

City of Satellite Beach Infrastructure & Financing Proposal



STAFF PRESENTATION

TO

CITY COUNCIL

JANUARY 21, 2014

Resident Requests for City Action



“What is the status of the replacement/repaving of Roosevelt Ave. It is an insult and nuisance to the city as you know. If something needs to be initiated etc., I'd be interested in doing so...”

“It would greatly help the appearance of Wilson Avenue, along with providing a positive impact on home values, if the paving on the 200 block could be properly repaired. The water-absorbing surface was a failure and a large hole was filled after I submitted several requests but it is still patched and unattractive. The homes on that block continue to attract residents who do not care for their properties and I have no doubt that the street's appearance drives away those interested in living in an attractive neighborhood.”

Resident Requests for City Action



“City sidewalks and street curbs. Numerous stretches of sidewalk remain incomplete. There are many streets where curbs inexplicably are discontinued, then repair again several blocks later.”

“When do you think the City might be able to afford some asphalt? The intersection of Hamlin and Kale has been a disaster area for weeks -- and now has an added pot hole so that both sides of the street are an accident waiting to happen. It's kind of disgraceful for a City that is otherwise so great.

How did we get here?



- Decline in revenues eliminated the capital funding for vehicles, street resurfacing, and facilities.
- The current Capital Assets Fund does not generate enough revenue to conduct regular general maintenance and equipment & vehicle replacement, and solve major infrastructure deficiencies.

Ad Valorem Historically



<u>Year</u>		<u>Ad Valorem Revenue</u>	<u>Increase/Decrease</u>	
FY 08/09		\$5,402,324	\$0	
FY 09/10		\$5,494,548	\$92,224	
FY 10/11		\$5,140,035	\$(354,513)	
FY 11/12		\$4,992,710	\$(501,838)	
FY 12/13		\$4,948,763	\$(545,785)	
			\$(1,309,912)	

Capital Assets Fund Historically



	FY 11/12	FY 12/13	FY 13/14	FY 14/15
Utility Tax	\$389,578	\$381,999	\$406,296	\$381,999
Debt Payment	\$289,026	\$297,289	\$331,385	\$118,000
Remaining	\$100,550	\$84,710	\$74,911	\$263,999

A large portion of the debt payment in FY 11/12 to FY 13/14 was for the purchase & renovation of the David R. Schechter Community Center (the Recreation Center).

Capital Assets Fund Projects Today



	\$381,999
Air Conditioners	\$10,000
Dance Floor Replacements	\$40,000
Tennis Court Resurfacing	\$33,000
Playground Replacement	\$29,119
Handheld Radios	\$8,000
Sand Pro	\$16,000
Computers & Software	\$52,000
Vehicle Replacement	\$75,000
Debt Payment	\$118,000

Capital Improvements Plan Identifies Funding Deficit



- The FY 14/15 Budget has a Capital Improvements Plan that identifies the following project funding deficiencies:
 - FY 15/16: \$712,000
 - FY 16/17: \$1,269,000

Road Repaving Needs



PUBLIC WORKS

WHERE WE ARE



- Due to the downturn in the economy, the street repaving budget was eliminated.
- The City historically programmed \$100,000 per year for our routine cycle of street repaving.
- The City has been unable to program funds for street repaving due to other needs (vehicle replacement, facilities, etc.)
- Currently, the City is conducting street maintenance only; no large-scale road repaving projects have been undertaken since 2006, unless tied to a stormwater project or the stimulus. Pothole repair has become the norm.

IMMEDIATE REPAVING NEEDS



- Some streets at the south end of the City have never been repaved and require constant attention.



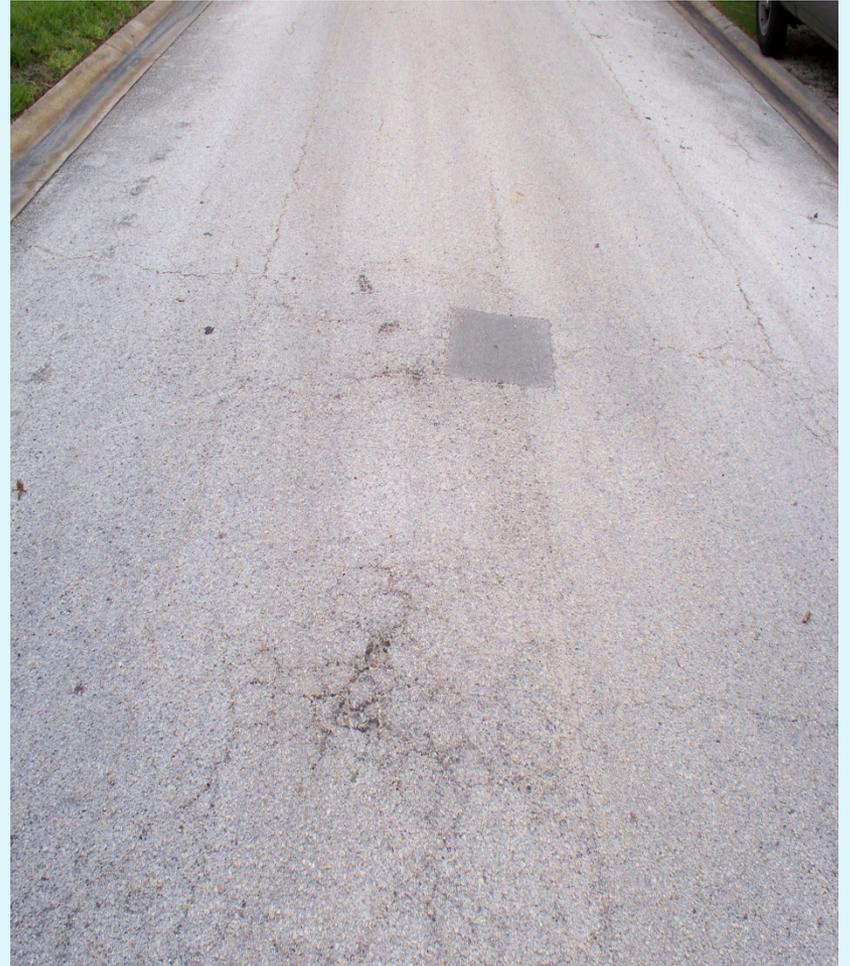
HIBISCUS DRIVE



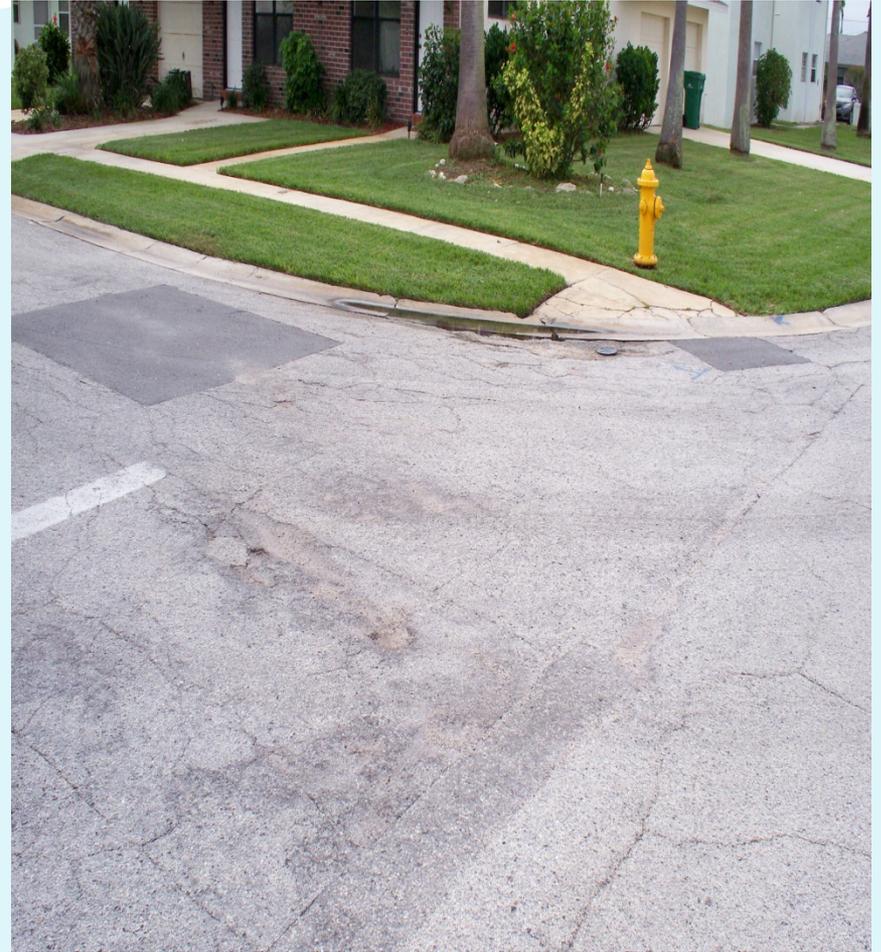
PALM DRIVE



PALM DRIVE



ATLANTIC DRIVE & MAGELLAN AVENUE



ATLANTIC DRIVE & PALMETTO AVENUE



ATLANTIC DRIVE & PALMETTO AVENUE



GROWING PROBLEM



- Pothole repairs are becoming larger and much more taxing on resources.



POTHOLE REPAIRS COSTLY



- Potholes are a result of water infiltrating cracks in the asphalt that cause the asphalt to separate from the base material, which breaks away with traffic.
- Depending on the size, pothole repairs are very time-consuming and labor-intensive.
- Larger repairs can take as many as 24 manhours, using up to 2 tons of asphalt. (\$500 labor + asphalt and fuel costs)
- Smaller repairs result in more expensive repairs due to material (cold patch) costs; in most instances, these repairs require more permanent fixes.

COST OF IMMEDIATE REPAVING NEEDS



Satellite Beach Road Resurfacing Construction Cost Estimate

Revised 1-22-15

Street Name	LF	Cost at \$23/LF (no milling)	Cost at \$27/LF (with milling)
Verbenia Drive	2635	\$ 60,605	
Poinsettia Drive	2590	\$ 59,570	
Hibiscus Drive	2575	\$ 59,225	
Palm Drive	2580	\$ 59,340	
Atlantic Drive	1920	\$ 44,160	
Megellan Avenue	1070		\$ 28,890
Sunrise Avenue	1200		\$ 32,400
Ocean Drive	650	\$ 14,950	
Trinidad Drive	1501		\$ 40,527
Palmetto Avenue	1150		\$ 31,050
Ocean Spray	1720		\$ 46,440
Temple Street	1380		\$ 37,260
Sherwood Ave	270		\$ 7,290
Barcelona Court	1362	\$ 31,326	
Seville Court	1706	\$ 39,238	
400 Block DeSoto Pkwy	638		\$ 17,226
Hedgecock Court	540		\$ 14,580
Canal Court	550	\$ 12,650	
Curb Replacement			\$ 48,273
Subtotals	26037	\$ 381,064	\$ 303,936
		Grant Total	\$ 685,000

ROOSEVELT AVENUE



- Main thoroughfare between SR A1A and SR 513.
- 64% of the roadway is asphalt over concrete.
- Many areas of the road are cracking and failing.
- Milling and repaving of concrete portion of the road are not a cost-effective option.

ROOSEVELT AVENUE RECONSTRUCTION



- Recommend reconstructing entire concrete portion of the roadway (3,050 linear feet). Mill and repave asphalt portion (1,700 linear feet).
- Incorporate “Complete Streets” concept adopted in our Comprehensive plan. Current plans include 8-foot-wide sidewalk on south side of the street for pedestrians and bicyclists.
- City’s total estimated project cost is \$780,000 after anticipated funding from impact fees.

ROOSEVELT AVENUE



- Longitudinal cracking indicates concrete is broken and settling.



01/08/2014

ROOSEVELT AVENUE



- Longitudinal Cracking



ROOSEVELT AVENUE



ROOSEVELT AVENUE



- Most transverse cracks are concrete expansion joints.



UTILITY CUTS AND REPAIRS



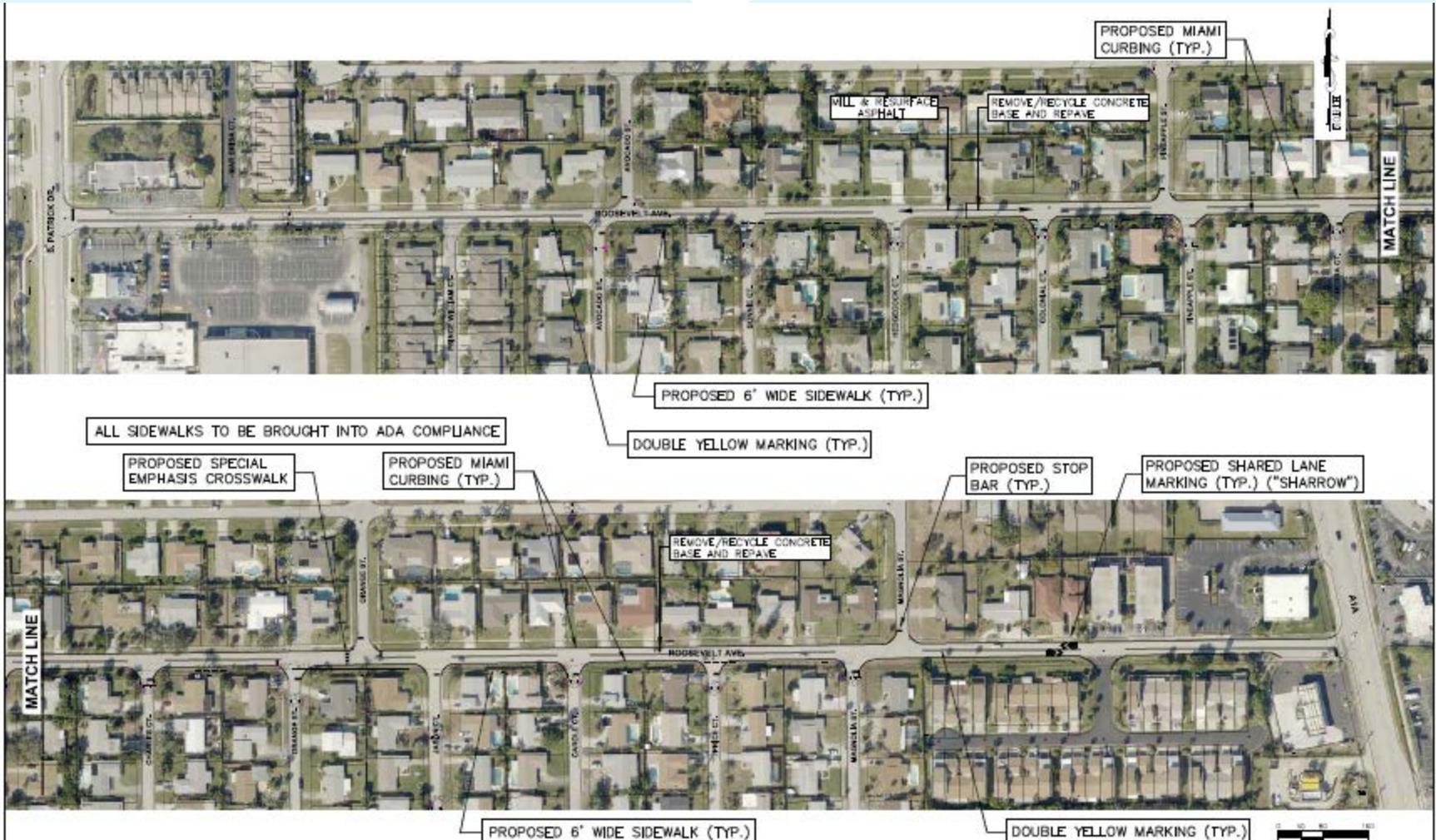
ROOSEVELT AVENUE



- Alligator Cracking and Rutting



Roosevelt Avenue "Complete Street" Conceptual Plan



Stormwater Retention & Treatment Needs



PUBLIC WORKS

BMAP/NPDES COMPLIANCE REQUIREMENT



TMDL/BMAP and MS4 Permits

- *"If an MS4 believes it will be less expensive to violate than it will be to comply, those costs will be pursued in any enforcement action. A conscious and open "weighing" of the consequences of non-compliance shows at least some intent to not comply and will not be taken lightly. Non-compliance is not an option to be considered by any MS4. In such a case, the Department would recommend that the maximum penalty be pursued against the violating MS4. The Department may pursue up to \$10,000 per day per violation for failure to comply with a Department permit. For a year of non-compliance, therefore, an MS4 could owe, for one violation, \$3,650,000. Additionally, any intentional/willful violation of the NPDES MS4 permit could subject the individuals responsible for the violations to criminal charges pursuant to section 403.161 of the Florida Statutes."*
- It is recognized that budget constraints are a serious issue, and while municipalities may be cutting positions and responsibilities to trim down the cost of activities performed, it is important to remind administrations that NPDES MS4 permit compliance is a significant matter, should not be taken lightly and is part of the federally mandated program to protect the nation's surface waters.



May 07, 2010

DeSoto Field Stormwater Conversion



- Estimated project cost is \$420,000 (after anticipated TMDL grant funding).
- Estimated costs per pound of nutrient removal \$1,226/lb of TN (nitrogen) and \$4,600/lb of TP (phosphorous). Cost-effective and less than estimated average costs in City's Stormwater Quality Master Plan.
- Estimated annual maintenance cost is \$10,300.

Glenwood Stormwater Pipe Reconstruction



- Large drainage pipe (3,700 feet long) located between the back yards of houses along Glenwood and Hamlin Avenues.
- Continuous drainage issues at feeder lines.
- Suspected root infiltration impeding flow.
- Present drainage pipe inaccessible for extensive repairs or replacement.
- Estimated cost to “slipline” entire drainage pipe is approximately \$500,000.

Some Stormwater Projects Will Alleviate Flooding



Thyme and Sherwood



Thyme and Glenwood



Required Pollutant Reductions

Achieved Pollutant Reductions

FDEP BMAP	Nitrogen TN (lbs/year)	Phosphorus TP (lbs/year)
5-Year (by 2018)	3,495	663
10-Year (by 2023)	6,991	1,325
15-Year (by 2028)	10,486	1,988
Total Achieved	4,104	1,069
% of 5-Year Rqmt.	117%	161%
% of 10-Year Rqmt.	59%	81%
% of 15-Year Rqmt.	39%	54%



Pollutant Reductions from Proposed Project

FDEP BMAP	Nitrogen TN (lbs/year)	Phosphorus TP (lbs/year)
DeSoto Field	750	200
% of 5-Year	139%	191%
% of 10-Year	69%	96%
% of 15-Year	46%	63%

Pelican Coast Athletic Field Upgrades (P-4 Initiative)



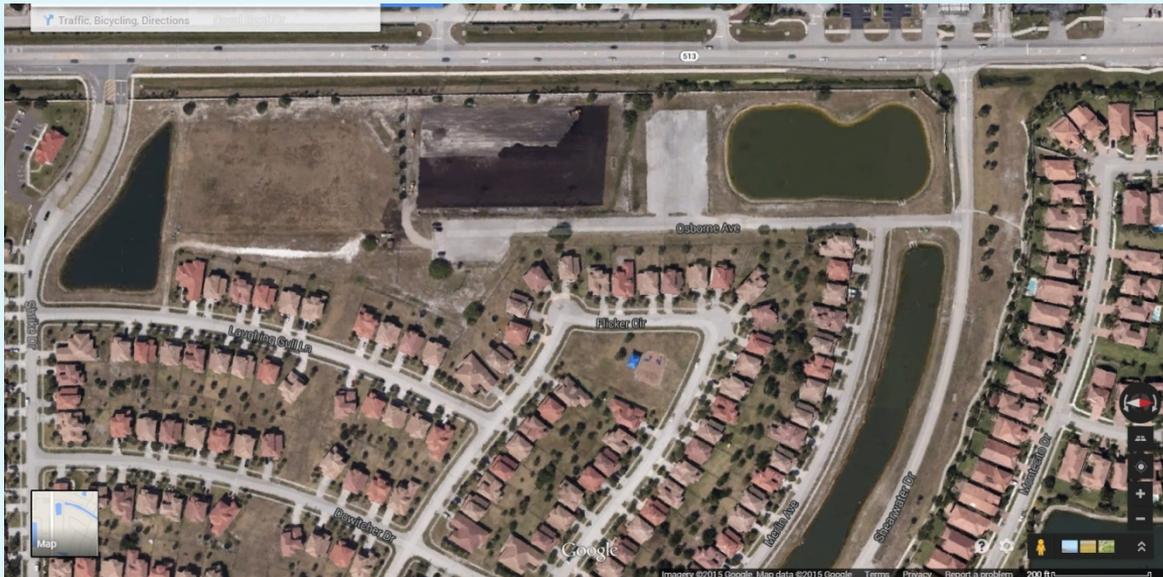
PUBLIC WORKS

RECREATION

Pelican Coast Athletic Field Upgrades



- Partnership with PAFB for City to provide necessary upgrades and accept maintenance of the soccer field at Pelican Coast.



- This would replace the DeSoto practice field that would be converted to a stormwater project.

Costs for Athletic Field Upgrade & Maintenance



- Initial field preparation and upgrades, including fencing: \$20,000
- Restroom facility installation: \$80,000
- Sod: \$15,000
- Annual maintenance: \$18,000



Financing Proposal



CITY MANAGER

Recommend Financing Immediate Needs



- The longer we wait on some of our streets, the more expensive it will be to bring them to standard.
- Without financing immediate needs, the City will never be able to “catch up” on repaving.
- We have an opportunity to replace the DeSoto practice field at very low cost with the P-4 Initiative.
- Now is a good time to complete construction projects, as they are still bidding low and gas prices are less expensive.
- Now is a good time to finance projects, as interest rates are low.

Financing Projects for \$2.5 Million



- Staff is recommending financing for \$2.5 million for the following projects:

○ Roosevelt Avenue Reconstruction	\$780,000
○ Milling/Repaving of Damaged Streets	\$685,000
○ Glenwood Stormwater Pipe Reconstruction	\$500,000
○ DeSoto Field Stormwater Conversion	\$420,000
○ Pelican Coast Athletic Field Upgrades	\$115,000

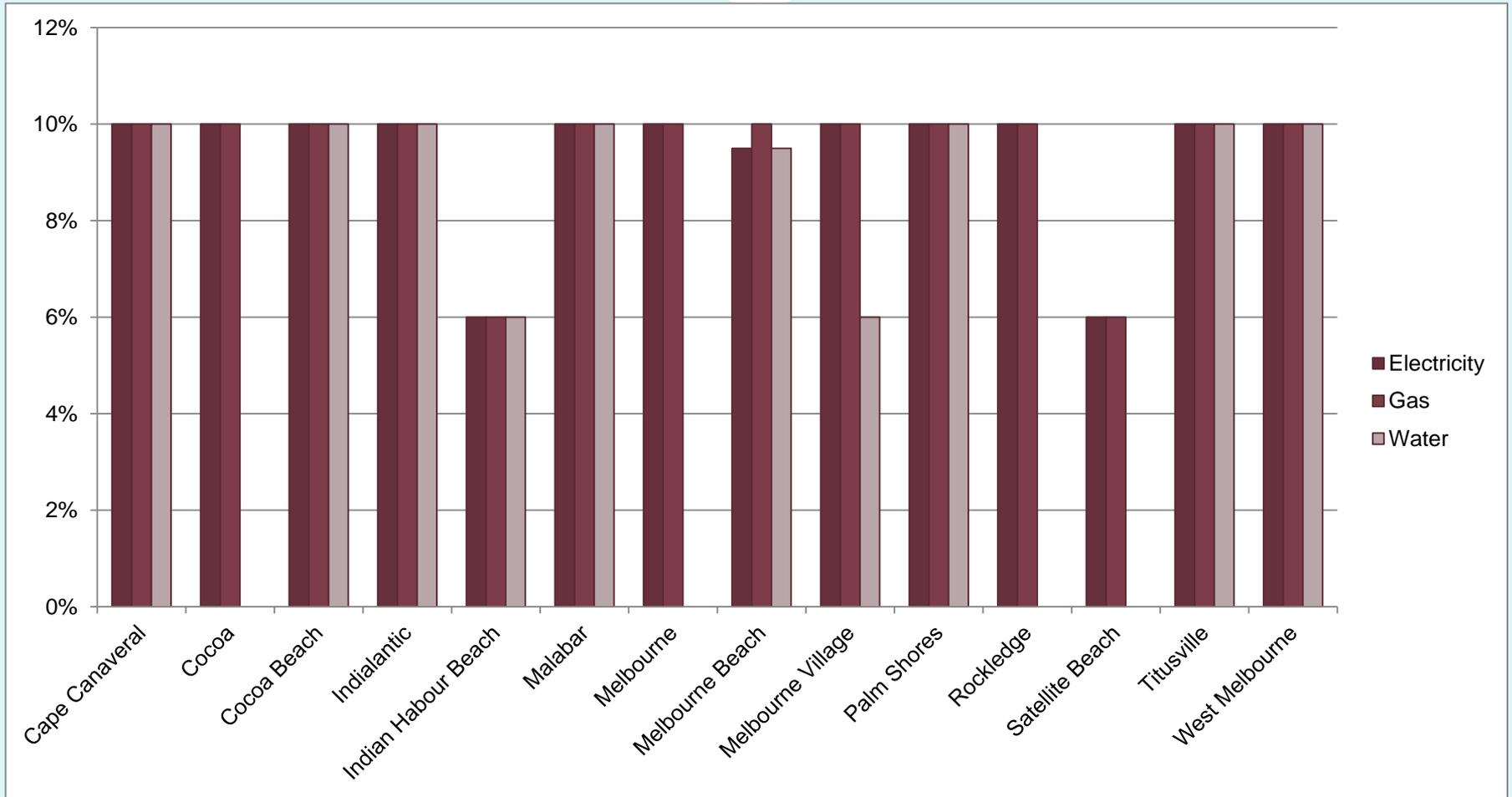
Project costs are estimated, and funds may be moved according to bid and construction costs. Other projects like these may be considered if their bid costs are lower.

Capital Assets Fund Increase



- Current annual revenue for the Capital Assets Fund is \$381,999.
- The Fund receives this revenue from the City's 6% utility tax on electric and gas:
 - Electric: \$367,176
 - Gas: 14,823
- Staff is proposing to increase Capital Assets Fund revenue for loan payment and road repaving by increasing the utility tax on electric and gas to 10%, as allowed by State law.

2014 Utility Taxes in Brevard County



Utility Tax Increase on Electric and Gas



- The utility tax increase from 6% to 10% will generate additional revenue of \$255,939 for the Capital Assets Fund.
- A \$2.5 million 15-year debt obligation would require an annual payment of approximately \$225,000.
- This would leave \$30,939 to be set aside each year to help fund the routine street repaving that resumes in five years.

Next Steps



CITY MANAGER

Approvals Needed To Move Forward



- Approve a contract for Financial Advisor, and approve the first reading of an ordinance to increase the utility tax. City Council will consider these actions on March 18, 2015.
- Approve the second reading of an ordinance to increase the utility tax. City Council will consider this action on April 1, 2015.
- Approve the financing documents for the loan, and approve construction contracts for street repaving and Roosevelt Avenue reconstruction. City Council will consider these actions on July 15, 2015.