



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

#21-0176

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: February 16, 2021

TITLE: Resolution Approving the Submittal of a Water and Infrastructure Finance and Innovation Act (WIFIA) Loan Application to the United States Environmental Protection Agency for Stormwater Improvement Projects in Seven City Neighborhoods: Edgewood, Victoria Park, River Oaks, Durrs, Dorsey Riverbend, South East Isles and Progresso Village – **(Commission Districts 2, 3 and 4)**

Recommendation

Staff recommends the City Commission approve a resolution authorizing the City Manager to submit a Water and Infrastructure Finance and Innovation Act (WIFIA) loan application in the amount of \$98,000,000 to the United States Environmental Protection Agency (EPA) for construction of stormwater improvements in seven (7) City neighborhoods: Edgewood, Victoria Park, River Oaks, Durrs, Dorsey Riverbend, South East Isles and Progresso Village. The closing cost is estimated to be \$225,000, with \$100,000 due upon application submission and the balance of \$125,000 due upon closing of the loan.

Background

On April 19, 2016, the City initiated the Stormwater Master Plan Modeling and Design Implementation Program, designed to resolve chronic flooding in seven (7) distinct neighborhoods: Edgewood, Victoria Park, River Oaks, Durrs, Dorsey Riverbend, South East Isles and Progresso Village.

The seven (7) targeted neighborhoods suffer major flooding due to rainfall and/or high tides. The existing stormwater infrastructure in described areas is either nonexistent, undersized, or in excess of fifty (50) years old, which is well beyond its operational lifespan. The seawalls of certain areas are breached by high tides, causing flooding approximately thirty (30) days per year. Flooding conditions may at times be more than 1.5 feet deep, in some areas. The saltwater flooding corrodes both public and private infrastructure, causing frequent sewer and water main breaks.

The proposed stormwater improvements will raise all the public seawalls and install all new infrastructure to address the water quality and quantity needs of described areas. The improvements will also minimize reoccurring flooding incidents/severity and promote

an adaptable and resilient coastal community for the future.

To date, all permitting and design work has been completed and the City is preparing to enter the bidding and construction phases of the projects targeted by this program. The budget level estimate cost of proposed improvements, construction, and construction engineering inspection (CEI) services is approximately \$200,000,000.

To complete proposed stormwater improvements in the most fiscally responsible manner, the City is pursuing financing of up to \$98,000,000, or 49% of the total project cost, through a WIFIA administered loan by the EPA. The WIFIA program accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects. The City submitted a letter of interest to the EPA and is one of fifty-five (55) municipalities nationally that have been invited to submit a WIFIA application. The remaining \$102,000,000 in estimated project costs will be financed through the issuance of stormwater bonds.

Resource Impact

There will be an estimated fiscal impact to the City of approximately \$225,000, with \$100,000 being due upon initial application submission and the balance due at closing of the loan.

Funds available as of January 26, 2021					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB- OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
470-REV2021.470-7305	Stormwater Bonds 2021 Principal & Interest	Debt Service / Other Debt Cost	\$9,800,000	\$9,800,000	\$225,000
TOTAL AMOUNT ►					\$225,000

Strategic Connections

This item is a *2020 Top Commission Priority*, advancing the Infrastructure and Waterway Quality initiatives.

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- The Infrastructure Focus Area
 - Goal 1: Be a sustainable and resilient community.
 - Objective: Proactively maintain our water, wastewater, stormwater, road, and bridge infrastructure
 - Objective: Reduce flooding and adapt to sea level rise
- The Internal Support Focus Area
 - Goal 8: Build a leading government organization that manages all

- resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

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

Attachments

Exhibit 1 – WIFIA Letter of Interest

Exhibit 2 – Fort Lauderdale WIFIA Selection Notification Letter

Exhibit 3 – Resolution

Prepared by: Jason Boutilier, Management Analyst, Finance
 Linda Short, Deputy Director, Finance

Department Director: Susan Grant, Finance