

BOARD OF COUNTY COMMISSIONERS - CIP WORKSHOP

JULY 29, 2008

A meeting of the Board of County Commissioners was held at the Murdock Administration Complex in Room 119, Port Charlotte, Florida. The following members were present: Commissioner Cummings, Commissioner Duffy, Commissioner Loftus, and Commissioner Moore. Also in attendance were County Administrator Baltz, County Attorney Knowlton, and Deputy Clerk Manley. The following members were absent: Chairman D'Aprile.

The meeting was called to order at 1:30 PM, followed by the Pledge of Allegiance.

Mr. Sandrock gave a brief overview of the agenda which paralleled the slides and discussed the CIP Challenges.

1. Open issues from April CIP Workshops

Harold Avenue - ADA Parking

Beach Complex - Deck Replacement

Mr. Sandrock mentioned the following two items were an update to the April 28 and 29 meetings, explained the first (taken out of order of agenda) was an ADA issue, and provided the update related to handicap parking at Harold Avenue Park. Mr. Sandrock then discussed the status of the Beach Complex related to deck replacement, and said there is still an unresolved structural issue that should come back shortly with recommendations.

Commissioner Loftus asked what the cost reductions were related to ADA. Mr. Sandrock noted there was a reduction, advised he would provide the exact figure later in the meeting, explained although money was saved by moving the spaces to the main parking lot, sidewalks may still be required, and noted this is not unique to any park location. **Commissioner Duffy** commented on her recollection of the costs and present sidewalk locations.

2. Murdock Village - Financials

Mr. Sandrock discussed financial issues related to Murdock Village, noted the goal is to pay down the debt significantly; establish a pay off schedule to aggressively pay down the debt; maintain the lowest interest rates available; and commented on other important elements related to the issue.

Commissioner Moore stated his understanding related to the \$6 Million being held for evaluations, said the Toledo Blade project would take 2 years to complete with a design cost of about \$2.5 Million, and suggested they consider moving forward to an earlier date. **Commissioner Cummings** opined using the entire \$36 Million to pay down the debt since there are no current projects and opined they could borrow to do projects in the future.

Commissioner Loftus opined both Commissioners' have valid points, indicated now is a good time to get lower prices for anything regarding infrastructure, and advised he would like additional time to make a decision. Mr. Sandrock said they would bring more detail back at the September 12, 2008 Regular BCC meeting. **Commissioner Duffy** asked why **Commissioner Loftus** wanted to delay and if there was a deadline. **Commissioner Loftus** stated he would like to compare today's pricing versus a year from now and Mr. Sandrock advised they had time to decide since the new funding was recently put into place. **Commissioner Duffy** opined paying down Murdock Village is a priority and mentioned developers would pay some of the road costs. **Commissioner Loftus** and **Commissioner Duffy** agreed it was better to hold back \$6 Million and use the remaining \$30 Million to pay down the debt.

Commissioner Cummings said there is a way to cut taxes, pay off Murdock Village debt, maintain a safety net if you didn't like the results, and proceeded to summarize his solution in detail.

Mr. Baltz indicated the hope to receive more Board clarity today. **Commissioner Loftus** said he would agree to pay down with \$33 Million and keep \$3 million in reserve. Mr. Baltz said it appears there is Board consensus to pay down the Murdock Village debt by at least \$30 Million. **Commissioner Moore** and

Commissioner Cummings explained their opinions. Assistant County Administrator Shoemaker noted they could provide options when this came back on August 12th. **Commissioner Cummings** stated he would support which ever motion pays down the most debt. **Commissioner Duffy** mentioned the importance of the timeframe, opined investing in the roads would bring up parcel values, suggested they move forward on the design phase, said she is comfortable with paying down \$30 Million as soon as possible, and is interested in hearing options for the remaining \$6 Million.

COMMISSIONER LOFTUS MOVED TO APPROVE A \$30 MILLION PAY DOWN ON MURDOCK VILLAGE DEBT AND TABLE A DECISION ON THE REMAINING \$6 MILLION UNTIL FURTHER OPTIONS ARE PROVIDED AT THE AUGUST 12, 2008 BCC MEETING, SECONDED BY COMMISSIONER DUFFY.

Motion Carried 4:0.

ABSENT: Chairman D'Aprile.

Commissioner Cummings opined we should not cut revenues until we have made permanent recurring expense cuts. **Commissioner Moore** did not indicate his support in the notion and moved on.

Mr. Sandrock reviewed the current external debt, illustrated the strategies in detail, and answered questions.

3. Concurrency and Impacts

Ms. Shoemaker noted the next topic is Concurrency (Senate Plan 360) which defines levels of service in the Comprehensive Plan for addressing County requirements related to roads, potable water, sanitary sewer, solid waste, parks/open space, drainage and schools, explained compliance, and described the impact if the County fails to meet concurrency. **Commissioner Moore** asked for specifics related to non-compliance. Jeff Ruggieri provided detail and explained what the impact would be. **Commissioner Cummings** asked if any of the County's highest transportation priorities have concurrency issues. Staff responded and mentioned they would provide additional detail during the transportation portion of the meeting.

4. Capital Improvements Fund

Ms. Shoemaker discussed the Capital Projects Fund, (Ad-Valorem) explained what construction had been funded, and explained what projects would return and when. Mr. Sandrock discussed the ad-valorem revenues, Murdock Village Loan Payment, Jail Expansion, Radio Upgrade, and 911 expansion and equipment. **Commissioner Duffy** asked about the 911 expansion and whether the building was safe since the hurricane. Ms. Shoemaker explained the building has been renovated and opined it is now safe. Del Sherman of IT said he has been assured that the building could now withstand another Charley and commented on the relocation of key equipment to the hardened facility. **Commissioner Loftus** expressed concern and discontent with spending money at this time to increase the 911 stations. Mr. Sherman agreed with saving money, stated they were not fully renovating, and indicated work stations and furniture has not been updated since 1999.

Ms. Shoemaker followed the visual presentation, described the budget, types of funding, and completion dates for the following County locations: The Event and Conference Center, Sunrise Park, North Charlotte Regional Park, and the Charlotte County Sports Park. Mr. Baltz asked staff to clarify the budget for Sunrise Park.

5. Transportation Projects

Mr. Sandrock reviewed gas tax revenues and uses. **Commissioner Cummings** clarified this revenue is a relatively small portion of the gas tax collected and expressed concern that Charlotte County is subsidizing other larger counties through gas tax collected in Charlotte County. Mr. Sandrock commented on the annual amount available for new road construction. **Commissioner Duffy** asked what basis they used for the projection. Mr. Sandrock answered.

Mr. Sandrock reviewed a project list of non-concurrency projects and concurrency projects that have been in the CIP for a while, specified which were 5-year funded, noted those set for the future, pointed out the highlighted items are on the sales tax extension list, and advised dependent upon the outcome of the

sales tax extension, items could be moved to the 5-year project list. **Commissioner Cummings** asked for clarification of the funding. Mr. Sandrock explained. **Commissioner Cummings** said with the \$128 Million deficient, over the next 5 years, we will be running up expenses, burning down reserves, and getting deeper into the hole, and opined the need to track gas tax money. Mr. Sandrock explained how this project could be done over the 5 years and commented on the plan beyond that. **Commissioner Moore** questioned sources to pay for new road construction on page 26. Mr. Sandrock referred to page 29, explained the dilemma related to road costs, and provided options.

Commissioner Duffy asked if the estimates were accurate. Dan Quick indicated the project cost estimates were up to date and accurate. Ms. Shoemaker advised estimates could change once they actually go to bid and asked that special attention be given to the note at the bottom of page 29.

Mr. Sandrock described the Funding Shortfall Summaries including a 5-year and future summary, commented on the need to remember the revenues and constraints they have to work with annually, and noted the sales tax extension. **Commissioner Cummings** asked about the timeframe and if there was a window. Mr. Sandrock advised most projects are tied to concurrency with a ten year timeline. **Commissioner Moore** expressed his concern that the Federal Government and State say they can not help and opined transportation will be a mess in a few years. **Commissioner Cummings** stated the County will not have a choice and noted it is more costly not to deal with the problem than to address it.

Mr. Sandrock opined the passage of the \$.01 cent sales tax extension is critical and would aid in the shortfall, said it would help address road funding issues, advised some counties dedicated millage toward roads, discussed other options including working with the Department of Transportation (DOT) and the Metropolitan Planning Organization (MPO) to find additional funding sources. **Commissioner Cummings** said they are well aware of the problem, said he understands the theory of shifting funds from non-concurrency to concurrency, but opined the citizens may not understand.

Mr. Sandrock reviewed several individual projects which paralleled the visual slides. **Commissioner Cummings** questioned

how Burnt Store was a concurrency project and asked if the Winchester project was on the sales tax extension. Mr. Quick explained the theory behind putting Burnt Store on the concurrency list. Mr. Sandrock advised the Winchester extension is on the sales tax list.

6. Utility Projects

Mr. Sandrock referred to a graph on the overhead, discussed utility water and wastewater connection fee collections, discussed savings realized in construction bids due to economic down turn, described facility upgrades, reclaimed water expansion, wastewater system enhancements, and booster stations.

Mr. Sandrock advised the next steps in the CIP process was that they are prepared to send out the proposed CIP books this week which detail each project, said he would be available to answer questions, noted there were not many new projects, and advised the dates of the next budget meetings.

County Attorney Knowlton reminded the Board of the Special Meeting scheduled at 5:00 PM tonight, advised she would be requesting they add an item to the beginning of the Agenda, explained it is an approved Bank of America Utility Bond Resolution with changes that require Board approval, and advised the closing deadline was tomorrow.

ADJOURNED: 3:04 PM

Signature on file in Commission Minutes
Chairman

ATTEST:

BARBARA T. SCOTT, CLERK
OF THE CIRCUIT COURT AND
EX-OFFICIO TO THE BOARD
OF COUNTY COMMISSIONERS

By: Signature on file in Commission Minutes
Deputy Clerk

JL