

Local Option Sales Tax Citizen Committee
May 17, 2021
9:00 am
Milton, Florida

The Local Option Sales Tax Citizen Committee met at 9:00 am on the above date with the following members present: Chairman Ed Carson, Dean Easterwood, Jonathon Hamby, Chris Luchsinger, Kim Jones, Neil Carter, Jonathan Page, Tom Beckman, and Grey Burge. Also present were the County Administrator (Dan Schebler), Budget Director (Jayne Nicholas), and Administrative Chief of Staff (Sabrina White).

- 1) **Call to Order** – The meeting was called to order by Chairman Ed Carson in the Santa Rosa County Administrative Center, Board Room at 9:00 am.
- 2) **Fire Departments** – Midway Fire Chief Jonathan Kanzigg serves as 2nd vice president of the Santa Rosa County Firefighters Association. Kanzigg represents over 500 firefighters in Santa Rosa County. They hold monthly meetings and are thankful for the past LOST funding for lifesaving equipment. For the next 5 years, they will need new fire engines. Kanzigg is requesting \$500,000 per department for apparatus.

Carson asked if this is within what we told the public we would do with this money. Schebler stated public facility and public safety are areas of what it could be used for, but legal would review to ensure that everything is in line with what has been approved by voters in the ordinance and what is allowed by state statute. Carson responded his recollection is it has to have a life of over 5 years, and he presumes all of this would meet that. Kanzigg added there is no standard on how long a fire truck should last. Schebler stated this is just a preview of our future discussion on Program 1b, which begins January 1st. We are wrapping up Program 1a, which is the first 5 years, on December 31, 2021.

- 3) **Program 1a Discussion** – White gave a brief history of the program – voters approved the first ½ cent sales tax in August 2016, the collection began January 1, 2017, and will end December 31, 2021. Program 1a initial revenue projections were \$38 million, current projection \$42.3 Million and current receipts \$37,294,562. Revenue collections are three to four months behind from the Florida Department of Revenue. The Board of County Commissioners conducted three public workshops in 2017 and based on the feedback from citizens, the allocations were divided into five categories. White discussed the allocation per category and the status of projects.

Jones asked about the left-over monies, is it required to come before the Board to allocate it to another category? White explained this committee will be a part of that process, she anticipates it will be discussed at the July meeting.

Burge asked what kind of mechanisms are in place to insulate us in situations the costs are over budget, such as the boat landing project. White explained that unallocated money is for this very reason. The boat landing project is grant related, so there is more money that went into those projects and left a bit of an overage. We try to balance it out when available.

Beckman asked if we receive grants when doing ADA enhancements. White stated we did receive grants on a lot of the park improvements, but not for all of them. The grants were not specific to ADA.

Page asked about matching funds for grants, if we have money left from an ADA grant can that go to another facility improvement? Schebler answered the grant is specific to the project, we have not received any grants specific to ADA improvements.

Carson asked about the county auditorium, is that on the radar yet? White stated that the restrooms have been completed with ADA funds. Schebler added the roof should be complete in the next several weeks. Carson mentioned venues in Santa Rosa County are hard to come by for hosting large meetings, so it is good to hear the auditorium is receiving some updates.

For transportation and drainage, White explained there are excess funds for program 1a. The left-over funds are not district specific; funds are rolled into the overall transportation and drainage budget. Edgewood drive is up for bid for construction and initial estimates are anticipated to be more than the allocated amount. This is a much-needed project and we need to make sure we have the funding available to complete the project. As well as, some drainage projects are going out to bid. White suggested until we get the final construction bids, we hold off on allocating these funds. Metron Estates drainage project is a shovel-ready project and staff anticipates it will receive HMGP funding.

Burge asked if the Edgewood project was a slight widening – not four lanes – but new shoulder, paving, and drainage work? White answered yes. Schebler added there will also be a joint multi-use path for one side of the road.

Beckman asked how the projects are prioritized and how the list of candidate projects is compiled for this Board to review. White explained the projects in program 1a go back to the three public meetings in 2017. The list was mostly a backlog of projects developed by staff or grant-related. Most projects in program 1a were on the original list from 2017.

Beckman inquired about the next five years; do you anticipate there will be the same level of effort to identify the portfolio of what is going to happen? White stated she believed this committee will be much more involved in the project selection process than before. Staff will still provide a list of the unmaintained facilities. Projects will also be based on citizen feedback and the new strategic plan currently in development.

Beckman asked what is a timeline for Matrix to finish a strategic plan? Schebler explained before voters approval in 2016, there was a significant effort by staff to put together a list. All the projects on the list were not funded in the first five years, so there is some updating and adding to the list. This committee has been functioning for five years now and will have a key role in adding projects to the list. For FY21/22, some known projects need to be done. This group may consider meeting more often than quarterly, possibly every other month to discuss ranking or decision-making tools.

Beckman commented on the ranking process – it would be a good tool to assist with figuring out who the top five are and who the bottom five are, etc.

Schebler added there is no shortage of drainage projects. Tom King Bayou's design is almost complete, and construction cost up to nine million dollars. There is no shortage of projects or work to be done.

Carter asked for clarity, what does HMGP mean? Schebler stated it is Hazard Mitigation Grant Program, under FEMA.

Carter asked if the county is receiving anything from SHSP? Schebler needed more clarification on that. Carter explained Homeland Security grant programs are broken into Urban Safety Area Initiatives and State Homeland Security Programs for the state. Schebler stated yes, a different version.

Carter asked if the Sheriff or the fire departments have put in for that funding? Schebler stated he was unsure if Chief Kanzigg was familiar with it and the Sheriff is its own body, he was not sure but he could find out. Carter indicated he would be curious to know what allocations Santa Rosa County has received from the State of Florida, from that funding stream. He added this funding can take the burden off another source – trying to maximize potential.

Carson questioned if we have the numbers available that would illustrate the grant leveraging and Program 1a? White stated she does have and it will be available at the end of the meeting.

Burge asked if there would be public workshops like there had been in the past for Program 1a and Program 1b? Schebler stated it is certainly something to be discussed, those public workshops were before the establishment of this Board. At this point, it is up to the committee to make that recommendation to the Board of County Commissioners.

Easterwood asked for clarification on the handout, the blue highlights all areas that received additional or supplemental funding. White stated that is correct, the additional funding could be from district funds or grants. We have completed twenty-two million dollars in projects, of that ten million dollars has been grants, and six million dollars of that is LOST. There are other primary funding sources, LOST is used to ensure the project is accomplished. Carson added a lot of these grants you can't ask for unless you can provide the matching funds.

Beckman asked if there is an anticipated move to modify the pie chart for allocations, who has that authority, is that the BOCC? Schebler answered you all do, that is the discussion of Program 1b.

Program 1b Discussion – White gave a brief breakdown of the program. White stated, that the fire departments need \$6.5M, the Sheriff needs \$6M (25-30 vehicles per year) and infrastructure was voted the number one priority by the BOCC at the February workshop. Schebler added the only unknown is the revenue, as the amount given is an estimate. He expects the revenues to increase, we will adjust as we have with the current Program 1a.

White discussed a few options for allocation for Program 1b based on the \$50M allocation. Schebler added the different types of funding categories, dependent on what the committee wants. He went over some projects that have been completed, along with what is still being worked on with this tax revenue.

Burge states that everyone has agreed transportation and drainage are the top priority and needs to be bulked up. He added for clarification, this is three different sets of numbers.

Carson states he heard about a couple of million-dollar elephants that is required to get our house in order regarding transportation and drainage. When going back to the half-cent versus the cent, would make the goal a lot easier to achieve. The cost of materials is so high, that the number is growing exponentially.

Beckman stated the percentages, notwithstanding, the ability to define those things that are perceived to be in that bucket is vitally important. For example, public parks are quality of life, infrastructure, or both? Everyone needs to know, especially the public what falls in those buckets. White responds, using Program 1a we have taken care of 14 parks with \$3.5 million. She stated that they would like to focus on boat landings, and sports fields, so there is still room for community parks and recreation. We will have more revenue; more will be accomplished.

Beckman is concerned the cost of stormwater drainage will be the largest and most time-consuming. He suggested doing the projects in small portions, as opposed to beginning to end. Schebler clarified infrastructure, he feels most think of infrastructure as transportation and drainage. He suggested going back to the ordinance that spells out what each category includes.

Jones asked if it would affect how people vote for the LOST for the next five years, by allocating the funds the way it is drawn out? It is understood roads are important, but perception is excluding parks, and people will be upset about that. Schebler stated it is a matter of prioritization. What has been heard is the importance of roads, traffic, and stormwater.

Jones asked if public safety was maximizing the funding they can get from other funding sources, then maybe instead of 29% going to public safety, it could go to 27% - which leaves more for transportation and drainage. Will the Sheriff come back and tell us about grants? Schebler answered we can certainly ask the Sheriff or his staff, this would be part of the budget discussions.

Burge asked if they were deciding now about voting on the percentages and buckets? Carson answered yes, it is a matter of trying to decide what is a need and what is a want. He suggested public amenities instead of quality of life and he likes 60/30/10.

Luchsinger asked why we would need to change the percentages if we are increasing the budget? Schebler states there is still planning and prioritization to be done.

Easterwood states drainage is not pretty but necessary. Priority should be kept on transportation and drainage and would like the committee to consider keeping the bulk of funds in that area. We have improved the quality of life for Santa Rosa County citizens over the last five years, and that is something to be proud of.

Page agrees, that transportation and drainage should be kept a priority.

Carter agrees with the 60/30/10 percentages, no dispute on the transportation and drainage as a priority. Public Safety piece is just as critical with the growth taking place. He would rather see the 60/30/10, he believes this is a fair representation.

White recapped the percentages and as an option, suggested leaving 5% unallocated. She suggested 30/10/55 and leaving the 5% unallocated.

Carson suggested 60/30/10 with a 5% retainage from each of the three categories. Beckman agreed, adding it encourages fiscal responsibility for those invested in that category to do the best they can with the money they have. It will tamp down a little on some of the competition going for money waiting in a common bucket.

Carter made a motion to allocate the monies for Program 1b for the three buckets to be 60/30/10 with a 5% containment in each category. Burge seconded the motion. Motion passes unanimously.

- 4) Other Business/Discussion** - White informed the committee at the July meeting we will bring back a list of projects that we need to start identifying for FY22. This will be for the first year, we do not have to plan out the whole 5 years.

Carson asked if the committee needed to start meeting every two months? White answered yes, the next meeting is July 19, 2021. Schebler added this would be before the final budget is adopted, if there are any changes to this capital aspect, we would have it prior to the final adoption. We will send out the September meeting date as it gets closer.

- 1) Adjournment** - With no further business to come before the committee, Chairman Carson adjourned the meeting.



Chairman
Approved 7/26/2022