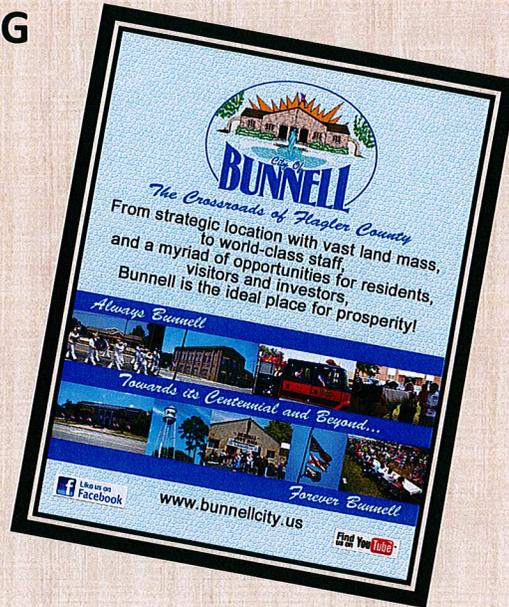


# FINANCE PLANNING FOR FUTURE CAPITAL PROJECTS

February 16, 2012



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## CITY PROJECTS

1. WATER PLANT –  
UPGRADE TREATMENT  
PROCESS
2. CITY HALL BUILDING
3. ROAD IMPROVEMENT  
/ STREETScape  
ENHANCEMENT  
PROJECTS



## • FUNDING SOURCES

EXPLORED / SECURED / PENDING

### – Federal

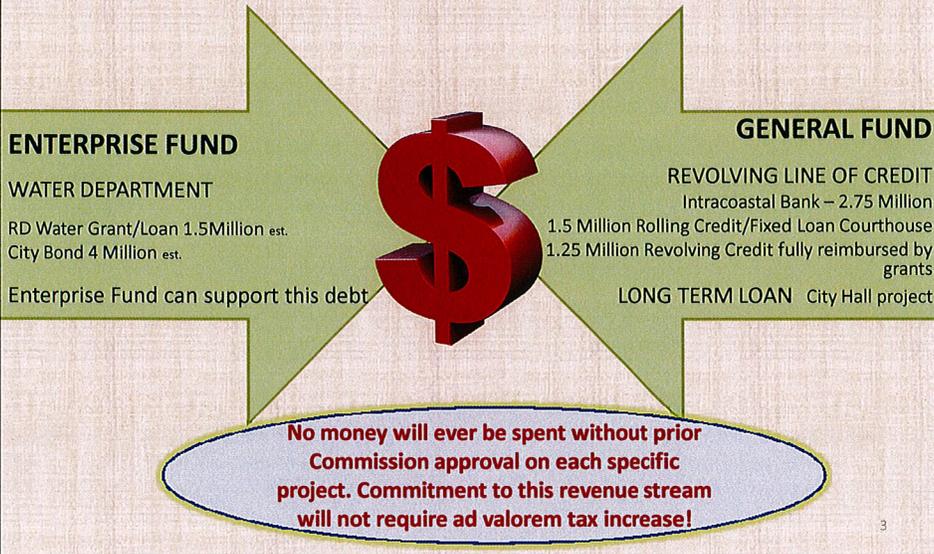
- Appropriations
  - Submitted 3 years (all three)
- USDA Rural Development
  - Water & Waste Disposal Grant
  - Community Facilities Grant

### - State

- Appropriations
  - Submitted 3 years (all three)
- FDOT – 5 yr Work plan
- Florida League of Cities

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# City of Bunnell FUNDING SOURCES



## Enterprise Fund Financial Planning

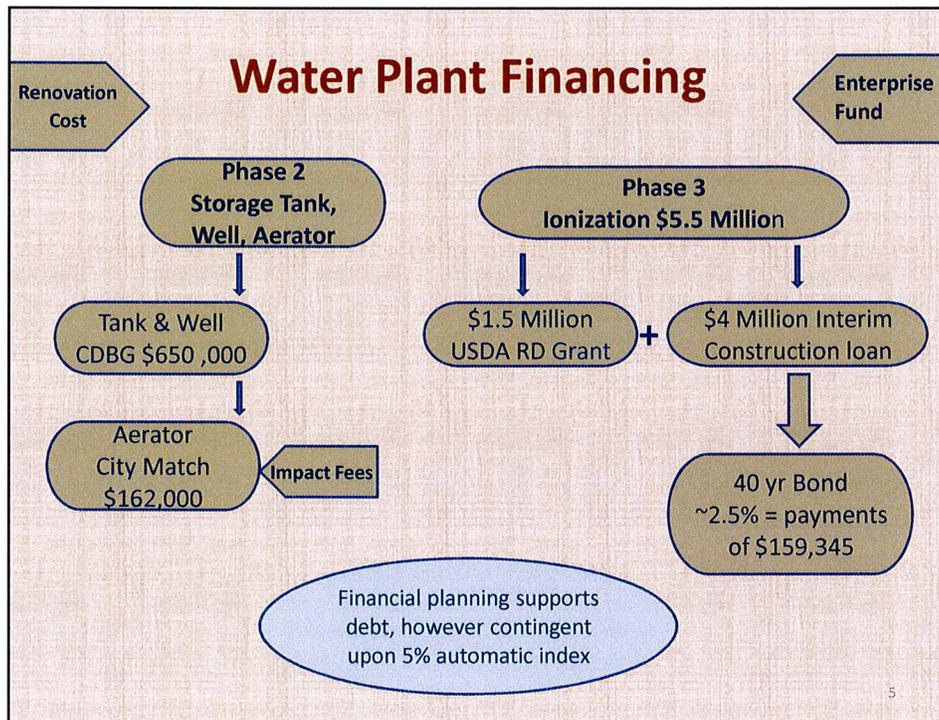


### WATER PLANT UPGRADES

DEP Consent Order  
 October 25, 2011 (3 years)

Plant Design & Construction	Rural Dev.	\$1,500,000 % est.
	City Bond	\$4,000,000

**Note:**  
 The cost has increased due to stringent inspection requirements by Rural Development & the Wastewater conductivity issue.



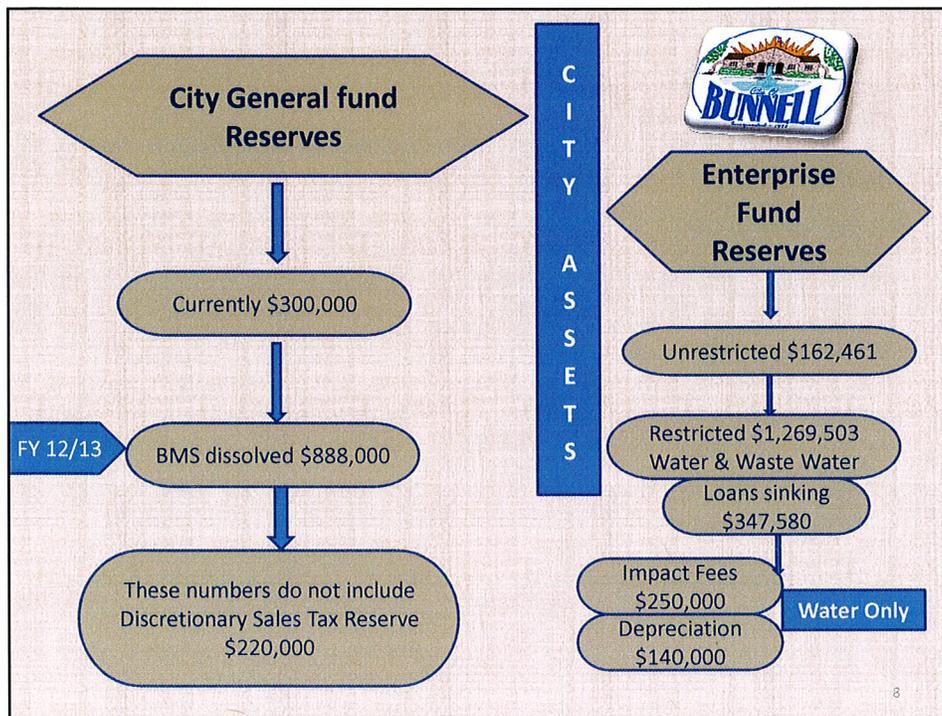
## Bond – Loan – Grant Process

1. The Grant dollars from Rural Development (\$1.5 Million) will not be available until after the City has used their Construction Loan Funding first.
2. The City will be utilizing an Interim Construction Loan Funding (\$4 Million) that is secured through the Enterprise Fund. The City will pay interest only during the interim financing on what is being used.
3. When the project is completed the City will enter into a long term 40 year Bond with Rural Development at a low interest rate (3/12- 2.25%)

## Project cost considerations (cont.)

- According to the City's Financial Planner the Utility Department can support the planned debt.
  - 6/27/11 Burton & Associates
  - 2/12 Intracoastal Bank / Bryant Miller Olive Bonding Attorney
- Total long term debt ~\$4,000,000 over 40 years at 2.5% interest rate equates to an annual expense of ~\$159,345.
- Revenue source is the utility base rates based on the 5% annual index.

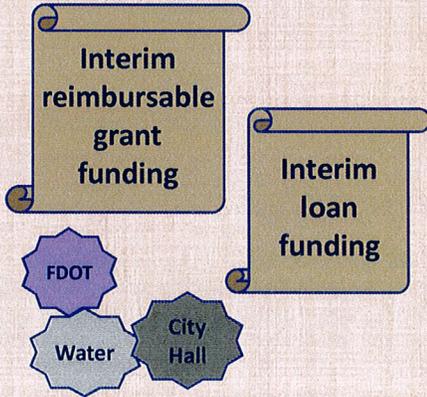
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# Rolling line of Credit

The City is working with the Intracoastal Bank to secure a \$2,750,000 dollar rolling line of credit.



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February 16, 2012

Ms. Catherine Robinson, Mayor  
City of Bunnell  
P.O. Box 756  
Bunnell, FL 32110

Re: Revolving line of credit for \$2,750,000

Dear Ms. Robinson and Ms. Bertha:

On behalf of Intracoastal Bank (the "Bank"), I am pleased to submit this financing proposal to the City of Bunnell, Florida to provide an interim revolving line of credit to assist in financing for the following projects:

- Median Project SR 100 in the amount of \$587,900
- City Hall Renovation in the amount of \$1,500,000
- CDBG Utility Project in the amount of \$622,000
- USEA Rural Development Water Infrastructure in the amount of \$580,000

Please be advised that this proposal is provided for discussion purposes only and is subject to credit review and approval by the Bank's Board of Directors.

**Between:** City of Bunnell, Florida  
**Bank:** Intracoastal Bank  
**Amount:** Up to \$2,750,000  
**Closing Date:** On or before March 31, 2012

Principal and interest based on the following repayment schedule. Principal and interest due quarterly beginning July 1, 2012. See attached spreadsheet.

Intracoastal Bank  
1101 NW Main Street Parkway  
Palm Beach, FL 33480  
Office: 561-447-1667  
Fax: 561-447-1663



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#2

City of Bunnell is seeking dollars to renovate this 1926 historic structure as Bunnell City Hall.



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**County Administration**  
  
 1769 E. Moody Blvd. Dist. 2 Bunnell FL 32110  
 September 6, 2011

*cc: D. Davis  
C. Butler*  
 www.flaglercounty.org  
 386-313-4001  
 Fax 386-313-4101

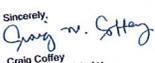
Mr. Armando Martinez, City Manager  
 City of Bunnell  
 P.O. Box 756  
 Bunnell, FL 32110

**Re: Interlocal Agreement for Use of the Government Services Building**

Dear Mr. Martinez:

Please accept this letter as a notice and reminder of the Interlocal Agreement executed on July 20, 2009 and amended on August 2, 2010, which specifies the terms of the City of Bunnell's occupancy of the General Services Building. As you know, the Agreement ends the term of the City's occupancy of the General Services Building, which ends on August 2, 2012. A copy of the Agreement is attached to this document for your reference.

We sincerely hope that everything is going well as you pursue a longer-term solution for your space needs. Should you have any questions, please do not hesitate to contact me.

Sincerely,  
  
 Craig Coffey  
 County Administrator

Attachments:  
 (A) Interlocal Agreement and August 2010 Amendment

CC: Al Hadesed, County Attorney  
 Sally Sherman, Deputy County Administrator

Alan Peterson District 1    Missa Holland District 2    Barbara Revels District 3    Nan McLaughlin District 4    George Hanns District 5

August 2, 2012



**GSB Rental Space Monthly fees:** The City currently only pays for maintenance fees that equate to \$10,800 annually. Projected rental fee next year estimated at \$1.00 sq ft which equates to \$26,280 annually. (? We may be able to negotiate with a commitment to the Courthouse)

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# City Hall

## HISTORIC COURT HOUSE

- Original building size 18,781 sqft
- COST:
  - Design \$ 100,000
  - Renovation cost \$1,400,000

**TOTAL \$1,500,000**

**Annual operational expense**  
**\$60,000**

*Flagler County fully occupied*

Utilities; phone; insurance; fire alarm; yard; parking lot;  
Elevator – annual license, phone, maintenance; miscellaneous

Renovations that are necessary to the space:

Elevator ADA	Windows	Fire code
	Ceiling	Electrical
	HVAC	Plumbing
	Technology	



## City's Operational Expenses

GSB -	\$ 900/mth
Atlantis Utilities	\$ 450/mth
Atlantis CAM	\$ 299/mth
Atlantis Rent	\$1,800/mth
(permit credits)	
Atlantis Sun Country Pest	\$ 30/mth
Atlantis Maintenance	\$ 100/YTD
Storage units	\$ 150/mth

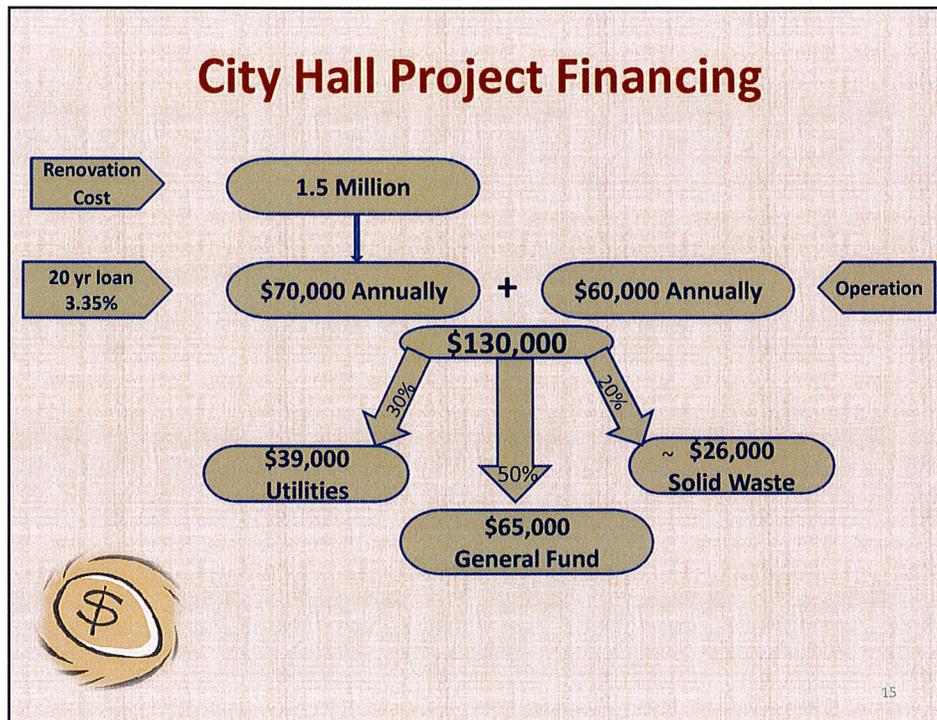
**Current Annual Expenses**

**\$ 45,000**

New GSB rental fee from \$45,000 to \$71,280



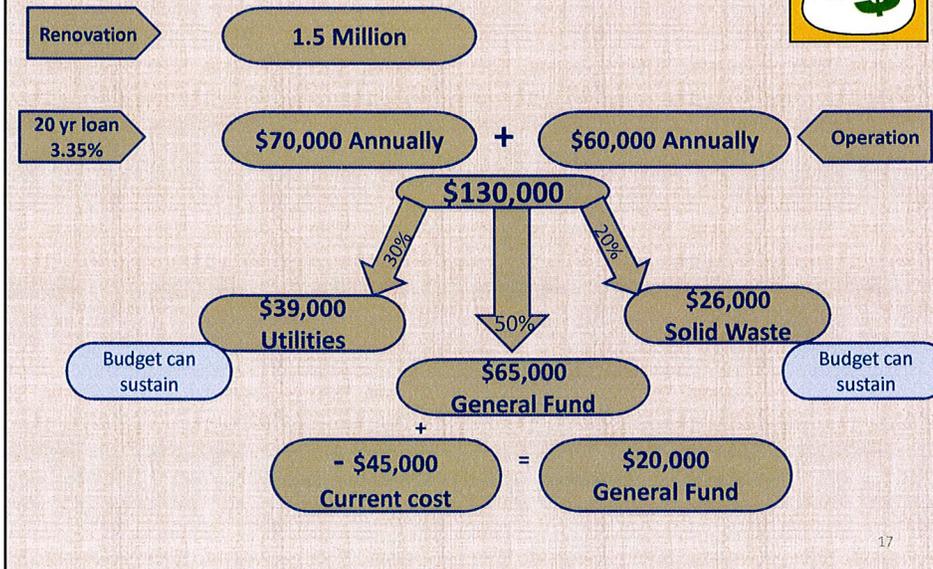
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## Historic Courthouse Cost

- Total design and renovation \$1,500,000
- Annual operating expense ~\$60,000
  - Higher Estimate when courthouse was fully occupied. New windows, HVAC system, centralized phone system will help reduce expenses.
- All City administrative offices (except the PD) will be housed in this location.
- Expenditures will be split the total amount of \$130,000 across 3 funds; General Fund 50%, Enterprise Fund 30%, Solid Waste Fund 20%

## City Hall Project Financing Cont.



## Source of Revenue -General Fund

- General Fund will be responsible for ~\$65,000 for office located at the Historic Courthouse.
- Current General expense ~\$45,000 annually for offices located at the Atlantis Complex and the GSB and for 2 storage units to house documents.
- The remaining \$20,000 will come from two possible sources - \$36,000 from retiring debt service (Software) and/or from LDST, capital reserves or general fund reserves (if LDST is not renewed in 2012).

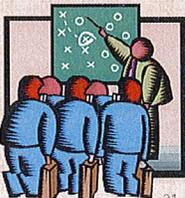
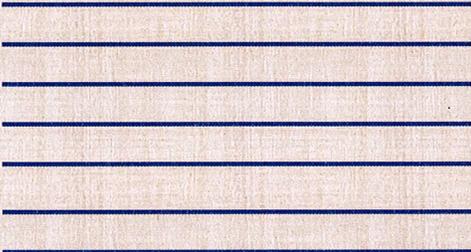
### Source of Revenue – Utilities, Solid Waste

- Enterprise and Solid Waste will share \$39,000 and \$26,000 respectively.
- Currently utility offices are located at the City's Public Works facilities and shares 50% of all expenditures.
- Based on information provided by the City's financial planner (September 2011) the Enterprise Fund will be able to fund their share of expenses.

### Source of Revenue – Utilities, Solid Waste (cont.)

- Currently Solid Waste offices are located at the GSB and Atlantis; they do not have operating expenses relating to activity at those locations.
- This is solid waste's first year in operation and a projected contingency of \$50,000 is expected; the second year contingency is expected at \$75,000 minimum.
- Solid Waste will retire their debt service on July 1, 2016; this will increase contingency to ~\$150,000 annually.
- Both the Solid Waste and Enterprise Funds will be able to fund their share of expenses.

QUESTIONS ?



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