2017/18 – 2018/19 Budget Workshop

June 5, 2017
Agenda

• Strategic Focus Areas
  – Quality of Life
  – Water Resources
Quality of Life

Enhance community life by clean air and water, conservation of wildlife and natural resources, and provide community amenities.

- Enhance aesthetics of the County
  - Gateways, US 41, SR 776
  - Landscape discussion for every project

- Evaluate needs of active lifestyle community
  - Multi-use path opportunities
    - New/emerging sports as a niche
    - Public/private partnership for outdoor arts facility

- Long-range strategy for beach erosion / renourishment
Budgetary overview
Where does the money go?

Quality of Life Proportional to All Expenditures

Quality of Life: 4.17%
Where does the money come from?
Quality of Life Revenue Sources.

General Revenues
88.35%
Department Revenues
8.19%
Transfers
2.71%
State & Federal
0.75%
Historical Trend
Total Expenditures
FTE Historical Trend
Comparable Counties

$ Spent / Capita on Quality of Life
Quality of Life

Enhance community life by clean air and water, conservation of wildlife and natural resources, and provide community amenities.

- Enhance aesthetics of the County
  - Gateways, US 41, SR 776
  - Landscape discussion for every project

- Evaluate needs of active lifestyle community
  - Multi-use path opportunities
  - New/emerging sports as a niche
  - Public/private partnership for outdoor arts facility

- Long-range strategy for beach erosion/renourishment
Enhance aesthetics of the County
Enhance Aesthetics of the County

- Public Works has several initiatives to improve aesthetics of the County:
  - Gateway – Thoroughfares CIP
  - Zone Partnerships
  - Grants & Other Partnering Opportunities
  - Landscape Standards
Gateways – Thoroughfares CIP

• Identify and improve the County’s Gateways and Thoroughfares through landscape and signage.
Zone Partnerships

- Facelift 41 has raised approximately $37,000 (in just over 1 year)
  - Started a culture of change and improvement from businesses along the US41 corridor
  - Planted several landscape pods and improved aesthetics of the US41 Access Roads.
Grants & Other Partnering Opportunities

• Applied for and received 5 Florida Highway Beautification Council (FHBC) Grants totaling $385,208. Applied for 2 additional grants for FY 2018.

• FDOT funding $400,000+ along US41 from Hancock Ave. to Murdock Circle.

• Plans to landscape within current US41 Widening Project.

• FDOT funding landscape along SR 776 from Murdock Circle to El Jobean.
Anticipated Gateway – Thoroughfare Projects through 2019

• **Thoroughfares**
  - 771 from Rotonda Blvd. E to SR 776
  - Winchester Blvd. South
  - Toledo Blade
  - SR 776 from Murdock Circle to El Jobean
  - Burnt Store Rd. from US41 to Zemel Rd.
  - US41 from the Peace River Bridge to Hancock Ave.

• **Gateways**
  - US41 at the Lee County Line
  - US17 at the DeSoto County Line
  - Jones Loop Rd at I75
  - US17 at I75
  - US41 at the Sarasota County Line
  - Burnt Store Rd. at the Lee County Line
  - Kings Highway at I75
  - Tucker’s Grade at I75
Landscape Design Standards

- Cost estimates for construction
  - Level I, II and III

- Maintenance cost estimates
  - Level I, II and III

- Working with other BCC Departments including Utilities and Zoning to ensure cohesion

- Requesting BCC Direction with regards to landscape policies
Evaluate needs of active lifestyle community
Active Lifestyle Community
Multi-use path opportunities

- Regional Bicycle and Pedestrian Trails Master Plan
  - Interlocal Agreement
    - Approved by MPO - May 1, 2017
    - Presented for consideration to BCC - May 23, 2017
  - Scope of Service
    - Development of a countywide greenways and trails master plan
    - Utilize existing opportunities associated with State and County roadways, public utilities and state lands where feasible
Multi-use path (continued)

- Identify Needed Facilities in Charlotte County
  - Address gaps in the system
  - Provide access between neighborhoods and area attractions
  - Enhance safety and use of the existing infrastructure

- Six Key Objectives to promote walking and cycling:
  - Improve Use
  - Developing community support and consensus
  - Improve safety
  - Provide Facilities
  - Prioritize projects
  - Implementation of the Plan
Multi-use path (continued)

- Anticipated Timeline
  - Interlocal Agreement Finalized in May
  - Requests for Letters of Interest in June
  - Contract in July
  - 9 months of development
    - Public Workshops and Meetings
    - Presentations to MPO Board and BCC
    - Acceptance of Plan
New/Emerging Sports as a Niche

Pickleball

- Mixed Use Court Development
- Indoor and Outdoor
- All Regions of the County
- Parks and Recreation Master Plan calls for future tournament level courts at Maracaibo or North Charlotte Regional Park.
New/Emerging Sports (continued)

Sailing

- Continue development of Port Charlotte Beach Park as a sailing and boating facility

  - Charlotte Harbor Community Sailing Club
    - Adult, Children, Disabled Sailing Instruction
    - Sunfish Regatta

  - Charlotte Harbor Dragons – Dragon Boat Racing Club
New/Emerging Sports (continued)

Sailing

- Charlotte Harbor Regatta
- ADA Accessible Floating Dock at Port Charlotte Beach
New/Emerging Sports (continued)

Disc Golf
- North Charlotte Regional Park
- South County Regional Park
  - The Punta Gorda-Port Charlotte-North Port Association of REALTORS® Inc Partnership
- Future course at Ann Dever Regional Park

Lacrosse
- Fastest growing team sport in the United States
- College Lacrosse tournament at County Parks in Feb. 2017
Explore outdoor arts facility through Public/private partnership

- CIP project to purchase a Mobile Stage for events and various County programs
  - Will begin use this year
  - Expected to be used by various County Departments and Event Center
  - Potential use as rental in the future
Outdoor arts partnership (continued)

- Working to develop partnership with Arts and Humanities Council

- Identifying ways to provide outdoor art viewing and participating opportunities in parks
Long-range strategy for beach erosion / renourishment
PROGRAM GOALS

• Restore & maintain critically eroding beaches using high quality sand
• Provide storm damage reduction benefits along developed shoreline through “engineered beach design”
• Provide for improved navigation through Stump Pass
• Enhance recreational opportunities
• Provide environmental protection and enhancement for T&E species
SPECIFIC PROJECTS

• MANASOTA KEY
• STUMP PASS
• KNIGHT/DON PEDRO ISLAND
MANASOTA KEY CURRENT STATUS

• EST. CONSTRUCTION COST - $21 million

• PERMIT APPLICATIONS HAVE BEEN SUBMITTED

• FUNDING STRATEGIES, METHODOLOGIES ARE UNDER REVIEW/ANALYSIS.

• ANTICIPATED CONSTRUCTION SCHEDULE JANUARY 2019 THROUGH JUNE 2019
STUMP PASS CURRENT STATUS

- TERMINAL GROIN COMPLETE
- STUMP PASS STATE PARK SAND PLACEMENT COMPLETE
- NORTH BEACH FILL TO BE COMPLETED EARLY JUNE
- CONSTRUCTION COST - $5 million
Conceptual Plan for Beach Fills (Updrift/North) and Terminal Structure (Updrift)
• COMBINE W/ MANASOTA KEY PROJECT

• EST. CONSTRUCTION COST - $8 million
Conceptual Plan for South Beach Fill
Knight Island – Don Pedro Island)
Community Services
Budget Recommendation

Small Equipment $280,000

Annual allocation to create a proactive replacement schedule for small equipment (88 pieces)
Community Services
Budget Recommendation

Park maintenance in South Gulf Cove $95,000

- During 2016 two parks in South Gulf Cove (San Domingo and St. Paul Linear) were transferred to the County Park System.
- Cost includes one additional position and associated vehicle.
BCC Focus Areas

Water Resources
Water Resources

Ensure quality of natural water resources and provide a safe and reliable water supply

“Blue Water” strategy

Drinking Water
- Pursue interconnects (RO plant, Tuckers Grade, Babcock Ranch)

Wastewater
- Next stage of Wastewater Master Plan
- Educate citizens on benefits of sewers in dense areas

Reuse Water
- Education and promotion of reuse water
- Evaluate as long-term supply source

Storm Water
- Proactive strategies for TMDL
Budgetary overview
Where does the money go?

Water Resources Proportional to All Expenditures

Water and Wastewater 19.23%
Where does the money come from?

Water Revenues, 55.07%
Sewer Revenues, 39.05%
Interest Earnings, 0.22%
Fees for Services, 0.80%
Misc Revenues, 4.86%
Historical Trend
Total Expenditures

![Bar chart showing total expenditures from 2007 to 2016 in millions of dollars. The expenditures remained relatively flat with slight increases over the years.](Image)
FTE Historical Trend
Comparable Counties
$ Spent / Capita on Water Resources
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Utilities Funds

- Operations and Maintenance
- Sinking Fund - Debt Service
- Renew and Replacement
- Water Connection Fees
- Wastewater Connection Fees
- Major Capital Projects
- Line Extensions
Utilities Fund Structure

User fees

O&M

Connection fees

Water Connection

Debt Service

Wastewater Connection

R&R

Capital Projects
# Utilities Operations Projected Revenue and Expenditures

### Projected Fiscal Years Ending September 30,

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<td>9,752,944</td>
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<td>8,519,031</td>
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<td>$70,543,023</td>
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<td>$73,674,915</td>
<td>$74,953,743</td>
<td>$76,374,544</td>
<td>$77,387,227</td>
<td>$77,537,862</td>
<td>$63,308,869</td>
<td>$64,839,583</td>
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<td>$580,303</td>
<td>$2,585,358</td>
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<td>$652,752</td>
<td>($2,200,015)</td>
<td>($4,195,604)</td>
<td>($3,791,619)</td>
<td>($10,992,022)</td>
<td>($9,955,984)</td>
</tr>
</tbody>
</table>
Operations and Maintenance Fund

- Administrative functions
- Plant operation – Water & wastewater
- Line maintenance – Water & wastewater
- Quality control
- Water treatment & storage
- Lift station maintenance

Revenue Source: user fees
Operations and Maintenance Fund

- Debt Service
- Capital
- Operating Expenses
- Water (CGS)
- Personal Services
- Services & Charges
Sinking Fund - Debt Service

- General expansionary projects – Loveland lift station, Midway Rd, etc.

**Revenue Source:** transfer from O&M / user fees

- MSBU projects – East/West Spring Lake, North Shore Wastewater, etc.

**Revenue Source:** MSBU assessments
# Utilities Debt

## Year-end 2015/16

<table>
<thead>
<tr>
<th>Revenue Bonds</th>
<th>Balance at 12/31/2016</th>
<th>Matures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series 2008 Bonds+HX75</td>
<td>21,565,000</td>
<td>2023</td>
</tr>
<tr>
<td>Series 2011 Revenue Bonds - Issued 4/20/2011</td>
<td>38,270,000</td>
<td>2024</td>
</tr>
<tr>
<td>Series 2013 Revenue Bonds - Issued 4/1/2013</td>
<td>24,165,000</td>
<td>2021</td>
</tr>
<tr>
<td>Series 2016 Revenue Bonds (Private Issue - Bank of America)</td>
<td>23,900,000</td>
<td>2024</td>
</tr>
<tr>
<td><strong>Total Utilities Revenue Bonds</strong></td>
<td><strong>107,900,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

| State Revolving Fund Debt - As of 12/31/16 | 9,584,000 |

| **Total Utilities Debt** | **117,484,000** |
Utilities Projects funded from Reserves

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burnt Store Road Ph III</td>
<td>2,089,456</td>
</tr>
<tr>
<td>Edgewater Road Ph II</td>
<td>5,531,492</td>
</tr>
<tr>
<td>Gasparilla Rd</td>
<td>8,734,423</td>
</tr>
<tr>
<td>Midway Ph III</td>
<td>5,808,000 *</td>
</tr>
<tr>
<td>Parkside Elkcam</td>
<td>2,763,809</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>24,927,180</strong></td>
</tr>
</tbody>
</table>

* Additional $3 million financed through Commercial Paper
Utilities Projects Borrowing
Capacity - ($2 million annually)

<table>
<thead>
<tr>
<th>Project</th>
<th>Capacity</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loveland - Grand Master Lift Station</td>
<td>20,000,000</td>
<td>SRF</td>
</tr>
<tr>
<td>Myakka River Crossing</td>
<td>8,073,000</td>
<td>SRF</td>
</tr>
<tr>
<td>Morningstar Force Main</td>
<td>1,603,000</td>
<td>SRF</td>
</tr>
<tr>
<td>Harbor Boulevard</td>
<td>2,390,000</td>
<td>Internal</td>
</tr>
<tr>
<td>Olean Drive</td>
<td>1,800,000</td>
<td>Internal</td>
</tr>
<tr>
<td>Midway Ph III</td>
<td>3,000,000</td>
<td>CP</td>
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36,866,000
Renew and Replacement Fund

- Capital maintenance of existing infrastructure
- Minimum reserve level of $2,000,000

Revenue Source: transfer from O&M / user fees
## Renewal & Replacement

<table>
<thead>
<tr>
<th>Year</th>
<th>Projected Revenue</th>
<th>Projected Expenditures</th>
<th>Ending Balance</th>
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<tbody>
<tr>
<td>2017</td>
<td>4,041,582</td>
<td>3,276,589</td>
<td>6,794,972</td>
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<tr>
<td>2018</td>
<td>10,009,072</td>
<td>12,222,201</td>
<td>4,581,843</td>
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<tr>
<td>2019</td>
<td>1,679,124</td>
<td>2,441,894</td>
<td>3,819,073</td>
</tr>
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</table>

- **Beginning Balance:** 6,029,979
Connection Fees

Water
• Water connections
• Water expansionary projects

Revenue Source: Water connection fees

Wastewater
• Wastewater connections
• Wastewater expansionary projects

Revenue Source: Wastewater connection fees
### Water Connection Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>Beginning Balance</th>
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<td>2017</td>
<td>6,579,744</td>
<td>819,442</td>
<td>85,400</td>
<td>7,313,786</td>
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<tr>
<td>2018</td>
<td></td>
<td>3,551,027</td>
<td>3,944,116</td>
<td>6,920,697</td>
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<td>2019</td>
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<td>2,149,346</td>
<td>1,681,278</td>
<td>7,388,765</td>
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## Wastewater Connection Fund

**2017**

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<td>4,856,811</td>
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<td>6,331,466</td>
<td>31,497,011</td>
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<td><strong>Projected Expenditures</strong></td>
<td>960,882</td>
<td>37,219,966</td>
<td>3,207,819</td>
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<td><strong>Ending Balance</strong></td>
<td>10,227,395</td>
<td>4,504,440</td>
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Capital Improvements Fund

- Large capital projects with multiple funding sources – Morningstar, Harbor, Olean
Line Extension Fund

• Established to track line extension costs and revenues
• Projects based on 5 year cost recovery

Revenue Source:
• Line extension fee
• Mandatory connection fees
• First five years of base user fee
Utilities Operations Projected Revenue and Expenditures

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Utilities

Budget Recommendation

<table>
<thead>
<tr>
<th></th>
<th>2017/18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>358,765</td>
<td>204,000</td>
</tr>
</tbody>
</table>

New equipment to meet growth demands