

BJP Finance and Project Administration Committees
Meeting Minutes
January 30, 2009

FAC:

Jim Dickenson
Kerri Stewart (for A. Mosley)
Janet Owens

Absent:

AJ Dunn
*Vacancy

CITY:

Judie Garard
Janice Billy
Dave Schneider
Lesley Davidson
Marcy Cook
Doris Leach

JTA:

Thomas Cerino
Ken Middleton
Dee Dee Ellis

PAC:

John Davis (for M. Blaylock)
John Pappas (for J. Duncan)
John Osborn

Absent:

Scott Noe

JEA:

Robert Kermitz

I. Welcome and Opening Remarks

Kerri Stewart

II. Approval of Previous Meeting Minutes

Minutes of October 31 meeting approved.

III. FINANCE ADMINISTRATION COMMITTEE

A. COJ

Judie Garard

Rates at half percent, and have been there about 30 days. Still waiting to get bonds issued; looking like April. Sales tax revenue continues to fall, transportation is down 9 percent from Q3/Q1 '09. Infrastructure is down 10 percent quarter to quarter. Hope to see the decline stop by the end of the second quarter.

Mr. Dickenson asked when the bonds would have to go out before cash became an issue. Ms. Garard replied that right now we are borrowing from the general fund, so we'd hope to bond sooner than later to ease cash flow for city as whole. She added that Treasury is receiving cash flow reports monthly from JTA and Public Works, so the city is planning as best it can.

B. JTA

Thomas Cerino

Numbers are life to date (LTD) through December 31. Total commitments expended and encumbered are at \$538.7 million, up \$97 million or 22 percent from prior quarter. LTD number represents project completion of over 2/3 as percent of current budget.

Amount expended is \$353.1 million, up \$8.25 million or 0.4 percent from prior. Total encumbered LTD is \$185.5 million, up \$89 million or 92 percent from last quarter. A majority of that is attributable to the Atlantic/Kernan project at \$25 million, and the Beach ICW bridge at \$24 million.

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Total commitments up by \$170 million from year ago; at that time the percent complete was 47.6, while now it is 66.9.

Funds expended current period: \$3.6 million of BJP1, all on Beach ICW bridge; \$4.6 million on BJP2, which is mostly Atlantic/Kernan and Beach/Kernan.

Ms. Owens asked how JTA planned to address the \$22 million variance shown on the report. Mr. Cerino deferred to Mr. Davis, who responded that the variance must be an error because no project is \$22 million in the red. JTA committed to recheck the figures.

C. General Discussion

None.

IV. PROJECT ADMINISTRATION COMMITTEE

JOHN DAVIS

(for M. Blaylock)

A. COJ – Key Active Projects

1. Courthouse

Dave Schneider

Expect to receive bids on various scopes of work throughout March. We have 19 packages going out Monday [Feb. 2]; three are already out. These bids will account for 90-95 percent of the total project. Some of the smaller, internal items, such as painting, window coverings, etc., will wait. When we get 22 bids back in March, Turner will add the numbers, establish the scope, determine a GMP [guaranteed maximum price] and decide how to move forward. We hope to break ground around May.

We are also working on design of Old Federal Courthouse for the State Attorneys Office and Ed Ball for Public Defender. All three will come together in late 2011 so they can take occupancy shortly thereafter.

2. Road Program

Lesley Davidson

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

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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 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.

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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

Jacquie Gibbs