TRANSPORTATION ALTERNATIVE FUNDING TASK FORCE COMMITTEE
Meeting Minutes – August 4, 2008

I. Present: Bennett Walling, Virgil Clark, Fred Johnson, Bud Beucher, Duane Booth, Ronald Jacobs

Absent: John Moore

County Staff Present: Debbie Stivender, Elected Official, Cindy Hall, County Manager, Jim Stivender, Public Works Director.

Lake-Sumter MPO Staff Present: T.J. Fish, Executive Director-Lake-Sumter MPO

Call to Order: Meeting called to order at 4:10 p.m. by Chairman Bennett Walling.

Proper Noticing: Meeting was properly noticed by legal ad.

II. Approval of Minutes: Chairman Walling moved to accept approval of minutes for June 2, 2008 meeting. Bud Beucher moved to approve and Fred Johnson seconded the motion and unanimously carried.

III. Recap of Task Force Mission and Benchmarks:

Mission: Cindy Hall reviewed duties of the Task Force Committee (per approved BCC Resolution): 1) review funding options available to Lake County for improving transportation and infrastructure; 2) work with Lake-Sumter MPO, Lake County Economic Growth & Redevelopment Dept., local Chambers of Commerce, Citizen's groups and business & industry groups to assess funding options; 3) make report to Lake County Board of County Commissioners of strengths & weaknesses of each funding option; 4) make recommendation to Lake County Board of County Commissioners of which funding options to be used for funding of transportation & infrastructure.

Benchmarks: Cindy Hall advised that information was provided to the committee of needs (5-year plan/long range plans) and funding ideas to be used. Last meeting a request was made for the following: discussion time amongst the committee, charts provided with ideas, and County Staff to be available to answer questions and allow time to review materials provided.

Fred Johnson mentioned to Chairman Walling that the committee has not had any input from the 'general public' and needs to invite others and ask for their input. Chairman Walling asked Cindy Hall what the procedure would be and Ms. Hall stated there were several options such as advertising of a public meeting, neighborhood meetings, invite organizations and local chamber of commerce. Jim Stivender advised that T.J Fish has held several community meetings at the Lake County Ag Center, which could be utilized and held during daytime or evening hours. Ron Jacobs stated that there might be a problem with talking with the 'general public' and the need to know who they are and who they represent. Cindy Hall stated another suggestion would be to conduct public meetings in different areas within the County or prepare a 'question survey' on certain criteria and mail out or make available to citizens on the Lake County Intranet. Virgil Clark advised he liked placing on website instead of group meetings and Chairman Walling stated it is less costly and Mr. Clark agreed. Chairman Walling asked how you would select who to send email to and Ms. Hall advised press releases could be sent out advising the survey is listed on website and encourage the public to respond.

Recap of Task Force Mission and Benchmarks (continued):

Fred Johnson advised that there is a need to reach various individuals on how they might be impacted and possible solutions to the problem. Bud Beucher stated that if you reach out to the public, you may not have an answer for the problem due to differences of opinions.

Virgil Clark suggested that the committee invite a few Builders to provide their input and Ronald Jacobs stated there is a need for various ways of obtaining responses. Chairman Walling reported that there is a need to setup a meeting and have various representatives from organizations present a brief presentation to the committee. Virgil Clark also suggested contacting various Counties via telephone regarding their impact fees and possible solutions. Chairman Walling asked if someone on the committee could possibly contact the Counties themselves and Ms. Hall stated they could.

Ms. Hall also advised if provided a list of Counties to be contacted, she could notify them that one of our Task Force Committee members would be calling them. Virgil Clark suggested that Counties listed on previous sheet be called (Palm Beach, Indian River, Volusia, Flagler, Marion, Citrus, Pasco, etc.). Ronald Jacobs asked if the MPO has been involved and T.J. Fish stated there has been a lot of consensus building and stake holder building that has occurred and yet to occur. A suggestion is to do interviews with stakeholders or a delegate of an organization that can take part in consensus building. Bud Beucher suggested to Chairman Walling that he would like to invite representatives of I.D.A., E.D.C., Home Builders, Road Builders and representatives from industry groups to attend a special meeting and hear their input. He would also contact representatives from municipalities and have them attend a similar meeting on a different night and provide their input.

Chairman Walling advised that the committee is trying to determine what is needed in order to determine what to fund. Bud Beucher asked Cindy Hall if the committee needed to look at cost and Ms. Hall advised the cost information provided was to give an idea of what the problem is, but is not outlined as a duty in the Resolution. Ms. Hall believes the committee should accept information provided on the problem, but should not pick apart the cost. T.J. Fish mentioned that once a plan is adopted it is the cost (which is recognized by County, local governments, DOT, and Federal Highway). Ms. Hall advised that cost will change due estimated costs of future needs and changes in the market. Mr. Fish advised that if there is a need to focus on the cost, numbers can be re-adjusted for current market and Fred Johnson advised that should be done to be realistic. Bud Beucher asked if a study had an 'assumption' error (DOT lane miles vs. County lane miles) and was significant over several years it would be a lot for current and future citizens to bear. He also mentioned that during a recent 'Lake County TV' interview, one of the Commissioners advised that some funding options were not available. Fred Johnson advised he did see the interview and stated that one option that was not available is an increase in Gas Tax. He also thinks Lake County Commissioners need to say there is not a 'pre-conceived notion' and that they want the committee to provide options.

Cindy Hall stated she believes the Commissioners do want the committee to provide several suggestions that are appropriate. Ms. Hall asked Mr. Beucher what he means by 'looking at costs' and he stated how to cut costs. Bud Beucher asked T.J. Fish if he can modify requirements for projects (possibly delete sidewalks, landscaping, etc.) and possibly change 'perimeters'. Cindy Hall stated that this is a valid discussion but is different than what is in the resolution, as the purpose in the Task Force Resolution deals with revenue. Virgil Clark mentioned the Task Force does not have control on amount of money, as it changes, but purpose of Task Force is to determine other ideas on how to come up with new funding sources. He also advised that Impact Fees are a big issue, but need 'balance' and need to obtain additional monies from State, etc.

Recap of Task Force Mission and Benchmarks (continued):

Jim Stivender advised $6 million in projects has been cut from program over the next 5-years (compared to last year's program of $43 million and what will be taken to the BCC on 8/19/08 of $37 million for this year). Contractors are currently allowing a 40% discount on projects for this year only, but prices have increased for materials. Ronald Jacobs stated he believes there is a need to contact municipalities and get their input. Cindy Hall advised that the County works closely with the Cities dealing with transportation. The only funding option that would affect the City would be an MSTU if it was within that part of the City.

T.J. Fish advised that plans do go through the municipalities and then to the County Commission (via MPO). MPO is trying to produce a 'new needs plan' and trying to cut things out that can be. Ronald Jacobs suggested simplifying and obtaining funding through a percentage of Gas Taxes and percentage of Impact Fees. Chairman Walling advised that studies today would not be the same as what was done in 2004 and that data needs to be refigured. Mr. Walling advised the need to determine what funding sources would be useful and personally believes increasing Impact Fees would not work, due to lack of construction, but needs to hear from the public and then make a recommendation to the BCC. Cindy Hall stated she had made notes from previous comments of three (3) possibilities which are: 1) having an 'Internet Survey'; 2) invite particular groups to speak; 3) members of Task Force speaking with other Counties. Bud Beucher advised he believes the committee needs to send a message to Commissioner Welton Cadwell that the Resolution adopted was unfair of the Commission and that the committee should have a 'broader view' of what is expected of them. Duane Booth advised he is more concerned with Impact Fee calculation (what is included and how it was derived), and believes there is a need to work with the Home Builders Association to determine sustainable Impact Fees.

Mr. Booth stated he does not think new development should pay for upgrading two-lanes to 4-lanes and that Cities who have landscaping on County roads (within their city) should pay for the landscaping and maintain it. T.J. Fish advised that revenue from Impact Fees is not to be used to fund regional roads, but can be used for intersections, and not to be used for growth. Chairman Walling reported that a 'quick-fix' is needed for transportation and cannot look at Impact Fees. Bud Beucher advised that the money is available within the General Fund. Fred Johnson asked Cindy Hall what surrounding Counties are receiving for Gas Tax per gallon and she advised Volusia County has added an extra 5-cent but does know several Counties within the State have added, as well. Jim Stivender added that price of gas is determined by 'supply & demand' and those closer to turnpikes will pay more.

Virgil Clark asked the committee if a consensus was taken to 're-direct' funds from the General Fund to transportation and they all agreed, however, Chairman Walling stated it would end there. T.J. suggested that part of recommendation to the BCC would be to recommend a percentage of General Fund but other funding options would be required. Duane Booth stated that in 1984, Commissioners removed 8% from the General Fund for road maintenance and that it needs to be put back in. Mr. Booth suggested to remove any non-infrastructure items and send a message to the BCC that there is a need to take care of current infrastructures. Roads and schools are top priority and that we need to take care of 'Needs' and not wants. Mr. Booth is ready to write down recommendations to BCC and 're-prioritize budget'. Fred Johnson stated that during tough times it is tough on everyone, but when citizens loose money and see an increase in County and School Board revenues, there is a definite problem. He believes that money needs to come back from the General Fund to transportation. Chairman Walling advised that the remainder of the agenda had been addressed and proposed that the committee do a 'round table discussion' and come-up with an agenda for the next few meetings, and everyone agreed.

T.J. Fish advised that information on funding analysis from the paid consultant (TOA) had been on hold and was waiting for input from committee to finalize study. Fred Johnson asked Jim Stivender if he would give his 'personal opinion and views' and Mr. Stivender advised he would.

IV. Round Table Discussion

Chairman Walling advised that the committee needed to determine future agenda items. Virgil Clark advised he would like to have a representative from the Board of Realtors and would like to hear their 'pro's & con's on new construction vs. older homes, as well as, their views on Impact Fees. Bud Beucher asked Chairman Walling if he wanted just a paid Realtor or perhaps someone from the Builders group on new development construction, and Chairman Walling advised he would like to see Mr. Bible from HBA come in and speak. Bud Beucher also suggested that someone from Road Builders be invited for cost estimate purposes, and Duane Booth advised he did not see the need to have someone from road building come in, as he does cost differences and could put numbers together. Mr. Booth stated that over the past few years, contractor prices for County road work (taking 2-lane roads to 4-lane roads) was higher than what it would cost the private sector to build the road built for. Fred Johnson suggested that County build roads without all the extras and Ronald Jacobs advised there are certain specs that must be followed.

Chairman Walling advised that the private sector uses the same specs as the County does and that the committee needs to come up with a funding source. Bud Beucher suggested determining how TOA came up with the number used in the study and if it is a valid number and Duane Booth advised TOA used $4.1 million per lane mile and did not know how the number came about. Jim Stivender advised that FDOT and County standards have several variables and that the number is a retro-fit. Duane Booth suggested that $4.1 million should not include landscaping, sidewalks and bicycle lanes and T.J. Fish advised they are not included, but broken out. Mr. Booth advised the burden of re-building 2-lane roads should not be placed upon the new home owner. Jim Stivender advised that a natural aged road of 25 years will show minor rutting and cracking. Mr. Stivender advised that 12,000 vehicles a day on a 2-lane road will begin to feel wearing and 18,000 is trouble. On a 4-lane road, 36,000 trips a day will begin to show wearing and 48,000 vehicles a day is trouble.

Bud Beucher asked if you could add turn lanes in key locations and help keep pace of roads and Jim Stivender advised that paved shoulders and turn lanes were added to CR 48 in certain locations, therefore enhancing it and providing comfort for motorists and increasing flow of traffic. Mr. Beucher asked if some of the money used for building roads be used for adding turn lanes and adding life to that road with repaving in the future. Mr. Stivender advised this is currently being done on CR 44 with intersection improvements and only seeing 8,000-9,000 vehicles a day. Mr. Stivender stated that on CR 466/Rolling Acres Rd. there are 18,000 vehicles a day and paved shoulders would not work. Virgil Clark stated that going back to suggestion of 8% being pulled from the General Funds, and asked if Chairman Cadwell or someone else could come and speak to the committee and advise if this is feasible or not. Chairman Walling stated that he would like to have the Finance Director speak as well.

Bud Beucher stated that Cindy Hall had mentioned that 'phasing in' 8% over time from General Fund could work. Ms. Hall advised this current year, $9 million will be coming out of the budget and cannot do it, but if there is not a restriction on millage from the State, building transportation into the General Fund over time is feasible. Ms. Hall checked with the Property Appraiser and advised that in 2007 there was a small portion in new commercial and mostly was in residential. Fred Johnson suggested that a representative on commercial sites come to the meeting and Bud Beucher advised Economic Development Council (EDC) and Industrial Development Authority (IDA). T.J. Fish also suggested that someone come from the Chamber of Commerce (Ron Wallace).

Round Table Discussion - (continued)

Fred Johnson asked Cindy Hall if the County Commissioners can 'rollback' Impact Fees and Ms. Hall stated yes. Bud Beucher asked if there is a need to invite the County Budget Department and Ms. Hall stated she could handle. Ronald Jacobs asked if Jim Stivender and Cindy Hall could speak candidly about their view points on these issues and they advised they would.

Chairman Walling reviewed the handout of 'Transportation Revenue Enhancements' and advised of his comments on following:

Chairman Walling's Comments:

1. **8% General Revenue** – In favor
2. **$5,995 Impact Fee for Single Family Home (including commercial)** – Need discussion/modification
3. **Countywide MSTU @ /25 mills** – Not in favor
4. **5 cent local option Fuel Tax** – Not in favor
5. **New commercial GF taxes** – In favor with rollback
6. **Additional 1 Cent Sales Tax** – In favor

T.J. Fish asked Chairman Walling if he could go ahead and schedule his presentation (which has been on hold) for the next meeting and Mr. Walling stated he did not know. Jim Bible (HBA) suggested that the committee not look at 20 years, but look at the next 5-10 years and that the committee has the opportunity of changing how transportation can be funded in the future. Mr. Bible advised that Sales Tax will be available in 2018 and some Gas Tax formulas will be changing (some allocated to Cities and County). He also stated the need to look at the past 3-year County budgets and request a breakdown of maintenance items and where they were funded, decide what should be funded out of Gas Taxes (working jointly with Cities), as well as, a breakdown of property tax. Chairman Walling suggested that the remaining committee members give their viewpoints on transportation revenue enhancements:

Duane Booth provided his viewpoint and advised he liked the idea of Mr. Bible's suggestion of a page on each item and earmark what funds are for (breakdown):

Mr. Booth's Comments:

1. **8% General Revenue** – In favor
2. **$5,995 Impact Fee for Single Family Home (including commercial)** – Question on how much (tie to 'market indicator')
3. **Countywide MSTU @ /25 mills** – Possibly special area in City before Countywide
4. **5 cent local option Fuel Tax** – In favor
5. **Other suggestions:** User Tax (phase in over time); Revenue source from Tourism; Matching funds from State and Federal; Right-of-Way Acquisitions (eminent domain); Transportation Benefit Districts; Page on study recommendations.

Virgil Clark advised he agrees with Mr. Booth and provided his viewpoint below:

Mr. Clark's Comments:

1. **8% General Revenue** – In favor
2. **5 cent local option Fuel Tax** – In favor (could vary)
3. **Countywide MSTU @ /25 mill** – Asked if we had .49 mill already and Cindy Hall advised it was currently in 'unincorporated' areas only. If needing additional ½ mill, he would not see a problem but wanted to know what percentage it would affect a tax bill, and Cindy Hall advised approx. $100.00 on $200,000 home.

Mr. Clark's Comments – (continued):

4. **Current Available Revenue of $33,948,683** – Asked Cindy Hall if she included Impact Fees in the $33,948,683 and Ms. Hall stated yes at current value. Mr. Clark advised if adopted and Impact Fees were deducted, there would be $16,127,000 more than what Jim Stivender needs for maintaining roads which is $36,599,65 (some things could come out if Impact Fees stood on their own). Bud Beucher asked how much of $33,948,683 is Impact Fees and Cindy Hall advised approx. $10.9 Million. Mr. Clark advised that referring to chart of other Counties that were under funded (Palm Beach, Flagler, Indian River, Volusia and Lake), some have adopted or looking at increasing their Impact Fees which are between $7,000 and $12,000. If Lake County adopted $9,000 there were be a large amount of money available for transportation. Cindy Hall commented that the Impact Fee study showed an increase to Industrial was larger than that of homes, and advised that the Impact Fees would affect commercial more than residential. Mr. Clark appreciated clarification, as he did not understand, and believes that a burden should not be placed on commercial, as business is needed within the County.

Chairman Walling stated he is in favor of the 5% user tax and does not want to ask for an increase in millage, but to force some financial responsibility on the County. Fred Johnson asked Cindy Hall how the flexibility of the Impact Fee is imposed. Jim Bible (HBA) stated Impact Fees are based on assessment (water, sewer, roads, etc.) and cannot be assessed on value, but must be per unit. Fred Johnson stated he does not believe homes that are approx. 1,600 sq. feet have the same impact on roads, as those homes that are 5,000 sq. feet. Cindy Hall advised Impact Fees are not determined by the size and number of individuals within the home, but rather on the number of trips on roadway. Jim Bible stated that there are three (3) different Impact Fees for transportation (depending on size of home), but homes 2,000 sq. feet and above are at the highest number and will stay at that number. Cindy Hall stated there is an affordable housing component (trip allowance) and will provide information at next meeting. Chairman Walling stated that someone needs to say enough is enough and make it work. Fred Johnson advised that he appreciates County staff and County Commissioners' time and devotion on these matters, but they need to draw the line and stand firm. Bud Beucher advised that the biggest part of the recommendation to the BCC will be what is written down.

Ronald Jacobs advised he agrees with Mr. Booth on providing a one (1) page commentary on each recommendation. Mr. Jacobs provided his viewpoints below:

Mr. Jacob's Comments:

1. **User Fee** – Not sure if 'Gas Tax' is enough, but wondered about placing money on 'annual license state fee'. Cindy Hall doesn't know if that can be done. Mr. Jacobs stated he believes a 'User Fee' makes sense, as there is a need to be creative when looking for new funding sources. Chairman Walling stated that by using a 'User Fee', County would spend existing money on something else and not solve the problem.
2. **Impact Fees** – An increase in single family home Impact Fees might be a reduction in amount collected. Any increase might result in fewer units. Mr. Jacobs agreed with Mr. Beucher's past comments on placing an Impact Fee on 'Re-sales'. Cindy Hall suggested that these are good ideas, but some might require legislative action to State (with sponsored bill) and could be one of the recommendations to the BCC.

Bud Beucher advised provided his viewpoints below:

Mr. Beucher's Comments:

1. **8% General Revenue** – In favor
2. **New Commercial GF taxes dedicated** – In favor
3. **Note:** Not supportive of anything else, until he receives verification on number provided by TOA of $1.5 Billion and how it was reached. Find out if there were possible flaws in the past study.

T.J. Fish stated that it was not the Impact Study done, but the Impact Fee methodology. At that time, numbers were taken from various Counties in an 'inflated market', which was over 2-years ago. MPO's adopted plan numbers have gone up. Mr. Fish advised that maybe there is a need to breakdown projects into 5-year increments.

Round Table Discussion - (continued)

Virgil Clark advised there is a need to look at the 'breakdown' of what is needed for operating expenses to maintain roads and use remaining money for what is needed to build new roads and enhancements. Mr. Beucher advised that he does not understand why new growth needs to pay for everything. Duane Booth stated that along with the proposed new funding sources for roads there is a need to 're-look' at the study and methodology on what should be paved or not paved on new development. Chairman Walling stated that it is not what should be paid by new development but believes that all money should be put together and then figure out how to fund the roads.

T.J. Fish advised that Mr. Stivender is doing maintenance of roads and MPO is looking at capacity of roads and what the needs are. Chairman Walling asked Mr. Fish if State and Federal money is included in the $1.5 Billion and he agreed. Mr. Fish advised that the MPO board voted to look at two (2) revenue sources which is an Impact Fee increase every 5-years and 5-cent Gas Tax. MPO adopted a $1.7 Billion needs plan for Lake County. Jim Stivender advised that in the last few years, there has been a decline in the amount of trips on roads within Lake County, and that the biggest problem within Lake County is the need to maintain infrastructures (intersection improvements, etc.). Cindy Hall reported that at next meeting she will provide a breakdown of the $1.5 Billion (State/Federal grants, sidewalks, landscaping) and also provide a breakdown of a '5-year picture'. Duane Booth suggested to Cindy Hall that he start a list that includes the committee's thoughts, suggestions and then provide to her, Jim Stivender and T. J. Fish for their comments on format and editing. Chairman Walling asked Mr. Booth if the list would include numbers reflecting the amount of money needed (such as a Business Plan) and he stated yes. Committee members agreed to go ahead with this list and provide to Cindy Hall and Jim Stivender.

Chairman Walling asked if the County had a 5-year plan and Jim Stivender advised yes, he is presenting a road program to the BCC on 8/19/08. Cindy Hall stated that the presentation to the BCC by Jim Stivender is what the Public Works Department thinks they can fund and is not a 'needs plan'. Mr. Stivender advised of the 'State of the County' which is a 'needs plan' along with the amount of roads needing to be resurfaced. T.J. Fish advised within the next few weeks the MPO will be providing the BCC the 'new County road priorities' and will be provided to the committee at the September meeting. Bud Beucher stated that with County working closely with local municipalities the County only receives 1/6 of the 1-cent tax. Mr. Beucher asked about sharing of the 1-cent Tax between Cities and County when enhancements are done on County roads within the Cities, and Mr. Fish stated he has never seen sharing of the 1-cent tax between Cities and County. Mr. Beucher reiterated that it is important for the Cities to participate with the County on sharing of this tax. Jim Stivender advised the County is currently doing an evaluation of Cities and County road impacts.

Cindy Hall asked the committee if they wanted to invite special organizations such as (Jim Bible-HBA, Realtors, EDC-IDA, Chamber of Commerce) for the next meeting and Mr. Beucher advised to have a 'special meeting' within the next few weeks. Chairman Walling suggested having the special meeting on Monday, 8/25/08 @ 3pm. This meeting would be held for representatives of these organizations to provide their viewpoints and comments to the committee. Fred Johnson stated that the only thing he likes about 'Gas Tax' is that those who buy the gas use the roads, which is fair, and that it is the closest to a 'User Fee'. Chairman Walling advised he is opposed to asking for more money, as the line needs to be drawn. Mr. Walling stated that what the committee recommends, the County will need to figure out how to make it work. Bud Beucher advised that he needs to know from the MPO what the 'real number is' (not $1.5 Billion) in order to provide a recommendation to the BCC.

Motion was made by Virgil Clark to adjourn the meeting and seconded by Ronald Jacobs. Motion was unanimously carried. Meeting adjourned at 7:10 p.m.

The next Lake County Transportation Alternative Funding Task Force Committee meeting is scheduled for Monday, September 8, 2008 at 4:00 p.m. in the County Administration Building, 2nd Floor, Room 233.