

BJP Finance and Project Administration Committees
Meeting Minutes
October 31, 2008

FAC:

Jim Dickenson
Alan Mosley
AJ Dunn

Absent:

Janet Owens
*Vacancy

CITY:

Michael Givens
Kirk Sherman
Janice Billy
Dave Schneider
Lesley Davidson
Marcy Cook
Doris Leach

JTA:

John Davis
Thomas Cerino
Ken Middleton
Mike Miller

PAC:

Jacquie Gibbs (for M. Blaylock)
Joey Duncan
John Osborn
Scott Noe

JEA:

Robert Kermitz

I. Welcome and Opening Remarks

Jim Dickenson

II. Approval of Previous Meeting Minutes

Minutes of July 25 meeting approved.

III. FINANCE ADMINISTRATION COMMITTEE

A. COJ

Michael Givens

Variable rate debt spiked late September at eight percent; reset yesterday at the mid-ones, and we're hopeful those perform. We're seeing the variable rates settle, though overall our access to the market has been hard. We need a borrow on BJP1 – hopefully we will get that done. We'd had that scheduled for late this year or early 2009.

We are also seeing a sales tax revenue issue. The performance has diminished over the last 18 months.

Mr. Dickenson raised the question raised about the amount of the BJP1 borrow – Mr. Givens replied that there is \$148 million in capacity, but the decision must be made how much of that is needed, based on market conditions.

B. JTA

Thomas Cerino

The total commitments – expended and accrued - is \$443 million, which is up \$28 million or seven percent from the prior quarter. Total project cost percentage of 57.3 percent, as related to current budget. Expended is \$344.9 million, representing life to date increase of \$25 million, or eight percent from prior quarter. Total encumbered is \$98.9 million, up \$3 million/three percent from prior. Total commitments are up almost \$92 million from a year ago.

Total expenditures for quarter - \$5 million on BJP1, \$20 million BJP2. The BJP1 money was primarily ICW Bridge and McDuff Avenue. The BJP2 funds went to Atlantic/Kernan, Beach/Kernan, and some small amounts to East-West Industrial Corridor.

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C. General Discussion

None.

IV. PROJECT ADMINISTRATION COMMITTEE

JACQUIE GIBBS
(for M. Blaylock)

A. COJ – Key Active Projects

1. Courthouse

Dave Schneider

We are getting ready to break ground soon – the design is about 60percent complete. The goal is to get to 75 percent complete at end of November, then put those designs out to bid. Then we would have a GMP by spring. In the meantime, we'd like to start building the foundations, possibly by the end of the year. We'd need to get a foundations package out in the next several weeks and then break ground around the end of the year. So hopefully by the next time this committee meets we will be in full construction.

The Old Federal Courthouse is also part of the program; it will house the State Attorney's Office. We have Spillis Candela working on that now. We did experience a minimal hitch due to the election of a new State Attorney; we took some time to meet with her to ensure she had some input on what we had designed in terms of layout. But we still have good momentum; will be done with the design sometime spring/summer 2009 and bid through Procurement as a normal hard bid.

Then we have the fifth and sixth floors in the Ed Ball building that will be renovated for the Public Defender. We are about to issue a notice to proceed to Spillis Candela for that design. The renovation will happen sometime between now and 2011.

2. Road Program

Lesley Davidson

Recently succeeded Bob Dyr as program manager. We have completed construction on 49 projects. Two completed since the last meeting: Moncrief and Cahoon Phase 1. Six projects are in line to be done by the end of the year: Kernan 3, Sandalwood Canal, Old St. Augustine/I-295 interchange, Greenland Road, Durkeeville West Drainage, and McGirts Regional Pond. Construction underway on 20 projects.

We also have good momentum on the road program; however, we are evaluating the potential impacts of JEA activities on each of our projects on design.

One project has started since last meeting [Broward Road], two contracts executed [Collins from Shindler to Old Middleburg, and Ft. Caroline], two awarded but not executed [Dean and Touchton], and one out to bid [Ricker].

Mr. Noe stated he was concerned about the six lane configuration of Kernan planned at the Glen Kernan, without a traffic signal. Ms. Davidson said she would need to check with the design consultants about how the traffic would flow from all of the neighborhoods along Kernan.

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Mr. Mosley said that the city would be working with both the JEA and JTA to identify how the economic downturn would impact project schedules and scopes.

B. JEA Septic Tank Phase Out

Robert Kermitz

The final phase of all septic tank phase out work, Oakwood Villas, is now under way, so all of the STPO projects are either finished or under construction. We'd hoped to finish Lake Forest early, but we will now finish on schedule in March 2009. The Scott Mill project is now complete and operational. That project added over 400 additional sewer connections available for customers to hook up. We had town meeting with over 125 residents, and had a lot of good questions. The largest area is Oakwood Villas, which had a number of phases and parts, and all is now under construction. It is a jointly-funded project, with WSEA providing some funding and BJP providing some.

The Scott Mill vacuum station is complete, and Lake Forest and Oakwood Villas stations are heavily under construction and will be completed before the sewers need to be connected. Moving to the schedule page – the last scheduled completion is January 2010.

The metrics continue to improve; we are well over 75 percent having money out the door and work in the ground. Again, we added 400 new hook-ups with Scott Mill, and had 50 new customers in the last quarter. Believe the up-tick in connections is due to the discounts provided during the first year following the project completion.

Mr. Dickenson asked about the current funding deficit noted on the JEA report. Mr. Kermitz said that is a comparison between the estimates and the numbers that are really coming in with bids. There are contingencies built into the jobs, and with the aggressive bids coming in the budgets should be fine. Mr. Kermitz went on to say that the figure represents a combination of the funding sources involved with a project – sewer, drainage, water, etc.

Mr. Dickenson then asked about the make-up of the total cost of \$87.4 million. Mr. Kermitz said \$75 million is BJP, the \$2.4 million is state revolving funds, \$10 million is state grant, and that they don't have the WSEA grant noted. Mr. Dickenson said that as we look to wrap up the BJP STPO projects, we don't anticipate a problem with funding.

Ms. Gibbs asked who the contractors were that are working on the projects. Mr. Kermitz replied that JB Coxwell has Lake Forest, which was design/build, and they have a part of Oakwood Villas; United Brothers has a part of Oakwood Villas, and a new contractor, Mora, got the most recent part of that area.

C. JTA Road Program

John Davis

Twenty- three projects are complete, 12 in construction, five in design/right of way acquisition, and twelve in planning. I'll bring to your attention the Atlantic/Kernan interchange started construction about a month ago, and Heckscher phase two to replace the bridges over Dunn Creek and Trout River. We are finalizing negotiations with the successful design/build team for the I-95/Butler Ramps. In the design/build proposals for

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that project we found some innovative ideas in the competing teams' proposals, so we are working with the successful team to identify some pricing for some of those innovative ideas. We hope to finish that in the next couple of days and begin design.

As has been said before, we are working to reassess our entire program so we can finish the projects we have under construction and in design.

D. EBO/JSEB

Doris Leach

This report is cumulative life to date for the entire BJP program. At the end of the 4th quarter, we have participation standing at around 16 percent for each of the agencies.

V. Other Business

Mr. Dickenson said that JEA has been looking at a lot of their projects and deferring some because of the economic downturn and our ability to get capital. From an encouraging side, we have identified \$1.7 billion worth of work coming over the next three years. We had \$700 million planned for this year, scaling down to \$350 million – the projects we're deferring will eventually have to be built. We're not cancelling work, just postponing it. We don't like to defer, but we have to make our money work. There is a lot going on this community between our three agencies, and will continue to have work in the coming years. The courthouse will be a good thing for the building community, and I think we're all looking forward to that.

Question asked about the new federal infrastructure funding being discussed and the possible local impacts. Mr. Dickenson and Mr. Mosley discussed how that potential public sector work would come into play in the local economy, to help during a time when the private sector is experiencing a downturn. Both expressed a desire to keep moving on infrastructure projects needed in this community.

VI. Adjourn

Jacque Gibbs