

**MSBU/TU WORKSHOP**

**BOARD OF COUNTY COMMISSIONERS**

**APRIL 12, 2004**

A workshop of the Board of County Commissioners was held at the Murdock Administration Complex, Room 229, in Port Charlotte, Florida. The following members were present: Chairman Matthew D. DeBoer and Commissioners Thomas C. D'Aprile, Adam Cummings, and Sara Devos. Also in attendance were County Administrator Bruce D. Loucks, Deputy County Attorney Brendan Bradley, and Deputy Clerk Diane J. Nice. **(Commissioner Mac V. Horton and Chief Deputy Board Services Tommy Q. White were not present for the first portion of the workshop.)** The meeting was called to order at **2:02 P.M.**

**I. Introduction - Bruce D. Loucks, County Administrator**

Bruce D. Loucks, County Administrator, explained the purpose of the workshop is to discuss concerns regarding equity and a mechanism to maintain roads at a consistent level of service (LOS); the focus will be on road surface maintenance, costs, and a transition plan to achieve a more comprehensive Countywide approach; and advised MSBU/TU assessments would still be utilized to provide services at a greater than standard LOS.

**II. Discussion of Potential MSBU Consolidation - Thomas O'Kane, Public Works Director**

Thomas O'Kane, Public Works Director, advised 56 MSBU/TUs and 76 funds currently exist; the workshop will provide an opportunity to review the proposed maintenance plan and consolidation of MSBU/TUs; summarized staff's recommendations to pave South Charlotte Marl District roads and incorporate the unit along with the Three Rivers and Sabal Palm Units into the Punta Gorda Non-Urban Unit for one MSBU to be named the South Punta Gorda Non-Urban Unit. **(Commissioner Horton was present for the remainder of the workshop.)** Mr. O'Kane distributed a color coded West County MSBU map; stated roads in three Rotonda Units are being paved, within the next 18 months roads in the three remaining Rotonda Units will be paved, the roads will all be up to standard, and at the last public hearing in Lemon Bay

citizens indicated a desire to consolidate all of the Rotonda Units into one MSBU; roads in Lemon Bay were recently completed; recalled the Board approved a change order for paving roads in Grove City that are scheduled to be done soon; South Gulf Cove Phases I and II are done and III and IV will be done after paving of Grove City roads; residents of the Gardens of Gulf Cove are interested in moving forward with a comprehensive paving plan; several members of the Gulf Cove MSBU Committee have indicated a desire to finish their roads; Englewood East roadways are almost done; and reported over 71,000 units are located in West County, exclusive of the islands, once these roads are brought up to standard, assessments would be reduced to cover maintenance costs. Mr. O'Kane recalled discussions on equity, relating to dredging wherein residents did not want to pay for dredging in other areas of the County; suggested consolidation of the six Rotonda Units, as paving is completed, into one Rotonda Unit as well as Lemon Bay with Grove City into another road way maintenance MSBU.

### **III. Review of Budget Implications - Ann Navan, Budget Officer**

Ann Navan, Budget Officer, stated based upon studies prepared by Public Works, allowable funding mechanisms were identified to establish one MSBU or one MSTU for a paving district or establish three separate MSBUs for paving in Mid County, West County, and South County and continue separate capital assessments for reconstruction projects. Ms. Navan indicated staff has estimated the cost to maintain roads properly between \$4 million to \$6 million per annum; the pros of MSBUs are that vacant and improved lots would pay equal amounts, a well maintained road benefits a vacant lot as much as it does an improved lot, and Gas Tax revenues would be freed up by including maintenance of Road and Bridge (R&B) Roads in this program. **(Chief Deputy Board Services Tommy Q. White was present for the remainder of the workshop.)** Commissioner Devos requested the amount of Gas Tax revenues that would be freed up. Ms. Navan estimated \$2 million to \$3 million per year. Ms. Navan presented the MSBU cons that include some areas of the County still do not have an equal LOS and it may be too soon to combine units, concern by taxpayers that their money is being used elsewhere in the community, the first year of assessments would be levied in FY 05/06, and the method of handling MSBUs that have just finished a paving program or are currently

repaying debt on a paving program would have to be established. Ms. Navan continued the presentation by providing MSTU pros and cons: improved properties whose owners use the roads would have a higher share of costs due to higher property values, less restrictive property benefit issues, and assessments could be levied in FY 04/05 (in the unincorporated area) versus the number of vacant lots may keep taxes too high for improved lots, lack of community feeling (the same as the MSBU) since taxpayers do not want their money utilized for work in other areas of the County, and the method of handling MSBUs that have just finished a paving program or are currently repaying debt on a paving program would have to be established (the same as the MSBU). Ms. Navan reported assessment rates include pavement maintenance, signing and marking, pothole patching, taxes, collection fees, administrative charges, and a 10% contingency and the ranges are based upon \$4 million to \$6 million worth of paving per annum; the rates would be .7 to .9 mills or \$88 to \$113 under the Countywide MSTU (based on a \$150,000 home valuation with a \$25,000 exemption), \$35 to \$41 under the Countywide MSBU, and if the three MSBUs are established the rates would be \$36 to \$42 for Mid County, \$38 to \$44 for South County, and \$32 to \$39 for West County; pointed out the proposed rates exclude R&B Roads; and if R&B Roads are included, assessments may be \$10 to \$15 higher but Gas Tax revenues would be freed up for large construction projects. Ms. Navan suggested the Board consider moving all drainage projects, including drainage work on R&B Roads, to the three stormwater utility units. **Commissioner Devos** requested clarification regarding substandard areas. Ms. Navan explained capital assessments would be utilized to bring roads up to standard. **Commissioner Devos** questioned if substandard road conditions would be a part of the Countywide plan and inequities would be addressed. Ms. Navan reiterated separate MSBU capital assessments would be used for major reconstruction. **Commissioner Devos** pointed out streets with weeds growing out of them would continue that way. Mr. Loucks stated the main focus is to establish a road surface maintenance program and, if the Board decides to implement a plan for major road reconstruction, then staff would pursue that direction to upgrade substandard roads prior to incorporating them into the Countywide maintenance program. Mr. O'Kane stated roads in Charlotte Ranchettes would need to be upgraded and paved, at a significant cost, prior to consolidating them into the Countywide

maintenance program. **Commissioner Cummings** referred to the platted lands strategy to reduce the need for infrastructure and maintenance in undeveloped areas especially since the cost to the few homeowners located in predominantly undeveloped areas would double or triple; wondered what the cost increase would be to the program if more development occurs in "Infinite Roads" areas; and questioned if the \$35 to \$41 assessment would increase towards the \$88 to \$113 assessment or decrease as development occurs causing a higher usage of roads. Mr. O'Kane expressed the belief that the assessment would not go down. **Commissioner Cummings** stated the rate would increase due to inflation. Mr. Loucks explained once roads are brought up to a certain level, the cost of maintenance would go down and, hopefully, more assessments would be paid and balance out as development occurs; and commented on the need to prioritize maintenance projects i.e. using West County roads as the pilot program. **Commissioner Cummings** questioned if the assessment rates include repaving. Ms. Navan referenced the chart on Paving Programs being proposed in the FY 04/05 Budget and explained the \$22 million reflects the amount for current paving programs in the County. **Commissioner Cummings** requested clarification on the \$4 million to \$6 million per annum and the \$22 million over two years and stated his impression is that maintenance has not been kept up. Mr. O'Kane reiterated the need to upgrade substandard roads prior to incorporating them into a Countywide plan for maintenance over a 20-year life cycle. **Commissioner Cummings** requested the current assessment rate for the Punta Gorda Non-Urban Unit. Judy Hunter, Municipal Services District Representative, responded \$92 and approximately two years ago a \$10 increase was instituted for paving. **Commissioner Horton** related the question taxpayers ask most "Is what do I get for my taxes" and after he explains, they deduct that they have to pay extra to get potholes patched. **Commissioner Horton** expressed the preference that a basic LOS be standardized throughout the County and anything beyond the basic LOS be paid for by affected property owners. **Commissioner Horton**, a Lemon Bay MSBU resident, stated the roads have recently been resurfaced and questioned what he would get for the \$32 to \$39 assessment. Mr. O'Kane stated the \$32 to \$39 per year assessment would be used for road surface maintenance, after the roads are brought up to standard, and provide a steady revenue stream for rejuvenation, micropaving, and overlaying costs. **Commissioner Horton** stated, based upon residents'

concerns, that swales and drainage need to be addressed and Public Works needs to be able to establish a Countywide maintenance program to more cost effectively address residents' concerns in a coordinated manner; expressed a preference for establishing three maintenance MSBUs, developing a standardized maintenance LOS, and for staff bringing back cost and financing options. **Commissioner Devos** questioned if the MSBUs would address roads, swales, and drainage issues separately or if the MSBUs would address all of the issues in different areas of the County. **Commissioner Horton** stated one maintenance unit, west of the Myakka River, would address all issues pertaining to roads, swales, drainage, and canals. Mr. O'Kane advised in a city, the Transportation Fund, would cover drainage, roadway improvements, signage, stripping and the projects would be prioritized. **Commissioner Horton** stated it would be more efficient and cost effective, including administrative costs, to establish one maintenance unit for each of the three sections of the County. **Commissioner D'Aprile** questioned **Commissioner Horton** if MSBUs would be eliminated. **Commissioner Horton** responded no. **Commissioner D'Aprile** stated, generally, people are willing to pay for work where they live but not in other areas of the County; the proposal provides for a mechanism to establish a uniform standard LOS and assessment for maintenance work throughout the County on a systematic schedule; stated there are inequities and substandard roads since portions of the County are not developed and, perhaps, when the County is built out, the current MSBUs might be eliminated; and agreed with **Commissioner Horton** about the improbability of resolving everyone's concerns. **Commissioner Horton** concluded the proposed maintenance program would not eliminate the ability of existing MSBUs to provide services beyond the basic LOS and commented on the difficulties of tracking contracts and maintaining services in West County such as mowing especially in view of projected growth. Mr. Loucks pointed out that pockets of density are melding and eliminating large parcels in certain parts of the County. **Commissioner Cummings** expressed concern about inequities in areas to be phased into a Countywide maintenance program (as in dredging), agreed with **Commissioner Horton** on the importance of addressing all maintenance issues, requested the assessment rate and yearly impact on homeowners for doing the "Nike" approach versus phasing-in, and suggested a tiered LOS and assessment rates for property owners in outlying areas. **Commissioner Cummings** pointed out, hopefully, certain areas of

the County would not be developed and stated the less money invested in infrastructure in those areas, the less likely development would occur. **Commissioner Cummings** reiterated his request for the assessment for the "Nike" approach and how the first house in a half-mile radius issue would be handled i.e. the deliberate different LOS for which the same assessment is charged. Mr. O'Kane explained minimal improvements including road, signage, pipe replacements, and rights-of-way in the Charlotte Ranchettes would increase the assessment to \$350 per acre per year; the current assessment is \$50 and residents have seemingly agreed to a \$100 per year assessment; and pointed out the Harbor Heights MSBU is heading in the right direction. **Commissioner Cummings** acknowledged inequities exist and questioned if the cost difference of incorporating all of South County into one MSBU would be significant enough to the average homeowner to be worth dealing with i.e. sometimes the cost to solve problems is more than the problem. **Commissioner Devos** disagreed with **Commissioner Cummings'** approach and opined people should pay a capital assessment to bring properties up to an established LOS prior to being incorporated into the MSBUs. **Commissioner Devos** read from the Public Works Pavement Maintenance Report, page two, that if all roads were put on a 15-year paving cycle with no maintenance, the annual cost would be approximately \$10.3 million at today's unit cost and if the County had an annual Paving Maintenance Program, the savings for maintaining the 137 miles would be approximately \$5.4 million which is one-half the cost and very cost effective. Mr. O'Kane advised in the four and one-half years of his tenure with the County, staff has been trying to get South Punta Gorda Heights East to do some paving and drainage work and now it will cost significantly more because of the deterioration to the roads. **Commissioner Devos** commented in support of establishing three separate MSBUs starting in West County with the ultimate goal to establish one MSBU to address all maintenance issues including roads, swales, and drainage. Mr. O'Kane recognized Project Coordinator Barry Cohen for his efforts in developing the Report. **Commissioner Cummings** questioned the phase-in timing. Mr. Loucks stated if the Board gives staff that direction, staff would work towards that goal starting with analyzing what is necessary to bring roads up to standard in West, Mid, and South County. **Commissioner Devos** stated that substandard road conditions cannot be allowed to exist in areas where growth is to be encouraged and the sooner a determination is made, the

sooner staff would bring back proposals. **Commissioner D'Aprile** pointed out Charlotte Ranchettes' dirt roads would need to be brought up to standard prior to incorporation into the maintenance program. **Commissioner Cummings** stated the large MSBUs would provide for baseline infrastructure LOS and suggested allowing for a supplemental MSBU for neighborhood planning and services above the baseline LOS. (**Commissioner D'Aprile was not present for the remainder of the workshop.**) **Chairman DeBoer** reviewed Board discussion started out with establishing three MSBUs, it has generated to one MSBU with continuance of current MSBUs for capital improvements; stated he does not see this working out, he does not agree with a lot of the interpretations and assumptions, and he wants to meet with Mr. O'Kane in the field to review road conditions; and he is glad that the assessments will be not established until FY 05/06 since it will allow time to build a consensus. **Chairman DeBoer** concluded Board direction is that West County should be used for the pilot program under one maintenance unit for everything within the rights-of-way wherein baseline maintenance is established while current MSBUs are retained for capital improvements above the standard LOS. **Commissioner Devos** stated current MSBUs should be involved with neighborhood planning issues. **Commissioner Cummings** agreed that services beyond the standard LOS should be addressed in existing MSBUs and expressed support for staff's recommendation to phase-in areas, contingent upon the cost impact. **Chairman DeBoer** pointed out staff's original recommendation is to create three separate paving overlay districts which is different than creating the West, Mid, and South County MSBUs for maintenance issues. **Commissioner Devos** stated, hopefully, people would acknowledge the efficiency and cost effectiveness of establishing a Countywide maintenance MSBU since the projected annual cost would be reduced by half and the savings would be passed onto them. Mr. O'Kane stated consensus will vary and pointed out that the Rotonda units would be more in agreement whereas South Gulf Cove Committee members have expressed their desire to remain independent. **Commissioner Horton** suggested creative financing be used, as was done with Stump Pass, including MSBU/TU and tiered options to create equitable and fair assessments. **Chairman DeBoer** stated he would consult with Mr. O'Kane to resolve some issues with a view towards supporting the Board's direction. **Commissioner Horton** requested additional time to meet with Mr. O'Kane.

**Commissioner Devos** requested a response from the County Attorney's Office by the end of today on when an amendment will be brought to the Board on the Airport Overlay to disallow residential. **Commissioner Horton** agreed and included retail. **Chairman DeBoer** stated three Board Members have the same concern and he would bring the matter up at tomorrow's Board meeting.

**MEETING ADJOURNED: 3:18 P.M.**

Signature on file in Commission Minutes  
**Matthew D. DeBoer**  
**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**

**djn**