

# Memorandum



**Date:** July 20, 2010

Supplement to

**To:** Honorable Chairman Dennis C. Moss  
and Members, Board of County Commissioners

Agenda Item No. 8E1A

**From:** George M. Burgess  
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

**Subject:** Supplemental Report: Item 8E1A, Resolution Authorizing Issuance of up to \$217,260,000 of Transit System Sales Surtax Revenue Bonds

This report responds to requests made at the July 8, 2010 Board of County Commissioners meeting regarding Item 8E1A, Resolution Authorizing Issuance of Transit System Sales Surtax Revenue Bonds, Series 2010, for up to \$217,260,000.

I cannot overstate the importance of approving this item; without approval of this issuance of \$217 million in Transit System Sales Surtax Revenue Bonds, all projects outlined in Item 8E1A would have to be postponed or cancelled. In addition to the various financial and service impacts of not completing these projects, there will be a negative cash flow of \$92.7 million as a result of expenses that will be incurred by FY 2010 year end on these ongoing projects that had been previously approved by the Board. The negative cash flow of \$92.7 million is comprised of \$31.5 million in the Public Works Department (PWD) fund; and \$61.2 million in Miami-Dade Transit's (MDT's) proprietary fund. Deferring this item could result in an additional reservation against the general fund unreserved fund balance in the amount of \$61.2 million for the MDT portion. The reason for this is that MDT is a stand-alone enterprise fund and cannot be reflected as a negative fund balance in the County's Comprehensive Annual Financial Report (CAFR). This amount will be illustrated in the County FY 2009-10 CAFR and could result in a lowering of the County's overall bond ratings that would impact future debt issuances utilizing the County's pledging ability.

### **Miami-Dade Transit Impacts**

In addition to the funding gaps related to reimbursing expenses already incurred noted above, there will be costs associated with the termination of contracts already issued. Specifically, as it relates to the Metrorail connector project to the airport, this project is 43 percent complete and if work is stopped, the County would continue to incur an expense of up to \$85.5 million before the contract is released. More specifically, if the Airportlink project is stopped by the end of July 2010, \$34 million would be due to the contractor for work performed in June and July. Demobilization cost of up to \$43 million would have to be paid to the contractor. A responsible demobilization would consist of performing the minimum required amount of work to ensure that the structures and other project elements are left in a safe and secure condition as a result of the work stoppage mid-stream. Additionally, the County could have to pay up to approximately \$8.5 million in contract termination damages. At the time the County desires to restart the project, the contractor could seek up to about \$8.5 million in remobilization charges. Also, work left to be constructed may need to be renegotiated due to price escalations should the market experience inflation.

I would like to underline the importance of maintaining our transit system in a "state of good repair." As you may recall, the Federal Transit Administration (FTA) issued a strong warning to MDT in 2002 related to maintaining the system, which included modernization of the rail fleet. If we do not move forward with the rail and mover vehicle procurements, the FTA could declare MDT an unsafe system, which could jeopardize \$81 million annually in federal and state funds already programmed in MDT's operational budget and further decrease MDT's cash position. This bond issuance includes the

purchase of rail and mover cars and other needed infrastructure projects for the transit system which are well underway.

Furthermore, it is estimated that approximately 633 local jobs would be created or saved by moving forward with the planned MDT projects (out of a total 2,184 job estimate for direct, indirect and induced jobs that may be related to these projects -based on the federal government methodology for the estimate of jobs creation).

### **Public Works Impacts**

With respect to Public Works projects, there are \$63.8 million in outstanding commitments. PWD currently has a balance of \$32.3 million from the proceeds of the 2009 Transit Surtax Bond Sale. These funds along with the proceeds from the proposed bond sale will allow PWD to continue to develop and carryout the planned People's Transportation Plan (PTP) funded projects without interruption. Should this proposed bond issuance not move forward, PWD would face a \$31.5 million shortfall in project funding and would need to discontinue and cancel approved Board requested Neighborhood Improvement projects (intersection improvements, traffic signal installations, traffic calming circles, roadway resurfacings, school flashing signals, etc.), put Right of Way Acquisition activities on hold, and terminate existing construction contracts as well as those in the award process. Specific locations for affected projects are listed in Attachment A. An estimated 1,400 jobs would be created or saved by moving forward with the planned PWD projects. This number is based on the methodology used by the FDOT for Highway and Bridge projects. The calculation of jobs created/saved takes into consideration direct and indirect jobs. So while the jobs created are not exclusively local, the nature of the PWD work makes the vast majority of the jobs local.

While PWD has been able to position itself to be able to complete the ongoing construction projects and close out their work order contracts without contractual penalty, there is the possibility of Contractors seeking monetary damages for economic losses. Similarly, indefinite cancellation of Right of Way and Joint Participation Agreement (JPA) obligations and activities would result in legal action being brought against the County for damages and losses.

### **Capitalized Interest (CAPI) Use**

Capitalized interest is the use of loan proceeds to make interest payments on the loan during a specified period, usually during the beginning of project construction until the completion of construction. During such time, borrowed proceeds pay the interest expense, and the borrower does not make any additional payments. The interest expense during this time is considered a cost of the project.

This bond issue includes capitalized interest in order to address cash flow needs in the short term. By including 23 months of capitalized interest in this bond issue, Surtax revenues of approximately \$16 million will be available to cover pay-as-you-go operating costs. MDT's pro forma always assumed the use of capitalized interest for the Airportlink project.

This use of capitalized interest is consistent with County practice for other enterprise funds, most recently the Aviation and Water and Sewer revenue bonds. If the CAPI method of financing is not used for this bond issuance, additional unidentified revenue would be required in the amount of approximately \$16 million over the course of two years for MDT or, alternatively, MDT's operating costs would need to be reduced by this amount. The exact impact associated with this reduction has yet to be determined, however, bus service would inevitably be affected. Capitalized interest was recommended precisely to avoid this impact, especially during these economic times when the riding

public is most dependent on transit services. Beyond the service impacts, service reductions would give rise to labor concerns within MDT.

### **2014 Revenue Assumptions**

As has been noted in prior reports to the Board, the MDT pro forma assumes an infusion of revenue in FY 2014 equivalent to .2 mills of general fund and the levying of the remaining two cents of Local Option Gas Tax (LOGT). The programming of these additional revenues is forecast based on a conservative financing program to fund essential capital projects and to support projected transit operations, along with all of the other PTP obligations. The primary driver for the increased expenditures in FY 2014 is due to debt service obligations combined with the desire to preserve current transit service levels. Available reserves in the Transit System Surtax Fund have afforded MDT the ability to transfer surtax revenues to operations while covering incremental debt service obligations that are paid prior to any operational transfer. Although Surtax revenues are more than sufficient to pay debt service obligations associated with the 2010 issuance, there is not enough Surtax revenue and reserves available to transfer to operations past FY 2013. Hence, it is the depletion of the Surtax fund balance reserve, as well as programming Surtax revenues to pay associated debt service obligations first (per Surtax Bond Ordinance), along with the assumption for the preservation of current MDT service levels, that cause the need for the .2 mill and two cent LOGT increase for FY 2014.

Staff has reviewed other financing mechanisms beyond FY 2013 and delay the necessity to infuse additional revenues in FY 2014. Such mechanisms would include capital appreciation bonds, deferral of capitalized interest past the time span of the project opening, or a back loading of bonds that would include balloon payments in outer fiscal years; however, all of these options would be exponentially more expensive than the financing structures associated with the Series 2008, 2009 and 2010 bonds. Furthermore, to employ a pay-as-you-go approach would require extensive downsizing of MDT operations, and capital projects would require additional implementation time frames. Needless to say, this approach would end up costing more in the long run, as the escalation of construction costs would outpace the time frame for completion of the projects and the County would not be taking advantage of the lower interest rates for capital construction that are currently available.

### **Impacts of Unification**

It is important to clarify that there are no operational expenses resulting from unification associated with this bond issuance. Unification was recommended in order to do away with a two-tiered transportation system where the Surtax was unable to fund higher ridership, pre-existing transit service. The same level of bus service would have been programmed in MDT operations regardless of unification; however, pre-existing bus miles with higher ridership levels would have been reduced while newer routes with less ridership would have been preserved. Unification gave MDT the ability to make transportation recommendations on the system as a whole rather than on an old-versus-new approach. In essence, MDT would still be running the same equivalent of revenue miles as it does today, but the landscape would be very different in terms of which routes would have been selected for adjustment due to the budgetary constraints of being unable to use Surtax funding toward higher ridership pre-existing routes.

With or without unification, bonding capacity would have remained essentially as reflected in the current MDT pro forma and is in no way steering funds away from capital plans. On the contrary, because of the tremendous investment in capital expansion associated with this and past bond issuances, the vast majority of the Surtax funds are in fact being used for debt service beginning in FY 2013. This means that debt service will begin to require exponentially increasing amounts of Surtax, thus leaving less to

be used towards operations. This underscores the point that was made during the unification discussions that the Surtax would be used towards MDT's operational budget only in the short term.

### **Coverage Factors**

Concerns raised by the Board regarding available Surtax revenues towards debt service obligations (coverage factors) are understandable. One of the primary reasons for planning a 30 year pro forma is to prioritize our Surtax pledged Capital Improvement Plan (CIP) as well as to analyze the impacts of the coverage factors. In a conservative financial structure, available pledged revenues remain above 1.5 times the debt service obligation. This would represent a coverage factor of 1.5 times against which senior debt could be pledged.

In MDT's 30 year pro forma, the coverage factor does go below this amount to 1.22 for three fiscal years. This is of concern because once the coverage factor drops below 1.5 percent, the County will have to issue subordinate debt at a higher interest cost unless the County uses its own non-ad valorem tax revenue as a pledge. We are taking preliminary steps to prioritize future infrastructure renewal and replacement projects that can be capitalized in order to minimize this impact. While this is a concern, it represents the commitment of the Surtax to capital investment and expansion.

### **Pre- and Post- People's Transportation Plan (PTP) Projects**

There has been much debate on which projects currently being funded by the PTP were presented to the public during the countywide public outreach effort which culminated with the development of Exhibit 1 (list of PTP projects) of the PTP enabling Ordinance 02-116 and subsequent voter approval of the sales tax referendum on November 5, 2002 and those that were amended into the Plan after the election. Below is the ballot question that was considered by the voters on November 5, 2002:

SHALL THE COUNTY IMPLEMENT THE PEOPLE'S TRANSPORTATION PLAN INCLUDING: PLANS TO BUILD RAPID TRANSIT LINES TO WEST DADE, KENDALL, FLORIDA CITY, MIAMI BEACH AND NORTH DADE; EXPANDING BUS SERVICE; ADDING 635 BUSES; IMPROVING TRAFFIC SIGNALIZATION TO REDUCE TRAFFIC BACKUPS; IMPROVING MAJOR AND NEIGHBORHOOD ROADS AND HIGHWAYS, INCLUDING DRAINAGE; AND FUNDING TO MUNICIPALITIES FOR ROAD AND TRANSPORTATION PROJECTS BY LEVYING A ½ PERCENT SALES SURTAX WHOSE PROCEEDS WILL BE OVERSEEN BY THE CITIZEN'S INDEPENDENT TRANSPORTATION TRUST?

The PTP and Citizens' Independent Transportation Trust (CITT) enabling ordinances clearly laid out a mechanism for a citizen body made up of registered voters residing in Miami-Dade County to have oversight over PTP funding and projects, vested with the authority to forward recommendations amending the PTP project list to the Board. The CITT enabling Ordinance No. 02-117, states in part, "A proposed deletion, material change or addition of such a County project (listed in Exhibit 1) shall be initially reviewed by the CITT which shall forward a recommendation thereon to the County Commission."

Since 2002, the PTP has been amended 20 times. Each amendment was recommended by the CITT prior to Board approval. These amendments include projects such as the deletion and modification of street widening projects, implementation of the Patriot Passport program which provides free transit for honorably discharged veterans, the discontinuation of overnight Metrorail and Metromover service and the addition of miscellaneous capital projects for Miami-Dade Transit (MDT), among others.

While there was an incredible effort to package within Exhibit 1 all of the transportation projects that the public supported during the hundreds of public meetings that took place in 2002, and to reduce all of that input into an ordinance and ballot language, the Ordinance purposefully included a mechanism (as has been the case with other long-term capital investment programs such as the Building Better Communities General Obligation Bond program, the Safe Neighborhood Parks program, and others before them) to make project adjustments as necessary. Characterization of the additions and/or changes in the PTP as broken promises or bait and switch is inaccurate and a complete oversimplification of the challenges the County has faced in developing this program.

Many of the critical capital projects listed in Item 8E1A were always contemplated but may not have been formally submitted as part of the original Exhibit 1 of the PTP. It is also important to point out that many of the amendments were put forth to rectify projects that were deemed unsustainable, such as the implementation of 24 hour Metrorail service. This service never gained significant ridership and was adversely affecting MDT's operational budget. Additionally, the original PTP Exhibit 1 mandated that MDT would add 17 million miles of bus service within five years. While MDT immediately began to implement the additional miles, we soon realized that without systematically implementing bus service with the use of data, this line item in the PTP was unrealistic. As a result, MDT began to right size bus service miles to become more efficient by adjusting service to developed operating standards. This has saved millions in operational costs from 2006 to 2010 and affected relatively few routes. As we are all aware, while the program was clearly overpromised, many of these adjustments have come in recognition of the fiscal and political realities that might not have existed during the time of the referendum.

Below is a more detailed description of the Capital Improvement Projects for the Series 2010 Bonds, including their progress and bonding history:

### **MDT Projects**

#### **Earlington Heights / Miami Intermodal Center (EH/MIC) "Airportlink"**

**This project was originally listed in Exhibit 1 of Ordinance No. 02-116 (PTP Ordinance) and was approved by the voters on November 5, 2002.**

The County broke ground on one of the signature PTP capital projects – the 2.4 mile Metrorail extension from the existing Earlington Heights Metrorail station to the MIC- on May 1, 2009 and the project is currently 43 percent complete. Today, the progress of this project can literally be seen from State Road 112, as Metrorail columns and piers obtrude from the foundation alongside the expressway.

The project cost is \$506,529,000 of which \$100 million is being funded by FDOT and the remaining \$406 million is funded in part with bonds backed by PTP funds (other revenue sources such as Sunshine Loan and pay-as-you-go are also being utilized).

The following outlines the bond issuance history for this project:

2006 Bond Series: \$27,493,000  
2008 Bond Series: \$38,882,000  
2009 Bond Series: \$97,960,000  
2010 Bond Series: \$92,089,000 (Proposed)

Future bond issuance needed to complete project: \$146,498,000

### **Central Control Upgrade**

**This project was added to the PTP through an amendment recommended by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03).**

This project is a subset of the new Rail Vehicle Replacement project. The existing Central Control facility consists of 20-year old obsolete electromechanical controls with no capacity for expansion. This project will provide a modern, expandable Central Control facility with state-of-the-art computer and project screens. The project is also needed to expand the rail system monitoring board for the Airportlink project which comes on line in 2012.

The RFP was advertised on May 6, 2010 for this project. MDT anticipates award of this project by February 2011 with project completion by May 2013.

The project cost is \$31,780,000 of which \$2.7 million is being funded by FDOT and the remaining \$29 million is funded with bonds backed by PTP funds.

The following outlines the bond issuance history for this project:

2006 Bond Series: \$ 953,000  
2008 Bond Series: \$1,657,000  
2009 Bond Series: \$3,704,000  
2010 Bond Series: \$2,580,000 (Proposed)

Future bond issuance needed to complete project: \$20,158,000.

### **Rail Vehicle Replacement**

**This project was originally added to the PTP as a rail vehicle rehabilitation through an amendment recommended by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03), and was later adjusted to a rail vehicle replacement via Resolution No. R-846-08.**

The solicitation for the Rail Vehicle Replacement was issued on March 31, 2009 and is nearing completion. MDT anticipates negotiations to be completed by August 2010 with issuance of Notice-to-Proceed by approximately November 2010.

In 2008, when this item was originally approved by the Board, there was lengthy discussion and debate regarding the appropriateness of use of the Surtax funds for the purchase of new Metrorail cars. A memorandum was issued dated April 8, 2008 which brought to your attention Board proceedings on July 23, 2002, where the record reflects staff clearly articulating that the rail rehabilitation would be funded by the PTP, if the Surtax was approved by the voters in November 2002.

As noted above, this was in response to interactions with the FTA which had asked the County to identify and commit funding for this project since the rail rehabilitation of the existing cars had been postponed and was overdue. The Board's record and discussion at the July 23, 2002 Board meeting reflects the need for a rail rehabilitation project of some form was always contemplated and disclosed.

Subsequently, the CITT recommended and the Board approved an amendment to the PTP to purchase new Metrorail vehicles in lieu of their rehabilitation.

The project cost is \$407,184,000 and is being funded in part with bonds backed by PTP funds (other revenue sources such as Sunshine Loan and pay-as-you-go are also being utilized).

The following outlines the bond issuance history for this project:

2006 Bond Series: \$ 8,087,000  
2008 Bond Series: \$ 9,095,000  
2009 Bond Series: \$13,524,000  
2010 Bond Series: \$ 4,563,000 (Proposed)

Future bond issuance needed to complete project: \$369,296,000.

#### **Lehman Center Test Track for Metrorail cars**

**This project was added to the PTP through an amendment recommended by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03).**

This project is also a subset of the Rail Vehicle Replacement project and is included as a requirement of the County to provide this track once a contract is negotiated and executed for new Rail Vehicles. This project is also critically important to MDT for acceptance testing for incoming new rail cars. This project provides for a 2,500 feet test track at the Lehman Center Rail Facility with a full sliding track and test building.

This project has been advertised and is currently under the cone. MDT anticipates an award date of April 2011.

The project cost is \$16,590,000 and is being funded in part with bonds backed by PTP funds (other revenue sources such as Sunshine Loan and pay-as-you-go are also being utilized).

The following outlines the bond issuance history for this project:

2006 Bond Series: \$ 81,000  
2008 Bond Series: \$ 236,000  
2009 Bond Series: \$1,831,000  
2010 Bond Series: \$1,705,000 (Proposed)

Future bond issuance needed to complete project: \$12,739,000

#### **New Metromover Vehicle Phase 2 (17 Cars)**

**This project was added to the PTP through an amendment recommended by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03), and later adjusted to a mover vehicle replacement via Resolution Nos. R-R-1240-04 and R-486-08.**

MDT has already procured and replaced the first 12 Phase I Metromover vehicles and the new vehicles are currently operating on the system. On May 6, 2008, the Board approved R-486-08 which approved an amendment to the PTP plan to include the purchase of 17 Phase II Metromover Replacement Vehicles, and the contract was awarded under R-487-08. This bond will fund the replacement of the remaining 17 Phase II Metromover vehicles. The cars have already been manufactured and MDT staff is currently at the manufacturer inspecting the vehicles that have been completed. MDT will begin taking receipt of the vehicles this month with the final car to be delivered in January 2011.

The total project cost is \$38,196,000 and is being funded in part with bonds backed by PTP funds (other revenue sources such as Sunshine Loan and pay-as-you-go are also being utilized).

The following outlines the bond issuance history for this project:

2008 Bond Series: \$ 5,688,000  
2009 Bond Series: \$ 6,916,000  
2010 Bond Series: \$15,319,000 (Proposed)

Future bond issuance needed to complete project: \$10,293,000

#### **Automated Fare Collection System "EASY Card"**

**This project was added to the PTP through an amendment recommended by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03).**

As you are aware, MDT's fare collection system was procured and became operational last year. The new EASY Card system has already proven to be a valuable capital asset to MDT. The new system has improved MDT's fare collection, increased revenues by reducing fare evasion, and has facilitated the better planning and deployment of bus routes. MDT is projected to save over \$10 million in operational cost as a result of using the new system's data collection to better plan and implement route changes in December 2009 through the Service Efficiency Restructuring Initiative (SERI). Approximately 70% of MDT's routes were restructured to operate more efficiently.

Earlier this year, the Board approved an interlocal agreement between MDT and the South Florida Regional Transportation Authority (SFRTA) "Tri-Rail" to handle their back-office functions for their fare collection system which is currently being installed and projected to come on line early next year. Because MDT's new system has the capability and capacity to perform back-off functions for neighboring transit systems, MDT will receive approximately \$250,000 per year in additional revenue for handling these functions for SFRTA.

The total project cost is \$62,648,000 and is being funded in part with bonds backed by PTP funds (other revenue sources such as Sunshine Loan and pay-as-you-go are also being utilized).

The following outlines the bond issuance history for this project:

2006 Bond Series: \$ 2,705,000  
2008 Bond Series: \$33,157,000  
2009 Bond Series: \$17,190,000  
2010 Bond Series: \$10,434,000 (Proposed)

This project will be completed with the issuance of the Series 2010 Bonds and no future bonds will be needed.

### **Track and Guideway Rehabilitation Subset**

**This project was added to the PTP through an amendment recommended by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03).**

This project is critical to maintaining a safe rail system, track standards and safety certification on the system and protection for wayside personnel. This project consists of six major track and guide way rehabilitation, cover board replacement, fastener replacement, mainline meter joints, seal gland replacement, Palmetto Yard and mainline road crossing replacement, acoustical barrier replacement and guide way pier coating.

Because of the relationship between this project and the rail vehicles replacement project, if this bond issuance is not approved, it will jeopardize FTA and State funding for operations.

Total project cost is \$46,786,000 and is being funded in part with bonds backed by PTP funds (other revenue sources such as Sunshine Loan and pay-as-you-go are also being utilized).

The following outlines the bond issuance history for this project:

2006 Bond Series: \$2,847,000  
2008 Bond Series: \$5,799,000  
2009 Bond Series: \$6,317,000  
2010 Bond Series: \$3,226,000 (Proposed)

Future bond issuance needed to complete project: \$29,070,000

### **Miscellaneous Projects**

**These miscellaneous capital projects are critical to maintain a safe and secure system. The projects consist of:**

1. Acquisition of new buses (\$12.900 million)  
*This project was originally listed in Exhibit 1 of Ordinance No. 02-116 (PTP Ordinance) and approved by the voters on November 5, 2002.*

The bus replacement project is ongoing and it is critical that the vehicles be replaced on a regular basis (12 yr useful life) to ensure that MDT can provide a safe reliable bus transportation service

2. Installation of 5 additional Storage Tracks and Two Maintenance of Way Tracks at the Lehman Rail Yard (\$1.105 million)  
*This project was added to the PTP through amendment by the CITT and subsequent approval by the Board on October 9, 2003, "Miscellaneous Capital Improvement Projects" (R-1154-03).*

The Lehman Center Storage tracks project must be fully implemented before the first new Metrorail vehicle is delivered to support the additional space requirement during the transition between old and new vehicles.

3. MDT's Infrastructure Renewal Program (IRP) in a "State of Good Repair" (\$6.075 million)  
The IRP projects will assure that the current systems and structures are maintained in a "State of Good Repair" and have been included as part of the MDT CIP through the annual budget process and as a result of unification (R-222-09). These include replacement of Hydraulic Bus lifts at MDT's bus maintenance facilities for safety of employees (currently 20 years old), Switch Logic Cabinet Overhaul for Metromover which is critical for replacement of an aging system, replacement of Traction Power Cable, repair and replacement of Fire Suppression System at Metrorail stations, and Air Conditioning replacement at Metromover and Metrorail Control Power stations.

The following outlines the bond issuance history for this project:

2009 Bond Series: \$ 8,082,536  
2010 Bond Series: \$20,084,000 (Proposed)

Future bond issuance programmed amounts total \$7.5 million annually over the next 5 years and will be reviewed and prioritized according to infrastructure requirements. Additional requirements over this amount will be evaluated and submitted to the Board for approval through the annual budget process.

#### **PWD Projects**

All of the PWD PTP Projects are listed within Exhibit 1 of the original PTP Ordinance, and all the proceeds from the proposed bond sale would be used for approved capital improvements projects, with the exception of two projects: Old Cutler Rd from SW 87 Avenue to SW 97 Avenue and Caribbean Blvd from Coral Sea Rd to SW 87 Avenue.

The two projects that were not included in the original PTP were replacements for the project to widen SW 87 Avenue to four (4) lanes from SW 216 Street to SW 168 Street that was listed in the original PTP ordinance and was later deemed not feasible to implement due to community opposition. It is important to note that the projects were replacements, not additions, and had no fiscal impact to the PWD PTP funding.

The following existing Contracts and Contracts in Award process supporting the projects identified in Attachments A would need to be terminated:

- PTP Roadway Resurfacing –Countywide (Ongoing Construction, Contract Award \$1,000,000, BCC Resolution R-1201-09)
- PWD Contract #20090106 PTP Intersection Improvement Contract-Countywide (Ongoing Construction, Contract Award \$1,155,000, BCC Resolution R-683-10)
- PWD Contract #20090107 PTP Roadway Resurfacing –Countywide (Ongoing Construction, Contract Award \$1,000,000, BCC Resolution R-1158-09)
- PWD Contract #20090313 PTP Intersection Improvement Contract-Countywide (Ongoing Construction Contract Award \$1,155,000, BCC Resolution R-503-10)
- PWD Contract #20090314 PTP Intersection Improvement Contract-Countywide (Ongoing Construction Contract Award \$1,155,000, BCC Resolution R-505-10)
- PWD Contract #20090315 PTP ADA Ramps and Connectors-Countywide (Award Process)

- PWD Contract #20100387 PTP Roadway Resurfacing –Countywide (Award Process, Contract Award \$1,000,000, BCC Resolution R-743-10, Pending CITT Approval )
- PWD Contract #20100388 PTP Roadway Resurfacing –Countywide (Award Process, Contract Award \$1,000,000, BCC Resolution R-742-10, Pending CITT Approval )
- PWD Contract #20100410 PTP Traffic Signal Installation-Countywide (Award Process)
- PWD Contract #20100426 PTP Roadway Resurfacing –Countywide (Award Process)
- PWD Contract #20100427 PTP Roadway Resurfacing –Countywide (Award Process)
- PWD Contract #20100428 PTP School Zone Flashing Signals- Countywide (Award Process)
- PWD Contract #20100429 PTP School Zone Flashing Signals- Countywide (Award Process)
- PWD Contract #20100499 PTP Street Light Installation Contract-Countywide (In Bidding)
- PWD Contract #20090238 Old Cutler Road Bike Path Reconstruction Phase I- From SW 216 Street to SW 63 Avenue (Preconstruction, Contract Award \$971,538.71, BCC Resolution R-504-10)
- PWD Contract #20090095 Reconstruction of SW 62 Avenue from SW 70 St to SW 64 Street (Award Process, Contract Award \$1,489,485.20, BCC Resolution R-741-10, Pending CITT Approval)
- PWD Contract #20100517 Roadway Improvements to SW 27 Avenue Phase I- from Bayshore Drive to Tigertail Ave. and from U.S.1 to SW 28 Terrace (Award Process)
- PWD Contract #20090024 NW 138 St Bridge over the Miami River (Bidding Process)

The Design and Construction activities for the following Joint Participation Agreements would need to be placed on hold:

- Old Cutler Road from SW 87 Avenue to SW 97 Avenue
- Caribbean Boulevard from SW 87 Avenue to Coral Sea Road

Total JPA Value: \$17,756,259

The Right of Way Acquisition activities for the following projects would need to be placed on hold:

- NW 37 Avenue from NW North River Dr to NW 79 Street
- SW 27 Avenue from US-1 to Bayshore Drive
- SW 157 Avenue from SW 152 Street to SW 184 Street
- SW 176 Street from US-1 to SW 107 Avenue
- SW 216 Street from Florida Turnpike to SW 127 Avenue
- SW 264 Street from US-1 to SW 137 Avenue
- NW 87 Avenue from NW 154 Street to NW 186 Street

Total Estimated ROW Value: \$18,488,000

Total PWD PTP Project cost is \$517,000,000 and is being funded entirely through bonds backed by PTP funds.

The following outlines the bond issuance history for these projects

2006 Bond Series: \$ 50,000,000  
2008 Bond Series: \$ 50,000,000  
2009 Bond Series: \$108,000,000  
2010 Bond Series: \$ 50,000,000 (Proposed)

Future bond issuance needed to complete project: \$259,000,000

### **Future Bond Issuances**

In 2005, the Board approved the Transit Surtax Bonds Master Ordinance (Ord. 05-48), which was later amended by Ordinance No. 09-65, authorizing separate issuances of \$500 million each in Transit Surtax Bonds for a total of \$1 billion to fund Miami-Dade Transit and Public Works surtax projects. To date, under the Authorizing Ordinances, a total of \$782,740,000 in Transit Surtax Bonds has been issued of which \$770,280,000 is currently outstanding. The outstanding bonds total \$542,088,289 and \$228,191,711 for MDT and PWD projects, respectively. The Series 2010 Bonds will bring the total issued under the Authorizing Ordinances to \$1 billion and represent the last of the remaining authorization under these Ordinances. As detailed in the item, future debt of approximately \$1.076 billion during the next 5 years will be required to complete MDT and PWD projects in the Capital Improvement Program (CIP). Therefore, the short-term requirements to finish this phase of the CIP will be an additional \$817 million for MDT projects, \$259 million for PWD projects, and \$402 million in financing costs, bringing the total cost to \$2.478 billion. Beyond the 5 year time frame, additional requirements for the acquisition of bus, bus facilities, and infrastructure renewal will total \$583 million and will be required beginning in FY 2016 and are programmed within the MDT pro forma but do not require immediate Board action. This future debt would require Board action via ordinance.

In closing, there are tremendous benefits to the County in finishing the many capital investments that have been undertaken in connection with this and prior bond issuances. The costs of changing course midstream are considerable. Both the MDT and PWD capital improvement plans were always contemplated to be bond financed in order to maximize the capacity of the investment, and we should continue to avail ourselves of the favorable interest rates and construction prices at hand. I cannot overemphasize the importance of moving forward with these projects as planned, and of the approval of this and future bond issuances to support this course of action. Last but not least, the discontinuation of these capital improvement plans will cost the community the loss of an estimated 2,000 much needed jobs.



Paula Plot  
Assistant County Manager

Public Works Department- PTP Projects  
 Effected by 2010 Transit Surtax Bond Sale

BCC	LOCATION	LIMITS	SCOPE OF WORK
CW	ATMS	Countywide	Upgrade the County's Traffic Signalization System

BCC	LOCATION	LIMITS	SCOPE OF WORK
1	Ives Dairy Road	NE 15 Ave	Traffic calming (speed hump)
	North Dade Mid/North Dade Ctr for Mod		School Flashing Signals
	Parkway Mid (NW 27 Ave)		School Flashing Signals
	Young Elementary		School Flashing Signals
	Mann Opp School, Jan		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
2	NW 37 Ave	N River Drive to NW 79 St	Road Widening 2 to 5 Lanes
	NW 32 Ave	NW 54 St to NW 79 St	Resurfacing
	Lakeview Elementary		School Flashing Signals
	St James Catholic School		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
3	NE 2 Ave	NE 20 St to West Little Canal	Street and Operational Improvements
	NE 62 St	NE 2 Ave to Biscayne Blvd	Resurfacing
	NW 2 Ave	NW 5 St to NW 44 14 Terr	Resurfacing
	NW 2 Ave	NW 20 St to NW 36 St	Resurfacing
	NW 2 Ave	NW 14 Terr to NW 20 St	Resurfacing
	NW 10 Ave	NW 50 St	Traffic Calming (circle)
	NW 10 Ave	NW 32 St	Traffic Calming
	Miami Shores Elementary		School Flashing Signals
	St Francis Xavier School		School Flashing Signals
	St Mary's Cathedral School		School Flashing Signals
	Corpus Christi Elementary		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
4	NE 19 Ave	NE 121 St	Traffic Calming
	S Treasure Dr	Adventure Ave	Intersection Improvements
	NE 151 St (North side)	Biscayne Landings and David Lawrence K-8 School	Sidewalk / ADA
	Sabal Palm Elementary		School Flashing Signals
	Normandy School		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
5	Dade Blvd	Purdy Ave to 23 St	Guardrail
	St Matthews Luth Chr Day Sch		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
6	SW 47 Terrace	West of SW 107 Ave (Bridge # 87248)	Guardrail
	8441 Grand Canal Drive	East of SW 87 Ave	Traffic Calming
		West of SW 84 Ave	Traffic Calming
	W 3 Ave	W 18 St	Traffic Calming (Circle)
	SW 34 St	West of SW 57 Ave	Traffic calming
	St Theresa Catholic School		School Flashing Signals
	Marti School		School Flashing Signals
	Champagnat Catholic School of Hialeah		School Flashing Signals
	First Baptist School of Hialeah		School Flashing Signals
	Blessed Trinity School		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
7	SW 27 Ave	US1 to Bayshore Dr	Road Widening 2 to 3 Lanes
	SW 62 Ave.	SW 70 Street to SW 64 Street	Narrow from 5 to 2 lanes
	South Bayshore Drive	Darwin to Mercy Way	Resurfacing and Median Improvements
	SW 72 St (North side)	between SW 75 Ave & SW 67 Ave	Sidewalk
	SW 62 Ave.	Bird Road to Miller Road	Street Lighting
	SW 87 Ave	SW 74 Terr	Traffic calming
	SW 72 St	SW 72 Ave	Intersection Improvements

Public Works Department- PTP Projects  
 Effected by 2010 Transit Surtax Bond Sale

	SW 85 Ave	SW 68 St	Traffic calming
	Main Hwy	Charles Ave. to McFarlane Rd.	Street Lighting
	SW 80 St	SW 67 Ave	Intersection Improvements
	SW 92 Ave	SW 73 St	Intersection Improvements
	SW 76 St	SW 94 Ave	Traffic Calming
	South Miami Ave	SW 8 St to SW 14 Terr	Intersection Improvements
	SW 52 Ave	SW 72 St to SW 88 St	Resurfacing
	Ponce de Leon Mid		School Flashing Signals
	Gulliver Academy		School Flashing Signals
	Pan American Institute		School Flashing Signals
	St Thomas the Apostle School		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
8	Old Cutler Road	SW 87 Avenue to SW 97 Avenue	Curb, Gutter, Traffic Improvements
	Caribbean Blvd	Coral Sea Rd to SW 87 Avenue	Widen from 2 to 4 lanes
	SW 137 Avenue	US-1 to SW 184 Street	New 4 Lane Road
	SW 137 Avenue	HEFT to US1	Widen from 2 to 4 lanes
	Franjo Road (SW 97 Ave)	US 1 (approx. SW 175 St)	Intersection improvement
	Old Cutler Road	SW 136 St to SW 216 St	Bikeway Construction
	SW 288 St	SW 152 Ave to SW 157 Ave	Street Lights
	SW 112 Ave	SW 95 St	Traffic Calming (circle)
	Franjo Road (SW 97 Ave)	SW 184 St to US-1	Resurfacing
	SW 248 St	SW 127 Ave to US1	Resurfacing
	SW 172 Ave	SW 216 St to SW 208 St	MiscElementarylaneous Concrete
	SW 147 Ave	SW 200 St to SW 248 St	Resurfacing
	SW 157 Ave.	SW 280 St to SW 308 St	Resurfacing
	SW 95 St	SW 107 Ave to SW 117 Ave	Resurfacing
	VinElementaryand Elementary		School Flashing Signals
	St John's Episcopal School		School Flashing Signals
	Village Pines School		School Flashing Signals
	Our Lady of the Holy Rosary		School Flashing Signals
	Whispering Pines Elementary		School Flashing Signals
	Alexander School		School Flashing Signals
	Pinewood Acres School		School Flashing Signals
	Heritage School of Kendall		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
9	SW 157 Avenue	SW 184 St to SW 152 Street	New 4 Lane Road
	SW 216 Street	HEFT to SW 127 Avenue	Curb, Gutter, Traffic Improvements
	SW 176 Street	US-1 to SW 107 Avenue	Curb, Gutter, Traffic Improvements
	SW 264 Street	US-1 to SW 137 Avenue	Curb, Gutter, Traffic Improvements
	SW 147 Ave	SW 152 St to SW 184 St	Resurfacing
	SW 256 St to SW 268 St	SW 130 Ave to SW 137 Ave	Resurfacing (only arterials)
	SW 184 St	US-1 to SW 112 Ave	Resurfacing
	Caribbean Blvd	US1 to SW 114 Ave	etc.)
	Chapman Elementary		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
10	SW 56 St to SW 72 St	SW 127 Ave to SW 137 Ave	Resurfacing
	SW 84 Ave	SW 28 St	Traffic Calming
	SW 127 Ave	SW 76 St	Traffic Calming
	SW 84 Ave	SW 43 St	Traffic Calming (circle)
	SW 135 Ave	SW 79 St	Traffic Calming (circle)
	SW 132 Ave	SW 74 St	Traffic Calming (circle)
	SW 92 Ave	SW 36 St	Traffic Calming (circle)
	Emerson Elementary		School Flashing Signals
	Royal Palm Elementary		School Flashing Signals
	King's Christian		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
11	SW 16 St	SW 104 Ave to SW 107 Ave	Intersection Improvement

214

Public Works Department- PTP Projects  
 Effected by 2010 Transit Surtax Bond Sale

	W Meadow Lake Drive	SW 47 St	Guardrail
	SW 47 St	E Meadow Lakes Drive	Guardrail
	SW 47 St	SW 140 Court	Guardrail
	SW 138 Ave	SW 47 St	Guardrail
	SW 142 Ave	SW 74 Terr to SW 74 St	Guardrail
	N Meadow Drive	SW 153 Ct	Guardrail
	SW 157 Ave	SW 12 St to SW 10 St	Roadway construction
	SW 152 Ave	SW 141 St	Traffic Calming
	West Lake Laboratory Elementary		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
12	NW 138 St Bridge	Bridge Over Miami Canal	Bridge Construction
	NW 74 Street (Phase II)	NW 107 Avenue to NW 114 Avenue	Widen to 6 Lanes
	NW 74 Street (Phase III)	SR 826 to NW 87 Avenue	Widen to 6 Lanes
	NW 132 Ave	NW 2 St	Traffic Calming (circle)
	Youth Co-Op Charter School		School Flashing Signals
	Miami Christian School		School Flashing Signals
	Vann Academy		School Flashing Signals

BCC	LOCATION	LIMITS	SCOPE OF WORK
13	NW 87 Ave	NW 154 St to NW 186 Street	Road Widening/New 4 Lane Road
	NW 82 Ave	NW 178 St	Pedestrial Signal (solar)
	Our Lady of Charity Private School		School Flashing Signals
	Immaculate Conception School		School Flashing Signals