

**TALLAHASSEE-LEON COUNTY**  
**BLUEPRINT 2000 INTERGOVERNMENTAL AGENCY**

Meeting Minutes

December 12, 2002, 3:00 PM

City Commission Chambers, City Hall, 2<sup>nd</sup> Floor

**MEMBERS PRESENT**

**County**

Commissioner Tony Grippa  
Commissioner Rudy Maloy  
Commissioner Bill Proctor  
Commissioner Bob Rackleff  
Commissioner Jane Sauls  
Commissioner Cliff Thaeff  
Commissioner Dan Winchester

**City**

Mayor Scott Maddox  
Comm. John Paul Bailey, Chairman  
Commissioner Allan Katz  
Commissioner Debbie Lightsey  
Commissioner Steve Meisburg

**CITY/ COUNTY STAFF**

Mr. Parwez Alam, County Administrator  
Mr. Jim Davis, Director Blueprint 2000  
Mr. Bruce Barrett, MPO  
Mr. David Bright, Blueprint 2000  
Ms. Paula Cook, City Treasurer Clerk Office  
Mr. Jim English, City Attorney  
Ms. Anita Favors, City Manager  
Ms. Shelonda Gay, Blueprint 2000  
Ms. Dinah Hart, City DMA  
Ms. Theresa Heiker, County Public Works  
Ms. Val Hubbard, TLC Planning  
Mr. Bob Inzer, County Clerk

Mr. Gary Johnson, County Comm. Dev.  
Mr. Vince Long, Asst. County Admin.  
Mr. Tony Park, County Public Works  
Mr. Anil Panicker, TLC Planning  
Mr. David Reid, City DMA  
Mr. Daniel Rigo, County Atty. Office  
Mr. Alan Rosenzweig, County OMB  
Ms. Debra Schiro, City Atty. Office  
Mr. Herb Thiele, County Attorney  
Mr. Bill Woolery, City Engineering  
Mr. Michael Wright, Asst. City Manager

**OTHERS PRESENT**

Ms. Kathy Archibald, BP2K Citizen's Adv. Comm.  
Ms. Katherine Beck, Citizen  
Mr. Larry Cyrtin, Holland & Knight  
Mr. Paco de la Fuente, Citizen  
Ms. JoLinda Herring, Bryant, Miller, & Olive  
Mr. Randy Hanna, Bryant, Miller, & Olive  
Mr. Lee Hinkle, Bryant, Miller, & Olive  
Mr. Harold Knowles, Knowles Marks & Randolph  
Mr. Parkhill Mays, Holland & Knight  
Mr. Marc Neihaus, Baskerville-Donovan  
Mr. Jerry Oshesky, LPA Group  
Ms. Bonnie Pfunter, LPA Group  
Mr. Robert Reid, Bryant, Miller & Olive  
Mr. William V. Sheppard, LPA Group  
Mr. David Van Leuven, WilsonMiller, Inc.  
Mr. Anthony Viegbesie, City Commission Candidate  
Mr. Arlen White, WilsonMiller, Inc.  
Mr. David Moore, PFM, Inc. (via phone)

## **CALL TO ORDER**

**The meeting was called to order by Chairman John Paul Bailey at 3:15 PM.**

### **I. AGENDA MODIFICATIONS**

Mr. Davis stated that he had submitted several agenda modifications prior to the meeting. He stated that item #8, Blueprint 2000 Short Term Financing, and Item #9, Blueprint 2000 Bond Counsel and Bond Disclosure Counsel have been continued until the January 14, 2003 meeting. He further stated that item #6, GEC and Stormwater Consultant Selection (Evaluation Committee), had been updated to include additional information regarding the evaluation committees' ranking of the firms being considered. Mr. Davis stated that there was one item added to the agenda, Item 10, Bond Disclosure Counsel.

Commissioner Katz stated that he understood that the reason for the postponement of the Short Term Financing was because of the question of whether the bond issue should be competitive or negotiated. He stated that they were in the correct forum to discuss the issue to insure that this did not slow the progress of the program. He further stated that he would also like to discuss the Bond Counsel and Bond Disclosure Counsel item as well.

Commissioner Grippa stated that there should be a frank discussion of the Bond Counsel, any potential conflicts of interest, the difference between negotiated and competitive sales of the bonds, what the financial advisor had done in the past and that the committee should follow what is customary.

**Commissioner Katz moved that Items 8 & 9 be reinstated on the agenda.** Mayor Maddox seconded the motion. The motion passed unanimously.

### **II. CONSENT ITEMS**

- 1. October 21, 2002 Intergovernmental Agency Meeting Minutes**
- 2. Approval of Amendments to Interlocal Agreement**
- 3. Membership Renewal of Citizen's Advisory Committee Members**
- 4. Intergovernmental Agency Meeting Schedule for 2003**

**Mayor Maddox moved approval of all consent items.** Commissioner Lightsey seconded the motion.

**Commissioner Grippa entered a substitute motion to remove Item #2, Approval of Amendments to Interlocal Agreement, from the consent items.**

**Mayor Maddox moved approval of consent items 1, 3, 4.** Commissioner Lightsey seconded the motion. The motion carried unanimously.

### **CONSENT ITEMS PULLED FOR DISCUSSION**

Commissioner Grippa stated that it had come to his attention that the Blueprint 2000 Technical Coordinating Committee had not reviewed the document prior to it being submitted to the Intergovernmental Agency (IA) for approval.

**Commissioner Rackleff moved to continue the approval of the Changes to the Interlocal agreement until the Technical Coordinating Committee (TCC) has an opportunity to review the document.** Commissioner Thael seconded the motion. The discussion continued.

Mr. Davis stated that the TCC had been briefed on the item and had approved the changes in concept, however the document had not been completely updated. He further stated that the TCC charter doesn't require that they review legal documents.

Commissioner Grippa stated that the County Attorney had reviewed the document and has proposed several additional changes. He further stated that if the Bond Counsel was approved during the current meeting then they should also review the document before adoption by the IA. The Bond Disclosure Council should also review the Revised Interlocal.

Commissioner Katz asked if delaying the approval of the Interlocal Agreement would delay the progress of the program. Mr. Davis stated that a special meeting of the IA was planned for January 14, 2003 to discuss the Bond Resolution and the Revised Interlocal should be in place prior to taking action on the bonds

**The motion carried unanimously.**

### **III. INFORMATIONAL ITEMS**

#### **5. Protection of the Headwaters of the St. Marks River:**

Commissioner Rackleff stated there was a closing a 426-acre parcel of property on the corner of Baum Road and Buck Lake Road. He further stated that the property would be used as a conservation area and passive park.

**RECOMMENDED ACTION: No action required, for Agency information only.**

**ACTION TAKEN: NONE**

#### **6. Consultant Selection Schedule for Blueprint 2000 General Engineering Consultant and Capital Cascade Stormwater Management Master Plan Consultant:**

Mr. Davis stated that Blueprint had begun the process to hire the General Engineering Consultant (GEC) and Stormwater Management Consultant for Capital Cascade Trail. He stated that he Request For Qualifications (RFQ) had been issued and that the schedule of activities was attached and that it was a lengthy process that would be completed by June 2003.

Commissioner Proctor asked what the application of local preference and Minority Business Enterprise (MBE) would be for the issuance of the Request For Proposals (RFP). Mr. Davis stated that local preference would be 5 points and that local preference refers to Leon, Gadsden, Wakulla, and Jefferson counties and that the MBE goal of participation would be 15.5%.

**RECOMMENDED ACTION:** No action required, for Agency information only.

**ACTION TAKEN:** NONE

**7. Northwest Florida Water Management District (District)– Partnership Agreement Update:**

Mr. Davis stated that he had an opportunity to speak to the Board of the Water Management District and they are in the process of putting together the Memorandum of Agreement that the IA authorized for the District to assist in the acquisition of the Headwaters of the St. Marks River. He stated that his goal was to have the agreement in place by March 2003 and the plan to identify the specific parcels for purchase or easement by January 2003. This agreement will allow Blueprint to leverage their funds one for one for the acquisition of the headwaters.

**RECOMMENDED ACTION:** No action required, for Agency information only.

**ACTION TAKEN:** NONE

**IV. PRESENTATIONS/ACTIONS**

**8. Blueprint 2000 Short Term Financing**

Mr. David Moore, Public Financial Management (PFM), attended the meeting via telephone. Mr. Moore stated that PFM was the largest financial advisory firm in the nation. He stated that his company is also working with Jacksonville. Mr. Moore reviewed a PowerPoint presentation with handout for the IA's review (on record with the Blueprint office). He reviewed and discussed each slide. Mr. Davis stated that the historical annual sales tax growth rate was 7% over 10 years.

Commissioner Grippa asked how the bond market had been performing over the past year. Mr. Moore stated that the market is currently favorable to issuers, but volatile at times, and that the market swings were within 30 basis points at a time. Mr. Grippa asked what the demand would be for the Blueprint 2000 bonds. Mr. Moore stated that because interest rates were low the supply and demand for Florida paper was high.

Commissioner Grippa stated that PFM was handling the Better Jacksonville Plan (a sales tax obligation) and he asked how their financing would be handled. Mr. Moore stated that they had chosen to do all of their financing through negotiated sales. He stated that the drivers to determine which method to use was based on the market. He stated that if

there were no buyers, uncertainty, liquidity within the market, this would cause the seller to choose negotiated sales. If there is a new credit, one in which the market needs to be educated, that generally leads to a negotiated sale. He stated that Blueprint's credit rating would be in the "A" category. Mr. Grippa stated that William Huff & Co and the County Finance Director recommended a negotiated sale of the bonds for the first issuance of the bonds. He stated that because there was no rating for Blueprint bonds, there was a need to set up a name for Blueprint in the market and because sales tax supported bonds are generally done negotiated. Mr. Moore stated that in the last decade this thinking has changed, sales tax supported bonds are now done as competitive sales because sales tax revenues are not untested revenue streams. Commissioner Grippa asked what the difference was between Tallahassee and Jacksonville and why would the IA want to go a different route. Mr. Moore stated that Jacksonville stated that they did all of their business negotiated and that they would continue to do business in that manner. He stated that they never looked at the prospect of doing a competitive sale and Jacksonville has a mixture of revenues.

Commissioner Katz asked how soon Blueprint would need the money. Mr. Davis stated that the Department of Transportation has asked for \$24M for the funding of the right of way for Capital Circle NW by January 2003, but that it could probably be delayed by a couple months. He stated that the recommendation of the financial advisor and the finance committee was to issue bonds to handle 18 months of Blueprint funding requirements.

Mr. Inzer stated that the Blueprint program is not fully funded at this time and the recommendation of the finance committee is that the program should be fully funded by the next bond issues so that the bond rating is not affected. He stated that because interest rates are historically low and locking the interest rate on a fixed rate scenario would be advantageous.

Commissioner Grippa stated that arguments could be made for both methods of sales, however a negotiated bond sale was not listed as an option in the IA agenda item. Mr. Davis stated that the City was in the process of preparing a RFP for underwriters and that the RFP could be modified to include Blueprint 2000 bonds. Commissioner Grippa asked if there was any other method of financing available and if a competitive bid could be pulled if the market was volatile. Mr. Inzer stated that the issuance could be pulled.

Commissioner Grippa stated that the County's bond rating should not be used to sale Blueprint bonds. Mr. Moore stated that the rate would only be based on the sales tax revenues coming into the Intergovernmental Agency.

Commissioner Rackleff asked if he recommended a competitive sale for this bond issue. Mr. Moore stated that he would recommend the competitive sale.

Commissioner Lightsey asked if Mr. Inzer considered both types of sale. Mr. Inzer stated that both types of sales were discussed and considered during the interview process. He stated that there was an unprecedented market of low interest rates and this is an opportunity to lock these rates in and this would outweigh the option of doing a negotiated sale and it would save the citizens money.

**RECOMMENDED ACTION:**

**Option 1:**

- 1. Do a competitive bond sale for \$70M as early in CY 2003 as possible**
- 2. Authorize staff to accept quotes for bond insurance**
- 3. Use the internet as the primary sale vehicle**
- 4. Authorize staff to award the bonds to the lowest bidder**
- 5. By 2005 develop an Agency Master Plan that is fully funded.**
- 6. Authorize a special meeting of the IA for January 14, 2003 to approve the Bond Resolution and authorize the distribution of the Official Statement.**

**ACTION TAKEN:** **Comm. Meisburg moved option #1.** Commissioner Lightsey seconded the motion. Commissioner Proctor asked how much of the \$70M in funds raised would be for the Capital Circle project. Mr. Davis stated that the total amount would be approximately \$40M. Commissioner Proctor stated that because this route connects to the airport and therefore could be designated as a Homeland Security Route then federal dollars could be used to make road improvements instead of the Blueprint 2000 dollars.

Mayor Maddox stated that he also had met with Washington representatives to discuss the possibility of obtaining federal funds for the improvements to Capital Circle NW. Mr. Davis stated that a proposal had already been submitted to the federal government for dollars.

Commissioner Thae'll asked if PFM had investigated using the State Infrastructure Bank as a means for funding. He stated that he understood that they were offering municipalities zero percent interest loans. He asked that IA not get locked into traditional financing.

**The motion passed 9-3, (weighted vote 55-20).** Comm. Grippa, Comm. Thae'll and Comm. Winchester cast the dissenting votes.

**Commissioner Grippa moved to have staff to bring back an analysis of financing through the State Infrastructure Bank for alternative financing and to issue a RFP for bond underwriters for the next potential issuance of debt.** Commissioner Thae'll seconded the motion. Commissioner Proctor asked what would happen with the moneys that are being borrowed if federal funding were approved. Mr. Bailey stated that this money could be used on other Blueprint projects. **The motion carried unanimously.**

**9. Blueprint 2000 Bond Counsel and Disclosure Counsel**

Mr. Jim English stated that the RFPs for the Bond Counsel and Bond Disclosure Counsel had been evaluated and ranked. He stated that the recommendation of the selection committee for Bond Counsel was Bryant, Miller & Olive, P.A. and the recommendation for Bond Disclosure Counsel was Holland & Knight.

**Commissioner Grippa moved staff's recommendation to negotiate with Holland and Knight LLP for the Bond Disclosure Counsel. Commissioner Rackleff seconded the motion.** Mayor Maddox stated that he felt that the firm should be primarily a Florida firm and that has experience in the Leon County area. He stated that he would prefer Ruden, McClosky,

Smith, Schuster and Russell, P.A. Commissioner Katz stated that Bond Counsel should be dealt with first. Commissioner Grippa withdrew his motion.

**Commissioner Katz moved staff's recommendation of Bryant, Miller and Olive, P.A. for Bond Counsel, with the modification that the contract is for 3 years with 2 one-year renewals.** He stated that the City and the County had worked with the firm, however this shows that the IA is not trying to lock in one particular firm and that they are willing to review other scenarios. Mayor Maddox seconded the motion. Commissioner Grippa said he understood that the selection committee raised the issue of Mr. John Marks' run for Mayor. Mr. Marks is a partner of Knowles, Marks and Randolph which is one of the subcontractors for Bryant Miller and Olive. Commissioner Grippa asked what would happen if Mr. Marks won the election. Mr. English stated that in the response to the RFP this issue was addressed and that both firms were willing to comply to the satisfaction of the Agency which included finding another minority firm to represent them in Leon County. Commission Grippa stated that this would be a clear conflict of interest if the Mayor benefited from a contract with the City.

Commissioner Grippa made a substitute motion to approve staff's recommendation with language for the conflict of interest made stronger and the addition of a second firm of Ruden, McClosky, Smith, Schuster and Russell, P.A. for Bond Counsel.

Commissioner Lightsey asked how adding a second firm would resolve the issue of a conflict of interest if Mr. Marks were elected Mayor. She stated that he did not feel that it would be a good idea to award only one firm in Leon County a contract for \$500M.

Mayor Maddox stated that the IA would be preparing for a potential conflict that they do not know would exist. He further stated that Commissioner Bailey and Commissioner Meisburg were also running for this office and they could possibly win. He stated that a conflict should be dealt with if it should come to pass. He stated that Bond Counsel is not a pool function and that counsel is a professional services agreement. He further stated that not often do two attorneys agree on an issue and that the Agency should chose the best attorney with money not having a bearing.

Mr. English stated that the City has issued billions of dollars in bonds and he has never worked with multiple Bond Counsels and it would cost more money.

Commissioner Winchester stated that he was interested in the equitable distribution of funds.

The substitute motion failed (staff's recommendation with language for the conflict of interest made stronger and the addition of a second firm of Ruden, McClosky, Smith, Schuster and Russell, P.A. for Bond Counsel.)

**ACTION TAKEN: The original motion, made by Commissioner Katz and seconded by Mayor Maddox, carried (Bryant, Miller and Olive, P.A. for Bond Counsel, with the modification that the contract is for 3 years with 2 one-year renewals). Subject to successful negotiations, authorize the Intergovernmental Management Committee to award a 3-year contract, with 2 one-year renewal options.**

**ACTION TAKEN:** It was moved and seconded that staff recommendation for Bond Disclosure Counsel (Holland and Knight) be approved with the modification that the contract is for 3 years with 2 one-year renewal options. The motion passed.

**VI. UNAGENDAED BUSINESS**

NONE

**VII. ADJOURNMENT**

The meeting was adjourned at 4:50 p.m.

**APPROVED:**

**ATTEST:**

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**Commissioner Bailey**  
**Chairman of Blueprint 2000 IA**

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**Secretary to Blueprint 2000 IA**