

CIP WORKSHOP FY 2005/2006

BOARD OF COUNTY COMMISSIONERS

JUNE 8, 2005

A Capital Improvements Program (CIP) 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 Sara J. Devos and Commissioners Thomas C. D'Aprile, Adam Cummings, Matthew D. DeBoer and Thomas G. Moore. Also in attendance were County Administrator Bruce D. Loucks, County Attorney Janette S. Knowlton, and Supervisor of Minutes Diane J. Nice. **The meeting was called to order at 1:35 P.M.**

Chairman Devos turned the Workshop over to Ray Sandrock, new Budget Director; Mr. Sandrock reported the purpose of the Workshop was to give a preliminary review of the FY 2006 through 2010 Capital Improvements Program (CIP) with emphasis on projects to be accomplished within the five year CIP; projects where funding gaps exist; excess sales tax collections and potential uses; recovery projects; a summary of the entire Funding Challenge; and indicated staff is available for specific details.

Capital Project Fund

Mr. Sandrock reported Capital Projects are funded mostly by ad valorem and impact fees but early estimates from the Property Appraiser have not been added in and should increase figures by \$220,000 annually; adjustments will be made to reflect July certification evaluations; and borrowing is minimal throughout the CIP. Mr. Sandrock stated Page CPF-1 is an overview of revenues in Capital Projects Fund and expenditures by major functional area; in 2009 and 2010 the ending balance will be zero with all funds having been utilized. **Commissioner DeBoer** inquired about external loans and Mr. Sandrock advised the external loans are for the Regional Library and the Sports Park in 2006/2007. **Chairman Devos** asked why there is a loan for the

Regional Library and Mr. Sandrock stated it was to put funding in place and will be repaid by impact fees. **Chairman Devos** explained it was from the penny tax and Laura Kleiss-Hoeft indicated these were for future regional libraries from library impact fees, not park impact fees. Bruce D. Loucks, County Administrator, advised the library on US 41 was fully funded by sales tax and impact fees. Mr. Sandrock explained loan repayments are for funds previously taken for ATP lands, Hickory House, Oyster Creek Regional Park, and a small amount for Bayshore and funding of the projects over a five-year period is detailed on Pages CPF-2 and CPF-3. **Commissioner DeBoer** asked if the new projects were added since last year and Mr. Sandrock replied yes. Mr. Sandrock indicated Page CPF-3 references Parks and Recreation; Page CPF-4 is a summary of the projects within the Capital Projects Fund; first is the Murdock Library Renovation for Community Development with a transfer of funds from the Building Reserve in Community Development. **Commissioner D'Aprile** asked for clarification that the Boat Ramp Development and Land Acquisition of \$2.8 Million is for the Boat Ramp off Lemon Bay shown in the Financial Plan. Mr. Sandrock replied it is and explained that the purchase price of the property is \$3.5 Million; the funding source is \$2.6 Million allocated from the sales tax extension; \$875,000 from various funding sources such as excess sales tax collections; the development cost of \$2 Million will be funded from ad valorem within the Capital Projects Fund; and the difference between the \$2.8 Million and the \$2 Million for development would be the repayment for the initial purchase from sales tax. **Commissioner Moore** referred to Page CPF-3, Boat Ramp Development and Land Acquisition of \$2.8 Million and asked where the remainder of the funds would come from. Mr. Sandrock said \$2.6 Million is already programmed in this year from the Sales Tax Fund, the balance will be fronted or repaid from the \$2.8 Million budgeted, and the \$2.858 Million will pay for the development cost and repay the \$875,000 that was fronted. **Commissioner Moore** agreed the boat ramp property should be purchased but development should be delayed. **Commissioner Cummings** stated \$300,000 per year is scheduled for environmental lands acquisition for environmental parks and asked if that was allocated for the full 5 years. Mr. Sandrock said yes and explained the funds were borrowed for the ACP Program with repayment from that source. **Commissioner Moore** said the Board made a commitment to build a new library in West County in 2006

based upon a 2002 library study and it could be added onto the Tringali Center Project. Ms. Kleiss-Hoeft said the West County library is only 8,000 sq. ft. and should be 18,000 sq. ft. and 24,000 sq. ft. based on National Average Standards. Ms. Kleiss-Hoeft explained \$600,000 has been set aside for land acquisition, there may be the ability to go higher, and an effort is being made to set aside funds from library impact fees for payback. **Commissioner Cummings** requested clarification regarding the payback of the difference between \$600,000 set aside and \$627,000 to be borrowed from future impact fees, but it would be under a broader group, not allocated to South and West County libraries, and if opportunities found, it would be placed under the new line. Ms. Kleiss-Hoeft stated that was correct and it was unrealistic to think that \$300,000 would purchase several pieces of land. **Commissioner Cummings** asked where the \$600,000 shows as being paid back. Mr. Sandrock said it is in 06/07, 07/08, 08/09, and 09/10; originally there were large numbers for construction and the entire project had to be cut down to balance the CIP; not all of the funds shown are for land acquisition; a portion would be used for another plan; and the \$2 Million in the second part of the funding is for permitting and design. **Chairman Devos** recalled the 2002 library study and regional libraries were to be constructed to serve the entire population with satellite libraries. Ms. Kleiss-Hoeft said the study suggested a Deep Creek library in the future and a storefront library in East Punta Gorda for short-term. **Chairman Devos** expressed uncertainty concerning the size of the West County facility; it would be difficult to find property to accommodate parking for a facility of the proposed size. **Commissioner Cummings** indicated there is a shortage computers and children's activities and space; it is expensive to provide services at numerous libraries; South County needs a regional library; and it would take a lot of neighborhood libraries and manpower versus a larger regional library with break-out rooms to provide the same levels of service. **Chairman Devos** advised the regional library is being built on Forest Nelson and US 41; additions and improvements have been made to the Cultural Center and both facilities will be used; all areas need a regional library with service facilities; and a regional library will not take care of all needs of communities. **Commissioner Moore** stated he would meet with Mr. Sandrock and Ms. Kleiss-Hoeft regarding library issues. **Commissioner DeBoer** advised regional libraries are better, but existing small libraries should not be

closed down and asked if the projects on hold due to the hurricane were back in this program because the "RC track" was not reflected. Ms. Kleiss-Hoeft said the "RC track" did not qualify as a full CIP and did not fit into the Operating Budget. Mr. Sandrock explained that Page CPF-5 lists the projects taken out of the Capital Projects Fund in order to balance.

2002 Sales Tax Fund

Mr. Sandrock explained the Sales Tax Extension on Page STX-1 reflects the original approved additions funded with a total amount of \$97.6 Million; Page STX-2 sets out timing of expenditures with \$15.6 Million being expended and \$26 + Million anticipated this year; everything remaining is a potential encumbrance rather than actual spending; when projects are completed spending will be reflected; Page STX-3 is an Alternate List of Sales Tax Extension Projects; the projects were on the referendum and Operating Cost is listed for notation. **Commissioner DeBoer** stated jail expansion was not part of the original list but it should be added because it cannot wait until the next sales tax extension. Mr. Sandrock said Page STX-4 forecasted Excess Collection Funds at \$96 million, now \$110 Million is anticipated for a \$14 Million excess; \$1.61 Million has been allocated; \$12.39 remains to be allocated and cannot be spent until collected. **Commissioner D'Aprile** asked why the County was paying for the High School gymnasium. Mr. Sandrock explained \$2 Million was part of the original referendum and the School Board requested an additional \$1.2 Million. **Chairman Devos** said costs increase by the time a project begins. **Commissioner DeBoer** indicated there has already been many changes with large deviations and before allocating excess revenues figures need to be updated. **Commissioner D'Aprile** asked what the additional \$1.2 Million was for. **Chairman Devos** recalled a line item and the referendum for gymnasiums at three schools; work was started at Charlotte High School but not the others and it will now cost \$1.2 Million in addition to the amount of the sales tax line item to do the work; every County project will cost more as a result of Hurricane Charley; and an attempt is being made to update project costs. **Commissioner D'Aprile** expressed concern with cost increases. **Commissioner Moore** stated Page STX-2 shows three High School gymnasiums starting in 05/06 at \$1.4 Million but Page STX-4 reflects a cost increase of \$1.2 Million and expressed his belief that the cost

could have gone up that much. Mr. Sandrock said he would review the specifics but believes the figure is correct. **Commissioner Moore** stated additional work would increase costs and requested changes in the scope of work. **Chairman Devos** explained post-Charley costs doubled and the Board should expect costs to exceed what was originally budgeted for every project, including replacement of the former Auditorium for the \$3 Million budgeted; expressed uncertainty concerning replacement of the Charlotte County High School gymnasium but the School Board could provide support materials; and inquired if rebuilding costs of fire stations increased significantly. Mr. Sandrock said the three new fire stations being built will cost \$215 per sq. ft. versus the original projected cost of \$197 per sq. ft. **Commissioner DeBoer** requested the cost increase of the fire station built in Deep Creek prior to Hurricane Charley over the original cost. Mr. Sandrock advised the cost doubled. **Commissioner DeBoer** said he understands prices need adjusting and sales tax money can only be used for new infrastructure. **Commissioner D'Aprile** pointed out fire stations being built now has stronger features than those previously built. Mr. Sandrock said the additional \$1 Million for the Charlotte County/City of Punta Gorda Water Interconnect Project would be brought back to the Board. **Commissioner Cummings** stated the Water Authority at the last meeting opposed the interconnect between the Peace River Authority and Punta Gorda's treatment plant at Shell Creek without having the Charlotte County Utility and City of Punta Gorda interconnect concurrent; there is a difference of opinion between the Building Staff and Water Authority on the issue; possibly grant funding could be obtained from Southwest Florida Water Management District (SWFWMD) because there was a grant application as part of the Integrated Loop System; and asked if the County submitted an individual application; Mr. Sandrock explained both would be submitted together by the Water Authority; the County application was left out but SWFWMD is now including it as part of the Integrated Loop System; the present intent is for the County project to be first as part of the Integrated Loop System with re-directing of grant funds during this budget cycle. **Commissioner D'Aprile** questioned the total cost of the interconnect project. Mr. Sandrock replied the total cost is \$4.6 million and 50% is expected from SWFWMD. Mr. Loucks explained \$3.6 Million of the \$4.6 Million is budgeted in sales tax; the \$1 Million difference is what Mr. Sandrock referred to; if funding is received from SWFWMD not all of the \$3.6 Million

will have to be spent; the City of Punta Gorda has not committed to any funding; the City advised at the staff level this is a County project; and the matter is on the Agenda for June 10, 2005 at the Joint Meeting with Punta Gorda. **Chairman Devos** stated the City of Punta Gorda furnished a list of items for discussion at the Joint Meeting; no items from the Commissioners or staff have been received; and suggested additional items be provided as soon as possible. Roger Baltz, Assistant County Administrator, informed the Board SWFWMD has a cooperative funding program for grants; there has been discussion, but no guarantee, that Charlotte County will receive funding for the interconnect with the City of Punta Gorda; the City has indicated an unwillingness to participate in funding the project; the entire funding of the project may fall to Charlotte County and funds have not been allocated at this point; a cooperative funding grant application has been submitted listing the interconnect project as a part of a Regional Loop System but it is outside the County time line; and it is included with over \$100 Million worth of grant funding requests that affects the entire Southwest region. **Chairman Devos** asked Mr. Baltz to be prepared for the June 10, 2005 Joint Meeting with the City of Punta Gorda to repeat what he had just said when the item comes up on the Agenda and requested he appoint someone to be available as the list is reviewed to give a running tally of the expectations of the County and the final total. Mr. Baltz said a letter was received from the new City Manager addressed to Mr. Loucks indicating the City is interested in working with the County on the interconnect and a meeting is scheduled for June 10, 2005 with staff and the engineering firm to obtain answers to the questions in the letter. **Chairman Devos** suggested it be made a part of the report at the June 10, 2005 Joint Meeting; and inquired if there was any discussion about the Charlotte Sports Park at Page STX-5. Mr. Baltz said the fourth penny tourist tax would come back before the Board for some of the Phase I improvements. **Commissioner Moore** stated Page STX-5 "Future Sales Tax Extension" suggests monies not yet on a ballot or granted. Mr. Loucks said the funding requirement for Phase 3 is FY10; there is the possibility of a future sales tax extension if approved by voters, and staff recommends this funding be put on the project list for that sales tax extension; if another extension is approved, the revenues may not be spent in anticipation; this is an unfunded project except for the \$4

Million that will come over time from the additional penny tourist tax.

Utilities Fund

Mr. Sandrock pointed out the Utilities Summary Page reflects Revenues, Expenditures and Total Utility Projects and staff is available for questions. There were no questions.

Transportation Projects

Mr. Sandrock reported Transportation Page Tran 1 reflects various Revenue Sources over 5 years with \$140.9 Million funding availability. **Commissioner DeBoer** asked if this included part of the gas tax not yet assessed and the amount. Mr. Sandrock replied it did not; \$750,000.00 can be used for maintenance or construction as identified on the last page. **Chairman Devos** asked when the vote would be. Mr. Loucks said the vote could be anytime the Board chooses. **Commissioner DeBoer** said the Board chooses. Mr. Loucks said it would be placed on the agenda. **Commissioner Cummings** asked if the sales tax overall is \$29 Million per year. Mr. Sandrock explained \$29 Million is the beginning balance. Marty Simone, Fiscal Management Manager, informed the Board \$12 Million per year is generated; \$3.9 Million is for road improvements and \$8 Million is for maintenance and operations. **Commissioner Cummings** stated \$2 Million of the gas tax collected is going to the Northeast Corridor each year. Mr. Loucks explained the State takes different amounts of each gas tax that is levied for State projects. Mr. Sandrock said Page Tran 3 refers to funded projects that will be completed and unfunded road projects totaling \$80 Million; **Commissioner DeBoer** asked if Page Tran 3 reflects Burnt Store's cost assuming all of the widening expense falls to the County and does not come out of development fees. Mr. O'Kane replied affirmatively and explained there is a possibility the State may allocate funds to Charlotte County because of the hurricane impact and the Burnt Store Road project is appropriate because there are residual monies planned for the already approved four-lane design. Kelly Shoemaker, Assistant County Administrator, advised the Burnt Store Road project was on the list for Federal funds. **Chairman Devos** pointed out if a project could be selected, the Edgewater Corridor is far more critical to the County than the Burnt Store Corridor and there

will be other options available to help with Burnt Store Road. Mr. O'Kane explained he does not know the State's procedure, Burnt Store Road was suggested primarily because it is a hurricane evacuation route and it is easier to allocate funds to Charlotte County for a hurricane evacuation route but the matter can be brought back to the Board for discussion and a decision. **Commissioner D'Aprile** asked if the \$18.6 Million shown for the Edgewater Project was for four-lanes. Mr. O'Kane responded the design is for four-lanes but the \$18.6 Million is for constructing a two-lane realignment from SR 776 to Collingswood; there are fairly significant stormwater obligations with this project, some associated with the removal of the Manchester lock; and one of the agreements with the Water District is that a stormwater facility would be built at the same time the roadway is done. **Chairman Devos** stated some of the four-lanes will be paid out of the \$18.6 Million but only funding for right-of-way work is shown. Mr. O'Kane explained the right-of-way is significantly higher because of land prices. **Chairman Devos** said \$7.4 Million is for mitigation purposes. Mr. O'Kane reported the project is two lanes from SR 776 to Collingswood and not a four-lane widening. **Chairman Devos** inquired as to the widening between Collingswood and Harbor Boulevard. Mr. O'Kane said nothing has been done. **Chairman Devos** stated she thought bridge work was being done. Mr. O'Kane explained bridge work was shown at one time but it is not funded under this plan. **Chairman Devos** advised there was pre-unanimous support for the Edgewater Corridor and she is disappointed that the unfunded five-year CIP does not include the original project. **Chairman Devos** expressed understanding that the project would be a four-lane corridor and bridge work. Mr. Loucks said previous CIP's showed the work would begin in FY06 but now all that is being shown is right-of-way purchase and construction. **Chairman Devos** pointed out the unfunded \$18.6 Million is a deviation from the original project and there should have been a notation regarding changes. Mr. Loucks explained six or seven phases of Edgewater had been listed in the transportation CIP; the first year had \$42 Million worth of debt to be paid from a yet to be determined source; and the projects had to be re-evaluated to show the actual funding ability and calculate it for five years disregarding potential loans. **Chairman Devos** explained there appears to be a change in what had been planned without any discussion; there was to have been bridge work and four-lane from US 41 to SR 776. Mr. O'Kane advised it was to be a multi-phase project from Harbor to

Midway, Midway to Collingswood, Collingswood to SR 776; the phase between SR 776 and US 41 is not listed at all because that is part of the Murdock Village project; the four-lane of the Edgewater/Flamingo Project was always in CIP out-years for funding. **Chairman Devos** asked for clarification if what is being shown is what originally was in the CIP for the five-year period and if the original five-year plan included Burnt Store Road. Mr. O'Kane stated Burnt Store Road was also in an out-year. **Chairman Devos** expressed concerns that the \$32.9 Million for Burnt Store Road is reflected outside of the five-year CIP. Mr. O'Kane noted to the Board that Piper Road appears in the unfunded section; there is \$15 Million available for right-of-way design and construction and \$8 Million in grants from the State which the County is to match so some work can begin the end of 2006 or early 2007. **Chairman Devos** said she would like to be advised when there are to be deviations and stated it appears the projects have changed in scope. Mr. O'Kane pointed out Burnt Store widening and all phases of Edgewater should be included in order to be consistent and there has been an attempt to adjust the budget to meet the anticipated costs. **Commissioner Moore** asked the source of the County's match of the \$15 Million. Mr. O'Kane explained \$5 Million has been set aside from sales tax and this CIP proposes a commercial development district to pay the balance of the match but other options are being reviewed to fund that balance. Mr. Loucks clarified that of the \$7 Million match to the CIP for Piper Road the County has \$5 Million and \$2 Million will come from current impact fees. Mr. O'Kane said the big unknown with the project is right-of-way, many owners are enthusiastic in donating right-of-way for the project knowing what impact it will have on their property values but there is one questionable property owner. **Commissioner Cummings** asked if the \$2 Million impact fees being allocated toward Piper Road on the match was future or existing impact fees, expressed surprise the State is willing to grant funds for roads for new growth but unwilling to grant funds to expand roads for the current population and asked for clarification as to how much money is generated from impact fees. Mr. Sandrock replied \$3 Million in 03 and \$4.5 Million in 04 was generated from impact fees; stated there had been discussion on updating the impact fees; and an impact fee study was initiated jointly with the School Board to look at current impact fees and recommendations were received. **Commissioner Cummings** reported the last increase was a decade ago. Mr. Loucks

said there is no single revenue source that will solve all fiscal problems. **Commissioner Cummings** expressed reluctance about deleting any projects from the CIP and acknowledged the Edgewater project needs to be done because the level of service will increase rapidly. **Commissioner DeBoer** said he would like to have the unfunded projects addressed in their entirety but stated a funding source for the Edgewater project needs to be identified now. Mr. Loucks advised the Board impact fees are collected by district and spent in those districts unless a basis for excess to spend some in an adjoining district is shown; if an increase in the impact fees is adopted the Board could look at the district configuration and reduce the districts so that new impact fees are better adjusted over the population growth patterns than in the past. Mr. O'Kane stated this is a regional problem; based upon a press release from CSNBC Lee County is facing an \$84 Million shortfall; and stated Charlotte County has a limited base of contractors and is seeing a significant increase in costs for construction and right-of-ways.

Recovery Projects

Mr. Sandrock explained there were various categories in Recovery Projects and most projects or facilities are being paid from insurance and FEMA monies. Rec Page 1 reflects three categories; Recovery Projects are those where decisions have been made to go forward, such as the former Auditorium; there is a gap between the actual cost and the anticipated reimbursement as with the Environmental Campus Operations Building and three fire stations with a total of \$6.3 Million; the \$22.6 Million under New Facilities does not include the Public Works Administration Building which is being evaluated now and estimated at \$2 Million. **Chairman Devos** recalled the Public Works Complex would cost \$2.3 Million. Mr. Sandrock responded affirmatively. Mr. Sandrock said the jail expansion is reported under New Facilities. Mr. Loucks related an email from John Dickinson, Project Manager, indicted the jail expansion cost between \$10 Million and \$12 Million, not \$8 Million as shown and explained the \$8 Million figure was based upon the prior actual construction cost without an update and the New Facility total is \$28.6 Million. Ms. Shoemaker indicated the Sheriff's Department is going through a needs assessment and the \$10 Million to \$12 Million is a minimum. **Chairman Devos** asked if

money was received for the Public Safety Complex under New Facilities. Ms. Shoemaker explained \$1.5 Million was received from the State, \$2.5 Million originally from Charlotte County sales tax for EOC 911, and \$2.5 Million has been requested from the Federal Government. **Chairman Devos** asked if any of that money was reflected in the \$11 Million shown. Ms. Shoemaker reported space needs are being reviewed for functions moving to that building; the total project cost is \$18 Million; and the balance needed is \$11 Million. Mr. Sandrock said the last category is design changes for the fire stations that have not been built and improvements have not been made; an analysis was done in the areas that were to be funded and Fire Assessments in 2008 will have an increase but not above the maximum Fire Assessments. **Chairman Devos** asked if that would cover the \$2.8 Million. Mr. Loucks replied yes. **Chairman Devos** asked for verification of the \$100,000 cost of the Vehicle Maintenance Facility. Ms. Shoemaker said it is \$100,000 additional. **Commissioner Cummings** asked if Washington Loop was in the Charlotte County Urban Service Area. **Commissioner Cummings** stated Washington Loop could possibly be in the Charlotte County Urban Service Area in the near future, the Board should proceed with that in mind, and consider another sector plan for US 17.

Summary

Mr. Sandrock advised the Summary total is \$140.5 Million. **Chairman Devos** stated the projects that stand out as most needed are the Jail, Public Transportation and the former Auditorium and suggested the Board begin discussion of extending the sales tax and developing a referendum before 2009 so some of the projects can begin because the jail expansion cannot wait until 2008. **Chairman Devos** pointed out the Charlotte Sun is doing a good job discussing infrastructure needs and what can be done and believes the time is right for proposing the sales tax extension and the Board needs to discuss these issues. **Commissioner Cummings** suggested the sales tax extension be part of the Revenue Workshop. **Commissioner DeBoer** asked when the sales tax extension expired. Mr. Loucks stated it is 2009. **Commissioner DeBoer** asked if an extension must be voted on in a General Election Year. Mr. Loucks said it could be done in a Special Election but it must be a countywide vote. **Commissioner DeBoer** suggested it be done soon if a Special Election can be

Book 63, Page 511
June 8, 2005

held because if the sales tax extension is approved, the projects can be bonded and started.

MEETING ADJOURNED: 3:15 P.M.

Signature on file in Commission Minutes
Sara J. Devos
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/gm