

**The Better Jacksonville Plan
Financial and Project Administration Committee
Meeting Minutes
January 27, 2006**

FAC:

Helen Khert (proxy for Jim
Dickenson – also PAC)
Dan Edelman
Cindy Stover

CITY:

Cal Ray
Dave Schneider
Alice Jones
Kortney Mosley
Ivy Johnson
Bobby Wicker
Pamela Markham (proxy for
Richard Wallace)

JTA:

John Davis
Jacquie Gibbs
Mike Miller
Thomas Cerino

PAC:

Alan Mosley
Michael Blaylock
Absent
Charles Spencer

Absent

Marcy Cook
Richard Wallace

JEA:

Greg Perrine

I. Welcome and Opening Remarks **Jim Dickenson**

II. Approval of Previous Meeting Minutes **Jim Dickenson**
The previous minutes were approved unanimously.

III. FINANCE ADMINISTRATION COMMITTEE **Jim Dickenson**

A. COJ **Cal Ray**

1. Transportation Program Summary (blue)

Package has been revised to reflect year end September. 30, 2005 see footnote A. Wire transfers booked to wrong sub-fund. Reports from last meeting contained error. Adjustments to interest earnings made in Q2 & Q3 2005. Annual net revenue is running \$10.6 million ahead of model. Sales tax revenue has continued to drop off compared to model (approx. \$600K @ end of Q1). Total estimated time for program completion is still at 2023.

2. Transportation & Infrastructure Summaries (pink)

3. Infrastructure Project Summary (green)

Reciprocal transaction footnote A. Report materials are accurate. Error from last Q has been corrected. Sales tax revenue \$600K out from model. Nothing new to report. Issue of bonds earlier than generated unanticipated interest earnings (expense) not anticipated in 99-2000 model. We are ahead on cap expenditures. Slow down in spend-downs. Project lists have been rearranged & some closure on courthouse project. Haven't gotten updated cash call numbers from public works for courthouse project. Model 05 expected \$86 mil of proceeds, which we didn't take down in bond market because we didn't need them. Beginning bal 05 nearly \$100

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mil. We can advise if we'll issue more bonds once we begin to see revised cash draws & if there'll be acceleration of spend-downs. Last quarter, we anticipated an additional \$22 mil plus bond proceeds coming into program, which has not occurred. We're still sitting on \$100 million cash.

4. Revenue Trends

The 1/2 cent sales tax for transactions is shown by the yellow line which shows experience this quarter. We had a projected temporary up-tick of revenue streams due to Super bowl. (Peaks in Dec for Christmas and Jan due to pre-superbowl anticipation and in line with Q1 expectations).

The second chart shows quarterly distributions. The state collects sales tax revenue and loans it out to local. There is a quarterly audit process, after which there is an additional distribution at the end of each quarter. We don't get the checks in a timely manner, because they close their fiscal year one quarter before we do, so the chart shows a lag, which is due to lack of data in Q3 and Q4 because we couldn't get data from Tallahassee.

Quarterly half cent sales tax chart shows same lag due to missing info. BJP project list- city transportation side shows completions. Public works has reported sidewalk and resurfacing programs 70-80% complete.

Infrastructure indicates library projects and baseball park have been completed within budget. The following pages outline projects still in progress. If current trends hold, we may be able to complete the financial side of the projects ahead of schedule. But major projects have restrictions which will prohibit reallocation of funds to other projects (example, money for arena was allocated from contingency fund and became the project budget. The project was finished \$2 Million under budget, so remaining \$2 million will not be reallocated, but will be spent to retire debt for that project earlier than anticipated).

Note: There are no negative budget variances for any ongoing projects reflected in the project list.

B. JTA

Thomas Cerino

The numbers shown are life-to-date through Nov. 30, 2005. The total funding available for JTA on both BJP I & II highway projects are the same as last quarter, over \$802 million. Total amount expended is now at \$159.6 million. Up 3.1 million from the prior quarter's report. Life to date expended and accrued amount of \$159.6 million represents cost percentage of completion of 20% up slightly from 19.5% from last quarter's report. Funds expended last quarter were \$10.4 million (subtract previous quarter's life-to-date total from the current total of \$133.1 million). Last quarter's spending included \$6.2 million spent on BJP I

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projects and 4.2 spent on BJP II. Curve for construction expenditures rises sharply once work begins, so we anticipate dramatic increases in the both absolute dollars and completion. Schedule for realignment for projects in state partnership program under BJP II was reformatted. \$21 million for payment of the Sib loan was included to balance total dollars allocated to BJP I & II, so there is less actual construction than is indicated. We do not anticipate that current funds available will be sufficient to complete all projects.

- C. Ernst & Young** **Cal Ray / E & Y**
E&Y is early in their audit process and is just beginning data collection. We are awaiting interrogatories from them on a lot of data that they want prior to coming on site. They will be on site in February for further data collection and examination.

- D. General Discussion** **Dan Kleman**
At next meeting, we may have someone from Office of General Counsel speak to help each committee know what they should be focusing on in light of construction overages, etc., in terms of the ordinance the committee was set up under.
Revised plan was proposed but had not been approved by council at last check, so the next reporting package will contain revised model. We are continually updating costs as escalation numbers change due to industry growth. Current model shows 7%, and will be looked at again next year, but is currently being updated as projects manifest. We will consider current trends in developing future models. Be careful that committees are only focusing on areas for which we are fiscally responsible. Another committee member found the additional info. helpful in allowing members to be informed. Information should be presented in layman's terms to allow the committee to be able to discuss it with and explain it to members of the public.

- IV. PROJECT ADMINISTRATION COMMITTEE** **ALAN MOSLEY**
Dave Schneider handed out the proposed road legislation that was to go before the City Council. (Everyone read at his or her own leisure)

A. Project Status Reports

- 1. COJ - Libraries** **Alan Mosley**
The main library has opened, so we have finished all branches and we are punching out the main library.

COJ - Courthouse

Redevelopment study started Nov. 5 2004. Last week Council gave approval to move forward. Overall funding \$263.5 million BJP money is \$211 million with \$60 million in expenditures, so we're moving forward with \$203.5 million. New consultant will be selected next week to look at plan for consolidated courthouse. The original plan was a new facility, but

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there was only enough money to build a new criminal courthouse, which will also include the State Attorney and Public Defender. The new courthouse will be used 60% for criminal work and the other 40% for civil. Current courthouse has 22 rooms, 16 of which are used for criminal and 6-8 used for civil. New courthouse will have 30 courtrooms and 388,000 sq. ft, so overall capacity will be increased. Overall targets will be determined during master planning this summer, when a design building firm will be selected. Remainder of facilities will be redesigned and state attorney moved to federal courthouse. Public defender will also be relocated. Criminal phase will be completed by 2010. Phase II has no completion date, but numbers are being forecasted until 2020. Master plan will extend to 2035. Monroe St. will remain open.

New parking garage between Adams & Forsyth St. will be completed this year and will hold 1,325 cars. Privatized venture but city conveyed land to developer and will share in the revenue. Two new courtrooms will be built in the existing Duval street courthouse. Bids will be taken next week. Some state attorney's offices will be displaced to the City Hall Annex. Some employees working in City Hall Annex have been moved to 10 trailers at the courthouse. Construction at city hall annex will be going on in the 3rd and 4th floor. More space will be freed on the 8th 9th and 12th floors, which will hopefully be used to house the state attorney.

COJ - Road Projects

Dave Schneider

Most significant activity from the previous quarter was that the city council approved 2005.898, which restructured budgets for both city and JTA road projects. Construction is proceeding on nine projects. Preconstruction meetings will be held on two more projects, which were bid and awarded in the previous quarter and will be started soon: 8th Street from Boulevard to Liberty and Spring Park Rd. from to Bowden to University. We also bid and awarded railroad overpasses at 7th street and Franklin street. Preconstruction meetings will be held in February and construction will begin in February.

Three projects will be completed in the upcoming quarter: 8th from Liberty to Haines, Wesconnett Blvd, and 13th St. Projects going out to bid include drainage, Lennox Ave. from Lane to Normandy, Touchton Rd. from Belfort to Southside, & St. Augustine Rd.

COJ - Roadway & Infrastructure Program

The street resurfacing and sidewalks project is continuing and it is projected that the project will be finished in 12 months.

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2. **JEDC – Cecil Commerce Center** **Alan Mosley**
Attachments referencing JEDC & preservation were handed out. It was agreed that the materials were self explanatory.

3. **JEA - Septic Tank Phase Out** **Greg Perrine**
Projects are moving ahead, and the packets included an executive summary to provide more information. Financial data will be given at the next meeting. Projects are at or ahead of schedule with exception of a couple, which will finish a month or so late in 2007-2008. In reference to pipe installation, 3/4 mile of sewer pipe was installed during the last month. Numerically, 53% of the pipe has been installed with only 47% of the money spent. We have 360 sewer hookups available, and another 83 people have been hooked up. Of the people who have sewer available to them, 43% have hooked up.

Piping has been changed to from open cut gravity flow piping to vacuum sewers to keep costs down, and we will get bids on them in the next couple of months. We're close to being on budget. Some slight overruns have been projected, but we will have to wait to see what the bids are before we can accurately project future costs.

4. **JTA** **John Davis**
Five projects have been completed. Two projects are in construction. Ten projects are in design. Argyle Forest Blvd. Phase II Bids will be received Feb. 8th. Beach Blvd. Intracoastal Waterway was just awarded for \$61.9 million. We have received bids for a new project. Costs are still rising, and we are projecting \$7.3 million over estimate. Fourteen projects are in planning.

- B. **EBO/JSEB** **John Chapman**
Last quarter we did not have City of Jax expenditures, but they have been added. We have dropped from 19% to 18%. Professional services has dropped from 18 to 16%. We anticipate the numbers to come back now that design is finished and construction has started. Several EBO program is moving ahead. Summit in February will showcase progress.

Someone asked about categorization of participants, i.e., would an African woman be counted as both an African American and a woman? Only non-minority women are included in the gender category.

Expenditures to subcontractors for the quarter were handed out. Members reviewed the materials individually.

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Breakdown of the vendors who received money for the quarter includes information from everyone but JEA.

A follow-up question was asked about the meeting requested with Charles Spencer at the previous meeting. The meeting took place. The circumstances under which the meeting was requested were recapped and comments were requested to shed light on the results of the meeting. Many minority businesses are not aware of how they can participate in city projects. Changes are being monitored and money is being tracked to develop new programs to increase minority participation.

V. Other Business

VI. Adjourn

Alan Mosley