

**MANATEE COUNTY BOARD OF COUNTY COMMISSIONERS  
WORK SESSION  
COUNTY ADMINISTRATION BUILDING, FIFTH FLOOR, MANATEE ROOM  
1112 Manatee Avenue West  
Bradenton, Florida  
June 18, 2024**

Meeting video link: <https://www.youtube.com/channel/UCUlqjuGhS-qV966RU2Z7AtA>

Present were:

Mike Rahn, Chairman  
Amanda Ballard, First Vice-Chairman  
Ray Turner, Second Vice-Chairman  
Jason Bearden  
George Kruse  
Kevin Van Ostenbridge, entered during the meeting

District 1 seat is vacant

Present were:

Charlie Bishop, County Administrator  
Pamela D'Agostino, County Attorney  
Robin Toth, Deputy Clerk, Clerk of the Circuit Court

 Chairman Rahn called the work session to order at 9:00 a.m.

**INVOCATION**

 The Invocation was led by Reverend Kim Munns Johnson, Longboat Island Chapel.

A moment of silence was observed for Debbie Huddleston, who was injured in an accident.

**PLEDGE OF ALLEGIANCE**


The Pledge of Allegiance was led by retired Navy Commander and Deputy County Administrator Bryan Parnell.


(Enter Commissioner Van Ostenbridge)

**AGENDA AND SIGN-IN SHEET**


Presentation – Recommended CIP FY25-29 (version received 6/14/24)	BC20240618DOC001
Presentation – CIP New Projects FY25-29 (version received 6/14/24)	BC20240618DOC002
Presentation – New Recommended CIP Projects FY25-29 (version received 6/14/24)	BC20240618DOC003
Revised Agenda 1 (with presentation breakdown)	BC20240618DOC004
Revised Agenda 2 (with presentation breakdown)	BC20240618DOC005
	BC20240618DOC006


1. **RECOMMENDED CAPITAL IMPROVEMENT PLAN – FISCAL YEARS 2025-2029 AND FUNDING SOURCES**

 Sheila McLean, Chief Financial Officer, stated the purpose of this work session is to present and review the Recommended Capital Improvement Plan (CIP) – Fiscal Years (FY) 2025-2029 and Funding Sources (version received 6/18/24). The Recommended CIP for FY25-29 is posted on line at [www.mymanatee.org/budget](http://www.mymanatee.org/budget). BC20240618DOC007


 She utilized a slide presentation of the CIP Recommended FY25-29 (version received 6/18/24). Total cost of the CIP FY25-29 is \$2,321,568,098, with an FY25 Investment of \$559,753,229, which only represents an investment in the first year for continued funding of existing projects. Total CIP FY25-29 inclusive of existing and future projects is


\$5,312,406,969. Challenges facing the CIP involve supply chain, funding capacity, logistics/timing with other projects, land acquisition/mitigation, labor shortage and growth. BC20240618DOC008


 The CIP is separated into two categories of Governmental at 49 percent and Enterprise (Utilities) at 51 percent, with three Infrastructure Sales Tax (IST) Categories of Transportation, Public Safety, and Parks. There are seven years left of the IST, and it continues to be strong. There are 287 projects that require additional funding, and 451 projects that do not require additional funding, with 59 new projects; and 106 projects that are in motion and funded by IST.


 She reviewed a CIP FY25-29 District breakdown of CIP investment based on growth, and CIP FY25-29 Total Sources for Governmental (\$1,311,492,975) and Enterprise (\$1,863,229,173), and Total Uses for Governmental (\$2,604,388,830) and Enterprise (\$2,708,018,139), for a Total Sources and Uses of Funds of \$5,312,406,969.


**Governmental**


 The County has a diverse and robust list of Governmental CIP funding sources. The main funding source for Governmental projects is Debt Proceeds, with the second largest source of IST Funds, followed by Impact Fees and General Revenue. Transportation is the largest Governmental area, followed by General Government, Public Safety, Sports and Leisure Services, and Natural Resources, with Libraries, General Government, SWTIFF, and Technology coming in last.


 The County is divided into four areas of Transportation Impact Fees in the order of most Impact Fees collected: Southeast (Lakewood Ranch), Northeast (Parrish/Ellenton area), Northwest, and Southwest, with fiscal year actual projections through FY29 to capture history, actuals and ending fund balances. Staff has identified projects eligible for Impact Fee funding and anticipates further Impact Fee growth over the next two years at which time, projections will then go conservative until Revenue projections fall.


 Although Parks Impact Fee Revenues are not coming in as high as Transportation Impact Fee Revenues, they were 27.7 percent higher in the past two years, with significant increased costs in parks. A conservative 15.7 percent is projected for FY25.


 Rocky Bluff Library is in the CIP and Library Impact Fees will be used. Library Impact Fee Revenues from FY22-23 came in at 26 percent. Staff recommends projected revenues of 17 percent for FY25. Projected revenues for FY27, 28, and 29 are decreased to four percent to examine growth and economic conditions.

 Law Enforcement Impact Fee Revenues of \$27.5 million are projected for FY29. Revenues showed a 67 percent increase for FY24; however, a conservative ten percent is projected for FY25 and four percent for FY27 through 29.


 Public Safety Impact Fee Revenues increased 25 percent for FY24, but a conservative ten percent is projected for FY25. Projected revenues will remain at four percent after FY27, with annual re-adjustments thereafter.

 Manatee County currently levies a 12 cent Gas Tax, but due to legislative initiatives regarding electric vehicles, Gas Tax is not being pledged for debt service payment, but instead, to keep maintenance and rehabilitation funded appropriately.

 Discussion continued on lost Gas Tax revenue due to electric vehicles, County is looking at creative opportunities to gain from electric vehicles, transition in the economy, how many electric vehicles are registered with the Tax Collector's office to equate how much Gas Tax revenue is being lost to forecast what needs to be recovered, this funding source is still five years out, and data will be provided to Board members.

 CIP FY25-29 Features Main Projects for General Government (4 parking garages), Parks (7), Public Safety (2), Law Enforcement (2), Road Improvements (8), Intersections (3) and Sidewalks (5).


**Enterprise**

 Enterprise encompasses Utilities, Stormwater, and Solid Waste. The main funding source for Enterprise projects is Debt Proceed Funds Utilities, with the second largest source of Water and Wastewater Rates, followed by Facility Investment Fees (FIF) Potable Water, Stormwater Rate Funds, and FIF Wastewater and Solid Waste Rate Funds.

Additional funding sources have been found for stormwater project needs. There are project needs on the Enterprise side that are growth related starting in FY 26, 27, and into outer years. Growth in the County needs additional capacity for the system in itself.


Potable Water is the largest area of Enterprise CIP Project Uses, followed by Wastewater, Stormwater, and Solid Waste last. FY24-28 CIP Features Main Projects for Potable Water (5), Solid Waste (2), Wastewater (4), and Stormwater (4).

**Infrastructure Sales Tax**


 Victor Ortizmarfisi, Financial Management Deputy Director, showed slides of FY25 Recommended Infrastructure Sales Tax (IST) Projects, and allocation of FY25 funds for Transportation – Roads, Intersections, Sidewalks and Public Safety – Animal Services and Sheltering. An IST Project and Equipment Total List for FY25-29 shows 224 recommended CIP projects, 106 of which are in motion and 12 are new, for a total recommended list of 235 projects divided between Transportation, Public Safety and Parks.


Staff anticipates less IST revenue for FY29 to maintain a conservative budget. These funds could be used to pay debt service at approximately \$4.4 million annually, for a total ending balance of \$115,788,934 for projects that have not been identified. Total IST revenues over 15 years show remaining balances for Transportation, Public Safety and Law Enforcement, and Parks and Community Facilities.


**Debt Structure**


 A Debt Service Summary shows total outstanding debt of \$864,345,000, with General Government debt at \$486,235,000 (56 percent) and Public Utilities debt at \$378,110,000 (44 percent). The County has a \$5.3 billion CIP with a \$2.1 billion need. Manatee County maintains a strong Triple A bond rating reflecting an historic, solid operating performance. The County has 19 diversified funding sources paying for debt, but there is concern on how much capacity the budget can sustain in future debt and to strategize to maintain a solid future.

In looking at CIP Debt Capacity, Ms. McLean stated this budget has reserved \$15 million of recurring dollars toward a \$50 million annual debt service on the Governmental side. She addressed New Debt for Recommended CIP FY25-29 using existing Bond proceeds in FY25. Manatee County is able to bond an additional \$306 million dollars.


 In looking at Governmental CIP FY25-29 New Debt Funding Plan and \$579 million needed, the County has pledged a total of \$421 million Reserves/Pay Go County money for FY25-29. Of the \$579 million, \$20 million is reserved from the last bond issuance (11/23), bringing the need down to \$559 million. If the additional \$305,800,000 of capacity of funding is bonded, Ms. McLean emphasized the need to strategize by moving some projects to keep FY25-26 solid and re-allocate funding to continue the solid trend into outer years.

 The County can pledge \$726 million of the \$980,959,604 currently in the CIP, keeping in mind the County has already pledged over \$2.1 billion already in motion.


 Looking at a Categories Breakdown Governmental, Ms. McLean stated 50 of the total 738 CIP projects are in need of debt funding. A total of 86 Enterprise projects are in need of debt funding, and Utilities is pledging almost \$350 million of their own dollars to integrate into debt funding. The primary factor of the Enterprise New Debt Funding Plan is timing.

 Ms. McLean addressed CIP Changes All Categories and IST Changes All Categories from FY24-28 Adopted, to FY25-29 Recommended CIP, itemized in the Recommended CIP FY25-29 booklet.

### Reserves

 Ms. McLean stated a Summary of Reserves of \$841,327,230 is waiting to be moved into projects that have already been identified inside Reserve for Capital of \$119,327,230.


### Strategy

 Scott May, County Engineer, showed an EXCEL spreadsheet of FY25-29 Transportation Projects sorted into three tiers of priority to discuss strategic initiatives and what projects could be delayed into an outer year of the CIP, or pushed beyond the five-year CIP. Tier 1 are high-dollar projects that could be deferred with the least amount of impact short-term at \$240 million; Tier 2 of “if necessary” projects at an additional \$107 million; and Tier 3 of projects that would hurt the most if deferred at \$50 million, for a total of \$400+ million. An estimated \$260 million of projects need to be deferred. Project selection is based on funding supporting transportation as a whole and not on individual funding sources in transportation.


BC20240618DOC009


 Both Lorraine Road and Lena Road are in Tiers 1 and 3, as staff determined there is a need now to make the connection, from 44th Avenue up to the north part of Lena Road, and Lorraine Road, from 44th Avenue down to State Road 70. Other segments could be deferred.


 Evan Pilachowski, Deputy County Administrator, stated a strategic plan has been presented to keep critical projects moving forward with a conservative funding approach.


 Discussion ensued that the conservative approach is wise as there are too many repercussions of tapping into Reserves, staff is well qualified to monitor this plan because of the working relationship with FDOT and exposure to constituent concerns, when will all of these projects ever be completed without a solid funding source, 59th Street West and Creekwood roundabout are on this list, this strategic cut is after proposing to bond an additional \$300 million, debt service will be the second largest line item in the budget, this is a massive amount of debt service burden onto future generations without knowing where funds will come from, the projects being cut are new projects after the additional bonding of \$300 million, there are projects not on this list, revenue sources must be discussed, Gas Tax revenues are going to decrease exponentially in the future, bonding ability is being strained, and there will not be a cushion in an emergency, difference between full Impact Fee collection


over the next five years, proposed Impact Fee increase over the next five years is an additional \$585 million dollars which is almost the entirety of what is about to be cut, new funding sources must be found, there is a problem with the revenue stream and the revenue stream is Impact Fees, and sufficient Impact Fees are not being collected.

 Ms. McLean noted additional bond issuance does not reduce the bond rating, and bond rating agencies see the County as solid. FY25-26 has the biggest project list and funding need. After FY26, there will be some maturity of bonding. More current outstanding debt service will decrease in FY29. Timing of revenue streams in FY25 and 27 have to be strategized. Growth in FY25-26 is boosting revenue streams, and staff is being wise in FY25-26.

 Discussion continued on maintaining a solid bond rating, cutting services to pay for debt service, even with growth and revenue stream many projects on the EXCEL project list have been delayed and will continue to be delayed, the list has no new projects, staff strategy is good, this will not be fixed in FY29, do not want any further impact fees credited to any development moving forward including affordable housing, staff projections are based on Impact Fee policy set by the Board, the Board is cutting 12 percent from the proposed CIP budget with 88 percent moving forward, okay to delay 59th Street, appreciate the conservative approach, the County has debt capacity that can be used, current inflation far exceeds 12 percent, a 12 percent CIP budget cut is reasonable, and re-evaluate next year.


 Ms. McLean stated this is not the time to omit anything, but exercise wisdom on moving dollars. She responded if projections are based on a flat increase in value, or ultra conservative and guesstimates, and the number of projects on the EXCEL spreadsheet affected by Impact Fees. A formula is used to set property values. Strategies are being implemented with the assumption the millage remains unchanged.

 Chad Butzow, Public Works Director, stated the project list was not meant to be a full final list, but to be proven within the scope of the CIP there is room to defer projects. Staff's approach is a result of community demand for capacity and to improve deficiencies.


 Further discussion ensued that only a portion of 43rd Street is on the project list, 43rd Street design details, some projects involve geometry improvements, signalized intersections are a priority, use excess funds from Lorraine Road to signalize Bourneside Boulevard, assure a good balance between capacity and improvements, proposed improvements for \$7 million on the list (53rd Avenue, from 26th Street to 43rd Street), pedestrian safety improvements, focus of the operating budget is lighting and crosswalks along stretches, people are bicycling in the wrong direction along the dangerous stretch of 53rd Avenue and 15th Street, low-cost remediation, traffic staff to communicate with law enforcement, the \$7 million project now costs \$30 million, and lack of foresight by predecessors to get projects done.

**RECESS/RECONVENE:** 10:34 a.m. – 10:43 a.m. All Commissioners were present.


**Capital Improvement Plan NEW Projects FY25-29**


 Ms. McLean utilized a slide presentation to showcase CIP NEW Projects for FY25-29. BC20240618DOC10


Libraries

 Charlie Bishop, County Administrator, clarified Lakewood Ranch (LWR) Branch Library Second Floor build-out, for a total investment of \$6,919,000, is not being funded by Library Millage. Board discussion is needed on future direction to make it community space. This project is not a need for FY25-26 and can be pushed out.


Public Safety – Criminal Justice and Public Safety

 Brian Parnell, Deputy County Administrator, stated the Public Safety Downtown EMS Base/Community Paramedicine/Medical Examiner/WIC/CAT Town Parking Renovation is another high-dollar project (\$1,498,000) warranting Board discussion. The goal is to adjust traffic flow to alleviate safety issues with emergency vehicles going through the parking lot.


 Mr. Bishop noted both the LWR Library and the Public Safety Downtown EMS Base Parking Renovation are high-dollar projects that have potential to be deferred.

 Public Safety has a total investment of \$11,474,895.


Sports and Leisure Services – Athletic Fields

 Sports and Leisure Services has a total investment of \$12,285,734.


Natural Resources

 Natural Resources has a total investment of \$10,492,613 (Boat Ramps \$9,345,000, Preserves \$537,000, and Natural Resources \$610,613).


Transportation – Intersections

 Transportation has a total investment of \$9,536,778 for Intersections from FY25 into the future.


Transportation – Road Improvements

 Transportation – Road Improvements have a total investment of \$59,404,232.


Stormwater – Other

 Stormwater has a total investment of \$34,276,775 in new projects.


Enterprise – Potable Water – Rehabilitation and Replacement

 Potable Water has a total investment of \$61,336,000.


Enterprise – Potable Water

 Potable Water Treatment has a total investment of \$13,716,000.


Enterprise – Wastewater Collections

 Wastewater Collections has a total investment of \$3,252,000.


Enterprise – Wastewater Lift Stations

 Wastewater Lift Stations has a total investment of \$28,013,000.

Enterprise – Solid Waste

 Solid Waste has a total investment of \$4,867,000.


2. **FY25 RECOMMENDED BUDGET UTILITIES DEPARTMENT DECISION UNIT REVIEW**


 Patrick Shea, Utilities Director, showed a slide presentation of the 2025 Utilities Budget to highlight FY24 accomplishments.

BC20240618DOC011

Solid Waste




 Landfill lifespan has been extended to 2060, and the 130-foot elevation will not change.  
Wastewater

 Expansion of the Southeast Water Reclamation Facility (SEWRF – second largest plant) was split into two projects to save costs, with construction starting Fall 2024. Design and Construction Manager at Risk (CMAR) teams are being selected for the Southwest Water Reclamation Facility (SWWRF – largest plant), and a pilot project is underway at the Northern Water Reclamation Facility (NWRF – smallest plant) to extend capacity.


Water

 New Reverse Osmosis Water Treatment Plant (WTP) is under design for an innovative, ultrafiltration system.


Administration


 Utilities Administration relocated to make room for the Tunnel to Towers housing project.


Utilities Department – Operating


 The FY25 Recommended Budget is \$197 million, with Solid Waste being the largest recommended budget of \$69.1 million.


An unfunded request is four, full-time employees to create an eighth work crew to be on board in July 2025 to oversee preventative and emergency maintenance at the County’s 752 lift stations. Crews are divided into seven regions with 110 lift stations per region. The eighth crew will be stationed at the NWRF Facility.


 Mr. Shea used a slide presentation, showing a Summary of Budget Changes for the Budget Period FY25, Utilities Recommended Budget. BC20240618DOC012


 He addressed Decision Unit Funding Summary FY25 Working, specifically for Utilities Business Operations and unfunded requests (Program 2304), Solid Waste unfunded requests (Program 2303), Potable Water System (Program 2301) Total Decision Units, Wastewater System (Program 2302) and Unfunded Regional Lift Stations Maintenance Crews.

 Utilities Department FY25-29 CIP has a total of 130 projects. A total of \$1.3 billion in Capital improvements is requested as part of the FY25-29 CIP. The Water Treatment Plant CIP for FY25-29 is \$214.1 million, SWWRF CIP for FY25-29 is \$180.7 million, SEWRF CIP for FY25-29 is \$87.3 million, and NRWRF CIP for FY25-29 is \$255.0 million.


 Total estimated costs for underground infrastructure including replacement of aging infrastructure of Water Distribution is \$273.3 million (42 projects), Sewer Collection is \$146.8 million (25 projects), total estimated costs for Lift Station replacement and rehabilitation is \$76.4 million (15 projects), and total estimated cost for Manatee County Master Rescue System (MCMRS) upgrades and improvements is \$14.8 million (4 projects). Total estimated costs for Transportation – Potable projects is \$41.9 million (11 projects), and Transportation – Wastewater projects is \$14.3 million (7 projects).

 Mr. Shea continued highlighting the largest projects for Drinking Water, Wastewater Treatment, Collections, Lift Stations and Solid Waste. The new landfill site has been moved out of this CIP into future years.


 There was discussion regarding private utility systems coming on line within the next five years and impacts to the Utilities budget, some neighborhoods were developed with private utilities, there has been a desire to turn those systems over to the County for operation, maintenance, and long-term replacement, and automated water meter technology upgrades.


 Mr. Pilachowski stated there are approximately 400 private utility systems that either collect or discharge into the County system. Staff has spoken with those communities to transfer those systems to the County. This would increase maintenance responsibility for the utility crews and justifies the request for the eighth crew to handle increased workload.

Utilities/Fund Summary Review

 Ms. McLean stated the Utilities/Fund Summary Review presentation was integrated into today's work session; therefore, tomorrow's work session is cancelled. She displayed a Fund Summary of Operating Funds, total recommended main sources for FY25 of \$1,656,071,699. The 105 fund sources are in the Fund Summary Book at [www.mymanatee.org/budget](http://www.mymanatee.org/budget).

BC20240618DOC013


 Commissioner Turner commented on the Affordability Housing Subsidy Fund and requested further discussion on GAP funding. Ms. McLean stated Commissioner Turner's request could be discussed at the July 29 Budget Reconciliation meeting.

 As an option, Commissioner Kruse stated the sales proceeds from surplus land sales should go toward an affordable housing dedicated fund.

**PUBLIC COMMENT**

 Patrick Bastien, Twin Rivers resident, stated development in the area of Mulholland Road and Rye Road has caused increased traffic effecting the community. He requested funding be allocated in the FY25 budget to extend Mulholland Road to Rye Road.

There being no further public comment, Chairman Rahn closed public comment.

 Discussion ensued that the citizen's request is reasonable, Commissioner Kruse would be agreeable to adding this project into the FY25 budget, it is approximately one-half mile in length, and the price of this project continues to increase.

 Mr. Bishop stated this project is developer driven and staff will review.

**COMMISSIONER COMMENTS**

There were no Commissioner comments.

 Ms. McLean thanked everyone for attending this meeting.

**ADJOURN**

There being no further business, Chairman Rahn adjourned the work session at 11:39 a.m.

Minutes Approved: July 30, 2024