



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Government Operations
Committee

July 13, 2010

9:30 A.M.

Commission Chamber

Charles Anderson, CPA
Commission Auditor
111 NW First Street, Suite 1030
Miami, Florida 33128
305-375-4354

**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

**Legislative Notes
Government Operations Committee
Meeting Agenda**

July 13, 2010

Written analyses and notes for the below listed items are attached for your consideration:

Item Number(s)

1E5
1E9
1E10
2(A)
2(C)

Fiscal Impact Statement

3(B)
3(C)
3(E)

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:
Michael Amador-Gil, Senior Legislative Analyst

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR



Legislative Notes

Agenda Item: 1(E)5, 1(E)9, & 1(E)10
File Number: 101526, 101754, & 101755
Committee(s) of Reference: Government Operations Committee
Date of Analysis: July 8, 2010
Type of Item: Resoluituion

Summary

1(E)5: This resolution approves the transfer of Passenger Motor Carrier (PMC) Certificate of Transportation No. 30253 from A Ride Transportation, Inc. to Tasha Services, Inc.

1(E)9: This resolution approves the transfer of PMC Certificate of Transportation No. 30262 from Fort Lauderdale & Miami Airport Shuttle, Inc. to Key West Adventures Corp.

1(E) 10: This resolution approves the transfer of PMC Certificate of Transportation No. 30005 from Mr. Alphe Willingham to Mr. Jean Claude Pierre d/b/a Liberty City Jitney.

Enforcement History

According to Consumer Services staff, the following illustrates past enforcement history for the following firms:

- **Tasha:** Principle has been a chauffeur since 2002. Received one citation in 2007. The citation was issued by a Landside officer because the driver discharged the passenger at the curbside (upper level concourse D) in violation of MIA regulations.
- **Key West:** Principle has been a chauffeur since 2009. Received one citation in 2009. The driver received a citation at the Port of Miami because at the time he did not have a Port ID as required for all PMC drivers. Citation was satisfied.
- **Liberty City:** Principle has been a chauffeur since 2003. Received one citation in 2009. Driver received citation because he did not complete the route. Citation was satisfied.

Prepared by: Michael Amador-Gil

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 2(A)
File Number: 101224
**Committee(s)
of Reference:** Government Operations Committee
Date of Analysis: July 8, 2010
Type of Item: Ordinance
Sponsor: Commissioner Bruno A. Barreiro

Summary

This ordinance establishes County policy that for prospective fiscal years retail water and wastewater rates will be adjusted based on the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index (CPI), All Urban Consumers, Water and Sewerage Maintenance, U.S. City Average ("CPI"), to support Miami-Dade Water and Sewer's operations and maintenance costs.

Beginning in Fiscal Year 2011, retail water and wastewater rates will be adjusted based on the annual index change for the just-ended calendar year for the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index (CPI), All Urban Consumers, Water and Sewerage Maintenance, U.S. City Average (or any successor index established by the United States Department of Labor) available on October 1 ("CPI Adjustment"). The CPI Adjustment will be applied to the water and sewer rates effective annually on October 1.

- **Additional revenues generated from the application of the CPI Adjustment in each Fiscal Year will be utilized solely to pay increased operation and maintenance costs of the Miami-Dade Water and Sewer Department.**

Miami-Dade Water and Sewer Five Year Financial Outlook (Adopted Budget FY 2009-10)

At the September 17, 2009, final public hearing regarding the County's Resource Allocation and Multi-Year Capital Plan, the Board of County Commissioners (BCC) adopted various rate adjustments for the Department. The water and wastewater retail customers' rate adjustment was phased into two effective dates, October 1, 2009, and April 1, 2010. Effective October 1, 2009, the water and sewer rate adjustment includes a six percent Maintenance Index increase to the average retail customer for FY 2009-10.

This Maintenance Index will be evaluated annually and applied in the proposed retail rate adjustment for FY 2010-11 through FY 2013- 14. For FY 2009-10, an additional 6% increase above the maintenance index will be in effect on April 1, 2010 to provide for an additional \$11.2 million in revenues to be utilized for a phased-in enhancement in operational requirements, additional renewal and replacement transfer to pay for capital expenditures, and increased debt service payments for a new issuance necessary for the implementation of the capital plan. The rate increase will not be applied to the retail lifeline customer.

- In future years, the Five-Year Outlook assumes maintenance index rate increases of four percent, except for FY 2010-11 and FY 2012-13 which include increases above the maintenance index of double digits. Rate increases assumed in future years are necessary to fund the Multi-Year Capital Improvement Plan estimated at \$6.4 billion in capital projects to meet regulatory requirements.
- Additionally, rate adjustments will pay for operational and maintenance expenditures for South Miami Heights Water Treatment Plant that will become operational in FY 2011-12, the Reverse Osmosis Plant, and the High Level Disinfection (HLD) process at the South District Wastewater Treatment Plant that will be operational in FY 2012-13.
- The Five-Year Financial Outlook assumes a weighted average percentage growth of four percent in operating expenditures annually through FY 2013-14. In FY 2011-12, an additional \$833,000 is included for six months of operating expenditures for the newly constructed South Miami Heights Water Treatment Plant, \$6.6 million for the operation of the Hialeah Reverse Osmosis Water Treatment Plant, and \$1.5 million for High Level Disinfection Process in FY 2012-13.
- The Department is proposing to issue new bonds of \$785 million in FY 2010-11, \$772.6 million in FY 2011-12, \$646.7million in FY 2012-13, and \$589 million in FY 2013-14 to provide funding for planned capital projects.

Survey of Florida Counties

The Office of the Commission Auditor surveyed five jurisdictions in Florida. OCA focused on examining how other counties establish their water and wastewater rates.

Counties	Population & Budget FY2009-10	Does the County adjust their water and wastewater based on CPI?	Comments
Broward (Water and Wastewater Services)	1,758,494 \$3.1 billion	<p>No. Broward County provides retail water and wastewater services to approximately 57,000 customers throughout the County's Water and Wastewater Services (WWS) service area. The recommended Fiscal Year 2010 operating and capital program budgets for the Water and Wastewater Fund include increases in water and wastewater retail rates, effective for services rendered after October 1, 2009. ¹</p> <p>The new rates are necessary to fund increasing operating costs, debt services associated with the February 2009 sale of revenue bonds, and the effects of less than historical demands in the water and wastewater systems. The proposed Fiscal Year 2010 rates reflect an increase of 3.79% in the water rates and 6.05% in the sewer rates, for a cumulative impact of 5.1%.</p> <p>Fees for permits, reclaimed water, emergency rate adjustments, specific service charges, engineering service charges, and field service charges remain unchanged. An average WWS customer using 5,000 gallons per month of water consumption will experience an overall increase of \$2.63 in his monthly water and wastewater bill, from \$51.59 to \$54.22.</p>	<p>Alan Garcia, Director of Water and Wastewater Services 954.831.0707</p> <p>Charlie England, Revenue Protection Manager for Water and Wastewater Services 954.831.3216</p>
Palm Beach County (PBC)	1,294,654 \$4.1 billion	<p>Yes. The Board of County Commissioners approved an annual CPI adjustment several years ago. PBC applies this adjustment, to both water and wastewater at the beginning of October each year. The percentage allowed is 75% of the Water and Wastewater Maintenance Indicator as maintained by the Bureau of Labor Statistics.</p>	<p>Aaron, Budget Analyst 561.355.2393</p>

¹The Commission approved these rates on August 25, 2009.

Counties	Population & Budget FY2009-10	Does the County adjust their water and wastewater based on CPI?	Comments
Hillsborough (Water Resources Services)	1,200,541 \$2.972 billion	<p>No. Beginning June 1, 2010, Water Resource Services (WRS) customers will see changes in the rates they pay for water, wastewater and metered reclaimed water service. In order to keep the utility financially sound, Hillsborough County Commissioners in May approved the implementation of "rate indexing." Rate indexing will allow them to make annual adjustments to rates based on an inflation factor established by the Florida Public Service Commission.</p> <ul style="list-style-type: none"> • The rate indexing will be applied on usage beginning June 1, 2010. The rate adjustment for this year is 0.37 percent, amounting to an additional 22 cents per month on the typical household use of 6,000 gallons of water. Furthermore, the indexing plan approved by the County Commission allows for WRS to begin charging the adjusted rate automatically on June 1 of each year if adjustments are necessary. • Rate adjustments can be made only once per calendar year, and will be tied to a factor set by the Florida Public Service Commission. Although WRS is not regulated by this authority, their standards are specific to Florida utilities. This makes their inflation factor more applicable to WRS, unlike the Consumer Price Index, which incorporates a wide variety of commodities. 	http://www.hillsboroughcounty.org/water/accounts/rates.cfm
Orange (Water and Wastewater Department)	1,114,979 \$3.1 billion (FY 2010)	<p>No, consistent with and pursuant to Section 153.11 of Florida Statutes, the Board of County Commissioners adopts annually, effective October 1st of each year hereafter, an automatic increase of three percent (3%) to all rates, fees and charges contained in the Water System Charge Schedule in effect immediately prior to the effective date of such annual increase.</p> <p>The automatic increase will not apply to the Water Capital Charge or Specific Service Charges.</p>	<p>Christine Arrant, Budget Analyst</p> <p>407.836.7390</p> <p>http://www.orangecountyfl.net/YourLocalGovernment/BudgetFinances/tabid/243/Default.aspx</p>

Counties	Population & Budget FY2009-10	Does the County adjust their water and wastewater based on CPI?	Comments
Duval	904,971 \$4.57 billion	To Be Announced	John Proctor, Budget Analyst 904.630.1197 Dave McKee, Major Accounts Manager for Jacksonville Electric Authority 904.665.4336

Attachments

- Combined water and sewer bills for Florida municipalities and major U.S. cities for the average residential customer 2007, 2008, and FY 2009-10²
- Miami-Dade Monthly Water and Sewer Charges Percentage Changes Average 6,750 Gallon Customer

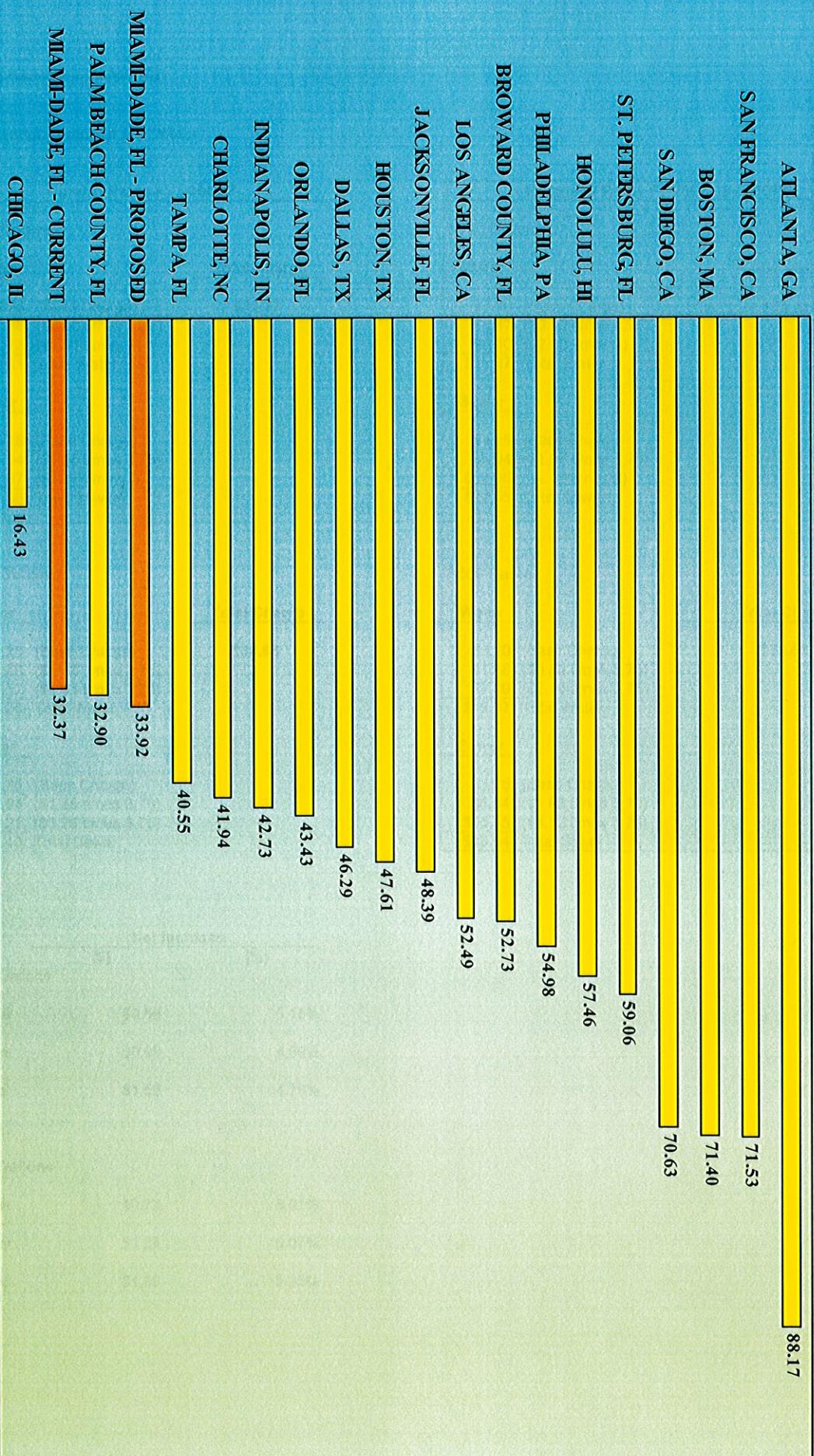
Prepared by: Michael Amador-Gil

²Average Residential Customer using 6,700 Gallons Per Month

**Miami-Dade Water & Sewer Department
Monthly Water and Sewer Charges
Percentage Changes
Average 6,750 Gallon Customer**

<u>Effective Date</u>	<u>% Change Average 6,750 Gallon Water & Sewer Bill</u>
10/1/1997	0.0%
10/1/1998	0.0%
10/1/1999	0.0%
10/1/2000	0.0%
10/1/2001	-11.1%
10/1/2002	-2.2%
10/1/2003	6.5%
10/1/2004	0.0%
10/1/2005	7.7%
01/1/2007	4.5%
10/1/2007	4.8%
10/1/2008	5.4%
10/1/2009	6.0%
04/1/2010	5.7%

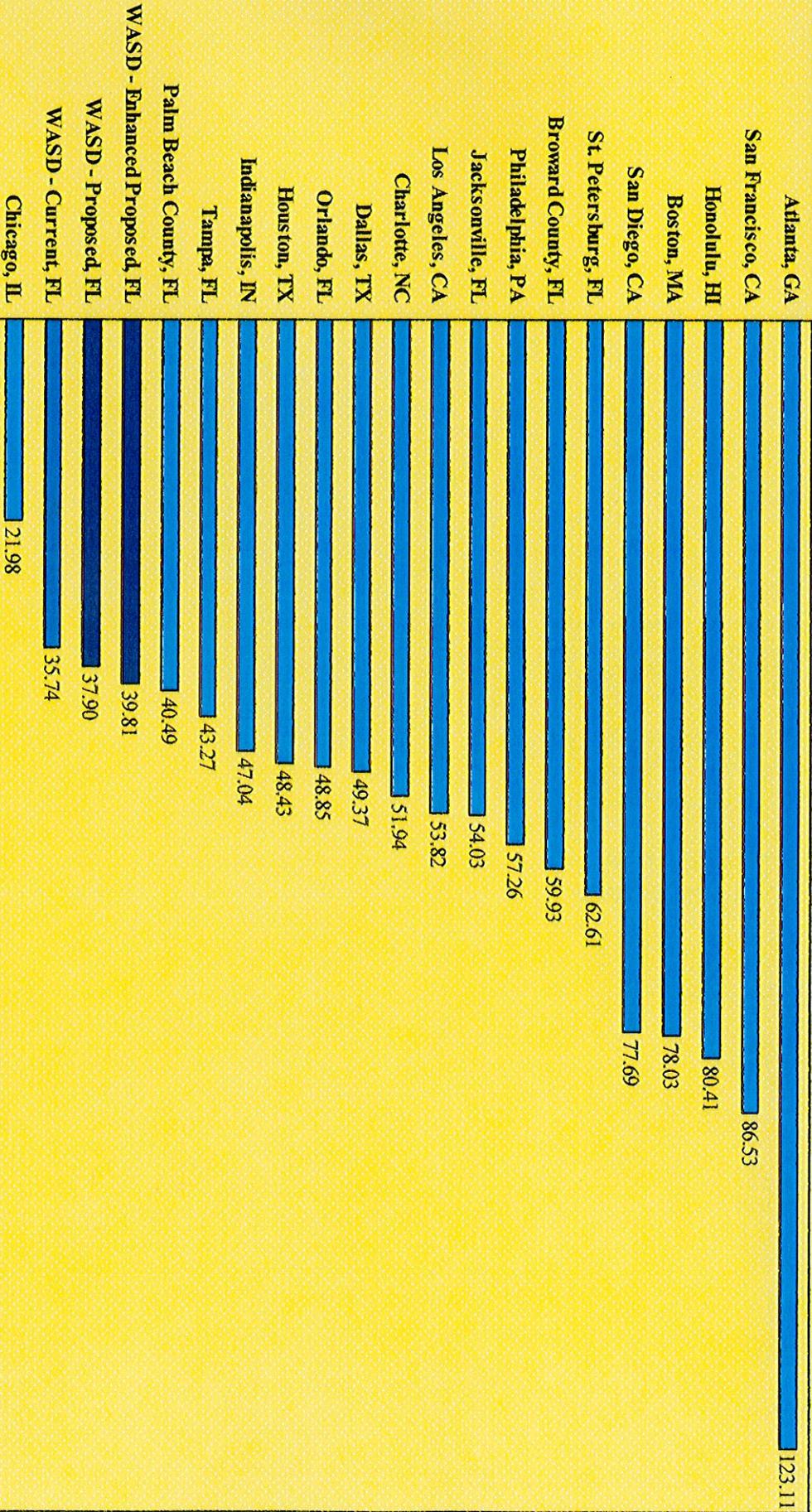
COMBINED WATER AND SEWER BILLS FLORIDA MUNICIPALITIES AND MAJOR U.S. CITIES FOR THE AVERAGE RESIDENTIAL CUSTOMER* EFFECTIVE OCTOBER 1, 2007



DOLLARS PER MONTH

* AVERAGE RESIDENTIAL CUSTOMER USING 6,750 GALLONS PER MONTH

COMBINED WATER AND SEWER BILLS FLORIDA MUNICIPALITIES AND MAJOR U.S. CITIES FOR THE AVERAGE RESIDENTIAL CUSTOMER*

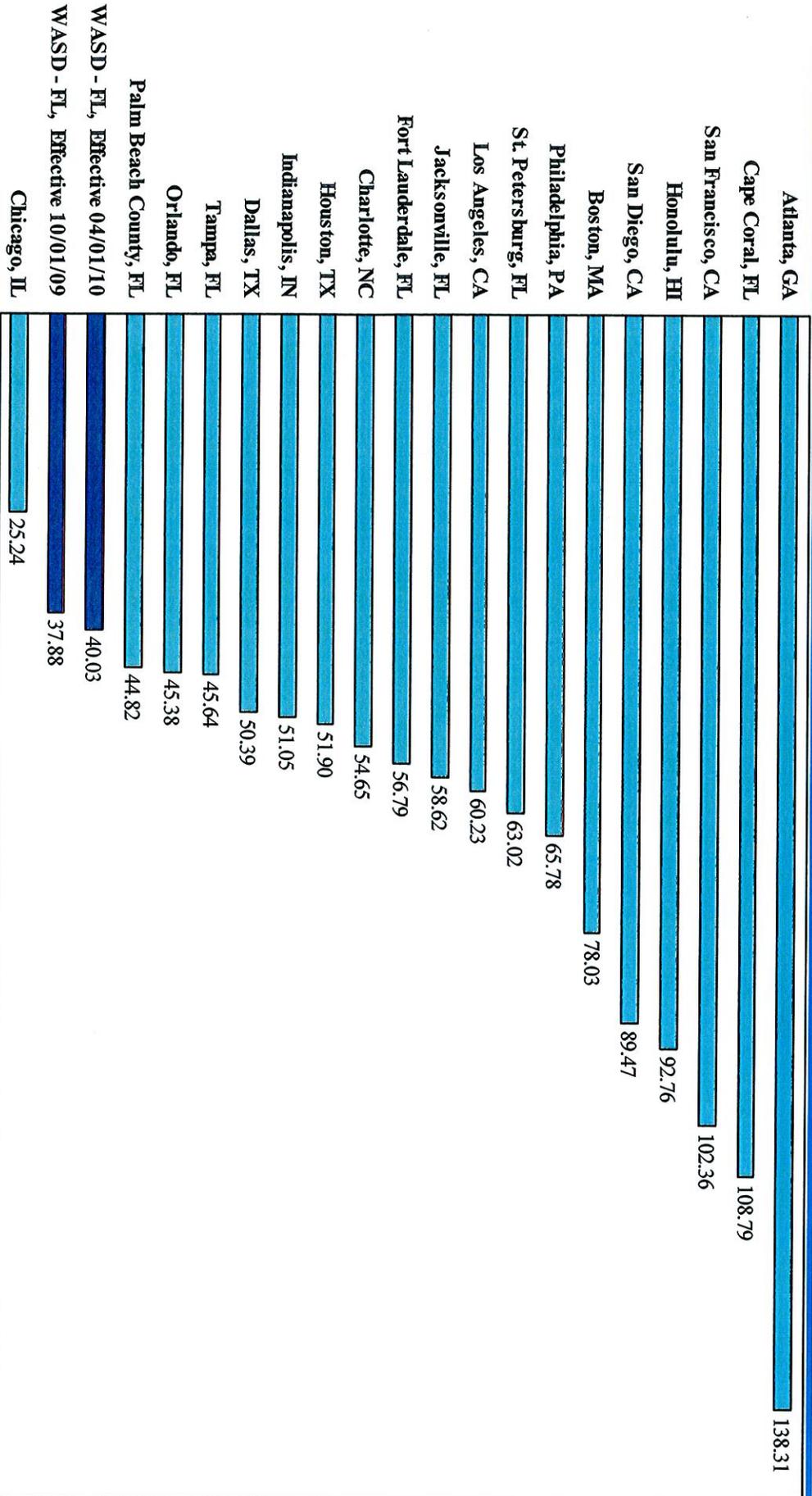


DOLLARS PER MONTH

* AVERAGE RESIDENTIAL CUSTOMER USING 6,750 GALLONS PER MONTH

Note: Current Miami-Dade rate effective October 1, 2008

COMBINED WATER AND SEWER BILLS FLORIDA MUNICIPALITIES AND MAJOR U.S. CITIES FOR THE AVERAGE RESIDENTIAL CUSTOMER*



DOLLARS PER MONTH

* AVERAGE RESIDENTIAL CUSTOMER USING 6,750 GALLONS PER MONTH
 Note: Current Miami-Dade rate effective October 1, 2009

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 2(C)
File Number: 101648
Committee(s) of Reference: Government Operations Committee
Date of Analysis: July 8, 2010
Type of Item: Resolution
Sponsor: Commissioner Bruno A. Barreiro

Summary

This resolution authorizes the execution of a lease agreement between Miami-Dade County (**Landlord**) and the Department of Off-Street Parking A/K/A Miami Parking Authority (MPA-**Tenant**) to improve and utilize as a parking lot with 24 hours a day, seven (7) days a week access for the convenience of the public and surrounding merchants located at 474 N.W. 4 Street, Miami, Florida.

Surrounding Merchants/Facilities/Parks

1. Lummus Park (City of Miami)
2. Garcia's Seafood Grille and Fish
3. CasaBlanca Seafood Bar and Grill
4. Miami Scottish Rite Temple

Lease Term: Three (3) years with two (2) additional one-year renewal option periods.

Lease Agreement Highlights

- Tenant is responsible to design, permit and construct the Parking Lot Facility/s initial capital improvements. Costs are estimated to be \$20,000.
- Tenant will be reimbursed 100% of the costs of the initial capital improvements to the parking lot through the collection of Gross Revenues after a certificate of occupants/certificate of use is obtained.
- **Once tenant is reimbursed for the capital cost, then the County will begin receiving rent payments.**
- Tenant will at its sole cost, manage and staff the Parking Lot Facility during its period of use.
- Tenant will install, at Tenant's own cost and expense, the Pay and Display master meters for use by patrons of the Parking Lot Facility.
- Tenant will be allowed to use certain parking spaces by a valet parking company.

The drainage is not included in the cost estimates. In the event drainage improvements are required as a permit condition for the adjacent Miami River Greenway Project, the cost would be paid from funds legally designated for the Miami River Greenway Project.

Miami River Greenway

In early 1998, the Florida Legislature created the Miami River Commission to improve the 5.5-mile Miami River and its surroundings, including the 69-square-mile water basin that includes much of the City of Miami and a portion of Miami-Dade County.

In 2008, the Miami River Commission celebrated its 10th anniversary with the completion of its signature Miami River Maintenance and Environmental Clean-Up Project. This long-awaited community-wide initiative, which was completed in October 2008, improved trade, jobs, businesses and the natural environment. The effort took many years, more than 10 years of hard work, \$89 million in local, state and federal funding, and the commitment of hundreds of citizens, elected officials and stakeholders along the Miami River.

Comments

The County is indirectly reimbursing the City of Miami's (City) rent payment until such time the City is reimbursed through the collection of Gross Revenues for the costs of the improvements to the parking facility.

Question

Was there a necessity study/survey performed justifying the need for additional parking?

Prepared by: Michael Amador-Gil

MIAMI-DADE COUNTY
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FISCAL IMPACT ANALYSIS

Agenda Item: 3(B)

File Number: 101323

Type of Item: Resolution

Committee(s)
of Reference: GOC

Date of Analysis: 7/9/10

Funding Request: \$13,180

<p>Operating <input checked="" type="checkbox"/></p> <p>Operating Funding Source(s):</p> <p>General Fund <input checked="" type="checkbox"/></p> <p>Federal <input type="checkbox"/></p> <p>State <input type="checkbox"/></p> <p>Proprietary <input type="checkbox"/></p> <p>Other (explain) <input type="checkbox"/></p> <p>_____</p> <p>_____</p>	<p>Capital <input type="checkbox"/> CIP page number _____</p> <p>Recurring Estimated Operating Cost \$ _____</p> <p>Capital Funding Source(s):</p>
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County Match required:

Yes \$ _____ % _____

No

ISSUES/COMMENTS None

The month-to month parking license agreement is primarily due to the unknown construction completion date of the Children's Courthouse and the West Lot Garage and office building. The parking agreement cost may exceed \$13,180 annually if construction extends past July 1, 2011. The General Services Administration advised OCA that the expected parking revenue loss will be approximately \$345K in FY 10-11.

Prepared by: Charlie Queen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR



FISCAL IMPACT ANALYSIS

Agenda Item: 3(C)

File Number: 101760

Type of Item: Resolution

Committee(s)
of Reference: GOC

Date of Analysis: 7/9/10

Funding Request: \$

<p>Operating <input type="checkbox"/></p> <p>Operating Funding Source(s):</p> <p>General Fund <input type="checkbox"/></p> <p>Federal <input type="checkbox"/></p> <p>State <input type="checkbox"/></p> <p>Proprietary <input type="checkbox"/></p> <p>Other (explain) <input type="checkbox"/></p> <p>_____</p> <p>_____</p>	<p>Capital <input checked="" type="checkbox"/> CIP page number <u>N/A</u></p> <p>Recurring Estimated Operating Cost \$ _____</p> <p>Capital Funding Source(s):</p> <p>Water and Sewer Bond Funds</p>
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County Match required:

Yes \$ _____ % _____

No

ISSUES/COMMENTS None

Ordinance 08-79 allows the County to accept unsolicited proposals. This proposal to design and construct chlorine generation and emergency generators at the Orr and Preston water plants falls under the purview of the ordinance. The \$59.5M funding request is the solicitor's estimate. WASD included this work at each plant as part of two larger projects in the adopted FY 09-10 capital improvement plan. The Hialeah/Preston Improvements was funded for a total of \$83.187M and the Alexander Orr, Jr Expansion was funded for a total of \$76.939M. More information from the department will be available and updated for the full Board meeting.

Prepared by: Charlie Queen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
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FISCAL IMPACT ANALYSIS

Agenda Item: 3(E)

File Number: 101760

Type of Item: Resolution

Committee(s)
of Reference: GOC

Date of Analysis: 7/9/10

Funding Request: Between \$78M - \$120M

<p>Operating <input type="checkbox"/></p> <p>Operating Funding Source(s):</p> <p>General Fund <input type="checkbox"/></p> <p>Federal <input type="checkbox"/></p> <p>State <input type="checkbox"/></p> <p>Proprietary <input type="checkbox"/></p> <p>Other (explain) <input type="checkbox"/></p> <p>_____</p> <p>_____</p>	<p>Capital <input checked="" type="checkbox"/> CIP page number <u>N/A</u></p> <p>Recurring Estimated Operating Cost \$ _____</p> <p>Capital Funding Source(s):</p> <p>Future Water & Sewer Revenue Bonds</p>
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County Match required:

Yes \$ _____ % _____

No

ISSUES/COMMENTS None

If FP&L attains the permits to build the two new nuclear power generation units, the maximum payback to FP&L by the County is estimated at \$120M (\$78M x 4% escalator x 10years). OCA has contacted the Water and Sewer Department to verify the estimated amount of the cost savings in the context of water reuse mandates and this information should be available and updated for the full Board meeting.

Prepared by: Charlie Queen