

**INFRASTRUCTURE SURTAX
ADVISORY COMMITTEE**

FY 2020 Annual Report



**OKALOOSA COUNTY
INFRASTRUCTURE SURTAX ADVISORY COMMITTEE**

Respectfully Submitted, November 2020:
Kathleen Sharon, Chair
Infrastructure Surtax Advisory Committee

Infrastructure Surtax Advisory Committee – FY 2020 Annual Report

The Okaloosa County Infrastructure Surtax Advisory Committee (ISAC) is comprised of five (5) members, each of whom must be an elector residing in Okaloosa County, Florida. Each member of the Board of County Commissioners shall appoint one member of the Committee. Of the members first appointed by the Board, the District One, District Three and District Five Commission appointees shall serve for an initial two (2) year term which each shall terminate on December 31, 2020; the District Two and Four Commission appointees shall be appointed for initial terms of four (4) years which each shall terminate on December 31, 2022. Thereafter, the Committee members shall be appointed for terms of four (4) years. All members of the Committee shall be eligible for reappointment. (*Resolution 17-192, as amended by Resolution 18-137*)

Each year the Chairman and Vice Chairman of the Committee shall be elected by majority vote of the members, serving for one year commencing on October 1st.

Meeting Date/Time: At least twice per year, or as needed

Meeting Location: Okaloosa County Administration Building

INFRASTRUCTURE SURTAX ADVISORY COMMITTEE MEMBERS, 2020:

Kathleen Sharon (Committee Chair)

Appointed by Commissioner Nathan Boyles (Dist. 3)

Matt Turpin (Vice Chair)

Appointed by Commissioner Trey Goodwin (Dist. 4)

Henry Berry

Appointed by Commissioner Graham Fountain (Dist. 1)

Brig. Gen. (Ret) Robert Buhrow

Appointed by Commissioner Carolyn Ketchel (Dist. 2)

Jim Foreman

Appointed by Commissioner Charles K. Windes (Dist. 5)

The Infrastructure Surtax Advisory Committee (Committee) is pleased to submit to the Okaloosa County Board of County Commissioners the Committee's Annual Report for Fiscal Year 2020.

Highlights and Summary of Action Items
(Excerpts from meeting minutes)

October 17, 2019

- The committee nominated Ms. Sharon for Chair and Mr. Turpin for Vice Chair. Both nominations were unanimously approved.
- The committee heard updates on the Project Reconciliation report, Project Year Budget report and Crestview Bypass Funding Summary, together with the Clerk's financial report. No other items were voted on by the committee.

November 6, 2019

- The committee voted unanimously to recommend Board approval for the Okaloosa County Training Center/Range improvement in an additional amount of \$625,000 to cover the cost from the low bidder to construct the Training Center.
- The committee voted unanimously to recommend Board approval of \$72,000 to fund the purchase of K-9's to replace the current K-9 staff that had become obsolete due to changes in the law.
- The committee voted unanimously to recommend Board approval of an additional \$5,000 to fund a nominal shortfall in the purchase of the Alertus Mass Notification System.
- The committee received an update on the status of the Public Safety Communications System project, the Project Reconciliation report, Project Year Budget report and Crestview Bypass Funding Summary, together with the Clerk's financial report. No other items were voted on by the committee.

December 4, 2019

- After review of the Project Reconciliation report, Project Year Budget report and Crestview Bypass Funding Summary, the committee discussed the draft Annual Report.
- The committee voted unanimously to recommend Board approval of adding the Meigs Drive Stormwater project to the list of surtax projects and funding it in the amount of \$325,000.
- The committee voted unanimously to recommend Board approval of an additional \$470,000 to fund the shortfall in the Commons Drive/Henderson Beach Road improvement.

February 20, 2020

- Commissioner Boyles provided a slide presentation on dirt road improvements for the north end of the County, described as "chip seal" treatment, which has been effectively used to stabilize dirt roads and reduce maintenance cost. After discussion, the committee voted unanimously to recommend Board approval, subject to annual

Infrastructure Surtax Advisory Committee – FY 2020 Annual Report

review of surplus revenue, to allocate up to \$2,000,000 per year for five years for dirt road stabilization.

- The committee voted unanimously to recommend Board approval of \$375,000 to fund sidewalk improvements along Commons Drive to improve pedestrian safety.
- The committee voted unanimously to recommend Board approval of \$300,000 for TRIP Grant match to fund the NW Crestview Bypass PD&E study.
- The committee voted unanimously to recommend Board approval of \$183,594 for future CIGP grant match funding, and for current additional funding for application and administrative costs in the amount of \$15,000 for the Carmel/Beal intersection Improvements project.

May 27, 2020

- The committee heard updates on the Project Reconciliation report, Project Year Budget report, Crestview Bypass Funding Summary and current construction progress, together with the Clerk's financial report.
- The committee voted unanimously to recommend Board approval of \$400,000 to complete funding for the Standish Court to Lafitte Crescent Stormwater Improvements project.

June 25, 2020

- Funding discussion for the Emergency Communications Equipment Loan Request was unanimously tabled by the committee due to the Financial Advisor's inability to attend as a consequence of Covid 19 travel restrictions.
- The Clerk and staff briefed the committee on the current and anticipated impacts of Covid 19 on surtax revenues.

July 22, 2020

- Financial Advisor Mark Galvin of Hilltop Securities conducted a slide presentation (via Zoom) regarding financing options for the 911 Communications Project. The committee tabled action on the financing until the contract is awarded.
- Brad Collins of HDR conducted a slide presentation to update the committee on the progress of the SW Crestview Bypass project.
- Jason Autry presented the need for additional staff to monitor the numerous surtax projects, especially with many moving into the construction phase. The committee voted unanimously to recommend Board approval to add a Surtax Project Coordinator.

Projects Status

(As of 10/1/20)

- ST000001 - 6th Street Area Stormwater – Design for the project is complete, and has been coordinated with utilities. There are several public outreach issues that need to be resolved, such as the need for a temporary construction easement and removal of encroaching structures. Staff is working on those issues.
\$622,000 in surtax funding was allocated, and is largely unspent (aside from administration costs) due to the use of pre-allocated Capital Improvement Project (CIP) funding for design. Some CIP funding remains and is expected to be carried forward into FY 2021 to assist with post-design and Construction Engineering and Inspection (CEI) costs. An additional funding request is forecasted in 2021 for construction, and will be quantified for the committee after bids are received for the project.
- ST000002 - Beachview Drive Stormwater – Design for this project has been substantially slowed by utility issues. Due to the location of sewer and water lines, the stormwater structures and piping will need to be relocated either into the median, which would take out existing trees, or in the street, which will require removal and replacement of paving and require substantial maintenance of traffic. There are also complications related to locating the outfall through a narrow right-of-way and a steel bulkhead.
\$456,000 in surtax funding was allocated, and is largely unspent due to use of pre-allocated CIP funding for design. Those CIP funds are anticipated to be carried forward to FY 2021 to complete the design.
- ST000003 - Commons Drive Signalization – This project is substantially complete, and final completion and closeout is anticipated in early October.
- ST000004 - John King Road Improvements – Design is over 30% complete. Finding available property to accommodate stormwater needs while attempting to minimize right-of-way impacts to existing businesses has proven to be a significant challenge. Staff scaled back the design to minimize both R/W and stormwater impacts, and is working on acquiring a parcel to accommodate the reduced stormwater.
\$550,000 in surtax funding was allocated; there is also \$1,115,000 in FDOT County Incentive Grant Program (CIGP) funding available for construction. An additional funding request is forecasted in FY 2021 for R/W acquisition and construction.
- ST000005 - Redwood Avenue Improvements – Design work for this proposed intersection improvement and sidewalk project is over 60% complete. Changes in the project scope are likely; a private development project for the southeast corner has spurred a right-of-way donation for the intersection improvement. Staff has coordinated with the developer to assure the future design of the intersection is accommodated.
\$350,000 in surtax funding was allocated for sidewalk between John Sims and Valparaiso Blvd. No other funding sources are currently allocated for this project;

Infrastructure Surtax Advisory Committee – FY 2020 Annual Report

however, an additional funding request is forecasted in FY 2021 for intersection improvements.

- ST000006 - Santa Rosa Blvd. Crosswalks – This beach park crosswalks project was completed in FY 2020. \$280,000 in surtax funding was allocated and not entirely expended; \$65,500 is anticipated to be returned to surtax reserves.
- ST000007 - Standish Court Stormwater – The design is complete, easement secured, and a contractor selected. Construction on this project is underway. A total of \$800,000 in surtax funding was allocated; an additional \$420,000 in RESTORE grant funding has been designated for the project construction.
- ST000008 - Sheriff's Office Training Facility - Construction is well underway on this project, with the building structural work completed. A total of \$3,025,000 in surtax funding has been allocated; in addition to building and site construction, that funding includes the costs of civil and architectural design, installation of a lead-trap system throughout the shooting ranges, and purchase of a contiguous 40 acre tract of land.
- ST000009 - Southwest Crestview Bypass – Design for all phases of this multi-phase project is complete, and Phases I-III are under construction. Phase IV is in the process of being included in the Phase I-III contractor's scope, and qualified bids have been received for Phase V and the E-W Connector. Coordination is ongoing with the Florida Department of Transportation (FDOT) for the connection of the County's construction both north and south of the FDOT-constructed I-10 interchange. The acquisition of rights-of-way for the county portions of the project is substantially complete.
\$2,000,000 in surtax funding was initially allocated. A bond refinancing was completed, with surtax revenues committed to cover the debt service payments for the new portion of the refinancing through 2029. That bond refinancing added an additional \$25,000,000 in funding for the project. Other fund sources for the project include TRIP and LAP grant funds, CIP funds, TIF funds, committed funds in the amount of \$8,000,000 from the City of Crestview, and the approved \$64.1M Triumph grant.
- ST000010 - Carmel & Beal Intersection Improvements – A consultant was engaged to assist with a FY 2020 application with FDOT for a grant under the CIGP grant program. That application was not approved for funding by FDOT. A second application was submitted for FY 2021; that process is complete, and awaiting response from FDOT.
A total of \$40,000 in surtax funding has been allocated, with an additional \$871,873 earmarked (but not yet allocated by the Board) for CIGP grant match, if the grant request is accepted.
- ST000011 - Overbrook Area Stormwater Improvements – Preliminary design activities by the consultant for this project are nearly complete, including a basin

Infrastructure Surtax Advisory Committee – FY 2020 Annual Report

delineation, hydrological and hydraulic models, and calibrating seven models with existing rainfall data.

No surtax funding has been allocated to this project; it is currently solely funded by a Florida Department of Environmental Protection (FDEP) grant in the amount of \$250,000 for preliminary design, design and permitting. However the project has been identified as a County approved surtax proceeds project; additional funding is anticipated for the construction of stormwater improvements.

- ST000012 - Lloyd Street Area Stormwater Improvements – The design consultant has completed subsurface utility engineering (SUE) and video pipe inspection, and has identified significant geotechnical and access constraints in the outfall area. A new Task Order is being contemplated to address the outfall area challenges, and incorporating the design of expanded project limits.
No surtax funding has been allocated to this project; it is currently solely funded by CIP funds designated for preliminary design activities. A funding request is forecasted in FY 2021 to complete the design and permitting.
- ST000013 - Millside Roadway Improvements – The design consultant has evaluated right-of-way needs for this dirt-to-pave project. The project is currently on hold until staff can evaluate and address right-of-way acquisition options.
No surtax funding has been allocated to this project; it has been solely funded by CIP funds designated for design. Those funds are substantially expended.
- ST000014 - Highway 2 Bridge & Roadway Improvements – The preliminary engineering consultant (DRMP) completed preliminary design work, including surveying, geotechnical borings, bridge evaluation and project phasing options. Staff solicited a Request for Qualifications (RFQ) for the full design process, and has selected DRMP to complete the full design.
Surtax funding has not yet been allocated for this project; the preliminary design was solely funded by CIP funds. A surtax funding request is scheduled for the first meeting in FY 2021 to fund final design of improvements for the first phase, from SR 189 to (and including) the Yellow River bridge.
- ST000015 - Northwest Crestview Bypass – Planned as the natural extension of the Southwest Crestview Bypass project, an RFQ was posted for this project and an engineering consultant (HDR, Inc.) was selected to begin a Project Development & Environmental (PD&E) study in FY 2021. A TRIP grant approval was confirmed from FDOT, and at its meeting on February 20, 2020, the Infrastructure Surtax Committee recommended approval of a \$300,000 Surtax allocation to round out the existing \$500,000 CIP funding for TRIP grant match and administration expenses anticipated for this preliminary design component of the project. The Board of County Commissioners approved that additional funding at their March 17, 2020 meeting, and preliminary work is underway.
- ST000016 - Fleet Improvements for Improved Response – Created for specialty fleet equipment, a purchase for a prisoner transport van has occurred. Surtax funding was

Infrastructure Surtax Advisory Committee – FY 2020 Annual Report

approved in the amount of \$42,558 specifically for the prisoner transport vehicle. \$43,066 in surtax funds has been spent for that vehicle and administration. This project has been deemed completed, and a small allocation to balance and close the project will be completed in early FY 2021.

- ST000017 - SRO Equipment & Support – Some elements of this item include live stream video, mass notification system, improved communication radios and ballistic protection equipment. Though delayed by the Covid 19 pandemic, this project is still underway.
- ST000018 - Emergency Services Communication Equipment – The Sheriff’s Office has identified a need to improve communications in order to bring the County-wide communications system up-to-date with the latest reach and technological improvements. \$110,000 in surtax funding was allocated to hire a consultant to assist with identification and selection of appropriate technologies; that work is continuing, and the consultant, Mission Critical Partners, is assisting with selection of a company to provide infrastructure and equipment to implement the system.
- ST000019 - Meigs Drive Stormwater Improvements – Meigs Drive is a critical stormwater improvement project to raise the road elevation and improve the Lake Vivian outfall in Shalimar. It was an underfunded CIP project that was resurrected with surtax funding. A motion to recommend the addition of Meigs Drive Stormwater Improvements to the list of surtax projects and provide surtax funding in the amount of \$325,000 was approved unanimously by the Infrastructure Surtax Advisory Committee at their meeting on December 4th, 2019, and approved by the Board of County Commissioners at their regular meeting December 17, 2019.
- ST000020 - Commons Drive Sidewalk Connection – Driven by citizen requests, staff proposed the addition of a Surtax Transportation Safety project connecting unattached segments of sidewalk along the County portion of Commons Drive between the Indian Bayou Trail and Matthew Boulevard roundabout. The proposal to add and fund the project, in the total amount of \$375,000.00, was approved unanimously for recommendation to the Board at the February 20th meeting of the Infrastructure Surtax Advisory Committee. At the Board's regular meeting March 3, 2020, the project was approved unanimously. The design was completed by the end of the fiscal year and is expected to be out for bid in early FY 2021.
- ST000021 - Dirt to Pave Improvements – This new project, the brainchild of a member of the Board, is designed to begin improving the stabilization of dirt roads in the northern part of the county. The proposed option, providing a reasonable blend of affordability and durability, is a combination of lime-rock base followed with a “chip seal” treatment consisting of a layer of emulsion placed on top of the lime rock with a layer of #89 stone (chips) placed on the emulsion and then capped with another binding layer of emulsion to seal the rock. While it doesn't enjoy the life of a full design section and hot mix pavement roadway, it has proven to be more durable than

plain lime-rock or millings. As of the end of the fiscal year, 26 lime rock-stabilized roads are scheduled to receive chip seal treatment.

- ST000022 - Lake Lorraine Stormwater Improvements – This project, from the “needs list” originally approved by the board, has been accelerated and was assigned a surtax project number in late July. While slowed a bit by the Covid 19 response, staff has reviewed the 60% design submittal and scheduled a surtax funding request for the first committee meeting in FY 2021.

Summary and Additional Information

- As of the end of FY 2020, there were twenty (20) projects with active surtax project (ST) numbers. Of those, six are currently under construction. The balance of those projects are in various stages of design. Two additional projects, the Santa Rosa Blvd. Crosswalks and OCSO Fleet Improvements have been deemed complete, and their ST numbers retired.
- As of the end of FY 2020, \$13,723,177 in surtax funds have been allocated across seventeen of the twenty-two active and completed projects (including paid bond funding payment(s) for the Southwest Crestview Bypass debt service). Approximately \$12,303,284 in future funds is encumbered for prospective grant match and future bond funding debt service. An additional \$74,094,035 has been allocated to the projects from various grants (including the \$64.1 million Triumph grant for the Southwest Crestview Bypass), together with \$31,728,119 in other county revenues (such as CIP funds, developer/municipal contributions, bond funds and TIF funds).
- At the first meeting of the committee in FY 2021, staff is recommending the Committee approve the advancement and funding for the Hospital Drive and Lewis Turner Blvd. Intersection Improvement project, together with funding for the Hwy. 2 Road and Bridge Improvements design and Lake Lorraine Stormwater design and construction.
- Staff is currently in the process of selecting and hiring a candidate for the Surtax Project Coordinator position.