

**DATE:** April 18, 2018

**TO:** Mayor and City Commissioners

**FROM:** Greg Harrison, City Manager



**RE:** General Obligation Bonds – Proposed Project Prioritization List

---

## Issue

Staff is seeking City Commission approval of the General Obligation Bonds (G.O. Bonds) proposed project prioritization list, attached herein as **Exhibit A**. On March 13, 2018, voters in the City authorized the issuance of \$181 million in G.O. Bonds to finance a total twenty-five (25) projects throughout the City and to pay related costs of issuance. The attached proposed project prioritization list is recommending that the City issue (sell) the authorized G.O. Bonds in 2 separate phases. The first series of bonds (Phase I) would be sold by the fall of 2018 and would incorporate funds needed to design all 25 G.O. Bond projects, as well as to pay for the construction costs for select G.O. Bond projects. Projects not constructed within the Phase I bond issue would be funded with the sale of the remaining bonds, to occur by the fall of 2021.

## Background

On March 13, 2018, the residents of the City of Pompano Beach voted to authorize the issuance of G.O. Bonds to finance the design and construction of 25 projects throughout the City. Staff has reviewed the list of the 25 G.O. Bond projects and recommends executing the deployment of the projects in two (2) phases. Phase I, totaling \$104,537,775, is proposed to be carried out from late 2018 through the end of calendar year 2021. The work to be conducted includes design of all 25 projects, construction of 14 projects in their totality, and partial construction of 4 others. The remaining 7 projects are planned to be constructed in Phase II, along with the completion of the remaining components of projects partially constructed in Phase I. By appropriating sufficient funding for design costs during Phase I, the remaining 7 projects will be shovel-ready before the sale of the remaining bonds by 2021. Selling the bonds in two separate phases will facilitate a methodical rollout of the projects in a manageable fashion by project staff and avoid the carrying cost of bond proceeds not being able to be expended within a reasonable period. This approach will also defer the maximum tax impact to residents.

Based on input from the community, the list of projects selected to be constructed and completed during Phase I include initiatives staff believe are a higher priority. Safety concerns, or perceived economic impact to the City and its residents were also given consideration. The

selection of these projects was based on input received from the public during a series of over thirty (30) presentations conducted throughout the City prior to the bond referendum date of March 13, 2018. The presentations were made to educate the public about the G. O. Bonds. Staff met with residents from all five (5) Districts. The residents voiced their opinions and shared concerns about the state of facilities, bridges, roadways, parks, etc.

In addition, staff's analysis of the potential impacts to traffic, possible disruption to everyday use and/or necessary (partial or total) closure to parks due to construction, staffing needs, to name a few, resulted in the preferential selection of certain projects in Phase I versus others. For example, staff recommends constructing proposed streetscape improvements to Dixie Highway in two phases. The first phase would address work from McNab Road to NE 6<sup>th</sup> Street, including recommended work at the intersection of Atlantic Boulevard. Similarly, the overhead conversion on A1A is proposed to be done in two phases, whereby undergrounding of utilities would start at the southernmost end of the City up to Atlantic Boulevard. During Phase II staff expects to complete the rest of undergrounding effort to the Hillsboro Inlet.

Lastly, staff proposes to use part of the phase I appropriations to reimburse the General Fund for monies previously allocated to the Fishing Pier (\$9 million), acquisition of the Elks Club (\$5.5 million) and land acquisition for the SW Fire Station (approximately \$400,000).

To ensure adequate funding has been set aside for all activities planned during Phase I, staff calculated the anticipated costs of design services for each project. The figures used in the calculation were based on market standards for professional services, as well as cost estimates prepared by consultants and CIP project managers.

### **Recommendation**

Staff recommends Approval.