



March 30, 2023
Infrastructure Surtax Advisory Committee
Meeting

The regular meeting of the Okaloosa County Infrastructure Surtax Advisory Committee was called to order at 10:00 A.M. in the Okaloosa County Administration Building, 1st Floor Training Room. Members present were: Matthew Turpin, Chairman and District 4 representative; District 1 representative, Larry Ward; District 2 representative, Vice Chair Jeff Fanto; District 3 representative, Hannah Wilburn; District 5 representative, Jim Foreman. Also present were: Craig Coffey, Deputy County Administrator; Jason Autrey, Public Works Director; Faye Douglas, OMB Director; DeRita Mason, Purchasing Manager; J. D. Peacock, Clerk of Court; Brad Emory, Clerk of Court's Chief of Staff; Joshua Allen, Board Services Director; Ms. Carisse LeJeune, Surtax Project Manager; Roy Petrey, Engineering Manager; Steve Blalock, Project Engineer; Glynn Stringer, Surtax Project Coordinator; and Melissa Wilson, Surtax Project Coordinator.

Opening Remarks and Approval of Previous Meeting Minutes

The meeting was opened by Chairman Turpin. Ms. Carisse LeJeune advised the meetings are recorded for the purposes of minutes. Mr. Craig Coffey stated that the meeting had been properly noticed in accordance with section 286.011, Florida Statutes on January 24, 2023.

Approval of Previous Meeting Minutes

Chairman Turpin asked for a motion to approve the previous meeting minutes as written. Mr. Jim Foreman made the motion and it was seconded by Mr. Larry Ward. Approved unanimously 5-0.

Chairman Turpin inquired if there were any public speaking cards or public comments. None were noted.

Mr. Foreman asked for any presentations. Mr. Jason Autrey advised there will be a Southwest Crestview By-Pass presentation later in the meeting.

Public Comments

None.

Presentations

Southwest Crestview By-Pass.

Project Updates

Chairman Turpin opened the floor to Ms. LeJeune for project updates. Ms. LeJeune highlighted the following projects:

- A. March 2023 Surtax Project updates –
 - a. 6th Street Area Stormwater Improvements (ST000001) is now complete. The final payment has been issued and a final audit will be completed once the check has been cashed.
 - b. There are a couple of projects where money may be returned to reserves. These will be brought before the Committee for approval at a future meeting.

- c. Redwood Avenue Sidewalk Addition (ST000005) project is complete. An estimated \$20k may be left over but this is pending final audit.
- d. School Resource Officer Support (ST000017) is almost complete and the final audit will determine if funds are left over.
- e. Lake Lorraine Stormwater (ST000022) final completion date was originally the end of March 2023 and has been moved to a new target construction completion date of April 30, 2023.
- f. Santa Rosa Boulevard (ST000024) is on the agenda for a detailed discussion today.
- g. Old Bethel Road Sidewalk Improvements (ST000027) will be before the Board of County Commissioners on April 4th, 2023 for final change order for the project. Final payment is expected by the end of April 2023.
 - i. Chairman Turpin asked if we were getting additional grants for Old Bethel? Mr. Autrey stated Old Bethel was slated for a state fund matching grant but was not awarded due to cycle timing issues. He further noted that there were enough funds allocated to the project that funds will be returned back into Surtax Reserves. The final change order is a leveling change order. It is a unit price contract and it is not a change to add scope, it is a change due to less unit use. Change order is the only way to adjust contract value. The State is open to 50/50 match grants for future projects.
- h. Ms. LeJeune shared we are on the DOT Fiscal Year 2024 tentative work plan for both Carmel & Beal (ST000010) and John King Road (ST000004) grant match funding. We are anticipating these funds sometime after DOT's FY24 begins, which is July 2023.

B. Surtax Project Reconciliation –

- a. Ms. LeJeune advised the committee the reconciliation sheet has been slightly revised to include Surtax, Grant, and Other (CIP, developer agreements, donations, etc.) columns. These funding sources have been broken out to reflect budget amounts from each source.
 - i. Chairman Turpin inquired what the term “admin” in Column B represents? Ms. LeJeune advised these represent the Surtax project personnel payroll and benefit costs broken out per project. Chairman Turpin recognized these as Project Management expenses. He further noted that no admin costs were to be a part of the Surtax funding. Mr. Autrey agreed and reminded the committee that we allocated costs for project management tasks, such as this meeting, that are an inherent cost to all projects. The Surtax team has been tracking their hours for accounting purposes. He noted that all management of projects will exert costs and staff will discuss this later in the meeting. Chairman Turpin agreed and stated that we would have to hire someone to project manage if we did not utilize our current Surtax project management personnel. Mr. Autrey agreed.
- b. Mr. Foreman asked the status of the Lake Lorraine (ST000022) regional stormwater project. Mr. Autrey stated work has been completed and it is performing as expected with more capacity to store stormwater. The team is currently working through administrative conflicts for positive resolutions.

C. Annualized Funding Projection –

- a. Ms. LeJeune advised the Annualized Funding Projection report is being presented with changes to the document that go beyond an annual snapshot. The report now includes

current allocated funding and current project cost estimates, as discussed at ISAC's January 12, 2023 meeting. She advised the first (1st) column is the original estimated cost from 2019 which is followed by the current estimated cost. Some costs are the same but those that have changed are mainly those under current construction where the construction cost estimates received have notably increased since the 2019 estimates.

- b. Surtax Funding Needed cost estimates remains the same unless additional funds were allocated.
- c. Other funding sources are accurate amounts for active projects.
- d. All costs in yellow highlighting have been allocated by the ISAC committee and approved by the Board of County Commissioners.
- e. Ms. LeJeune asked if there are any questions:
 - i. Mr. Autrey stated that one large capital program in the road division is the 50 and 5 (Dirt to Pave project #ST000021), and the Bone Creek Road Improvement project was a dirt road that we have already put lime rock on and is about to be sealed on top. Although it was identified separately we took care of it in the 50 and 5 approach because we used that project to condense Road Grader Zones. We took out a \$750k project by doing it through the 50 and 5 program, so we saved money and now the \$750k allocated money will go back.
 - 1. Mr. Scott Bitterman added that we are taking a look at the projects with a full engineering analysis to identify targeted areas for improvements.
 - 2. Mr. Autrey stated we are still in the black and will be putting money back in.
 - ii. Mr. Craig Coffey mentioned the sheet reflects a \$4 million budget and it should be a \$22 million total budget for the Communications Services project (ST000018). Mr. Autrey stated part of the reason is because there is a loan and there is a different capture for how loans are noted which are to be paid off within seven (7) years. Ms. LeJeune offered to meet and go over the budget directly with Mr. Coffey. Ms. Faye Douglas requested to be a part of that meeting.

D. Southwest Crestview ByPass (ST000009) –

Ms. LeJeune recognized the efforts of Mr. Ben Brethauer (not present) and Ms. Melissa Wilson on creating the new spreadsheet for tracking the project with direct ties to invoice spreadsheets. She asked if there were any questions:

- a. Mr. Autrey offered on the money side we are in really good shape and we are even better in the field. The overpass bridge is coming out of the ground.
- b. Southwest Crestview ByPass (ST000009) Presentation viewed.
- c. Mr. Autrey advised that some areas are already covered with asphalt since the video was filmed three (3) weeks ago. South of the railroad track is now paved. Three (3) pile caps are now installed for the bridge, and cranes are being prepared to go across the railroad track. The Crestview Commons signal is almost ready to be operational and the Lowes outlet (public road) is functioning. The Commons are ready and should be opening soon. The project is moving at an exceptionally high clip due to labor issues that have been resolved with the wrap up of the Pensacola Bridge work. The project went from one (1) construction crew to three (3) with the Pensacola completion, and the I-10 Interchange is the next contract coming online with the same contractor. It should be noted that this is first new Interchange this district has had in thirty (30) plus years. It is remarkable to see the speed of the project, and we may end up ahead of time on our project, but DOT

will still be a year behind us. PJ Adams is getting closer to completion and they are working through the utility conflicts and other area issues.

d. No additional questions or comments noted.

E. Project Update List-

1. Santa Rosa Boulevard Improvements (ST000024) –
Chairman Turpin opened the discussion on requested funding for design. Ms. LeJeune advised the project is now moving forward. A map was presented showing the parameters of Santa Rosa Boulevard. The project consists of construction of roadway, stormwater improvements, bike lanes, multi-use path, landscaping, and pedestrian crossing improvements. Staff is requesting additional funding to award the design Task Order for 90% construction plans. The amount of the Task Order is \$611,928 and Staff is requesting a \$1M allocation, because at 90% we will have a cost estimate for construction and will need to move forward to the 100% design. We have also built in some contingencies due to complications with easements, driveways, and utilities conflicts.

Chairman Turpin asked if there have been any push backs. Mr. Autrey responded that the Board (BCC) has directed staff to move forward. DOT has released new renderings in the past two weeks (renderings were presented and discussed). On the bridge there are 10-foot-wide pedestrian pathways with breakpoints for stopping. DOT is completing the southwest end of Santa Rosa Boulevard and we will tie in on the other side. Our project begins heading towards the west. DOT will complete all of the underside of Brooks Bridge on both sides of the bridge. The Board (BCC) has directed staff to move forward with clarity on this project. Ms. LeJeune stated that for the Northwest Crestview Bypass we set up a hotline for citizens in order to address their questions and concerns. We plan to do the same on this project. We will also provide a link to the Infrastructure Surtax webpage where the public can read all the information available on the project in anticipation of public interests.

Chairman Turpin inquired if the biggest complaint is still the lane reductions. Mr. Autrey responded yes, but we also hear positive comments from citizens wanting the project. Vice Chair Fanto inquired when the public information will go live. Ms. LeJeune advised the request will go in today for setting up the link and additional phone line. Vice Chair Fanto asked if that can be shared with the committee. Ms. LeJeune advised the information will be provided to the committee in an email once setup. Mr. Autrey added that we are actively communicating daily and concerns are being addressed through multiple avenues of communications. The lane reduction is the biggest concern but there is not an issue with capacity. Emergency response times is the other concern noted but the team is working with our Public Safety and Fire District agencies to ensure all issues are addressed. We have also spoken with the Destin Fire Chief who has the exact situation on Holiday Isle (with more units), for due diligence. He has no issues and it is workable. With the Board's (BCC) directive we are moving forward with the project. Mr. JD Peacock advised for Staff to be prepared for the volume of public comments and concerns to increase once it goes live. He further noted this project removes the need for a second bridge, which has been the public's largest concern in this area. The Santa Rosa Boulevard project aids in eliminating the need for a second bridge. Mr. Autrey added this was one of the first identified Surtax projects from day one and it was not one that was added. Vice

Chair Fanto asked if this goes to the Air Force property line on the west end. Mr. Autrey answered yes, and stated that Eglin is in favor of the project, and there is a roundabout at the end. There will now be a visual difference at the end and a roundabout to dissuade accidents at the gate. Mr. Coffey added in the interest of public safety concerns, we asked the Okaloosa Island Chief about the causes of the accidents requiring response and what their response times are. The response time is phenomenal and the biggest reasons were noted as stormwater, pedestrian conflicts, and drag race accidents which will be potentially reduced with the changes that are slated to be made. Chairman Turpin inquired if the lights have been added and if they are completely functional? Mr. Autrey stated yes, and they are being used. They will be reincorporated with the new design and will be fully functional. This will be a beautiful project when complete and we recognize the concerns but the Board has been clear with us moving forward. Mr. Foreman recommended motion to approve; Ms. Hannah Wilburn seconded. Chairman Turpin if there were any further discussions and called for the vote. Motion approved 5-0.

2. Surtax Project Dashboard –

Ms. LeJeune explained this was requested in the last meeting. Mr. Joshua Allen has been running dashboards for the Clerk's Office and the best example is the TDD which is available to be viewed online at the Clerk of Court's website under Tourist Development reports. Ms. Melissa Wilson created the dashboard document for review. Ms. LeJeune stated that if there are any changes that the committee would like to see, please advise and we can amend the dashboard. Ms. Wilburn added she would still like to see the districts identified. Ms. Wilson added that with the Power BI tool, maps can be added and the tool is highly functional. Vice Chair Fanto offered a special thanks and stated that this hits the mark with clearly identified visuals for what is happening with the Surtax activities. He further inquired if this is a beneficial tool for the team. Ms. LeJeune thanked Vice Chair Fanto and the Committee for the suggestion and responded that it is absolutely of great benefit, and a solid representation of our project details at a glance. Mr. Autrey stated the value is to be able to have quick snapshots by condensing high-level information. Mr. Foreman noted the Surtax team has had a tremendous evolution. Mr. Autrey added that accountability and transparency is our top priority, and that the team wants to do more for the public and demonstrate how we are utilizing the funds. Chairman Turpin inquired about the budgeted revenues and asked if the Committee will still get the report that shows the actuals. Mr. Peacock responded that his team will provide that report. Ms. LeJeune noted Surtax will provide separate reports from the Clerk's Office revenue reports. Mr. Autrey added that the Power BI software is through the Clerk's Office and if there is something that needs to be added, we can coordinate with them. Ms. Wilburn noted the term admin costs may need to be changed to project management on all the documents. Ms. LeJeune added this is a snapshot of the Surtax project management costs and the term can be changed as the Committee prefers. Chairman Turpin entertained a motion to approve with Admin being changed to Project Management on all documentation. Ms. Wilburn so moved; Mr. Ward seconded. Motion approved 5-0.

3. Administrative Cost Tracking –

Chairman Turpin opened discussions with a reminder to the members and attendees it was agreed to replace the term admin costs to project management. Ms. LeJeune

stated the document is a snapshot of the Surtax Project Team's current payroll with regards to how project management costs are captured, in order to charge back to the individual projects. In previous meeting minutes, a question had been raised about project management costs and how they were being captured. The current process inadvertently created budget deficits in projects that have not yet been allocated Surtax funding. The Surtax Project Team, in some cases, can be working on a project before an allocation is approved, which creates an expense to the project without an existing budget. Working with the Finance Department, there is an option to establish a separate project account (ST000000) to charge project management costs. All project management costs can be pre-budgeted during the budget cycle for the upcoming Fiscal Year, which is the same process other County Departments utilize. Project management expenses can then be tracked through an existing financial software system called OMS, and the resulting report will attribute the hours and dollars spent to managing each project, instead of expensing directly to the project budgets. This process is more efficient and tracks project management costs without impacting the overall project budgets. Chairman Turpin asked if project zero would almost be like a holding account and then time will be allocated from the zero account to the projects? Mr. Autrey stated the way the budget is setup, we have operating costs and capital costs. In Surtax we have personnel services and project costs with no capital. With the change, instead of charging project management costs into project, we will factor in salary at beginning of the year while maintaining timesheets for the costs of project management to the projects. Mr. Coffey inquired if gas, trucks, and repairs are charged to the projects. Mr. Autrey confirmed there are no operating expenses charged out of Surtax and they are paid out of Engineering. He further asserted that no Surtax staff member is 100% committed to one project at all times. Mr. Foreman asked if this would require the County Commissioner's approval. Mr. Autrey stated it does not and it will be a budget that will be backed into. Mr. Peacock stated the project management effort is more complex due to the increase of projects and he offered to work closely to ensure it is attributed to the projects. This new method will be simplifying how the team manages these costs for budgeting and the Clerk supports it because it follows all the original ideals of building and managing these projects. Mr. Autrey stated it is a true reflection. Chairman Turpin noted that project management contracts would be higher costs and hence, increase the job costs of the projects if we outsourced. Ms. Faye Douglas added the Clerk's Office is looking at the ERP system to replace the current financial system. Mr. Autrey stated the we have three employees, and staffing was designed to be efficient, which is the reason we do not have an operating budget because Surtax has a sunset. Mr. Peacock added that Surtax was designed as a revenue stream for existing operations of the County, and it wasn't designed to be its own thing. Chairman Turpin entertained a motion to approve, Mr. Ward motioned to approve; Mr. Foreman seconded. Motion approved 5-0.

Office of Management and Budget

Ms. Faye Douglas stated we are in good financial position with revenue of possibly \$23 million expected, which is 5% higher than the same period the year before. The audit was just completed and the general fund/Surtax is looking very good. Ms. DeRita Mason was introduced as the new Okaloosa County Purchasing Manager.

Clerk of Court and Comptroller

Mr. Peacock mentioned we have a great team environment across the County with having an amazing staff that work well together on their tasks and managing their responsibilities. Our external audit has been finalized and was clean. The report the Clerk's Office focuses solely on is only Surtax revenue funds. The Reserve bucket, meaning it hasn't been tasked to a project budget yet, is for Public Safety, Stormwater and Transportation Infrastructure. We do a report that shows the distribution of that and we project over the end of the year that we will have generated a little over \$93 million of Surtax and we will have expended a little over \$32 million; which doesn't mean encumbered or tied to projects. It is just a simple accounting of how much has come in and how much has been spent to present the facts in a real simple way for anyone who would want to know. He added that the County is moving towards a big goal to have a better tool that can present information, and we are looking closely at Power BI as great tool to have. We are now working with partners who are taking it and creating great visuals from the data that we have. The Surtax Team created a partnership with the County to do one of these, even though it is a learning curve, we are getting really good at it very quickly. Mr. Peacock added that he appreciated the partnership. He introduced Mr. Joshua Allen who is liaison for Operational Projects for County projects like Power BI. He also introduced Mr. Brad Emory who is the County Clerk's Chief of Staff beginning this Monday. Mr. Peacock added his goal is to work as a partner with all the entities in the County to bring these tools online, and that he appreciates the members for giving their time to volunteer for this Committee.

Chairman Turpin asked for a quick Communications project update. Mr. Coffey stated that we have acquired all twelve (12) sites, we are progressing on the construction, and now have three (3) towers up with two (2) more footers in ground. The training and system are expected to go live mid-2024 and a presentation will be provided.

Ms. Wilburn extended congratulations to all on the new positions.

Chairman Turpin added that no public comment cards were noted.

Public Comments

None.

Schedule Next Meeting

Mr. Bitterman stated that Highway 2 bids are coming in and April 19th, 2023 will be the bid opening with awards expected on April 30th, 2023.

The next meeting is tentatively scheduled for a County Road Hwy 2 funding discussion at 10:00 am on Tuesday, April 25th, 2023 at the Public Works Department located at 1759 S. Ferdon Blvd, Crestview in the Large Conference Room.

The next regular meeting is scheduled at 10:00 am on Thursday, May 25th, 2023 at the Okaloosa Water & Sewer Bldg. located at 1804 Lewis Turner Blvd, Suite 300 (3rd floor), Fort Walton Beach, FL.

Chairman Turpin extended thanks to Ms. LeJeune and the team.

Adjournment

The meeting adjourned at 11:10 am.

Respectfully Submitted,

Melissa Wilson

Surtax Project Coordinator

Approved by Committee April 25, 2023