

# Blueprint 2000 CAC Meeting Minutes

Thursday, August 2, 2012

Blueprint 2000 Office

2727 Apalachee Parkway, Suite 200

Christic Henry, Chair, called the Citizens Advisory Committee meeting to order at 4:41 pm.

## Committee Members present:

Christic Henry	Ron Pease
Richard Drew	Andrew Chin
Lamar Taylor	Kent Wimmer
David Jones	

## Guests/Presenters/Staff:

Wayne Tedder	Shelonda Meeks
Autumn Calder	Terence Hinson

## Agenda Modifications

There were no Agenda Modifications.

## Information Items

There were no Information Items.

## Consent Items

There were no Consent Items.

## Presentations/Discussion

### **Item #1: Proposed FY 2013 Blueprint Operating Budget**

Wayne Tedder stated that for the second year, he was not recommending any increases to the operating budget. He reminded the committee that at the end of the previous fiscal year, Blueprint returned \$200K to the coffers. Per the IA that money was moved to Parks and Rec to remodel the building that was currently used by the Capital Cascades Trail CEI office and what would be a maintenance facility for Cascades Park. He anticipated similar balances at the end of the current fiscal year but would not know the exact amount until October 2012.

Kent Wimmer observed that almost \$5.9M would be transferred to Capital Projects and questioned if there was a shortfall of funds. Mr. Tedder stated that it was the balance after all loan payments had been deducted. Lamar Taylor stated that year after year that one transfer caused confusion. He explained that basically there was the incoming revenue from sales tax, an

operating budget of approximately \$2M and the debt services payments on outstanding bonds and SIB loans. It was essentially, fund accounting; money would build up in the operating fund and was transferred to the capital budget as project funds were expended.

Mr. Tedder agreed that it seemed odd how the capital budget converted from the operating budget. He stated that in the past, the Finance Committee, hired a financial consultant to review and project sales tax revenues, etc. When he came to Blueprint he requested that those projections be handled by the City and County Treasure Clerks Offices. The projections were the same; the only difference was that the County budgeted on 95% while the City budgeted at 100%. Being more conservative, Mr. Tedder stated that he budgeted at the 95% rate. Based on the City and County projections and less the annual operating expenditures, the net sales tax went to projects.

Mr. Taylor restated that it was a fund accounting process where the transfer to project was essentially a transfer to a fund balance that was periodically transferred from a general fund to the capital project fund. Regarding the SIB loan, he questioned if he recalled correctly that Blueprint was paying it back from FDOT advance payments. Mr. Tedder stated no, Blueprint was paying that and the payment of bonds as well. There were things that Blueprint advanced funded to FDOT that they were being reimbursed for; those items were indicated in the revenue streams of Item 2, Attachment 2.

Mr. Wimmer questioned how many full time employees there were at Blueprint. Mr. Tedder stated there were seven Blueprint employees and eight positions; two of which were temporary positions that no benefits were paid for and one of those was vacant. There interns were picked up on school breaks as temporary employees but again, no benefits were paid to those positions. Regarding the interns too, he stated that typically Blueprint maintained two interns. However he did not feel that with the lower number of grants/loans available, Blueprint would be able to keep two busy. They would keep only the one. The City and county would try to keep that relationship open with FSU and FAMU.

Christic Henry questioned the status of hiring the Blueprint Manager. Mr. Tedder stated that multiple people had been interviewed. The last candidate he felt was appropriate to elevate to an interview with the IMC accepted another position before an interview could be scheduled. That was also during the controversy of the Capital Circle Northwest/Southwest bid process. Another batch of applicants was forward to him yesterday. They would be reviewed by the hiring committee and interviews scheduled from there. The number of applications had dropped off significantly he stated.

Ms. Henry stated that she participated on a committee that was screening applicants. She questioned if that was similar to the screening process Mr. Tedder was using. He stated that the hiring committee was comprised of himself, Gabe Menendez and Tony Park, the City and County Public Works Directors, respectively. They screened, interviewed, and make recommendations to the IMC. While the position did not report directly to the IMC, the City Manager had a long standing policy of personally interviewing candidates for significant positions.

Richard Drew stated that in reviewing the percent changes on the salaries and total personnel services he noticed it was 0% yet in the narrative it mentioned increases in salaries. He questioned how it would be covered if there was a 0% increase. Mr. Tedder stated that with all the vacant positions the dollars were available to cover that. Modifications would need to be made in future years. If the positions were filled, he had the ability to move money internally.

Mr. Tedder stated that one of his charges was to reduce operating expenditures for Blueprint. Until a Blueprint Manager was hired, he would not be able to realize on a regular basis, what those savings would be. Mr. Drew questioned why Social Security was allocated for one year only. Mr. Tedder stated that it was for the one County employee.

Ron Pease questioned who directed the charge of reducing operating expenditures. Mr. Tedder stated that it was from the Management Review Report from June 2011. For example, the refinancing of the bonds last year saved Blueprint \$2M. Or as projects were completed such as Franklin Boulevard or Cascades Park there might not necessarily be a need for the GEC staff. Blueprint would need to start dwindling them down as well. That staff would not remain at the same levels and would be phased out over the next/coming years.

Turning back to the sales tax projection, Mr. Taylor stated that the indicated 20% increase over the current year was pulled from the City's projections. He noted that it was significant and questioned the thought process. Mr. Tedder stated that at the end of the budget process last year, he was contacted by the County who did not agree with the City's projections. It still worked out to Blueprint's benefit because there was still extra revenue but it was not allocated to the projects. However, as of the end of April 2012, sales tax revenues were \$1.4M more than was previously projected.

Mr. Taylor stated that was still 25-29%; he questioned if it took into account \$23.4M. He wanted to be mindful about the sales tax projections. That had been a source of reconfiguration, the Master Plan, for the past three to four years due to the gradual decline of the sales tax. The only place where he felt that could be an issue was in the repayment of debt services. It seemed that there was enough cushion but he encouraged Mr. Tedder to be mindful of it.

Richard Drew questioned what functions the Engineering Group served with Blueprint was it review and quality assurance on the projects. Mr. Tedder concurred and added that the GEC staff all bid process and coordinated plans with the designers.

**Item #2: Proposed FY 2013 – 2017 Blueprint Capital Improvement Plan and the FY 2013 – 2020 Net Sales Tax Allocation Plan**

Wayne Tedder stated that what was presented was direct from the City and County without much working or grouping by Right of Way, Construction, Program Management, etc. It was one single line item. He did not feel that it was the most transparent way to represent it where he could be grouped them by those areas. There was concern from the Management Review Report with the cost of program management. The number was what it was, he stated and he wanted everyone to see that. Whoever was administering it would need to justify why it was that amount or take steps to address it. He would be expanding that process on current and on-going

projects such as Capital Circle Northwest/Southwest, Capital Cascades Trail Segment 3, Connector Bridge, etc. In the past all of the program management was put in one segment of Capital Cascades Trail rather than spread throughout all segments. It gave the appearance that for Franklin Boulevard Blueprint had \$8M in program management. He did not intend to change that for past projects but would as Blueprint moved forward.

Mr. Tedder stated that the Blueprint Manager had the ability to reallocate funds within a project. If however, additional funds were needed for the entire project he had to ask for it through the CAC and IA. He structured the budget with all information listed to improve the transparency of the process. His goal was to at the end of the day, know what the available balance of the project to do more work on it.

Richard Drew questioned how much involvement Blueprint had in the City/County Water Quality dollars. Mr. Tedder stated that Blueprint was under a spot audit by the IRS. While no issues had been identified one of the things they wanted more detail on was how the City and County spent the money that was transferred to them for Water Quality. The County had been slightly more transparent than the City simply in the process used for the CIP. They would put projects and amounts in their CIP then ask for that amount to be transferred to the County based on the CIP. The money was transferred annually on a draw schedule to the City. It might be more difficult for the City to track it down however, Mr. Tedder was confident they would.

Mr. Taylor questioned when the notice of audit was received. Mr. Tedder stated that it was six months earlier. It was quite broad in the beginning but, he reiterated that the Water Quality money was the only issue they inspected in greater detail. Shelonda Meeks stated that all information, even that from the City and County had been provided to the IRS. Mr. Taylor questioned if there had been any preliminary indication as to the servicer's view. Mr. Tedder stated that he had spoken to the auditor the week prior; she stated that she wanted to "dig a little deeper" on that piece but needed to clear it with her supervisor before making any formal requests. Mr. Taylor questioned if Blueprint had engaged a Tax Counselor. Mr. Tedder stated that they ask for the records and Blueprint gives them what they want. It was either spent correctly or it was not; let the auditors figure it out.

Kent Wimmer stated, to follow up on Mr. Drew's question, what was the County proposing to spend \$8.7M on eventually? Mr. Tedder stated that until they requested it he did not know. It was possible that they had plans in their five-year CIP that could be requested in the future because they know what they have available. Currently, however, Blueprint was drawing interest on it. Mr. Wimmer questioned the intent of the \$8.3M in Land Bank. Mr. Tedder stated that originally the land bank was where, ROW for example, was purchased from in advance of the project so that it could be acquired at a reduced prices. Since he had been at Blueprint, there had been no purchases from land bank until recently. They would see at the September meeting an agenda item for land acquisition on Alford Arm of Lake Lafayette.

Mr. Tedder stated that for the purpose of the budgeting process, the focus should be on where to allocate funds for the coming year. Ron Pease questioned who was ultimately calling the shots on the budget. Mr. Tedder stated that it was the IA. Mr. Pease asked how much research or evaluation they invested in the process or trusting staff recommendations. Mr. Tedder stated that

generally the IA followed staff recommendations. Mr. Pease questioned if Mr. Tedder felt that the control of the funds for Blueprint was in his hands with periodic exceptions? In other words, he questioned, what the CAC's role in the process was. Were they merely a viaduct for the actions of the IA, he questioned. Mr. Tedder stated that he felt the CAC was the conscience of Blueprint. If the "conscience" was unhappy with a decision by the IA ... where did the rubber meet the road, he questioned.

Christic Henry stated that she presented the opinions and concerns of the CAC at each IA meeting. The Commissioners were receptive of those comments, often quite receptive. Mr. Tedder further stated that every agenda item included the CAC's recommendation immediately above staff recommendation. Also, in briefings, Mr. Tedder shared CAC concerns and if staff recommendation differed he explained why. Mr. Wimmer stated that CAC members were also responsible for communicating out to the public as well. Mr. Pease concurred with Mr. Wimmer. He further stated that his concern was that there was a difference between advisory and rubber stamping. Both Mr. Wimmer and Ms. Henry agreed. Ms. Henry stated that she felt it was her duty to communicate that to their constituents. Particularly to the neighborhoods near the projects and she sought their feedback on the projects and process to bring back to the committee. However, she completely agreed that CAC members had to be "on their job" in bringing remarkable input.

Mr. Tedder stated that he took no offense in the CAC scrutinizing anything he brought before them because, he reiterated, they were the conscience of Blueprint to ensure staff stayed within the original philosophy. If any member felt that Blueprint had strayed from that, he welcomed being pulled back. Furthermore, if he failed to communicate that to the IA the CAC could have him fired. That was how he felt about it, he stated.

Mr. Pease stated that his comments and question did not arise from the fact that he had any concerns or problems regarding the effectiveness or efficiency of operation. He needed clarification from his perspective regarding the role of the committee and what impact they could potentially have on the final decision. Mr. Wimmer stated that because Blueprint was nearing the end of the term and most of the money had been spent, the role of the CAC was limited compared to the beginning of the process.

Mr. Wimmer stated that in his quick and rough estimates Blueprint would be spending approximately \$400M on gray infrastructure, approximately \$25M on green infrastructure. That was 16:1 gray v/s green. He was concerned about that. Andrew Chin questioned if some of the items Mr. Wimmer categorized as "gray" could be strategies toward the "green" goal. The committee agreed and cited Cascades Park as the example.

Mr. Wimmer stated that whatever the percentage, when it was sold he did not understand that there would be a predominance on the spending of the money one way versus the other. He stated that he was looking forward to where the money from the extension of the sales tax might be spent. He felt the CAC had some responsibility in that. Ms. Henry stated that three members of the CAC were members of the Sales Tax Committee also. He should communicate his opinions and concerns to one of those representatives to be communicated at their meetings.

To be clear, she stated that the CAC's advisement was related to the way the money is spent on the current and scheduled future projects. Their review was to ensure that Blueprint followed its mandate. Mr. Tedder stated that the only projects Blueprint would be focused on beyond Franklin Boulevard, Cascades Park (and Capital Circle Northwest / Southwest) would be the Connector Bridge over Monroe Street, Capital Cascades Trail Segment 3 and 4, and for Capital Circle Southwest (W1) there was only money for design. Unless Blueprint was approached to acquire sensitive land and that would have to be in line with the Blueprint philosophy. Mr. Wimmer stated that his point was that as Blueprint or the Sales Tax Committee moved forward that they focus on the green as much as possible.

Mr. Tedder stated that there was money allocated for green projects in the out-years in, for example, the Headwaters of the St. Marks. There were no projects planned for that money but, he reiterated that it could be used for land acquisition or in conjunction with the Parks and Rec Department(s) potentially make improvements to land that was previously acquired. The committee discussed scheduling a tour of the sensitive land areas specifically for an upcoming meeting. Staff agreed to coordinate that for them.

Mr. Chin stated that in his opinion there was a blurring of the green with the gray on the projects. He suggested that maybe a student intern project could be an evaluation of the environmental benefits of current (and past) Blueprint projects has been for the community. Mr. Taylor stated that had been a number of presentations regarding the split of green v/s gray spending at both CAC and IA meetings over the years. The problem had always been the interpretation of what constituted "green." It might not be intuitively in line with what one might think of as green but the green was consistently incorporated with the gray by virtue of stormwater amenities, trails, etc.

Mr. Tedder stated that the 230' ROW on roadway projects allowed for green amenities to be combined with the gray infrastructure but was not sure he could assign a dollar amount to them. Mr. Taylor stated that he vividly recalled charts and graphs that indicated a near 50/50 split in spending. It all came down to how one defined green spending.

Mr. Drew stated that the expenditure of money toward stormwater, drinking water, and waste water was funded by utility rates/fees and there were SRF loans available for those as well. He would personally take issue with it if Blueprint money was funding projects that should be funded out of or supported by those sources. Mr. Wimmer concurred. Mr. Drew urged that Blueprint be cautious about that and requested more information about the spending by the City and County from the Water Quality line items. Mr. Tedder stated that the data was readily available from presentations given by the City and County to the Sales Tax Committee. He would include those in the next CAC agenda or email it to the committee. If the majority of the committee supported a motion to have a live presentation he would arrange that also.

Furthermore, Mr. Tedder stated that half of the capacity (approximately 2 acres) of Coal Chute Pond, that was part of Capital Cascades Trail Segment 3, was for retrofit. That was a large component in support of the green because there was a significant portion of untreated stormwater in the City. It was not associated with a trail or roadway but provided more environmental benefit than most people realized.

Moving on, Mr. Tedder stated that at a recent meeting the question was raised about the large increase in operating expenditures in certain years. There was approximately \$800K in expenditures for the GEC that neither Mr. Tedder nor the City Accounting office knew quite how to program. He could not rewrite the way he felt it should be written until their contract expired. For example, he cited the public involvement costs of ribbon cuttings and community meetings. Some of those expenditures were driven by the fact that the public wanted to be involved more but that increased Blueprint's costs. Unfortunately, Blueprint could not estimate how many of those meetings were necessary until they were in the project and receiving input from the neighborhoods. Personally, he would like to have a fixed total cost per project for the GEC but that was not done with the GEC contract. It would not expire until February 2014.

Mr. Drew clarified that the increase in operating expenses came from the movement of the \$800K into it. Mr. Tedder confirmed and stated that half of it was Blueprint staff, those under City or County benefits, and the day to day operations.

Moving on to the Net Sales Tax Allocation, Mr. Tedder explained how the IA allocated some funds for the future years. He also explained that regarding the Water Quality portion for the County, that Jim Davis was an incredible manager of Blueprint's finances and leveled a penalty on early draw. Mr. Tedder stated that he felt the County was short changed and could come back and ask for additional funds. Mr. Taylor stated that he supported Mr. Davis' read on that.

The next big item, stated Mr. Tedder, was allocation of funds to complete Capital Cascades Trail Segment 3 and 4 as well as some unfunded amenities in Segment 2, Boca Chuba, the History Fence, and Smokey Hollow. His goal was to fund all of those amenities to complete the park. David Jones questioned if that would also include Centennial Field. Mr. Tedder stated that Blueprint has completed that one, for the most part, by working through the Parks and Rec Department. It was not a regulation size field area but it was space for children and supported the commemoration. Mr. Jones requested a follow up time to review the plans for that in more detail. Staff agreed.

Ms. Henry questioned if the surplus from the Capital Cascades Trail Segment 3 and 4 design budget would carry over to subsequent projects. Mr. Tedder stated that he could shift it to any one of the categories he needed. He also noted that design on those projects was not yet complete; also if additional property became available it could change again. He would need money available for additional services.

Mr. Drew requested that Mr. Tedder add indicators at the line item for each footnote listed. Also to specify what amenities were referenced in Segment 2. Mr. Jones stated that was his point with Centennial Field; he wanted to ensure there was funding allocated for it if it was classified as an amenity. For the record he stated, that portion specifically needed to be a universally designed project. It was particularly important for the disabled community. He requested Blueprint re-evaluate the plans for that field from that perspective. Mr. Tedder stated that staff had recently completed that type of review with J.R. Harding on the whole park. Mr. Harding identified areas that Blueprint was able to address and improve. There were a couple of areas though that were problematic however. Mr. Jones requested to be more involved with that.

Mr. Tedder briefly discussed the remaining line items for Cascades Park and the Connector Bridge. He stated that one of his goals with the budgeting process was to identify and make transparent the cost per project segment for program management and consulting staff costs. He noted dollars in the \$40M allocated for ROW acquisition in Segment 4. He felt that was more than necessary but hoped to begin friendly acquisitions in Segment 4 when the acquisitions for Segment 3 and FAMU Way were complete.

Mr. Drew questioned why Mr. Tedder listed no projects for construction on Capital Circle Southwest. Mr. Tedder stated that it was undergoing a PD&E study. FHWA would not approve the PD&E unless Blueprint had funding available for design within a five year period. That allowed him to program for design funding to move the PD&E forward.

Ms. Henry questioned if it could be fast tracked, like Franklin Boulevard was, should funding become available. Mr. Tedder stated that in his quarterly update meetings with FDOT District 3, there seemed to be urgency from them to complete Capital Circle. They have stated that if the design was complete and they would shift money to that project should it become available. Although, in the most recent meeting, it seemed the FDOT administration was shifting gears somewhat because of challenges from the Governor's Office. It could mean shifting work to FDOT and away from local government.

Regarding LPA Engineering Services, Mr. Tedder noted that it was \$881K in addition to the \$800K discussed earlier. The \$1.6M total was for sub-consultants as well. If the CAC was interested in the monthly cost per firm, it was listed in the Monthly Production Report that was available through the website.

Ms. Henry questioned the capital funding needs beyond 2017 should the sales tax extension fail. Was there anything being put into reserve for that for the current Blueprint projects? Mr. Tedder stated that as projects were completed his line of thought was to reallocate/apply all funding to Capital Cascades Trail Segment 4 and leverage FDOT or others for completion of state roadway projects.

Mr. Wimmer questioned why the other \$800K for program management was not listed together with engineering services; he felt it should all be listed in one place. Mr. Tedder stated that was what he tried to explain earlier in his discussions with City Accounting. Shelonda Meeks stated that the (earlier) \$800K was program management costs that were not applicable to a specific project. For example the Program Manager position was not associated with a specific project whereas the Project Managers were. It also included administrative and pre-project work.

Mr. Tedder stated that his philosophical issue with it was that typically when hiring a consultant, the agency would know what the total package would be. With the GEC, the administrative costs were billed into the contract. Mr. Tedder stated that on his time sheet there was a classification for general work and project specific work. He understood that piece but from a project management perspective he wanted to know what the total price and scope to complete the project; including all administrative activities. He struggled with that piece, he stated. If they expanded beyond the scope there would be additional dollars applies. Often though, they did operate way outside of their current scope because of dealing with so many issues.

Mr. Drew stated that it was not uncommon to see that, for example, in IT contracts also. Mr. Tedder stated that the bulk of their activities however, with the exception of staff meetings, etc. was associated with projects. Mr. Taylor stated that the same could be true of the \$500K allocated for government staff. At some point it was simply an allocation exercise. All dollars spent pro rata could be allocated across the projects and incorporated into that cost. To some degree it seemed consistent that if Mr. Tedder was allocating the cost of internal staff, because it was all overhead, then to the extent to which the consultant was the same thing. Going back to the history of the program, the idea was to complete the mission as soon as possible. There was tremendous focus on having the outside consultant come in and get it done. The focus was not on breaking it out project by project. Now that Blueprint was coming to the end of the stage and certainly with the issue of renewal where it might make more sense not to essentially have unallocated overhead but to know exactly what was where.

Mr. Tedder agreed and stated that a prime example of that was that at the beginning of Blueprint, much of the work was general in the ranking of projects etc. He also noted that with a GEC staff, there was a much quicker almost immediate turn-around on tasks because they could focus the manpower on activities to complete it. Franklin Boulevard was the perfect example of that. Mr. Wimmer stated that it made sense to him but still seemed more transparent to keep the costs together.

Mr. Taylor stated that he appreciated holding a separate meeting specifically to discuss the budget. When it was included with a litany of other agenda items there was not time to fully address it and help everyone to understand it. He felt Mr. Tedder did a great job of laying out the Capital Improvement Plan. There were tradeoffs with it versus the Master Plan but at least with Mr. Tedder's focus it made sense. Mr. Tedder stated that if it could be worked out he would prefer to present the budget material to the CAC following the June IA meeting so that he was completely up to date on all information. Mr. Pease reiterated Mr. Taylor's appreciation to staff and hoped that other committee would be as thorough. Several members agreed with the suggestion.

Mr. Tedder suggested that committee members review the proposed projects for the extension of the sales tax revenues on the County website.

In the absence of Tom O'Steen and Erin Ennis, Mr. Drew asked about the cost of maintenance and what budgetary items would be absorbed and where would it go. Mr. Tedder stated that there had been a significant amount of discussion around those issues by the Sales Tax Committee and the City and County Commissions. Mr. Drew suggested Mr. Tedder note that maintenance was not included on current projects from current funding.

#### Citizens To Be Heard

There were none.

Items From Members Of The Committee

There were none.

Adjourn

**The meeting adjourned by consensus at 6:58 pm.**