

## Memorandum

**Date:****To:** Honorable Chairman Joe A. Martinez and  
Members, Board of County Commissioners**From:** George M. Burgess  
County Manager**Subject:** *Building Building Better Communities* - First Annual Report on the General Obligation  
Bond (GOB) Program

On July 20, 2004, the Board of County Commissioners ("the Board") authorized eight Building Better Communities (BBC) General Obligation Bond (GOB) Program ballot questions to be placed before Miami-Dade County voters on the November 2, 2004 general election. Those questions encompassed such areas as parks, libraries, cultural enhancements, health, housing, infrastructure, public safety, water, sewer and drainage, housing, and public outreach. In that November 2004 election, the voters overwhelmingly approved all eight of the ballot questions, funding more than 300 capital projects over the next 15 years. These projects are expected to impact every corner of Miami-Dade County and provide much needed economic development and jobs.

In May 2005, the Board approved enabling legislation to allow the first bond sale to proceed thus permitting the GOB program to officially proceed. The Series 2005 Resolution (R-577-05) authorized the issuance of \$250,000,000 of General Obligation Bonds and by July, the first series of bonds were sold providing the funding for the projects approved as part of the Series 2005 Resolution.

We are pleased to submit our first Annual report. Over the past twelve months, we have laid the administrative, structural and procedural groundwork for this ambitious program. Work has begun on the first of this series of projects, and more will be initiated as we enter our second year of implementation.

### **Brief Overview of General Obligation Bond Program**

The *Building Better Communities* General Obligation Bond Program is a long-term investment in our community. Projected to last over 15 years, the Program, when completed, will include more than 300 projects spread over more than 600 locales throughout Miami-Dade County. This Program truly touches every facet of this community: our municipalities, the cultural community, the historic preservation community, libraries, parks, infrastructure projects, neighborhood service centers and government buildings. The Office of Capital Improvements coordinates and manages the Program, with the Citizens' Advisory Committee serving as a volunteer body to advise me as well as the Mayor and Board of County Commissioners.

## **Progress During the Last 12 Months**

### **1. *Establishment of the General Obligation Bond Office***

In January 2005 the GOB office was established as part of the Office of Capital Improvements (OCI). OCI is particularly well suited to guide the GOB Program and provide the needed oversight as it has previously provided similar coordination for the Quality Neighborhoods Improvement Program (QNIP) as well as other capital projects. OCI will monitor project status and progress; provide expert guidance on contracting, construction and project management; and report to the Board, the Mayor, the Citizens' Advisory Committee and the public on the progress of the Program.

### **2. *Enacted Enabling Legislation***

In May of 2005, the Board approved a number of resolutions, including the approval of the Administrative Rules and Interlocal Agreement and the sale of the first \$250 million in bonds. The Board also received a report explaining how the Program would be managed and controlled and a proposed 15-year allocation for the Bond Program.

### **3. *Sale and Closing of 2005 Series A Bonds \$250 million***

On July 7, 2005 the Series A bonds (2005) were sold at the very competitive rate of 4.5293%. Due to this lower-than-expected rate, an additional \$13.635 million in bonds were sold. On July 21, 2005 we closed on the sale of the bonds making over \$263.635 million immediately available for capital projects. OCI is working with the Citizens' Advisory Committee and the GOB Sub-committee to prioritize the use of these additional funds.

### **4. *Finalized Administrative Rules and Grant Agreements***

After receiving input from municipalities and in consultation with the County Attorney's Office, we have finalized the Administrative Rules and the formats for the Grant and Municipality Agreements we will be executing with external entities. Among many provisions, these Administrative Rules include limitations on administrative costs (so-called "soft costs"), ensuring that most of the bond proceeds are put to work on the much-needed capital projects.

### **5. *GOB Database***

Keeping tight control of over 300 projects, spread over 15 years, requires effective project control tools. OCI has a web-based database system that includes every GOB project and site. This County-developed project management tool will provide any County employee instant access to up-to-date project status. Schedule and cost information will be updated on a monthly basis and compared with baseline information to identify projects that are lagging behind. We will be able to identify under-performing projects and take prompt remedial action. County departments have been trained by in-house OCI staff on the use of the database. You and your staff may view the status of the GOB by visiting our website.

**6. *Invoicing Procedures***

We understand the fiduciary responsibility to ensure the appropriate expenditure of the GOB funds. Guidelines and procedures have been established for the review and approval of payment requests received from County departments to pay incurred expenses related to GOB projects. Those guidelines and procedures were distributed to departments in September 2005. Expenditure index codes have been established and associated with individual project sites for the Series (2005) bond sale revenue. Requests for vendor, consultant or contractor payments related to the GOB projects will be reviewed to ensure that payment requests contain accurate information including an appropriate invoice; identifying work, project or purchase order number; correct date, description and location of work performed; completion date; and requested amount for payment. OCI staff has scheduled meetings with County departments to provide training and instructions on proper payment procedures.

Expenditure index codes have been created for community based organizations and municipalities that will be recipients of GOB funds and OCI staff will also schedule meetings with those entities to provide training and instructions on proper payment procedures.

**7. *Meetings with Municipalities and County Departments***

We have met with all municipalities to discuss the format of the agreements we will be executing with them and to offer our considerable resources to assist them in implementing their projects. We will continue to meet with municipalities periodically to provide assistance as necessary and to monitor the progress of their projects. Staff has conducted monthly meetings with major county departments, such as DERM, Water and Sewer, Park and Recreation, Public Works and GSA to discuss project implementation strategies and to impress upon them the urgency of delivering on the promises made to the community.

**8. *Public Outreach***

A comprehensive community-wide outreach campaign has been developed and continues to be executed to inform the public about the progress, achievements and activities of the Bond Program. Components include the production of a full-color brochure that is distributed during presentations by staff at community meetings, a 30 second public service announcement that promotes the Bond Program and airs on Miami-Dade TV, an easy-to-use website that is regularly updated and provides the community with the most up-to-date information about the Bond Program, and a quarterly e-mail newsletter which spotlights program milestones and is distributed to stakeholders and other concerned parties. Members of the Citizens' Advisory Committee will be available to participate in community outreach meetings. A Public Involvement Plan has also been created Countywide for all construction projects over \$1 million to help minimize the disruptive effects of infrastructure projects on businesses in the direct path of construction. The Plan will provide assistance to those businesses using a variety of methods.

**9. Citizens' Advisory Committee**

One of the cornerstones of the GOB monitoring program presented to the voters was the establishment of an independent Citizens' Advisory Committee (CAC). In December 2004, the Board approved an ordinance establishing the CAC to be composed of twenty-one citizen volunteers appointed by the Board, Mayor and County Manager. The CAC's role is to monitor the program, participate in progress reports to the Mayor and Board, and provide advice to the Mayor, Board and County Manager on any re-allocations or unspent bond funds, and community outreach. The CAC was empanelled in August 2005 and had their first meeting on August 31, 2005. The first action items were presented to the CAC on October 3, 2005.

**10. Agreements with External Entities**

Bond proceeds will be disbursed to municipalities and not-for-profit groups on a reimbursement basis through the execution of a municipality or grant agreement. These entities will utilize a set of Board-approved administrative rules in order to guide them through the process. The agreements have exhibits that clearly detail the scope of work to be performed while listing the various milestones and their anticipated start and completion dates. The various funding sources are also shown and list the year they will be received. Entities are required to submit the appropriate exhibits on a monthly basis in order for us to update our website monthly.

**11. Contracting Opportunities**

One of the benefits of a healthy capital improvement program is a significant reinvestment of cash into the community through contracting opportunities. These opportunities create well paying jobs for our citizens, not only in the construction trades but also in the architectural/engineering community. The investment of \$2.9 billion in our community over the next 15 years will help stimulate our economy. Literally hundreds of professional services agreements and construction contracts will be awarded as part of the GOB Program

**12. Training Program and Job Opportunities**

The Board of County Commissioners approved \$250,000 for the County's 2005-2006 fiscal years for a training component for the *Building Better Communities* Bond General Obligation Bond Program. The initial meeting to discuss ways to provide this type of program was held on October 12, 2005 with approximately 40 agency representatives attending. A follow-up meeting was held on December 8, 2005 where interested parties were asked to provide proposals for the use of the \$250,000. We are currently reviewing the proposals submitted to formulate a program for consideration by the BCC. Based on a report conducted by The Washington Economics Group, Inc. in September 2004, 4,000 new jobs annually are anticipated to be created during the 15-20 year projected build out of the Bond Program.

**13. Land Acquisitions**

A number of GOB development projects require the purchase of land. Thirteen (13) parcels are in the process of being acquired in the upcoming year.

**Anticipated Progress over the Next 12 Months**

We anticipate the pace to accelerate considerably during the next 12 months with the implementation of many County department projects and the execution of interlocal agreements with municipalities and cultural and historic preservation organizations. In addition, we expect submission of Request-For-Proposals (RFPs) for the Economic Development Fund and Not-for-Profit Fund.

**Conclusion**

With a program of this scope and magnitude, there is much groundwork yet to be laid. We have accomplished a great deal this year: establishment of the *Building Better Communities* office and infrastructure within the OCI; the first bond sale allowing the projects to obtain the necessary funding; creation of the General Obligation Bond database; the GOB Website; the Citizens' Advisory Committee which is fully established and meeting on a regular basis; and critical legislation, advertisement and recruitment. The outreach process has continued during the year, updating the public as milestones have been achieved and providing ongoing communication with internal and external stakeholders to keep them informed on the progress and developments of the GOB Program.

But much work remains. This second year will, in some ways, be more exciting than the first. Maintaining public visibility and good will are paramount in our minds. We plan to schedule groundbreakings in every commission district and municipality. Jobs will be created as we implement our job training program to benefit those individuals interested in the construction, architecture and engineering fields. We expect to start construction on many projects in the coming year. Procedures to access funds such as \$75 million for economic development will be in place soon.

This past year has been spent laying the foundation to accomplish this monumental program. The implementation of this program will be the model for Miami-Dade County to follow, and we are optimistic for the future.