

**CAPITAL IMPROVEMENT PROGRAM (CIP)  
WORKSHOP FY 06/07**

**BOARD OF COUNTY COMMISSIONERS**

**JUNE 7, 2006**

A Capital Improvements Program (CIP) Workshop of the Board of County Commissioners was held at the Murdock Administration Complex, Room 119, in Port Charlotte, Florida. The following members were present: Chairman Thomas G. Moore and Commissioners Thomas C. D'Aprile, Adam Cummings, and Sara Devos. Also in attendance were County Administrator Bruce D. Loucks, Deputy County Attorney Daniel Gallagher, and Supervisor of Minutes Diane J. Nice. (**Commissioner DeBoer was not present for the workshop.**) The workshop was called to order at **1:35 P.M.**

Raymond Sandrock, Budget Director, explained the purpose of the workshop is to give a slide presentation and review the FY 06/07 five-year CIP with a focus on the Capital Projects Fund, Impact Fees, the 2002 \$.01 Sales Tax Extension, Road Projects, Utility Projects, and Environmental Service Projects. Mr. Sandrock thanked department representatives for all of their budgetary efforts and introduced Todd Taylor, CIP Analyst, who has been working on the project.

**Capital Projects Fund**

Mr. Sandrock reported the Fund includes monies for projects including libraries, parks, information technology, and facilities; it is supported primarily by ad valorem revenues; an 8% property valuation increase has been applied to the Fund that would generate \$1.5 million in additional revenues over this year's adopted budget; this is not a millage rate increase but a property valuation assumption which will be clarified when the Property Appraiser certifies the tax roll on July 1, 2006; the components of the Fund are the Base Millage Rate of 0.4145 mill and Priority Projects Millage Rate of .6000 mill for a total Capital Project Millage of 1.0145 mills; the .6000 mill increase was passed last year for four years (FY 05/06 through 08/09); and the projected ad valorem revenues are \$17,668,000 for FY 06/05 or \$78,657,000 over five years.

**FY 06/07 Major Expenditures - \$54 million**

Mr. Sandrock explained the projects included in the .6000 mill increase are the Courthouse for \$3,283,000, Human Service Facility on Loveland Boulevard for \$1,787,000, Public Safety Facility for \$4,400,000, Jail expansion for \$23,583,000, and the Events Center for \$5,000,000. **Commissioner Cummings** requested the difference in the projected revenues from the .6000 mill increase when implemented last year and the \$78,657,000 projected total over five years. Mr. Sandrock recalled the projected revenues from the .6 mill increase last year was \$44,000,000 based on conservative 8% increases in property valuations and reiterated it may change after July 1, 2006 based on the Property Appraiser's certification. Mr. Sandrock explained the Courthouse is a \$5.9 million project currently in design with anticipated construction to start December 2006 for approximately 12 months with funding from ad valorem, sales tax, the City of Punta Gorda, Federal Emergency Management Agency (FEMA), grants, and other contributions. **Commissioner Devos** requested an explanation of the difference between the \$3,283,000 and the \$5.9 million. Mr. Sandrock stated the \$3,283,000 represents the ad valorem portion of the funding and the \$5.9 million is the total project cost. **Commissioner Devos** requested confirmation that monies already spent are included in the \$5.9 million. Mr. Sandrock responded affirmatively. Mr. Sandrock reviewed the Master Space Plan including the scope of work for FY 06/07 for design of a new 116,120 square feet five-story administration building, a 112,000 square feet and four-story parking garage for 373 vehicles, and expansion of the West County Annex to be funded from ad valorem and impact fees. **Commissioner Devos** questioned the possibility of constructing a new administration building in Murdock Village. Bruce D. Loucks, County Administrator, explained ongoing meetings with Stock Development indicate that few of the functions located in the existing administration building would be moved to the Murdock Village location; high volume and high traffic types of activities would remain at this site; suggested the offices currently on the fifth floor and core functions including Budget and Human Resources might be relocated whereas Constitutional Officers and Building related facilities would remain on the current site. **Commissioner Cummings** requested future use of the old library if Building Construction Services offices are moved.

Mr. Louckes explained there is more value in retaining the old library instead of converting it to parking and added the plan is conceptual and premature for discussion at this time. Mr. Sandrock continued the presentation with the jail expansion to double the capacity at a project total of \$28.1 million; the project should be out to bid in January 2007 with construction to begin March 2007 over about 18 months with the first phase completed by the Fall of 2007 and staffing to begin in 2007; funding sources would be ad valorem and some impact fees; pointed out the Public Safety Building, Sheriff's and Fire/EMS Vehicle Maintenance facility, and a fire training area on the site. **Commissioner Cummings** questioned the need for all core facilities because an oversizing was done in the last construction to reduce costs of future expansion and the cost per bed. Mr. Sandrock stated there are benefits of building the expansion and taking advantage of existing core services. Mr. Sandrock explained the Public Safety facility (Emergency Operations Center) on the same site is a \$9.5 million project with ground breaking scheduled for June 2006 with construction over 12 months of the 30,000 square foot facility to house Fire/EMS Headquarters, Emergency Management, 911 Back-up, and the 211 Operations Center. Mr. Sandrock stated the Events Center is a multi-funding source project from ad valorem, sales tax revenues, FEMA, and insurance; the 45,000 square foot facility is in the design stage and ground breaking is scheduled for November 2006 with construction over 18 months with an on-site parking facility for 300 vehicles. Mr. Sandrock explained construction of the West County Regional Library has been moved into the five-year CIP; the project is estimated at \$12.2 million from ad valorem, impact fees, and grants; design should be done this summer and ground breaking and construction is anticipated in FY 07/08. **Commissioner Devos** requested the projects being moved out of the current five-year CIP to accommodate this project. Mr. Sandrock advised the additional impact fees would free up ad valorem revenues; informed the Board that the Capital Projects Fund is not in balance at this point e.g. there are more projects than revenues; the overage of approximately \$20 million has been reduced from \$67 million; and no projects are being eliminated at this time. **Commissioner D'Aprile** stated the new library is to be located within a park site owned by the County and requested clarification of the \$12.2 million being utilized on the building and/or park. Mr. Sandrock explained that amount is allocated to the library

facility. **Commissioner D'Aprile** suggested determining the total cost including the park site. Mr. Loucks expressed uncertainty of the 12 acres being sufficient for a park site. Laura Kleiss-Hoeft, Parks, Recreation, and Cultural Resources Director, stated a small neighborhood playground possibly with a trail in the back section might be developed. Mr. Sandrock reported the West County Boat Ramp site was purchased in August 2005 with sales tax funds, the site is located on Lemon Bay with easy access to the Gulf of Mexico through Stump Pass, plans include construction of a boat ramp with 30 parking spaces during FY 06/07 with monies from ad valorem and impact fees. **Commissioner Devos** questioned if the site was used as a restaurant. **Chairman Moore** clarified the property is located at the County line just south of Thunder Marine and there was to be an addition on an existing restaurant. **Commissioner Devos** opined roads are more important than construction of a boat ramp and requested the ad valorem monies to be allocated to the project. Mr. Sandrock reported \$2.1 million, the remainder would be parks impact fees, and reiterated the workshop is on the Capital Projects Fund which is the ad valorem funding part of the CIP rather than the roads segment that utilizes gas taxes, impact fees, and sales taxes although you can use ad valorem for road projects. **Commissioner Devos** suggested setting a discussion on the use of ad valorem revenues for road projects. Mr. Sandrock summarized FY 06/07 Maintenance and Other Smaller Projects that total approximately \$8.8 million. **Chairman Moore** stated he would ask questions later. **Chairman Devos** indicated her questions, including #14 Spring Lake Restroom, would be done later. Mr. Sandrock advised Other Major CIP Projects within the Five-Year CIP would be construction elements of the Master Space Plan and construction of the West County Regional Library in FY 07/08 and South County Regional Library for purchase of land in FY 10/11 with subsequent construction. **Chairman Moore** questioned the difference in the 80,000 square feet South County Library versus 30,000 to 40,000 square feet for West and Mid-County Regional Libraries. Mr. Sandrock pointed out the South County Library facility would house the Historical Archive Center. Ms. Kleiss-Hoeft explained the proposed Historical Archive Center is approximately 20,000 square feet; 30,000 to 40,000 square feet for the Regional Library; and preliminary discussions including potential for Federal funding are taking place with Edison Community College for a joint partnership for community and educational rooms. Mr. Sandrock continued the presentation by

outlining the Major Projects Funded by the .6 Mill Increase for a total of \$40,247,000 in the Fund and project costs totaling \$69,848,000. Mr. Sandrock explained Constitutional Officers have expressed additional space needs in West, Mid, and South County; the West County needs may be met with expansion of the West County Annex on San Casa and the current Englewood library may be considered for space after construction of the new West County Regional Library; Mid-County needs may be met through construction of the new five-story facility; and South County needs may be utilized in the South County Annex after the 211 operations is moved to the new Public Safety Building. Mr. Sandrock reported the first year of the CIP, FY 06/07, is in balance at this time but the five-year CIP is short by about \$20 million; the Board should consider facility requirements of Constitutional Officers as well as other revenue sources including a millage rate increase and future sales taxes; and reminded Board Members that a conservative 8% increase in property valuations has been included and that may change based on the Property Appraiser's certification. **Commissioner Devos** expressed concern about the slow down in the real estate market and economy and suggested allocating the funds to specific projects or reducing taxes. Mr. Sandrock reviewed the chart based on Old and New Impact Fee Projections that have increased from \$30,233,000 to \$92,454,000 for an overall increase of \$62,221,000; the largest increase pertains to roads for an increase of \$41,794,000 over five years. Mr. Sandrock explained new impact fees would be utilized for qualifying projects, bonding/borrowing can be considered to maximize the use and benefit of impact fees, especially for short-term borrowing to fund the Winchester and Midway Boulevard projects; impact fees will be used to supplement ad valorem needs; and funding requirements still exceed revenue sources. **Commissioner Devos** expressed concern about the Edgewater Extension and requested the time frame for purchasing right-of-way. Paul Payette, Real Estate Services Manager, stated about 40% of the right-of-way for the Edgewater project has been acquired. **Commissioner Devos** requested an explanation on acquisition for the entire project versus a phased basis. Mr. Payette expressed understanding that right-of-way would be acquired for up to four lanes although the initial construction will be for two lanes on the segment between Edgewater and S.R. 776. Thomas O'Kane, Public Works Director, stated the County is purchasing land for scrub jay mitigation, right-of-way for four lanes, and buffers between

residential properties from S.R. 776 to Collingswood Boulevard, two lanes are to be constructed in the first phase. **Commissioner Devos** requested an explanation on the extension between Collingswood and Harbor Boulevards. Mr. O'Kane advised a substantial portion of right-of-way has been acquired but issues regarding ponds for stormwater detention, retention, and treatment might come up during the design stage and the design has not been funded. **Commissioner Devos** pointed out this is the time to design the extension because more and more homes are being built along this roadway and requested an estimated amount for the design. Mr. O'Kane advised construction costs and engineering fees are increasing and he recently spoke with an engineering firm working with a developer on road construction, and the costs are being estimated 50% higher than \$2.2 million per lane mile. **Chairman Moore** pointed out the \$78 million price tag on page 38 of the presentation. Mr. O'Kane explained engineering costs are estimated at \$7.7 million for design and permitting from Collingswood to Harbor Boulevards and engineering for the first phase is \$1.3 million. Mr. Payette pointed out eminent domain is not possible until design specifications are done because specific plans are necessary to identify parcels although probably 50% of the land might be acquired on a voluntary basis. **Commissioner Devos** requested staff provide the time frame for acquisition and eminent domain so she can have a discussion with Mr. Sandrock on bonding.

#### 2002 Sales Tax Extension Fund

Mr. Sandrock reported the 2002 \$.01 Sales Tax Extension was originally projected at \$96 million, the projected total excess is \$22.4 million based on trends from FY 03 through FY 05, for a total projected Sales Tax Collections of \$118.4 million over the six-year period; the entire \$118.4 million has been allocated; and another forecast will be performed towards the end of this calendar year. Mr. Sandrock reviewed the 2002 Sales Tax Project Allocations by highlighting completed projects and the progress being made on remaining projects. Mr. Sandrock reminded the Board that the current Sales Tax Extension ends December 31, 2008; all additional collections have been allocated; and based on the trend of collections, more collections are likely. Mr. Sandrock continued the presentation on Road Issues by advising gas tax collections are monitored monthly and the trend indicates collections are flat or declining by about 4%; new

impact fees were effective June 1, 2006; sales tax collections are being utilized for Winchester, Edgewater, Burnt Store, and Veterans projects in the approximate amount of \$40 million; new impact fees will be used for Midway and Winchester projects; and the unfunded amount for road projects continues to grow. Mr. Sandrock reported gas tax collections for this year are above last year's collections but not up to budgeted levels; the FY 04/05 actual collections totaled \$11,435,631, the FY 05/06 budget is \$12,804,599, and the FY 05/06 revenue forecast is \$12,246,811, for a possible shortfall of about \$557,788. **Commissioner Devos** requested the actual cost to four lane the first phase of Edgewater. Mr. O'Kane offered to provide the cost and recalled last year the estimate was approximately \$80 million for the Edgewater improvements and costs have increased. **Commissioner Devos** stated four-laning should be done on the entire Edgewater project. **Commissioner Cummings** commented on the insufficiency of two lanes in an area where a location has already been identified for a commercial node. Mr. Sandrock reported the annual amount available for new road construction amounts to \$16.3 million in FY 06/07, exclusive of sales tax directed to road projects. Mr. Sandrock explained the high lighted five-year road projects will be completed within the five-years whereas the remaining projects have some unfunded project elements; the five-year road projects funding totals \$183,523,000 including impact fees, gas taxes, and over \$40 million in sales tax allocations. **(Board Members posed questions and discussion was held on State funding potential for Aqui Esta; developers' participation in road construction on Burnt Store, Aqui Esta, and Piper Road projects; right-of-way donations to reduce costs of the Piper Road project; Wal-Mart contributions for widening Kings Highway to the DeSoto County line; phases 1, 2, 3, and 4 of the Edgewater Extension and future road improvement of Edgewater to U.S. 41 from Harbor Boulevard; the need for future expansion of Rampart Boulevard and Cape Haze Drive; negotiate with the City of North Port regarding Toledo Blade Phase II; and work with Sarasota County on the Toledo Blade Phase II project as a regional priority to secure State funding.)**

#### Utilities Fund

Mr. Sandrock explained projected FY 06/07 costs for wastewater expansion, water expansion, maintenance/replacement, and general

facilities total \$75.7 million with total project costs of \$353.4 million and funding sources include connection fees, borrowing/bonding, and rates. David Schlobohm, Utilities Director, introduced Teresa Kesner, Utilities Assistant Director, who summarized expansion programs identified for the Burnt Store Wastewater Treatment Plant, East Port, Rotonda Wastewater Treatment Plant, and West Port Wastewater Treatment Plant. **Commissioner Cummings** requested costs related to collection system expansions into the Infill Area. Ms. Kesner commented on the sewer expansion project for which a scope of work has been awarded to Jones Edmonds and relevant information should be under maintenance/replacement. **Commissioner Cummings** clarified not just new customers who request service but also to retrofit Infill Areas. **Commissioner D'Aprile** stated also the Charlotte Harbor Community Redevelopment Area (CRA). Ms. Kesner reported the sewer expansion program through Section I, the last one of the original 12 sections, as well as the CIP Project page (W-25) entitled Utility System Redevelopment Plan will provide sewer lines and retrofit Infill Areas that are on septic and comply with criteria for being within 150 feet of surface water or high population density areas. **Commissioner Devos** requested an explanation on the sewer expansion program in the Charlotte Harbor CRA. Ms. Kesner indicated staff is working with Redevelopment Manager Debrah Forester, Charlotte Harbor Water Association, the engineer of record, and other agencies within the County to provide water and sewer to the CRA. Mr. Loucks explained all of the Infill projects will necessitate a decision by the Board to raise rates, levy assessments, or a combination on the entire system instead of assessing property owners who received benefits from the improvements because this method previously reduced Reserves and capital funding. **Commissioner Cummings** recalled a rate reduction was done as a result of the mini expansions because they were done in areas with excess infrastructure capacity and future expansions will be more expensive per customer. Mr. Loucks stated future expansions would be proposed for assessments, with the exception of Section I. **Commissioner D'Aprile** requested Infill expansion areas. Mr. Schlobohm explained the consultant is reviewing areas for expansion based on criteria developed by staff and recommendations should be brought to the Board in about six months. **Chairman Moore** questioned spending \$74 million for water expansion projects when the Peace River/Manasota Regional Water Supply Authority (PR/MRWSA or the Authority) is supposed

to provide all of the water needed by the County. Mr. Schlobohm recalled that was not the Authority's position two years ago and early in his tenure, it was indicated that the Authority would not be able to meet members' needs; in November 2004 the Board approved staff direction to identify alternative water sources; some feasibility studies have been completed and some are still being performed but staff has identified costs as well as the potential for an water interconnect with the City of Punta Gorda and County-wide ground water with reverse osmosis (RO) treatment; and the Board has discretion to change staff direction if it desires to rely on the Authority to provide water. Mr. Schlobohm cautioned the Board with regard to possible water shortfalls in 2009 if the next plant expansion is not accomplished by the Fall of 2008 or by 2011 or 2112 even if the next plant expansion is done; this does not provide a lot of time to provide an alternate water source; the County-wide RO plant is scheduled to come on line by 2011 on an expedited basis; and advised any of the alternatives being pursued could be made a part of a regional system. Mr. Schlobohm explained budgeting was done based on a County-wide RO plant and interconnects with Lee County and Cape Coral moving forward but there is a lot of work to accomplish these alternatives. **Chairman Moore** requested the time frame for staff to bring back a draft agreement with the Englewood Water District (EWD). Mr. Schlobohm reported the draft is being prepared by the County Attorney's Office, the EWD Board has indicated a willingness to move forward, and it should be a relatively short turn around time. **Chairman Moore** opined assurances, stronger than those currently existing, are needed from Lee County and Cape Coral officials on the likelihood of accomplishing the interconnects. Mr. Schlobohm advised the feasibility study has been completed for the Cape Coral interconnect, it is a relatively inexpensive interconnect because Cape Coral intends to run a 24" line from its plant to the County line at their cost and Charlotte County would have a short distance to complete it; even if Charlotte County were to complete an extension from Punta Gorda to the Burnt Store plant, it has been projected the Burnt Store area would require 7.5 mgd at build out and additional water might be necessary; staff is ready for a pre-application meeting with the Water Management Districts and Cape Coral officials to determine the likelihood of proceeding with the interconnect; Cape Coral officials have expressed understanding that the South Florida Water Management District would be receptive based on a

temporary interconnect for three to four years that would convert to an emergency interconnect; and recommended moving forward with such a meeting based on available funding. **Commissioner Cummings** requested the capacity upgrade to the Burnt Store plant for \$14.3 million. Mr. Schlobohm reported the upgrade would be to 3.6 mgd or as much as possible due to site limitations and expansion to the wastewater plant; staff is already looking for additional land for a separate water facility; the plant currently produces 1.1 mgd and the expansion would be about 2.5 mgd at a cost of \$14.3 million including more wells and other necessities. **Commissioner Cummings** calculated a little less than \$6 per gallon for construction costs versus approximately \$8 per gallon for construction costs for the Peace River plant expansion based on 3.342 mgd and the County's contribution of \$27 million. Mr. Schlobohm pointed out that does not include engineering and various other costs.

#### Solid Waste Enterprise Fund

Mr. Sandrock outlined environmental services funded by the Solid Waste Enterprise Fund that include expansion of the West County Mini Transfer & Recycling Center with construction in FY 06/07, expansion of the current Administration and Operations Building on Harborview Road with design in FY 07/08 and construction in FY 08/09, and a new East County Mini Transfer & Recycling Center with design in FY 08/09 and construction in FY 09/10. **Chairman Moore** requested benefits derived by the County from the West County Center. James Thomson, Environmental & Extension Services Director, explained the Center provides a convenient location for residents to dispose of waste properly, reduces illegal dumping, and better handling of waste by removing hazardous materials in the waste stream. **Commissioner D'Aprile** opined the recycling facility on Veterans Boulevard has been a very successful operation and it is a great asset. **Commissioner Devos** requested Mr. Thomson provide an explanation of the program for the Center of Abuse and Rape Emergencies (CARE). Mr. Thomson stated a reuse store is located at both facilities operated by CARE and all of the funds raised from reusable items go into Charlotte County to help those in need and it reduces the waste stream going to the landfill. **Commissioner Devos** stated it is an outstanding program that should be submitted for National recognition. **Commissioner Cummings** stated the West County Center has reduced overall operational costs and trip

generation of trucks to the landfill. Mr. Thomson agreed it has had a definite impact on the waste stream at curbside pickups and operations costs.

Mr. Sandrock announced an item has been placed on the agenda for the next regular meeting to set a Board MSBU Workshop on June 27, 2006 at 2:00 P.M. **Commissioner Devos** requested the purpose. **Chairman Moore** stated he made the request for another workshop to provide better direction to staff on proposed MSBU assessments that are extremely high in some areas. Mr. Sandrock explained notices would be mailed on June 20, 2006 and pointed out the lack of advisory committees in Charlotte Ranchettes, Tropical Gulf Acres, and Farabee Road. **Commissioner Devos** recalled directing residents during public hearings to work together and develop a work program or the County would do it and the costs would be high. Mr. O'Kane reported Tropical Gulf Acres residents are forming an advisory committee and meetings have been held about phasing the work and reducing the assessment rate. **Commissioner Cummings** recommended new information be provided at the workshop about landowners pressuring DeSoto County to get work done on Farabee Road, acknowledged the new committee for Tropical Gulf Acres would have additional information, but there is not enough money in the Charlotte Ranchettes to fix problems even with phasing and suggested information be provided on subsidizing and possible results. **Commissioner Devos** recalled Englewood East residents were up in arms at the public hearing last July about increased assessments, cautioned setting a precedent on subsidizing MSBU assessments, and recalled lengthening a payback term from 10 to 20 years to reduce annual assessments. **Chairman Moore** stated he wants to find out legal consequences and financial liability to the County if the work is not done. Mr. Loucks recalled the Board adopted a policy that does not require development occur on paved roads, stated residents request road improvements after homes have been constructed on unpaved roads, and then assessments are levied for the work. **Commissioner Cummings** suggested a review of the County's Subdivision Regulations. **(Discussion ensued on allowing public input at the June 27, 2006 workshop and a consensus was reached to make it a Board workshop and no public input.)** Mr. Sandrock announced review of the total budget on July 12, 2006 in the afternoon and MSBU/TU public hearings on July 12 and 13, 2006 at 5:01 P.M., the second of which will be held in West County.

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MEETING ADJOURNED: 3:50 P.M.

Signature on file in Commission Minutes  
Thomas G. Moore  
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

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