



CHAVES LAKE PROJECTS

Long-range Financial Strategy
City of Hallandale Beach, FL

Presented by **Geovanne Neste, Finance Director**
With **Marlon Lobban, Public Works Director**
Project Managers & Environmental Team



Why we're Here Today

FY26 Budget Cycle

- During the FY26 budget cycle, Chaves Lake was incorporated as a \$10M placeholder in the long-range financial plan
- That figure was driven by:
 - Active coordination with Broward County on lake cleanup requirements
 - Preliminary consultant discussions, including one early estimate approaching \$80M
 - The site being the final project of the Citywide Parks Master Plan and the Parks GO Bond program
 - The fiscal risk of unfunded environmental obligations to the City's long-term financial stability

One Year Later

- One year later, the picture has clarified - and it has also grown more complex
- Tonight's purpose: a clear, consolidated view of:
 - where we are
 - what needs to happen
 - when,
 - and how it will be funded

What Chaves Lake Actually Is

Four interdependent capital projects running on concurrent tracks:

- 01 **Chaves Lake Parks Project (PA156)** - Pollution remediation + park design and construction
- 02 **Lime Removal / Dredging of Lake (P2608)**
- 03 **I-95 Stormwater Station (P2520)** - Joint with FDOT and Town of Pembroke Park
- 04 **DPW Yard Stormwater Drainage Outfall to Lake (P2303)**

- Plus operational items (lime discharge permitting, lime removal services) funded through utility operating revenues - tracked separately
- Each has its own scope, schedule, regulatory dependency, and funding source
- None can be managed in isolation without creating cost or timing risk for the others



How We Got Here

01 2009

Master Plan Vision

Citywide Master Plan envisions Chaves Lake as a lake-oriented nature park; carried forward into the Parks Master Plan as the final project.

02 *Discovery*

Legacy Discharge Identified

Park planning revealed decades of lime sludge discharge to the lake from the Water Treatment Plant — without the required Broward County surface water permit.

03 *Disclosure*

Proactive Self-Disclosure

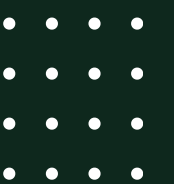
City self-disclosed to Broward County. County issued a Notice of Potential Enforcement Action (NOPEA), formalizing the regulatory engagement.

03 *Cleanup File*

EAR License #1396

Site assessment also identified soil exceedances (arsenic, BaPe, TRPH). Site enrolled in Broward County's Environmental Assessment & Remediation program.

This is the "why this got complicated" story. The City's proactive disclosure posture has shaped how Broward County has worked with us on the closure pathway.





Why It Matters Beyond the Park

Four reasons this work proceeds — even setting the regulatory file aside:

Operational

The DPW/WTP compound is absorbing the EV Bus Station, Sanitation fleet relocation, and backup EOC. Flood protection is no longer routine drainage — it is operational continuity for the City's most concentrated infrastructure portfolio

Stormwater

Chaves Lake provides receiving capacity for the I-95 Pump Station (joint with Pembroke Park) and the planned DPW Yard outfall. Lake live storage volume directly affects combined system capacity in major storm events.

GO Bonds

Chaves Lake is a GO Bond-funded park; the parcel must remain in parks/recreational use. Converting to a non-recreational use would trigger materially more stringent cleanup and put bond covenants at risk.

Open Space

Largest contiguous water feature in the City's parks inventory and the final Parks Master Plan project. In a substantially built-out city, open space of this scale is non-replaceable once converted.





The Total Picture

Total Identified Appropriations

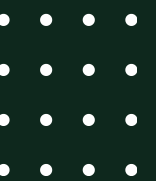
Accross Four Capital Projects

\$24,594,692

*Read in **layers** - not as a firm cost estimate. Several elements are **planning figures**, not priced scope. Each will be refined at a defined milestone.*

This is the headline number — "identified appropriations," not "final project cost." The park itself is not yet priced.

Funding Layer	Amount
Life-to-Date Actual	\$822,128
Current Budget	\$3,133,535
FY26 Budget Amendment (pending May 6)	\$8,639,029
FY27 Proposed — HBCRA-funded (Park)	\$6,000,000
FY27 Proposed — Other (Upland SR + DPW Outfall)	\$6,000,000
TOTAL	\$24,594,692



Chaves Lake Parks Project

Project ID: PA156 | Total Identified: \$13,713,365

Project Components

- **Pollution Remediation Obligation:**
 - Toxicological Risk Assessment
 - Upland Limited Source Removal (Option 2, approved by Broward County February 23, 2026)
- **Park Design and Construction:**
 - Redesign required
 - Pending Tox Risk outcome and FDEP comments

Key Sequencing

- Tox Risk Phase 2 → FDEP comments (early 2027) → Park redesign → Construction
- **Sanitation Inventory Relocation** is a critical predecessor to both Upland Source Removal and Lime Removal/Dredging
- Park construction follows Upland Source Removal completion

Unknowns to Manage

- Tox Risk Phase 2 final cost (\$150K–\$200K projected; finalized September 2026)
- Upland Source Removal final cost (\$4.5M FY27 placeholder)
- **Park construction is not yet priced** - \$8.6M is slated funding, not a priced estimate
- Brownfields recovery amount (state tax credits, not yet quantified)



Chaves Lake Parks Project - Funding Strategy

Project ID: PA156

Funding Layers

Funding Layer	Amount
Life-to-Date Actual	\$502,732
Current Budget	\$71,604
FY26 Budget Amendment (pending)	\$2,639,029
FY27 Proposed — HBCRA	\$6,000,000
FY27 Proposed — Upland Source Removal	\$4,500,000
TOTAL	\$13,713,365

Confirmed Funding Strategies

- **STRATEGY 1: FY26 BA \$2,639,029 as Interim Working Capital**
 - Funds Tox Risk Phase 2 and any early-start Upland Source Removal work. Replenished from General Fund through future Budget Amendment.
- **STRATEGY 2: \$6M HBCRA Contribution via ILA**
 - Formalized through Interlocal Agreement; CRA Board action required. Continues to be modeled for planning purposes.
- **STRATEGY 3: Goldstein Brownfields Recoveries**
 - Florida state tax credits and recovery proceeds applied to Park Construction budget through future BAs as funds materialize.

Lime Removal / Dredging Lake

Project ID: P2608 | Total Identified: \$6,075,000

Scope & Rationale

- ~1.54 acres of accumulated lime sludge at 35–40 ft depth, extending ~2 ft above lake surface
- Not a Broward County mandate - but justified by three independent rationales:
 - **Stormwater function** (restores live storage capacity)
 - **Proactive remediation** of historical unpermitted discharge
 - **Park enablement** (improves long-term lake condition)
- Construction plans require Broward County EPD approval per Code §27-356(d)(4)

Phasing

- **Phase 1 (Design/Permitting/PFAS sampling):** May–August 2026
- **Phase 2 (Procurement):** August–November 2026 → Commission Approval December 2, 2026
- **Phase 3 (Construction):** January–July 2027 (~6 months)

Unknowns to Manage

- **PFAS variable:** Phase 1 sampling determines if dredge material requires PFAS-grade specialized disposal - **single most consequential cost variable**
- \$6M is a planning budget, not a priced estimate; could move materially in either direction
- Receipt timing of future PFAS Settlement payments not guaranteed



Lime Removal / Dredging Lake - Funding Strategy

Project ID: P2608

Funding Layers

Funding Layer	Amount
Current Budget (Design/Permitting)	\$75,000
FY26 BA – PFAS Settlement Proceeds	\$3,760,680
FY26 BA – Water & Sewer Fund Transfer	\$2,239,320
TOTAL	\$6,075,000

PFAS Settlement Reconciliation:

- **Received to date: \$3,761,151.07**
- **Remaining through FY2033: \$2,448,513.16** (Not guaranteed; subject to ongoing distribution)

Confirmed Funding Strategies

- **STRATEGY 1: Matched-Funding Allocation**
\$3,760,680 PFAS Settlement proceeds applied against the \$6M dredging estimate, reflecting the suspected PFAS-driven cost premium for specialized disposal.
- **STRATEGY 2: Contingent Redeployment**
If Phase 1 sampling shows no PFAS, free up the \$3,760,680 and redeploy to Upland Limited Source Removal - the actual EAR-mandated cleanup work, where PFAS proceeds carry a stronger regulatory nexus.



I-95 Stormwater Station

Project ID: P2520 | Total Identified: \$1,435,800

Scope & Partnership

- FDOT-owned station, originally constructed ~2002, located in FDOT right-of-way
- Provides drainage benefits to BOTH Hallandale Beach and Town of Pembroke Park
- Catastrophic motor control failure early 2025; the City and Pembroke Park jointly executed an emergency interim repair through Spring 2025, with Pembroke Park contributing approximately 50% of the interim cost; station returned to operation June 2025
- City has agreed to perform design, construction, and CEI of permanent rehabilitation per FDOT Letter of Understanding (February 24, 2026)
- Formalization through Construction Joint Participation Agreement (JPA) with FDOT and Pembroke Park

Schedule

- **Design proposal from HDR, Inc.:** May 2026
- **Design Commission Approval:** August 5, 2026
- **Design/permitting:** September 2026 – June 2027
- **Construction:** 2027–2028 (anticipated)

Unknowns to Manage

- Final construction cost - pending design completion
- JPA execution timing across three parties (City, FDOT, Pembroke Park)
- Receipt timing of outside contributions



I-95 Stormwater Station - Funding Strategy

Project ID: P2520

Funding Layers

Funding Layer	Amount
Life-to-Date Actual (Emergency Equipment)	\$160,000
Current Budget (Stormwater Bond proceeds)	\$1,275,800
TOTAL CITY-SIDE	\$1,435,800

City-side appropriations are funded through Stormwater Bond proceeds.

Source	Amount	Status
FDOT Contribution	~\$400,000	Per Letter of Understanding (Feb 24, 2026)
Pembroke Park Contribution	~\$400,000	To be formalized through JPA
TOTAL ANTICIPATED OUTSIDE CONTRIBUTIONS	~\$800,000	

Confirmed Funding Strategies

- STRATEGY 1: Reimbursement to Stormwater Fund** - Outside contributions, when received, will flow back to the Stormwater Fund rather than be applied as additional project capacity. Preserves Stormwater Fund capacity for the broader stormwater program.
- STRATEGY 2: Incorporated into Stormwater Rate Study** - The reimbursement assumption is being incorporated into the City's ongoing Stormwater Rate Study to inform multi-year fund capacity and rate-setting recommendations.



DPW Yard Stormwater Drainage Outfall

Project ID: P2303 | Total Identified: \$3,370,527

Scope & Workstreams

- Controlled stormwater outfall from DPW/WTP compound to Chaves Lake
- Protects: water treatment, EV Bus Station, Sanitation fleet, backup EOC
- **DPW Compound Outfall:** 100% design complete; permitting pending
- **Equipment Parking Lot:** 100% design complete; permitting pending
- **CO #1 DPW Parking Drainage:** 50% design, paused (combined into CO #2)
- **CO #2 Hardscape NW 3rd Street:** Commission Approval May 6, 2026

Schedule

- Permit re-submission processed in parallel with Lime Discharge permit (NOPEA-related)
- **ITB:** August–October 2026
- **Construction Commission Approval:** December 2, 2026 (alongside Lime Removal)
- **Construction:** January–July 2027 (~6 months)

Unknowns to Manage

- Final cost certainty pending design completion and ITB results
- Possible additional Broward County RAI on Lime Discharge file could extend permit re-submission timeline (NOPEA-related)
- \$3.37M is likely sufficient for current scope; final cost not yet locked



DPW Yard Stormwater Drainage Outfall - Funding Strategy

Project ID: P2303

Funding Layers

Funding Layer	Amount	Source
Life-to-Date Actual	\$159,396	Stormwater Fund + URB Tranche 2
Current Budget	\$1,711,131	URB Tranche 2 + Tranche 1
FY27 Proposed	\$1,500,000	URB Tranche 3 (pending)
TOTAL	\$3,370,527	

URB = Utility Revenue Bonds.

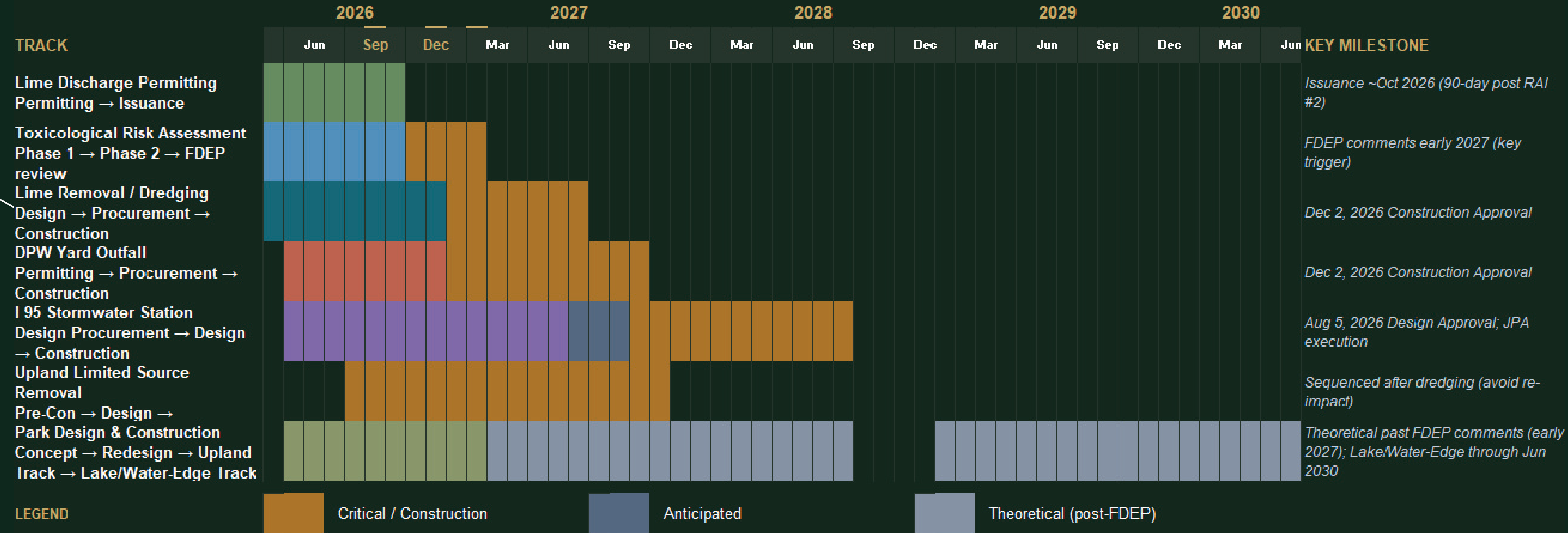
Confirmed Funding Strategies

- **STRATEGY 1: Tranche 3 Absorption Strategy.**
 - *If final design and ITB results produce a total cost above \$3,370,527, Public Works will submit a future BA to incorporate additional capacity into the upcoming Utility Revenue Bonds Tranche 3 issuance.*
 - *The Tranche 3 program structure provides flexibility to absorb modest cost variances without restructuring the project funding plan.*

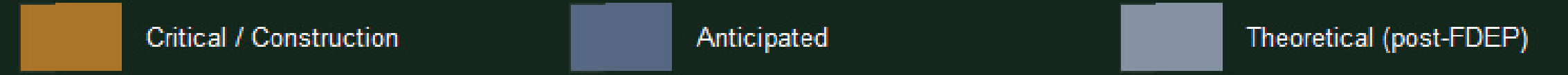




Master Timeline (Concurrent Tracks)



LEGEND





Master Timeline (Concurrent Tracks)

Three convergence points to remember:

September 14, 2026

Tox Risk Phase 2

Commission Approval of Phase 2 final scope and cost. Triggers Phase 2 field work and reporting to FDEP.

December 2, 2026

Triple Construction Approval

Lime Removal/Dredging Construction + DPW Outfall Construction. Anchors January 2027 construction starts; any procurement slippage cascades.

Early 2027

FDEP Comments Received

Most consequential schedule variable in the program. FDEP review can take up to 365 days. Triggers Park redesign.

CRITICAL PREDECESSOR

Sanitation Inventory Relocation **must precede** both Upland Source Removal and Lime Removal/Dredging construction.

MOST CONSEQUENTIAL VARIABLE

FDEP review of the Tox Risk Phase 2 deliverable. Up to 365 days possible and would push Park redesign and downstream construction.





Long-Range Outlook & Alternative Funding

Beyond the \$24.6M identified, additional sources are in play:

Source	Estimated Amount	Status
Long-Range Plan reserve (original \$10M less \$4.5M Upland SR allocation)	\$5,500,000	General Fund placeholder
FDOT contribution (I-95 Pump Station)	~\$400,000	Reimbursement to Stormwater Fund
Pembroke Park contribution (I-95 Pump Station)	~\$400,000	Reimbursement to Stormwater Fund
Future PFAS Settlement proceeds (through FY2033)	\$2,448,513	Not guaranteed
Federal & State grants (BRIC, RCN, CDBG-MIT, FDEP, SFWMD)	TBD	Application-driven, time-sensitive
TOTAL POTENTIAL ADDITIONAL PROCEEDS	\$8,748,513+	

Goldstein Brownfields engagement (Green Reuse Area + Brownfield Site Rehabilitation Agreement) unlocks Florida state tax credits for eligible assessment and response costs and provides state liability protection for future development partners. Recoveries flow back to Park Construction.





What's Known, What's Open

Each open item has a documented resolution path tied to a specific milestone

Open Item	Current Projected/Proposed Budget	Refined By
Tox Risk Phase 2 field work (PA156) final cost	none - using working capital	<i>September 14, 2026 Commission Meeting</i>
Lime Removal/Dredging final cost (P2608)	\$6,000,000	<i>Phase 1 sampling (August 2026)</i>
Upland Source Removal final cost (PA156)	\$4,500,000	<i>Q1 2027 (post-design); earlier if accelerated</i>
Park Construction final cost (PA156)	\$8,639,029 (slated)	<i>Q2 2027 (post-FDEP, post-redesign)</i>
Brownfields recovery amount (PA156)	Not yet quantified	<i>As BSRA executes; tax credits determined</i>
I-95 Construction final cost (P2520)	Pending design	<i>Late 2026 / 2027 (post-design)</i>
DPW Outfall final cost (P2303)	\$3,370,527 (likely sufficient)	<i>ITB results (October–November 2026)</i>

Finance will return to the Commission with budget action as each item becomes priced. The framework presented tonight allows movement without committing additional spending today.



Where We Are Headed

Disciplined, continuous budget stewardship as workstreams progress

COMMITMENT 1 PARKS / MASTER PLAN VISION

Deliver on the original 2009 Master Plan vision for Chaves Lake. A lake-oriented public recreation asset and the final project of the Citywide Parks Master Plan.

COMMITMENT 2 OPEN SPACE / OPEN-SPACE DESIGNATION

Protect the parcel's GO Bond covenant and parks designation. Avoid the materially more stringent cleanup that conversion would trigger.

COMMITMENT 3 OPERATIONAL CONTINUITY

Protect the DPW/WTP compound (water treatment, EV Bus Station, Sanitation fleet, backup EOC) from flooding during major storm events.

COMMITMENT 4 FISCAL / LONG-TERM FINANCIAL POSITION

Bring each refinement forward through transparent budget actions. Maximize every outside funding and incentive opportunity as it emerges.

The complexity is real. It is being managed.





Tonight's Ask & Upcoming Touchpoints

Tonight is a Workshop, Not a Decision Item.

*Separately on the regular May 6th agenda:
FY26 Budget Amendment including the
\$8,639,029 Chaves Lake-related portion (Lime
Removal/Dredging \$6M + Park Working Capital
\$2.6M)*

Tonight, we are looking for:

- *Feedback on the consolidated approach and funding strategies*
- *Questions for Staff, Project Managers, and the Environmental Compliance Team.*

Upcoming Commission Touchpoints:

August 5, 2026

I-95 Design Commission Approval

September 14, 2026

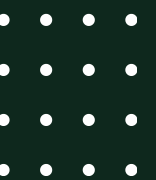
Tox Risk Phase 2 Engagement

December 2, 2026

Triple Construction Approval (Lime Removal + DPW Outfall)

Early 2027

Park Redesign Appropriation (post-FDEP)





Thank you.
QUESTIONS?

