

Meeting Date: 5/24/16
REQUESTED COMMISSION ACTION:

Agenda Item 15

Consent Ordinance Resolution Consideration Workshop

SHORT TITLE Approval of a transfer in the amount of \$1,998,542 from General Fund reserves to the Capital Improvement Fund.

Summary of Purpose and Why:

Florida Statute 553.80 requires that certain revenues collected through the Building Inspection Department can only be used to pay for costs associated with the enforcement of the Building Code, such as inspections and plan review. As a result of this, specific building permit related revenues that are paid to the City are deposited into a special account. If the City happens to end the year with a net surplus, those funds are assigned to a reserve designated specifically for the Building Department. Periodically staff performs internal audits to ensure funds are collected and/or expended in accordance with State Statute. In performing a recent audit, staff discovered that Lien Research Fees were being fully credited to the Building Department. Since the Building Department carries out the lien research function for unsafe structure special assessments, a percentage of the revenues should be credited to that function, sufficient to cover the associated costs, but not all. Upon a detailed review, it was ascertained that approximately \$2M deposited to the Building Fund reserve account (over a period of time) should have been deposited to the General Fund's general reserves to be utilized for any legal municipal purpose.

Staff is proposing transferring these one-time monies to the General Capital Projects Fund to be utilized for the following projects: SW 36th Avenue Sidewalk (\$315k), Briny Avenue (\$850K), furnishing and equipping the Cultural Center (\$650K) and replace/repair the Community Park Shelters (\$183K). If this transfer were not approved, the undesignated fund balance would increase from \$9M to \$11M. Moreover, funding would still need to be identified to complete the above mentioned projects.

Attached is a memo with a general description and funding need for each project.

QUESTIONS TO BE ANSWERED BY ORIGINATING DEPARTMENT:

- (1) Origin of request for this action: JS City Manager's Office
- (2) Primary staff contact: John Sfiroboulos and Brian Donovan 786-4601
- (3) Expiration of contract, if applicable: NA
- (4) Fiscal impact and source of funding: \$1,998,542 from General Fund Reserves to CIP fund 302.

DEPARTMENTAL COORDINATION	DATE	DEPARTMENTAL RECOMMENDATION	DEPARTMENTAL HEAD SIGNATURE
Finance	5-19-16	Approval	<i>J. Sible</i>
Engineering	5-19-16	APPROVAL	<i>Jm SW</i>

City Manager

Dennis W. Beaul

MEMORANDUM

DATE: May 19, 2016
TO: Dennis Beach, City Manager
FROM: Brian Donovan, Deputy City Manager
SUBJECT: Transfer to Capital Improvement Fund

Florida Statute 553.80 requires that certain revenues collected through the Building Inspection Department can only be used to pay for costs associated with the enforcement of the Building Code, such as inspections and plan review. As a result of this, specific building permit related revenues that are paid to the City are deposited into a special account. If the City happens to end the year with a net surplus, those funds are assigned to a reserve designated specifically for the Building Department. Periodically staff performs internal audits to ensure funds are collected and/or expended in accordance with State Statute. In performing a recent audit, staff discovered that Lien Research Fees were being fully credited to the Building Department. Since the Building Department carries out the lien research function for unsafe structure special assessments, a percentage of the revenues should be credited to that function, sufficient to cover the associated costs, but not all. Upon a detailed review, it was ascertained that \$2M deposited to the Building Fund reserve account (over a period of time) should have been deposited to the General Fund's general reserves to be utilized for any legal municipal purpose.

Staff is proposing transferring these one-time monies to the General Capital Projects Fund to be allocated to the following projects:

I) SW 36th Ave Sidewalks (\$315,000)

The City recognized the need to provide connectivity along SW 36 Avenue to accommodate pedestrian traffic in the Palm Aire community. To offset anticipated costs, the City applied for a Transportation Enhancement Grant in September 2014 and the Metropolitan Planning Organization (MPO) awarded the City a grant in the sum of \$517,480.00. In March 2015, the City entered into a Local Area Planning (LAP) agreement with Florida Department of Transportation confirming the grant award.

This LAP project includes construction of 3,300' of 6'-wide sidewalk, site demolition, guardrail installation, permanent striping and signage, flashing beacons, channel improvements, removal of existing boat ramp and utilities adjustments.

During the design process, the City's engineering design team identified an existing boat ramp maintained and operated by Broward County, which requires relocation to accommodate the new sidewalk.

For FY'14 the City's adopted budget allocated \$644,600.00 for design and construction services in support of the project. The budget, which was allocated prior to engineering and LAP Agreement final estimates, took into account the grant award however it did not include the boat ramp removal and installation, flashing beacons, and Construction Engineering Inspection (CEI) and testing services.

Presently, there is a balance remaining of \$597,078.25 (\$505,508.25 Construction Account # 302-7503-589.65-12 and \$91,570.00 Design Account # 302-7503-589.65-03; the other funds have been spent on design services).

In accordance with LAP requirements, the City advertised for construction services. The lowest bid the City received was \$628,755.50, which includes \$50,000.00 in construction contingency. However, the bid did not include what we believe to be sufficient contingency, which would require an additional \$78,322.75. Moreover, the City will need to separately procure boat ramp engineering, permitting, and construction (estimated at \$105,000.00) and CEI services (estimated at \$100,000.00). As a result, total cost for this project will amount to approximately \$912,078.25, leaving us a shortfall of \$315,000.00 (\$912,078.25 - \$597,078.25 available). Please note that out of the amount needed, \$5,000 will be associated with a Change Order for the boat ramp.

II) FF&E for Cultural Center (\$650,000)

The GMP for this project was awarded at the June 2014 City Commission meeting and at that time included numerous FF&E items that were to be provided by the Contractor for the Cultural Center. This includes systems that need to be installed by the Contractor in order to be operable. Included in the GMP was the great majority of the FF&E for the Theater, including all state of the art A/V and sound equipment (including speakers, lighting controls, wiring, dimmer panels, dimmer consoles, and sound consoles), all curtains, all retractable and movable seating, and an allowance for Kitchen equipment in order to include cooking equipment and a walk-in Cooler/Freezer. Also included was casework for all dressing Rooms, computer Labs, and Box office.

What was not, included, however, was the list of items outlined below. These items are typically provided by the Owner from a separate funding source, similar to what the Broward County Library system is doing with their FF&E budget. The items were excluded from the Contractor's work in order to take advantage of the City's tax exempt status for bulk purchases for items like computers, access control, office furniture and equipment, and data cabling. These costs were identified as separate in the City Commission workshop previously held on June 5, 2013.

Therefore, since we are nearing the completion of the Center, staff would like to move forward and request \$650,000.00 to provide all Fixtures, Furniture, and Equipment for the Cultural Center. A summarized list of FFE's is as follows:

FFE Description	Budget
Camera Security	\$40,000
Door Access Control	\$40,000
Banquet Furniture	\$65,000
Kitchen Equipment	\$30,000
Office Furniture	\$70,000
Office Equipment	\$30,000
Metal Shelving	\$5,000
Dressing Room Furniture	\$15,000
Art Work	\$10,000
A/V Equipment	\$85,000
Fiber Optic	\$20,000
Computers/Media Equipment	\$30,000
Acoustical Panels	\$75,000
Concrete Benches/Trash Cans	\$35,000
Relocatable Lighting	\$75,000
Test and Balance	\$25,000
Estimated Total Budget	\$650,000

Please note that all FF&E for the Library portion of the project is being funded by the Broward County Library system. The FF&E budget for the library was also not included in the GMP and includes library shelving, office furniture and equipment, computer hardware, security cameras, data wiring, telephones, etc. All of these FF&E items are being provided by Broward County from a separate funding source and are not the responsibility of the City of Pompano Beach.

III) Briny Avenue (\$850,542)

The City pursued securing a construction contract with Burkhardt for the Briny undergrounding and streetscape improvements while working in parallel to obtain the binding cost contracts from FPL (material supply not part of Burkhardt's Contract) and from AT&T and Comcast (cable installations/final connections not part of Burkhardt's Contract). At the time this was presented to the Commission, it was noted that the additional utility items listed above were not included and that staff would need to come back for additional funding.

Therefore the funds being requested are to cover the following: 1) FPL Agreement to supply all material and remove existing poles and overhead utilities. 2) AT&T Agreement to pull all cables through new conduit, final connections, and remove existing overhead utilities. 3) Comcast Agreement (same scope as ATT). These 3-items are required to be completed through the Franchise Utilities and were not part of Burkhardt's contract. 4) Construction Administration Services Agreement with DK Architects (they are the designer and we require their services to certify and close out the project).

IV) Community Park Shelter Replacement (\$183,000)

Funding is being allocated to replace existing shelters located at Community Park. The shelters are 28 years old and have reached their design life. Two shelters are 32' Octagon shaped and one is 20' Octagon shaped. Replacement units would have powder coated metal framework, a metal roof with tongue and a grove wood sub-roof.