City of Miami Gardens' Capital Improvement Program

History of CIP

Because Miami Gardens is a fairly new municipality, the City's first Capital Improvement Program was only begun in FY 2007.

In order to prepare for such a program, in FY 04-05 the City Manager proposed, and the City Council approved, the establishment of a separate budgetary fund called The Capital Project Fund. This fund initially received its revenue from a dedicated .1840 mill revenue stream ($500,000). No expenditures were planned from these funds for FY 04-05 or FY 05-06 in order to utilize the monies as a back-up emergency reserve and to assist in cash-flow. (As a new City, we did not have a lot of reserve fund balance to carry us over until the property tax receipts came in). Programming for these monies, as well as potential grants and other resources begin with the FY 06-07 budget.

In late FY-05, the City issued its first capital bond issue, a $7.5 million, 20 year bond, designed to provide funding to purchase land for a future City Hall and a future Public Works complex. In FY-07, the City issued an additional $14.4 million for a new Police Headquarters as well as other capital acquisitions. In FY-11 the City issued a $55,000,000 Certificate of Participation for the construction of the City Hall. Most of the City's funding in the Capital Project Fund has come from grants and most are received on a reimbursement basis.

What is a Capital Project?

Capital projects are major fixed assets or infrastructure with long-term value, such as buildings, roads, bridges and parks. Proposed project requests may originate from staff, City Council and/or citizens. A key feature of a capital project is that funds budgeted for specific projects remain allocated until project completion.

Project budgets are reviewed annually; and, if needed, funding may be adjusted. Projects may be funded by current revenues, grants or by debt financing, depending upon the availability of funds, the nature of the project.

What is a Capital Improvement Program (CIP)?

The City's Capital Improvement Program (CIP) is a planning, budgetary, and prioritizing tool which reflects the City's infrastructure needs (via a list of capital projects) for a five-year time frame. Only the first year of a CIP is required to be balanced; for the remaining

four years, potential funding sources have been identified that in future years could be used to help balance the CIP Utilization of these sources cannot be initiated without formal Council approval as part of the budget process. Based on such approval, the five-year CIP should be balanced in future years.

The program consists of projects that generally comply with all or a combination of the following criteria: project costs $50,000 or more (minimum threshold); project meets a health and safety standard qualifying it for funding consideration; project enhances a department's productivity; and project is identified by the City's Development Master Plan. The CIP is updated on an annual basis during budget formulation time.

Capital Improvement Costs

Capital project costs include all expenditures related to land acquisition, planning, design, construction, project management, legal expenses, and mitigation of damages. Departments estimate project costs but consider operating impacts as well, including startup and recurring costs. The start-up costs refer to one-time initial costs to be funded from the operating budget at the time the facility comes on line. Recurring costs are those costs to be borne from the operating budget that cover annual personnel and operating expenses related to the facility. Both start-up and recurring cost details are broken down by project and submitted with the proposed capital project list to the City Council for review and consideration. In this manner, the decision makers can readily recognize the "true" costs of a potential CIP project, and the funding impact once a project is completed and becomes "on-line." The operating cost estimates provide information which is then useful in preparing the City's operating budget.

Capital Improvement Program Process

The Capital Improvement Program process begins during the second quarter of each fiscal year with a Capital Improvement Program meeting attended by all City departments. Instructions for required data and proposed schedules are discussed and revised. Preliminary revenue estimates are disseminated.

In July, City Council may old a CIP workshop where department managers, Council Members and City residents identify initial proposed revisions to the CIP. Typically, there are not sufficient funds to provide for all of the projects that are identified. These preliminary lists are then reviewed to determine if the projects meet the requirements of the Comprehensive Plan. Once this review is completed, the revised project lists are reviewed by the City Manager and a "balanced CIP" is prepared. It is presented to the City Council along with the preliminary budget in July.

After receiving direction from the Council and implementing any resulting changes, the CIP is approved by the City Council in September. In balancing the CIP, projections of revenues from existing sources are compared to requested capital projects. If there are adequate revenues to fund all the requested projects, the program is balanced. If not, projects must be revised to reduce costs, postponed to a future time period or eliminated

from the program. Alternative financing, such as long-term debt, may be proposed in order to provide sufficient revenues to fund requested capital projects. The current fiscal year funding for the approved CIP is incorporated in the proposed budget prepared in August and adopted at the public hearings held in September of each year.

The overall CIP with its five-year time-frame gives a fair indication of the foreseeable infrastructure needs of the City. The CIP helps to structure this decision-making by reviewing both capital project requests as well as the operational impact from the implementation of the program.

The Capital Improvement Program is dynamic, changing as identified projects require funding adjustments during the fiscal year and sometimes from year to year. Any amendments must be approved by the City Council. Monitoring of the CIP being the responsibility of the City Manager through the City's' Public Works Director or the Capital Projects Administrator.

Summary of FY 12-13 Capital Improvements Program

The FY 12-13 the Capital Projects Fund is proposed for $6,799,026. $591,484 is for operating purposes, $1,216,726 for City Hall complex, and $4,970,816 interfund transfer mostly for debt service. FY 2013 budget will automatically carry forward any unspent approved projects in previous fiscal year. The Five Year Capital Improvement Plan located on page 224 will provide better idea of what capital project activities the City will incur in FY 2013.

FY 12-13 Carryover Capital Projects Overview

FUND	Project	Planning Goal	Cost
GENERAL PROJECTS			
Parks & Recreation	Rolling Oaks Walking Trail	CVS (1aeg); PMP	$263,000
	North Dade Optimist	CVS (1aeg); PMP	$1,165,432
	BTF Community Ctr.	CVS (1aeg); PMP	$88,868
	Senior Center	CVS (1aeg); PMP	$113,616
	BTF Community Ctr. Phase II	CVS (1aeg); PMP	$608,360
General Government	City Hall Complex	CDMP; CVS (1a)	$40,993,040
Public Safety	Urban Area Security Initiative		$69,323
TOTAL GENERAL			**$43,301,639**
TRANSPORTATION PROJECTS			
Streets	School Safety Bridge/Sidewalk	CDMP; TMP;	$850,000
	Arch Renovatoin		$68,184
TOTAL TRANSPORTATION			**$918,184**
TOTAL PREVIOUS APPROVED CAPITAL PROJECTS			**$44,219,823**

New Funding of Projects for FY 13-14 Overview

FUND	Project	Planning Goal	Cost
GENERAL PROJECTS			
General Government	City Hall Complex	CMPD; TMP; CVS (1e)	$1,216,726
TOTAL GENERAL			**$1,216,726**
TOTAL NEW CAPITAL PROJECTS			**$1,216,726**

City of Miami Gardens
City Hall Complex
LEED© Certification Plan

The City of Miami Gardens is in the process of building a new city governmental complex on property it owns at NE 188th Street and NW 27th Avenue. The complex will consist of a 63,000 sw. ft. City Hall building and a 58,000 sq. ft. Police facility. In addition, the City will build a 435 car multi-story parking structure. The site will also include open space and landscaping. The building's roofs are designed so that the City can add up to 60,000 sq. feet of photovoltaics (solar panels) to generate a substantial portion of our electrical needs. The total project is expected to cost approximately $55 million and is financed by Certificates of Participation. All of this will be done to LEED© [Leadership in Energy & Environmental Design] certified platinum standards. Upon completion and certification, it will be the largest LEED©. Platinum City Hall complex in the United States.

LEED© certification provides independent, third-party verification that a building project meets the highest green building and performance measures. An integrated project team will consists of the major stakeholders of the project including the City's Capital Project Office, the project architect,/engineer, landscape architect, developer, contractor, and asset and property management staff of the City. Implementing an integrated, systems-oriented approach to green project design, development and operations can yield synergies and improve the overall performance of a building. Initial LEED© assessment will bring the project team together to evaluate and articulate the project's goals and the certification level sought.

There are both environmental and financial benefits to earning LEED© certification. LEED©-certified buildings are designed to:

- Lower operating costs and increase asset value.
- Reduce waste sent to landfills.
- Conserve energy and water.
- Be healthier and safer for occupants.
- Reduce harmful greenhouse gas emissions.
- Demonstrate an owner's commitment to environmental stewardship and social responsibility.

This is accomplished by addressing nine (9) substantive areas of environmental concern through specific performance requirements in the process, promoting a whole-building approach to sustainability by recognizing performance in key areas:

Sustainable Sites

Choosing a building's site and managing that site during construction are important considerations for a project's sustainability. The Sustainable Sites category discourages development on previously undeveloped land; minimizes a building's impact on ecosystems and waterways; encourages regionally appropriate landscaping; rewards smart transportation choices; controls stormwater runoff; and reduces erosion, light pollution, heat island effect and construction-related pollution.

Water Efficiency

Buildings are major users of our potable water supply. The goal of the Water Efficiency credit category is to encourage smarter use of water, inside and out. Water reduction is typically achieved through more efficient appliances, fixtures and fittings inside and water-wise landscaping outside.

Energy & Atmosphere

According to the U.S. Department of Energy, buildings use 39% of the energy and 74% of the electricity produced each year in the United States. The Energy & Atmosphere category encourages a wide variety of energy strategies: commissioning; energy use monitoring; efficient design and construction; efficient appliances, systems and lighting; the use of renewable and clean sources of energy, generated on-site or off-site; and other innovative strategies.

Materials & Resources

During both the construction and operations phases, buildings generate a lot of waste and use a lot of materials and resources. This credit category encourages the selection of sustainably grown, harvested, produced and transported products and materials. It promotes the reduction of waste as well as reuse and recycling, and it takes into account the reduction of waste at a product's source.

Indoor Environmental Quality

The U.S. Environmental Protection Agency estimates that Americans spend about 90% of their day indoors, where the air quality can be significantly worse than outside. The Indoor Environmental Quality credit category promotes strategies that can improve indoor air as well as providing access to natural daylight and views and improving acoustics.

Locations & Linkages

The LEED© for Homes rating system recognizes that much of a home's impact on the environment comes from where it is located and how it fits into its community. The Locations & Linkages credits encourage homes being built away from environmentally sensitive places and instead being built in infill, previously developed and other preferable sites. It rewards homes that are built near already-existing infrastructure, community resources and transit, and it encourages access to open space for walking, physical activity and time spent outdoors.

Awareness & Education

The LEED© for Homes rating system acknowledges that a green home is only truly green if the people who live in it use the green features to maximum effect. The Awareness & Education credits encourage home builders and real estate professionals to provide homeowners, tenants and building managers with the education and tools they need to understand what makes their home green and how to make the most of those features.

Innovation in Design

The Innovation in Design credit category provides bonus points for projects that use new and innovative technologies and strategies to improve a building's performance well beyond what is required by other LEED© credits or in green building considerations that are not specifically addressed elsewhere in LEED©. This credit category also rewards projects for including a LEED© Accredited Professional on the team to ensure a holistic, integrated approach to the design and construction phase.

Regional Priority

USGBC's regional councils, chapters and affiliates have identified the environmental concerns that are locally most important for every region of the country, and six LEED© credits that address those local priorities were selected for each region. A project that earns a regional priority credit will earn one bonus point in addition to any points awarded for that credit. Up to four extra points can be earned in this way.

A LEED© rating is achieved through earning points in each of six categories. Within each category, there are subcategories including prerequisites. For example, the Sustainable Sites category contains a prerequisite for Erosion and Sediment Control, and also several other subcategories, including Site Selection and Storm Water Management, for earning possible points if applicable. The rating system is flexible in that it is performance-based, and does not force the applicant into following a narrowly defined set of specifications. The number of points available under LEED©-New Construction is 110. The chart below illustrates the point system as associated rating:

- Certified: 40 to 49
- Silver: 50 to 59
- Gold: 60 to 79
- Platinum: 80-plus

It should be noted that there are very few LEED© platinum buildings in the nation. At the time of this memo preparation, there were only five LEED© Platinum buildings in Florida. As far as our research goes, there are only two LEED© Platinum city halls in the nation, and they are relatively small in comparison to our project square footage.

One of the more unique features of LEED© is its requirement that a LEED© certified building commissioning occur as part of the process. The term commissioning comes from shipbuilding. A commissioned ship is one deemed ready for service. Before being awarded this title, however, a ship must pass several milestones. Equipment is installed and tested, problems are identified and corrected, and the prospective crew is extensively trained. A commissioned ship is one whose materials, systems, and staff have successfully completed a thorough quality assurance process.

Building commissioning takes the same approach to new buildings. When a building is commissioned it undergoes an intensive quality assurance process that begins during design and continues through construction, occupancy, and operations. Commissioning ensures that the new building operates as the owner intended and that building staff are prepared to operate and maintain its systems and equipment.

Impact of Capital Projects on the Operating Budget

As indicated above, it is not only important to understand the full costs of constructing a capital improvement (planning, design, financing, bidding and construction), but it is important to understand that all Capital Improvements will have a resulting effect on the City's operating budget, positive or negative. The analysis below looks at the projects listed above and tries to predict the impact on the operating budget of the City in future years. This information assisted in the preparation of the FY 11-12 and will be useful subsequent budgets by providing a more complete picture of the cost of a particular capital project.

Capital projects are an important part of what we do in local government. They often make the difference in defining a community's identity, and in delivering efficient and responsive service to our residents. Because of the inherent significant costs involved in capital improvements, it is important to look at not only those immediate development costs such as planning, design and construction, but to understand how the capital improvement will affect the city's operating budget once completed.

For the purposes of this budget, a capital improvement is any project that costs in excess of $10,000 and has an expected life of at least 10 years. This may be a single item, such as a recreation center, or may be a "project" such as the "ADA" sidewalk project. While repairs for routine maintenance are not generally considered "capital" projects, certain maintenance operations, because of their scope or sheer cost, may be classified as capital projects.

Capital projects will have an effect on the City's operating budgets. This effect may be to save money, or it may require an increase in operating funding. The table below looks at both the new CIP project for FY-12 and also the previous year funded projects that have not yet completed and their expected impact on operating budgets.

Project	Capital Cost	Operating Cost impact	Notes
Senior Center	$163,616	+ $120,000/yr	The renovated building will require Parks staff to operate and maintain. This includes a Recreation leader and aide and janitorial and minor repair services. Utilities will also be a new expense. These expenses are

Project	Capital Cost	Operating Cost impact	Notes
			not included in the FY-13 budget and renovations are not expected to be completed in FY-12. The City is currently in discussion with several joint participation partners for the development of a center at minimal capital cost to the City.
Optimist Park	$1,398,478	+$5,000	This is a major upgrade to the park and the facilities thereon including parking and concession. Operating savings will be minimal. There may be a small increase in concession revenue.
Rolling Oaks Walking Trail	$728,000	$2,000	This project is projected to be completed by FY 2014. The operating impact will be minimal as we current maintain the area.
Bunche Park	$134,000	$0	This is for repairs and upgrades to the pool; however, since all pools have been closed for budgetary reasons, these repairs will most likely be postponed for another year at least.
Rolling Oaks Park	$1,63,616	$60,000	This is for the grounds improvement of the Parks
City Hall Complex	$47,709,766	Significant Staff - $200,000 Electric ($150,000)	Development of the new City Hall complex is expected to be complete in summer-2013. Until that time, all costs for the new complex are paid from the proceeds of the sale of COPs (Certificates of Participation). The new building will have solar and should save over $150,000 in electric expenses. On the cost side, there will need to be added one facilities maintenance person, one electrical

			engineer and several grounds maintenance staff. Engineer position to deal with the complex HCAV and Photovoltaics and the overall facilities repair and maintenance. In addition, a new reception will be created as well as an additional 2 janitorial staff persons.
Coconut Cay Paving	$35,000	Minimal	Matching for repaving due to damage by the developer of Coconut Cay. Should help reduce the on-going pothole repair for this road section.
Street Paving/Sidewalks	$1,000,000	$25,000	Savings from reduction of pothole repairs and sidewalks repairs.

FY 2012-2017 Capital Improvement Plan with 5-Year Horizon

	FY 2012 Est.	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Revenues						
Fund Balance Forward	$46,959,927	$41,706,656	$4,463,046	$50,000	$50,000	$50,000
Transportation Fund: CITT		$2,730,000	$2,730,000	$2,730,000	$2,730,000	$2,730,000
Misceallenous Revenues	$246,729	$262,266				
Impact Fees		$594,023				
Donations		$340,176				
Grant: CDBG	$26,000	$158,244				
Grant: Trans Enhance Grant	$25,000	$263,000	$147,000			
Grant: School Safety	$99,348	$850,000				
Grant: County G.O. Bond	$198,618	$1,461,322	$753,066	$2,339,934		
Grant: UASI		$69,323				
Transfers from Transportation Fund	$50,000	$46,000				
Total Revenues	**$47,605,622**	**$48,481,010**	**$8,093,112**	**$5,119,934**	**$2,780,000**	**$2,780,000**
City Hall	$5,500,000	$38,029,766	$4,180,000			
UASI		$69,323				
Brunche Park						
Brentwood Pool						
BTF Community Center	$198,618	$88,868				
BTF Community Ctr. Phase II (Fence)	$26,000	$608,360				
North Dade Optimist		$1,165,432	$233,046			
Rolling Oaks Walking Trail	$25,000	$263,000	$440,000			
Rolling Oaks Park			$326,066	$2,339,934		
Senior Center	$50,000	$113,616				
Bunche Park Pool			$134,000			
Citywide Road Resurfacing		$1,745,000	$2,230,000	$2,230,000	$2,230,000	$2,230,000
Citywide Sidewalk Improvement		$500,000	$500,000	$500,000	$500,000	$500,000
NW 25 Streeet Road Improvement		$450,000				
Coconut Cay Resurface		$35,000				
School Safety Bridge	$99,348	$850,000				
Arch Renovation		$99,599				
Total Expenditures	**$5,898,966**	**$44,017,964**	**$8,043,112**	**$5,069,934**	**$2,730,000**	**$2,730,000**
Balance	$41,706,656	$4,463,046	$50,000	$50,000	$50,000	$50,000