



## City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 <sup>st</sup> Reading	2 <sup>nd</sup> Reading
<b>6/7/2023</b>	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	<b>5/17/2023</b>	<b>6/7/2023</b>
File No.:		Public Hearing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
		Advertising Required	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>23-068</b>		Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:	
<b>See below</b>	<b>See Attachment A</b>	<b>See Attachment A</b>	<b>N/A</b>	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>N/A</b>	<b>Natasha Mazzie, Director</b>	<b>Budget &amp; Program Monitoring</b>	
Strategic Plan Focus Areas:				
<input checked="" type="checkbox"/> Finance & Budget		<input checked="" type="checkbox"/> Organizational Capacity	<input type="checkbox"/> Infrastructure/Projects	
Implementation Timeline:				
Estimated Start Date: 5/17/2023    Estimated End Date: 9/30/2023				

### SHORT TITLE:

**AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING THE ADOPTED BUDGET FOR FY 2022-23 TO REFLECT THE REVENUES, EXPENDITURES, APPROPRIATIONS AND OTHER MISCELLANEOUS BUDGET ADJUSTMENTS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

### STAFF SUMMARY:

**Summary:**

The proposed ordinance is to amend the FY2022-23 Budget to account for unanticipated expenditures for the current Fiscal Year based on mission critical items identified after the budget was adopted. Amending the adopted budget will increase the General Fund, Transportation, Capital Projects and Utility Revenue Bonds Series 2023.

The total amendment amount to the FY 2022-23 Budget is \$12,571,868 (see table below).

**CITY OF HALLANDALE BEACH**  
**FISCAL 2022-23 BUDGET AMENDMENT**  
**MAY 17, 2023 & JUNE 7, 2023**



				AMENDMENT
FUND	ORG	OBJECT	PROJECT	AMOUNT
<b><u>001   GENERAL FUND</u></b>				<b><u>1,112,435</u></b>
Appropriations from Fund Balance	001	389100		1,112,435
Office Trailer	4610	564040		200,000
Citywide Residential Programs	8090	583040		100,000
Transfer to Capital Projects Fund	9001	549348		698,097
Transfer to Transportation Fund	9001	549860		114,338
<b><u>160   TRANSPORTATION FUND</u></b>				<b><u>114,338</u></b>
Transfer from General Fund	160	381001		114,338
Wrapping and Inspection of Buses	4130	564010	D1935	114,338
<b><u>348   CAPITAL PROJECTS FUND</u></b>				<b><u>698,097</u></b>
Transfer from General Fund	348	381001		698,097
Electric Vehicle Chargers for City Hall	6510	565000		600,000
Change Order for DPW EV Bus Charging	4400	565000	M2303	98,097
<b><u>402   UTILITY REVENUE BOND SERIES 2023</u></b>				<b><u>10,646,998</u></b>
Bond Issuance (Increase from February 1, 2023)	TBD	TBD		10,646,998
Appropriation to Revenue Bond Projects	TBD	TBD		5,994,703
Reserve Funds	TBD	TBD		4,010,600
Debt Issuance Costs & Other Proceeds	TBD	TBD		641,695
<b>TOTAL AMENDMENT AMOUNT</b>				<b>12,571,868</b>

**Background:**

On September 28, 2022, the City Commission adopted the FY 2022-23 Budget in the amount of \$183,088,413 (includes all funds). As part of the adoption of the budget, staff had advised the City Commission that aggressive measures and strategies would continue to be taken to combat the financial effects of recent events and past budget practices.

Staff had advised the City Commission that the first review of operations would be presented to them with recommendations throughout the fiscal year. Below are the items that are being recommended in this amendment.

**Current Situation:**

The proposed budget amendment includes the appropriation of funds from the General Fund, Transportation Fund, Capital Projects Fund and Utility Revenue Bond Series 2023 Fund.

**001 | General Fund – \$1,112,435**

**1. Office Trailer – \$200,000**

In order to implement the interim operation of the incoming EV Bus fleet, an office trailer will be needed to support the operational staff. Operational staff includes roles such as dispatch, route supervisor, operations manager, and drivers.

**2. City Residential Programs – \$100,000**

**Hurricane Shutter/Impact Glass Program**

In 2018 the Hallandale Beach Community Redevelopment Agency (HBCRA) ceased administering the City's residential program. This residential program assisted residents with the installation of shutters or impact glass. Per the program policy, eligible applicants received a rebate of or up to \$1,500. Since the program ended many residents outside of the HBCRA boundaries have inquired about funding and when the program would be reinstated.

If the program were to be reinstated, the recommendation is that the rebate amount be increased to \$2,500 due to price escalation. Additionally, the following eligibility requirements would need to be adhered to:

- The property must be located outside the CRA District
- The property must be owner occupied
- Condo unit /home cannot be a rental
- Property can only be assisted once through this program
- Application must be submitted by the homeowner
- Application for the rebate program must be received in the CRA office before any work can commence and applicants cannot be reimbursed for work already started or completed

**Senior Mini Grant Program**

Our senior population is one of the most vulnerable populations, and a significant amount of them reside on the east of 14th avenue. To assist seniors, the senior mini grant program would help individuals who are sixty (60) years and older with financial assistance for exterior residential facade improvements. The grant could also assist with interior repairs to mitigate life safety issues including removal of asbestos, mold, home barriers to the disabled and/or elderly or other life safety issues as determined by the Building or Code Compliance Officer. The maximum proposed amount for this grant would be \$5,000.

The proposed eligibility requirements are as follows:

- Applicant must be sixty (60) years of age or older.
- Residence must be an owner-occupied (homesteaded) single-family homes and condominiums.
- Applicant cannot be in bankruptcy (If an applicant filed bankruptcy and receive a discharge, the three-year waiting period is waived).

- Property cannot be in foreclosure or pending foreclosure proceedings.
  - All property taxes and city utilities must be current to apply and must remain current while receiving assistance.
  - Homeowner's insurance must be current to apply and must remain current while receiving assistance. (Insurance can be waived if the house is paid off and need improvement to get insurance coverage).
  - Will accept application from applicants whose water bill is in the arrears as long as there's a payment plan, in place, and payments are made as per the payment plans.
  - Participants must show proof of income and meet the household income requirements, based on the applicant's gross income
  - Applicant must be of moderate household income or below.
  - Household size will be determined by the number of people an applicant declares and can provide documents that substantiate that claim.
- Documents to determine proof of residency may include but is not limited to:

- a) Tax returns indicating dependents
- b) School registration

- All projects involving work that has already commenced prior to the execution of a grant with the City will not be funded.
- The work must be completed by a licensed contractor. The City will not finance any improvements in which the applicant does the work, also known as sweat equity.
- Trailer Parks and cooperative units are not eligible for the Senior Mini-Grant program.

Should the Hurricane Shutter/Impact Glass and the Senior Mini Grant Program be reinstated and funded by the City, the recommendation is for the HBCRA to administer these programs based on knowledge and familiarity with the programs through an Interlocal Agreement (ILA). If both programs are approved, a portion of the HBCRA Staff salary directly supporting the programs will be paid by the City, as they would be working outside of the HBCRA boundaries. The proposed allocations are as follows:

- Deputy Executive Director – 10%
- Program Manager - 15%
- Residential Administrative Specialist (2 positions) -15%
- Business Assistance Coordinator -15%

As forementioned these positions will administer the programs and provide assistance to our residents.

### 3. **Transfer to Capital Projects Fund – \$698,097**

To provide supporting infrastructure to the incoming electric vehicles as per the City's replacement plan. Funds will be used to install electric vehicle charging stations at City Hall and Department of Public Works (DPW) compound. (\$600,000)

To fund a change order for the EV Bus Charging Station Project. The change order will support additional scope to accommodate maintenance and operations, and an overall area of approximately 30,000 square feet. (\$98,097)

**4. Transfer to Transportation Fund – \$114,338**

To wrap nine (9) EV buses which serve to visually enhance the City's community shuttle bus. The bus wraps cannot be used for advertising pursuant to the Broward County Surtax interlocal agreement with the county municipalities. This transfer also covers inspection services that will be needed prior to delivery and acceptance of buses.

**160 / Transportation Fund – \$114,338**

**1. Wrapping and Inspection of Buses – \$114,338**

The proposed Budget amendment is to wrap nine (9) EV buses which serve to visually enhance the City's community shuttle bus. The bus wraps cannot be used for advertising pursuant to the Broward County Surtax interlocal agreement with the county municipalities. As the buses are being manufactured, the City must travel to the facility to inspect the buses before they are delivered. This inspection includes verification of the product details and that the production of the buses are according to plan.

**348 / Capital Projects Fund – \$698,097**

**1. Electric Vehicle Charging City Hall & DPW Compound- \$600,000**

Due to the incoming of electric vehicles per the City's Sustainability Action Plan (SAP), this budget amendment will allow for the purchase and installation of new electric vehicle fast chargers at various locations including City Hall and the DPW compound. In an effort to meet our SAP goal, the City continues to prioritize the purchase of electric vehicles and hybrids before the purchase of Internal Combustion Engine (ICE) vehicles. An investment in the construction of our infrastructure is necessary to move forward with reaching our goal of adding more electric vehicles to the City's fleet.

**2. Change Order for DPW EV Bus Charging – \$98,097**

At the first reading of the budget amendment on May 17, 2023, the requested amount for the change order for the EV Facility was \$418,380. After the first reading City staff was directed by the City Manager to review the design of the facility and the decision was made to forego the requested change order which included the full scope. The updated request is now \$98,097 with details explained below.

The project scope of work as issued per agreement dated November 16, 2022 included a single-story pre-manufactured metal building of approximately 6,000 sf (square feet) to accommodate maintenance and operations, and an overall area of approximately 30,000 sf.

During the conceptual design development, the City determined that the size of the building and site area would not be sufficient to accommodate the entirety of the new bus operation.

The City continues to work with the consultant on design of the facility. Work needs to continue on the site plan development while design of the actual building is being completed.

After an onsite meeting with Florida Power & Light (FPL), it was determined that the transformer and switchgear should be located in the existing vehicle washdown area on the southwest corner of the site. In preparation for the temporary charging solution, authorized by City Commission and being performed by BP Pulse (Exhibit 4), the Consultant will need to separately design this area (Exhibit 5) to accommodate the transformer and switchgear, as this work will need to be performed prior to the arrival of the buses.

In addition to the aforementioned changes, staff is requesting a 10% contingency for design for any unforeseen or necessary changes in the future.

Below is a breakdown of the costs:

Decription	Total
Original Contract Amount	\$ 699,750
Southwest Corner Design	\$ 25,565
Change Order Subtotal	\$ 25,565
New Total Contract Amount	\$ 725,315
Contingency	\$ 72,532
Total Not to Exceed Amount	\$ 797,847
Budget Amendment Request	\$ 98,097

#### **402 | Utility Revenue Bond Series 2023 Fund – \$10,646,998**

##### **1. Increase of Bond Issuance – \$10,646,998**

On September 28, 2022, the City Commission adopted the City's 5-year Capital Improvement Program (CIP Plan) and 5-year utility rate study which included plans for \$230.6 million in capital projects (\$181 million to be funded with public utility revenue bonds) through FY 2028-29 and rates required to service the future debt, respectively.

During the process of completing the necessary bond feasibility study with the City's financial consultants, it was observed that a considerable number of bond-funded projects that were bid out after the completion of design, had bid values significantly exceeding the preliminary estimates incorporated within our initial CIP Plan. These discrepancies can be attributed to current market conditions and the inflationary environment that persistently impacts the development of utility infrastructure projects today.

Consequently, the City's bond consultants advised reassessing the initial cost projections in the CIP Plan, in collaboration with the City's engineers. This revision was crucial before

proceeding with the issuance of the first tranche of bonds, which were initially projected to be worth \$53.2 million.

In March 2023, the Public Works Department, in collaboration with the Budget and Finance Departments, updated the CIP Plan to align with current market conditions. This adjustment led to an increase of \$22.3 million in capital project costs within the CIP Plan through FY 2028-29. These changes have been integrated into the amended bond feasibility study and the refreshed 5-year utility rate study slated for City Commission approval before issuing the first series of utility revenue bonds.

As a result of the CIP Plan revisions, the first tranche of utility revenue bonds is projected to rise from \$53.2 million to \$63.9 million. This amount encompasses an increase of roughly \$6 million for additional project funding and \$4.7 million for the establishment of a reserve fund in compliance with the Master Utility System Bond Ordinance, as well as covering debt issuance expenses.

**Why Action is Necessary:**

In accordance with Florida Statutes Section 166.241(2), a municipal government may not expend or contract for expenditures in any fiscal year except those expenditures pursuant to the adopted budget, except for the items that the Budget Ordinance that adopts the annual budget allows to be appropriated without Commission approval, and for the reallocation of carryover projects that were previously approved by the Commission. Since these adjustments were not anticipated in the FY2022-23 Budget, nor allowable in accordance with the Budget Ordinance, a budget amendment is required to obtain Commission approval for the appropriations and expenditures of these funds.

**Cost Benefit:**

The proposed budget amendment will increase the FY 2022-23 Budget by an amount not-to-exceed \$12,571,868. This amendment will allow staff to continue to implement revenue generating initiatives and to move the city forward with greater efficiency.

**PROPOSED ACTION:**

The City Commission considers the attached Ordinance.

**ATTACHMENT(S):**

Exhibit 1 – Proposed Ordinance  
Exhibit 2 – Line Item Detail

Prepared By: Nickens Remy  
Nickens Remy  
Budget & Program Monitoring Assistant Director

Reviewed By: Natasha Mazzie  
Natasha Mazzie  
Budget & Program Monitoring Director

Reviewed By: Noemy Sandoval  
Noemy Sandoval  
Assistant City Manager