water/sewer – eliminate/phase-out Return on Investment (ROI) transfer
 2. Stormwater – revise rate methodology ("trip-based") and commence Master Plan Phase II projects for seven (7) highest priority neighborhoods
 3. Roads/sidewalks/seawalls – establish minimum General Fund revenue sources for the City's CIP
 4. Impact fees – analyze and update City infrastructure fees regularly to capture growth



ITF Where We Are

- Based upon various master planning studies and reports, the City faces the potential for ***\$3 billion of infrastructure needs over the next 20 years:***

Infrastructure Item:	20-year Need (Plan):	Plan Date:	20-year Need ¹ (2018 \$'s)	Currently Approved Source:
Water/Sewer ^{2,3}	\$1,419,800,000	2016	\$1,455,400,000	Rate payer (CIP and \$200M bond)
Stormwater ⁴	\$982,900,000	2018	\$982,900,000	Rate payer (CIP)
New Facilities (City Hall and Police HQ)	\$300,000,000	2018	\$300,000,000	
Existing Facilities (including Fire Stations)	-	-	-	
Parks	\$150,000,000	2016	\$150,000,000	Park impact fees (partial)
Roads	\$50,300,000	2018	\$50,300,000	Gas tax (\$820,000 annually) and general capital
Bridges	\$35,100,000	2014	\$36,500,000	General capital
Public Seawalls	\$26,100,000	2018	\$26,100,000	General capital and stormwater rate payer (CIP)
Sidewalks	\$16,400,000	2014	\$12,500,000	General capital (via risk fund)
TOTALS-	\$2,980,600,000		\$3,013,700,000	

¹ Inflated costs from planning year (CII) and updated completed/planned projects, as available

² Analysis underway by Hazen & Sawyer may identify additional water/sewer needs

³ The existing rate structure including 5% annual increases (by current Ordinance) projects to cover all/majority of the first ten years of water/sewer needs

⁴ A stormwater rate structure revision is underway; increased revenue will be required to cover an initial \$200 million bond and beyond

⁵ The totals above do not include all infrastructure components of expected 20-year needs

Other Master Plans⁵:

- Airport
- Mobility/Complete Streets/Walkability
- Information Technology
- Parking
- Neighborhood Projects
- Canals

Estimated TOTAL > \$3 Billion

ITF Where Are We Going?



- The City Commission will have multiple options to fund the identified needs, including:
 - Increase water/sewer rates – rate study underway (FY 2019 consideration)
 - Increase stormwater rates – rate study underway (FY 2019 consideration)
 - Increase millage rate – each mill equates to \$35.0 million
 - Currently the City has the **fourth lowest** millage rate of all Broward County municipalities, and
 - The **third lowest** millage rate of the 25 largest municipalities in Florida
 - Bonding – revenue or general obligation
 - Special assessments
 - Public-private partnerships
 - Grants – federal and state
 - Loans – state revolving fund

Other non-City revenues to track:

- Federal/state/county (within their agencies jurisdiction to City benefit)
- Broward County penny sales tax
- Broward County traffic mitigation funds

ITF Millage Rate Opportunity



- Adopted millage rate FY 2019 = 4.1193
- Value of 1 mill = \$35,017,145
- FY 2019 revenue = \$144,246,125
- Millage rate is 35% less than median of 25 *largest FL cities*
- Millage rate is 31% less than median of *Broward County cities*
- “What-if” scenarios:
 - \$100 million bond = 0.1547 mill (3.8% increase)
 - Assumed \$100 million, 3.5%, 30 years
 - Increase to median of 25 largest FL Cities:
 - 2.1825 millage rate increase (6.3018 total) generates additional annual revenue of **\$76.4 million**
 - Increase to median of Broward County cities:
 - 1.8805 millage rate increase (5.9998) generates additional annual revenue of **\$65.8 million**

Ranking	Municipality	FY 2018 Adopted Millage Rate	Population	County
1	Jacksonville	11.4419	878,456	Duval
2	Palm Bay	8.4500	109,162	Brevard
3	West Palm Beach	8.3465	108,896	Palm Beach
4	Miami	8.0300	456,089	Miami-Dade
5	Deltona	7.8500	86,290	Volusia
6	Hollywood	7.4479	146,155	Broward
7	Miami Gardens	6.9363	111,998	Miami-Dade
8	Miramar	6.7654	134,037	Broward
9	St. Petersburg	6.7550	259,906	Pinellas
10	Cape Coral	6.7500	170,474	Lee
11	Orlando	6.6500	271,752	Orange
12	Port St. Lucie	6.4000	178,091	St. Lucie
13	Hialeah	6.3018	233,431	Miami-Dade
14	Miami Beach	5.8888	91,026	Miami-Dade
15	Coral Springs	5.8732	126,264	Broward
16	Tampa	5.7326	365,124	Hillsborough
17	Pembroke Pines	5.6736	161,799	Broward
18	Lakeland	5.5644	102,507	Polk
19	Pompano Beach	5.4865	107,425	Broward
20	Davie	5.3220	96,830	Broward
21	Clearwater	5.1550	112,387	Pinellas
22	Gainesville	4.7474	128,612	Alachua
23	Fort Lauderdale	4.1193	179,063	Broward
24	Tallahassee	4.1000	189,675	Leon
25	Boca Raton	3.6788	96,114	Palm Beach
	Median	6.3018		
	Average	6.3787		

As of: June 7, 2018

Municipality	Ranking	FY 2019 Proposed Millage Rate
West Park	1	8.6500
Lauderdale Lakes	2	8.6000
Lauderhill	3	7.9898
Hollywood	4	7.4665
North Lauderdale	5	7.4000
Tamarac	6	7.2899
Cooper City	7	7.1347
Miramar	8	7.1172
Margate	9	6.5594
Coconut Creek	10	6.5378
Hallandale Beach	11	6.3191
Deerfield Beach	12	6.1267
Sunrise	13	6.0543
Dania Beach	14	5.9998
Oakland Park	15	5.9985
Wilton Manors	16	5.9837
Coral Springs	17	5.8732
Pembroke Pines	18	5.7275
Davie	19	5.6270
Pompano Beach	20	5.1361
Southwest Ranches	21	4.9890
Parkland	22	4.8000
Fort Lauderdale	23	4.1193
Lauderdale by the Sea	24	3.5989
Lighthouse Point	25	3.5893
Weston	26	3.3464
Unincorporated Broward	27	2.3353
Median		5.9998
Average		5.9396

Source: Broward County Property Appraiser's Office



ITF Utility Rates Opportunity



- Water/sewer rates – rate study underway (FY 2019 consideration)
- Stormwater rates: rate study underway (FY 2019 consideration) with hybrid-model which includes “trip-based” approach

ITF Summary: there appears to be an opportunity to increase the millage and/or utility rates for local infrastructure investment while remaining competitive in the region.

Table 6-12
City of Fort Lauderdale Water and Sewer System Monthly Residential Bill Comparison with Other Communities
Smallest Residential Service - 5,000 Gallons

	Water Total	Sewer Total	Total Bill
Davie	\$37.35	\$69.62	\$106.97
Wilton Manors	\$57.15	\$47.66	\$104.81
Dania Beach	\$35.00	\$58.82	\$93.82
Parkland	\$52.38	\$40.30	\$92.68
Oakland Park	\$45.81	\$43.53	\$89.34
Sunrise	\$38.61	\$47.19	\$85.80
Hillsboro Beach	\$41.00	\$43.92	\$84.92
Hollywood	\$26.92	\$54.28	\$81.20
North Lauderdale	\$32.30	\$47.25	\$79.55
Coconut Creek	\$41.90	\$32.24	\$74.14
Miramar	\$29.92	\$38.13	\$68.05
Cooper City	\$26.75	\$40.59	\$67.34
North Springs Improvement District	\$36.09	\$30.28	\$66.37
Tamarac	\$21.80	\$42.75	\$64.55
Broward County	\$23.62	\$40.20	\$63.81
Lighthouse Point	\$23.62	\$40.20	\$63.81
Fort Lauderdale	\$23.59	\$39.52	\$63.11
Coral Springs	\$21.29	\$40.53	\$61.82
Plantation	\$22.14	\$39.53	\$61.67
Hallandale Beach	\$24.36	\$34.76	\$59.12
Royal Utility	\$26.93	\$31.41	\$58.34
Margate	\$28.88	\$29.40	\$58.28
Lauderhill	\$20.37	\$35.69	\$56.06
Deerfield Beach	\$28.25	\$24.53	\$52.78
Pembroke Pines	\$24.13	\$27.93	\$52.06
Coral Springs Improvement District	\$25.01	\$25.01	\$50.02
Pompano Beach	\$24.08	\$25.76	\$49.84
Average	\$31.08	\$39.67	\$70.75

Notes:
Monthly water and sewer bills exclude drought rates or other surcharges and utility taxes.
Source: Stantec Consulting Services Inc prepared in September 2017. Fort Lauderdale FY 2018 rates shown, other municipalities may also adjust rates in FY 2018.

ITF Next Steps



- What are the Commission's expectations for the ITF moving forward?
 - Monthly meetings are tentatively scheduled through March 2020
 - Input for future focus:
 - Critical infrastructure components
 - Critical revenue opportunities
 - Potential threats (sea level rise, economy, regulatory, other)
- Recommended next Commission/ITF joint workshop in April 2019
- Discussion