



This meeting will be live-streamed via the Town's website

Town of Longboat Key Town Commission

Town Hall, 501 Bay Isles Road

Longboat Key, FL 34228

WWW.LONGBOATKEY.ORG

- AGENDA -
REGULAR MEETING

7:00 PM

July 5, 2016

Pledge of Public Conduct

- We may disagree, but we will be respectful of one another.
- We will direct all comments to issues.
- We will avoid personal attacks.
- Audience members wishing to speak must be recognized by the Chair.
- Speaking without being recognized will be considered as "Out of Order".

Call to Order and Pledge of Allegiance

Public to be Heard

1. Opportunity for Public to Address Town Commission

At each meeting the Town Commission sets aside a time for the public to address issues that are not on the agenda.

Approval of Minutes

2. June 3, 2016 Special Workshop Meeting (Undergrounding); June 6, 2016 Special Meeting (Undergrounding), June 6, 2016 Regular Meeting; June 20, 2016 Special Workshop Meeting (Budget) Minutes

Committee Reports and Communications

3. Manatee County Special Liaison Report
4. Sarasota County Special Liaison Report
5. ManaSota League of Cities Report
6. Other Reports – Consolidated Retirement System Board Update

Ordinances - Second Reading and Public Hearing

7. Ordinance 2016-12, Amending Chapter 158, Zoning Code Relating to Personal Wireless Services

The adoption of Chapter 58, which provides for utility undergrounding, necessitates minor revisions to Chapter 158, Personal Wireless Service Facility regulations, for consistency with new terminology. The Town Commission held first reading and public hearing of Ordinance 2016-12 at their June 6, 2016 Regular Meeting and forwarded the item to the July 5, 2016 Regular Meeting for second reading and public hearing. Recommended Action: Pending second reading, public hearing and discussion, adopt Ordinance 2016-12.

8. Ordinance 2016-19, Annual Update to the Town Comprehensive Plan Capital Improvements Element

The State Legislature requires an annual review and update to the Capital Improvements Element, and that any modifications must be adopted by Ordinance. The Town Commission held first reading and public hearing of Ordinance 2016-19 at their June 6, 2016 Regular Meeting and forwarded the item to the July 5, 2016 Regular Meeting for second reading and public hearing. Recommended Action: Pending second reading, public hearing and discussion, adopt Ordinance 2016-19.

Jack Duncan, Mayor; Terry Gans, Vice-Mayor;
Armando Linde, District 1; Jack Daly, District 4; Ed Zunz, District 5;
Phill Younger, At-Large; Irwin Pastor, At-Large

9. Ordinance 2016-22, Amending Chapter 34, Providing an Election for Refund of Accumulated Contributions or Actuarial Present Value of Frozen Accrued Benefit

Ordinance 2016-22 amends Town Code Section 34, pertaining to pension cash out provisions to provide employees with greater than ten years of service a one-time election to exit the frozen Defined Benefit Pension Plan and take a lump sum cash payment. This Ordinance was considered and forwarded from the June 20, 2016 Special Meeting for second reading and public hearing. Recommended Action: Pending second reading, public hearing, and discussion, adopt Ordinance 2016-22.

New Business

10. U.S. Army Corps of Engineers (USACE) Update

Staff is working with the USACE to determine if the Town is eligible to participate in the USACE Hurricane and Storm Damage Prevention Program. If the Corps' budget request to include the Town in a Federal Feasibility Cost Sharing Agreement is approved, the Town would be required to contribute a 50% match to fund the study. The Manager will update the Commission on participation requirements to participate in the USACE program. This item is placed on the July 5, 2016 Regular Meeting for Commission discussion. Recommended Action: Pending discussion, provide direction to Manager.

11. Mote Scientific Foundation Property, 5630 Gulf of Mexico Drive

The Town was recently contacted concerning a C-1 zoned, 2.44 acre parcel located at 5630 Gulf of Mexico Drive, which is being offered for sale to the Town for use as open space, park, or other appropriate Town use. The parcel is currently owned by a private family foundation established by William R. Mote (not affiliated with Mote Marine). This item is placed on the July 5, 2016 Regular Meeting for Commission consideration. Recommended Action: Pending discussion, provide direction to Manager.

12. Setting of Maximum Millage Rate

In accordance with Florida Statutes the Town must establish a proposed maximum millage rate by July so that it can be included in the Notice of Proposed Property Taxes mailed in August by each County. Although it can be reduced in later budget hearings, these millage rates cannot be increased. Based on Town Commission direction from the June 20, 2016 and June 27, 2016 Special Workshop Meetings the proposed tentative maximum millage rates will be presented for Commission consideration at the July 5, 2016 Regular Meeting. Recommended Action: Set Maximum Millage Rates and forward ordinances to adopt millage rates and budget based on these tentative rates to September 12, 2016 Regular Meeting for first reading and public hearing.

Town Commission Comments

Town Attorney Comments

Town Manager Comments

Press to be Heard

Adjournment

No verbatim record by a certified court reporter is made of these proceedings. Accordingly, any person who may seek to appeal any decision involving the matters noticed herein will be responsible for making a verbatim record of the testimony and evidence at these proceedings upon which any appeal is to be based (see Section 286.0105, Fla. Stat.).

In accordance with the Americans with Disabilities Act and Section 286.26, F.S., persons needing a special accommodation to participate in this proceeding should contact the Town Clerk's office at 941-316-1999 forty-eight (48) hours in advance of this proceeding. If you are hearing impaired, please call 941-373-7022.



July 5, 2016

Agenda Item 1

**No Material
Provided For
This Item**

**MINUTES
LONGBOAT KEY TOWN COMMISSION
SPECIAL WORKSHOP MEETING
June 3, 2016 - 9:00 A.M.**

Present: Mayor Jack Duncan, Vice Mayor Terry Gans, Commrs. Armando Linde, Irwin Pastor, Phill Younger, Ed Zunz

Also Present: Town Manager Dave Bullock, Town Attorney Maggie Mooney-Portale, Town Clerk Trish Granger

Not Present: Commr. Jack Daly

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Duncan called the June 3, 2016, Special Workshop to order at 9:00 a.m., in the Town Hall Commission Chamber, 501 Bay Isles Road, Longboat Key, Florida.

Mayor Duncan noted the Civility Policy and read the Pledge of Public Conduct.

PUBLIC TO BE HEARD

1. Opportunity for Public to Address Town Commission - No items were presented

4. OTHER BUSINESS

A. Town Commission

Mayor Duncan noted Commr. Daly's absence due to medical reasons and thanked and commended Vice Mayor Gans for chairing the meetings held during his recent illness.

B. Town Manager

Mayor Duncan noted that Town Manager Dave Bullock had been recognized by the Florida City and County Management Association (FCCMA) and received the Michael J. Roberto Award for Career Development on June 2, 2016, at the FCCMA Educational Conference and congratulated Town Manager Bullock on the award received.

(Note: The Michael J. Roberto Award for Career Development is presented to a voting FCCMA member who has made a significant contribution to the development of new talent in professional local government management {internships, mentoring, etc.}. This award is a memorial to Mike Roberto, a past president of the FCCMA, and a recognized leader in the development of public management careers.)

RESOLUTIONS

2. Proposed Resolution 2016-06, Providing for an Initial Assessment for Neighborhood Utility Undergrounding Project

Proposed Resolution 2016-06 approves an apportionment methodology for the Neighborhood Utility Undergrounding Project based on Equivalent Benefit Units (EBUs) and describes how the assessment roll will be maintained. It also includes an initial prepayment option for property owners who wish to prepay the assessments prior to issuance of bonds. Proposed Resolution 2016-06 is placed on the June 3, 2016, Special

2. Proposed Resolution 2016-06, Providing for an Initial Assessment for Neighborhood Utility Undergrounding Project - Continued

Workshop Meeting for Commission consideration and discussion. Recommended Action: Pending discussion, forward to June 6, 2016, Special Meeting for formal action.

Town Manager Dave Bullock gave a PowerPoint presentation on Resolution 2016-06. Discussions were held on the following topics/issues:

- replacement of the South end feeder lines
- scope of Florida Power and Light Company's (FPL) hardening project
- impact of FPL's project on undergrounding project.

Town Manager Bullock introduced Attorney Chris Roe, with Bryant, Miller, and Olive, Mr. Danny Brannon, Brannon and Gillespie, LLC, Ms. Tara Hollis, with Willdan Financial Services, and Attorney Duane Draper, with Bryant, Miller, and Olive.

Attorney Roe, Ms. Hollis, and Mr. Brannon continued the PowerPoint presentation on Resolution 2016-06. Discussions were held on the following topics/issues:

- separation of assessments for Gulf of Mexico Drive (GMD) versus Neighborhood project
- intent for elimination of power poles on the island
- cost allocations for GMD and Neighborhood projects
- inability to allocate Neighborhood costs to GMD project
- installation of new conduit for fiber optic lines
- inclusion of contingency (20%) on construction costs and associated project parameters/Project Management to control costs
- procurement process to be utilized on GMD and Neighborhood Projects
- reallocation of cost for the lowering assessment on the boat slips (GMD Project)/utilization of contingency for reduced revenue.

There was majority consensus to forward Resolution 2016-06 to the June 6, 2016, Special Meeting for formal action.

3. Proposed Resolution 2016-08, Neighborhood Utility Undergrounding Master Bond Resolution

On March 15, 2016, the Town's electors voted to authorize the Town's borrowing of up to \$23,850,000 for neighborhood utility undergrounding and street lighting. A Master Bond Resolution is required to move forward with the Neighborhood Undergrounding Project. Proposed Resolution 2016-08 was presented to complete the requirement for the Master Bond Resolution. This item is placed on the June 3, 2016 Special Workshop Meeting for Commission consideration and discussion. Recommended Action: Pending discussion, forward to July 5, 2016 Special Meeting for formal action.

Town Manager Dave Bullock introduced Attorney Duane Draper, with Bryant, Miller, and Olive who gave a PowerPoint presentation on Resolution 2016-08.

Ms. Pat Zunz, Lands End Drive, inquired as to the assessment process.

3. Proposed Resolution 2016-08, Neighborhood Utility Undergrounding Master Bond Resolution - Continued

Attorney Chris Roe, with Bryant, Miller, and Olive, provided an overview of the range for the anticipated assessments and Town Manager Bullock clarified the intent to establish a range on the interest rates for the bonds. Discussions were held on the following topics/issues:

- the basis for utilizing the six percent (6%) interest rate
- option to lower rate
- opportunity to provide additional information to property owners on the interest rate
- ability to pay in full prior to levy of assessment
- statutory requirements for items included in mail out to property owners
- timeframe for formalizing interest rate
- options to reduce bond period.

There was consensus to provide the Commission with additional information relating to interest rates.

Following comments, there was consensus to forward Resolution 2016-08 to the July 5, 2016, Special Meeting for formal action.

TOWN COMMISSION COMMENTS - No items were presented.

TOWN ATTORNEY COMMENTS - No items were presented.

TOWN MANAGER COMMENTS

A. Elections

Town Manager Dave Bullock noted that the notices relating to the payment of the assessment for the Gulf of Mexico Drive Undergrounding Project passed by voter referendum had been mailed, advised that prepayments were being received, and confirmed that the assessment will be scheduled for collection on the November 2016 tax bill. Town Manager Bullock advised that the Neighborhood Undergrounding Project assessments would be included on the November 2017 tax bill.

B. Public Works

Town Manager Dave Bullock provided a status on the truck haul project and noted that the bids for the New Pass and Longboat Pass dredging projects were scheduled for submission on June 9, 2016.

PRESS TO BE HEARD - No items were presented.

ADJOURNMENT

Mayor Duncan adjourned the June 3, 2016, Special Workshop at 10:23 a.m.

Trish Granger, Town Clerk

Jack G. Duncan, Mayor

Minutes Approved: _____

**MINUTES
LONGBOAT KEY TOWN COMMISSION
SPECIAL MEETING
June 6, 2016 - 1:00 P.M.**

Present: Mayor Jack Duncan, Vice Mayor Terry Gans, Commrs. Armando Linde, Irwin Pastor, Phill Younger, Ed Zunz

Also: Town Manager Dave Bullock, Town Attorney Maggie Mooney-Portale,
Present: Town Clerk Trish Granger

Not Present: Commr. Jack Daly

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Duncan called the June 6, 2016, Special Meeting to order at 1:01 p.m., in the Town Hall Commission Chamber, 501 Bay Isles Road, Longboat Key, Florida. Commr. Younger led the Pledge of Allegiance.

Mayor Duncan noted the Civility Policy and read the Pledge of Public Conduct.

Mayor Duncan noted Commr. Daly was recovering from surgery and would not be in attendance for the Special Meeting.

PUBLIC TO BE HEARD

1. Opportunity for Public to Address Town Commission - No items were presented.

RESOLUTIONS

2. Resolution 2016-06, Providing for an Initial Assessment for Neighborhood Utility Undergrounding Project

Resolution 2016-06 approves an apportionment methodology for the Neighborhood Utility Undergrounding Project based on Equivalent Benefit Units (EBUs) and describes how the assessment roll will be maintained. It also includes an initial prepayment option for property owners who wish to prepay the assessments prior to issuance of bonds. Resolution 2016-06 was placed on the June 3, 2016, Special Workshop Meeting for Commission consideration and discussion and forwarded to the June 6, 2016, Special Meeting for formal action. Recommended Action: Pending discussion, pass Resolution 2016-06.

Town Clerk Trish Granger placed Resolution 2016-06 on record by title only.

Commr. Pastor moved to pass Resolution 2016-06. The motion was seconded by Vice Mayor Gans.

Town Manager Dave Bullock gave a PowerPoint presentation on Resolution 2016-06. Attorney Chris Roe, with Bryant, Miller, and Olive, provided an overview of special assessments and the process for Commission adoption. Ms. Tara Hollis, with Willdan Financial Services, provided an overview of the assessment methodology development process. Discussions were held on the following topics/issues:

2. Resolution 2016-06, Providing for an Initial Assessment for Neighborhood Utility Undergrounding Project - Continued

- radial looping costs
- assessment examples (starting on page 26 of the PowerPoint presentation)
- Executive Summary included in the Willdan Report "Underground Utility Assessment Methodology Neighborhood Project."

Mayor Duncan advised that there were no public requests to speak on the item.

Following individual comments, the motion carried by a 4-2 roll call vote, as follows: Pastor, aye; Gans, aye; Duncan, aye; Zunz, no; Linde, aye; Younger, no.

3. Resolution 2016-11, Providing for Emergency Authorization for Town Manager

Hurricane season occurs during a time when many of our residents, including Commissioners, are away. Proposed Resolution 2016-11 provides methods to obtain a quorum or gives the Town Manager authority to expend funds and take emergency action in the event a quorum of the Commission is not available. Resolution 2016-11 was placed on the May 16, 2016, Regular Workshop Meeting Consent Agenda and forwarded to the June 6, 2016, Special Meeting for formal action. Recommended Action: Pending discussion, pass Resolution 2016-11.

Town Clerk Trish Granger placed Resolution 2016-11 on record by title only.

Commr. Younger moved to pass Resolution 2016-11. The motion was seconded by Commr. Linde.

Town Manager Dave Bullock provided an overview on the intent of Resolution 2016-11.

Following comments, Commr. Zunz moved to amend Resolution 2016-11 to provide that the Town Manager act in collaboration with the Mayor or other appropriate individuals. The motion was seconded by Commr. Younger.

Town Manager Bullock advised that additional language could be added as a "Whereas" clause.

Following inquiring, Commr. Younger suggested that the phrase "to whatever extent reasonable and possible" be incorporated, with objection.

Following comments, the motion to amend Resolution 2016-11 carried by a 6-0 roll call vote, as follows: Zunz, aye; Younger, aye; Gans, aye; Duncan, aye; Pastor, aye; Linde, aye.

The motion to pass Resolution 2016-11, as amended, carried by a 6-0 roll call vote, as follows: Younger, aye; Linde, aye; Zunz, aye; Pastor, aye; Duncan, aye; Gans, aye.

Mayor Duncan advised that there were no public requests to speak on the item.

4. Resolution 2016-13, Annual Inlet Management Plan Funding Resolution Joint Project with Manatee County for the Longboat Pass Maintenance Dredging

Consistent with the Town's Joint Inlet Management Plan with Manatee County, an annual funding request will be submitted to Florida Department of Environmental Protection. This Resolution is an application requirement that confirms the funding ability of the Town. Resolution 2016-13 provides for the Town to be jointly eligible along with Manatee County for State funding assistance. Resolution 2016-13 was placed on the May 16, 2016, Regular Workshop Meeting Consent Agenda and forwarded to the June 6, 2016, Special Meeting for formal action. Recommended Action: Pending discussion, pass Resolution 2016-13.

Town Clerk Trish Granger placed Resolution 2016-13 on record by title only.

Commr. Younger moved to pass Resolution 2016-13. The motion was seconded by Vice Mayor Gans.

Town Manager Dave Bullock provided an overview of Resolution 2016-13.

Mayor Duncan advised that there were no public requests to speak.

The motion carried by a 6-0 roll call vote, as follows: Younger, aye; Gans, aye; Duncan, aye; Linde, aye; Zunz, aye; Pastor, aye.

5. Resolution 2016-14, Annual Beach Funding Resolution

The State of Florida Beach Management Funding Assistance Program is a recurring source of funding for the Town's beach erosion/nourishment projects. Each year the Town Commission passes a beach funding resolution in order to remain eligible for State grants. Resolution 2016-14 must accompany applications for beach project funding submitted to the Florida Department of Environmental Protection. Resolution 2016-14 was placed on the May 16, 2016, Regular Workshop Meeting Consent Agenda and forwarded to the June 6, 2016, Special Meeting for formal action. Recommended Action: Pending discussion, pass Resolution 2016-14.

Town Clerk Trish Granger placed Resolution 2016-14 on record by title only.

Commr. Zunz moved to pass Resolution 2016-14. The motion was seconded by Commr. Younger.

Town Manager Dave Bullock provided an overview of Resolution 2016-14.

Mayor Duncan advised that there were no public requests to speak.

The motion carried by a 6-0 roll call vote, as follows: Zunz, aye; Younger, aye; Pastor, aye; Linde, aye; Gans, aye; Duncan, aye.

ORDINANCES - FIRST READING

6. Ordinance 2016-15, Amending Chapter 100, Marine Turtle Protection

Commission and public discussion was held at the March 23, 2016; April 18, 2016; and May 16, 2016, Regular Workshop Meetings, after which the Town Commission directed staff to move forward with proposed amendments to Chapter 100, Marine Turtle Protection. Ordinance 2016-15 is placed on the June 6, 2016, Regular Meeting for first reading and discussion. Recommended Action: Pending first reading and discussion, forward Ordinance 2016-15 to the July 5, 2016, Regular Meeting for second reading and public hearing.

Town Clerk Trish Granger placed Ordinance 2016-15 on record by title only.

Commr. Linde inquired and Police Department Code Enforcement Officer (CEO) Chris Elbon commented on the inclusion of “cumulative lighting” in the Ordinance title.

Vice Mayor Gans moved to pass Ordinance 2016-15 on first reading and to forward to the July 5, 2016, Meeting for second reading and public hearing. The motion was seconded by Commr. Linde.

Town Manager Dave Bullock provided an overview and background on the development of Ordinance 2016-15 and CEO Elbon provided a PowerPoint presentation on amendments to Chapter 100. Discussions were held on the following topics/issues:

- removal of furniture from beach during nesting season
- new construction/development versus existing structures
- subjective enforcement
- provisions in Ordinance for variances.

Commr. Zunz moved to amend Ordinance 2016-15 to modify the language in Section 100.10, adding paragraph B, as follows:

(B) It was an important purpose of amending this chapter to better protect sea turtles and hatchlings from disorientation caused by indirectly or cumulatively illuminated beaches. A wide variety of up to date equipment, procedures, and standards are mandated herein to minimize or entirely eliminate indirectly or cumulatively illuminated beaches. However, it has been found to be impracticable to set, measure, or enforce the precise level of such artificial illumination, if any, at a particular time. Therefore, when all of the technical and objective lighting standards set forth herein are provided by a person or property, in compliance with the requirements of this ordinance, no violation shall be asserted against any such person or property on a claim of excessive indirect or accumulated illumination.

The motion was seconded by Commr. Linde.

Following individual comments, Town Attorney Maggie Mooney-Portale commented on the proposed language, noted concern with the amendment, and opined that it would provide an exception to the regulations.

6. Ordinance 2016-15, Amending Chapter 100, Marine Turtle Protection - Continued

Upon inquiry, Mr. Elbon commented on measures that would be taken to assist a property owner with compliance.

Following comments by Town Manager Bullock and Commr. Zunz, the motion to amend Ordinance 2016-15 failed on a 3-3 roll call vote, as follows: Zunz, aye; Linde, aye; Younger, aye; Gans, no; Duncan, no; Pastor, no.

Following inquiry on the process to amend Ordinance 2016-15 at second reading, the motion to pass Ordinance 2016-15 on first reading and to forward to the July 5, 2016, meeting for second reading and public hearing carried by 5-1 roll call vote, as follows: Gans, aye; Linde, aye; Duncan, aye; Pastor, aye; Younger, no; Zunz, aye.

RECESS: 2:50 p.m. – 2:57 p.m.

7. Ordinance 2016-20, Amending Chapter 150.12, Buildings

At the Town Commission's Regular Workshop on May 16, 2016 the Town Attorney discussed the need to revise the Town's procedures related to abatement of unsafe structures and equipment, as set forth in Town Code, Section 150.21. Ordinance 2016-20 provides for authority, notification procedures, due process and other related regulatory authority. Recommended Action: Pending first reading and discussion, forward Ordinance 2016-20 to the July 5, 2016, Regular Meeting for second reading and public hearing.

Town Clerk Trish Granger placed Ordinance 2016-20 on record by title only.

Commr. Younger moved to pass Ordinance 2016-20 on first reading and to forward to the July 5, 2016, Meeting for second reading and public hearing. The motion was seconded by Commr. Pastor

Planning, Zoning, and Building Department Director Alaina Ray gave a PowerPoint presentation on Ordinance 2016-20. Discussions were held on the following topics/issues:

- emergency demolition definition/process
- location of structures within the Town.

Ms. Ray advised that the timeframe for consideration by the Planning and Zoning (P&Z) Board prior to Commission consideration was restricted and reviewed the proposed amendments with revisions provided by the Town Attorney's office relating to public notice. Town Attorney Maggie Mooney-Portale noted the challenges and success of Sarasota County in defending similar language.

Mayor Duncan advised that he had received no requests to speak from the public.

Commr. Younger moved a substitute motion to pass Ordinance 2016-20 with the language submitted by Staff and the Town Attorney this date on first reading and to forward to the July 5, 2016, Meeting for second reading and public hearing. The motion, seconded by Commr. Zunz, carried by a 6-0 roll call vote, as follows: Younger, aye; Zunz, aye; Pastor, aye; Linde, aye; Gans, aye; Duncan, aye.

8. Ordinance 2016-21, Amending Chapter 39, Town Ethics Code

In 1990 the Town adopted a Code of Ethics (Town Code Chapter 39) which was last amended in 1999. The Florida Code of Ethics for Public Officers and Employees is found in Chapter 112, Part III, Florida Statutes. Many provisions are identical, some unique to the Town or, in some cases, conflict with State law. At the September 28, 2015, Special Meeting the Town Attorney discussed her concerns regarding the variations and conflicts between the State Statute and Town Code. At the May 16, 2016, Regular Workshop Meeting the Town Commission directed the Town Attorney to prepare Ordinance 2016-21 to amend Chapter 39 to provide for the applicability of Florida's State Ethics Code to Town elected and appointed officials, and provide for enforcement of violations through the State of Florida's Commission on Ethics. Recommended Action: Pending first reading and discussion, forward Ordinance 2016-21 to the July 5, 2016, Regular Meeting for second reading and public hearing.

Town Clerk Trish Granger placed Ordinance 2016-21 on record by title only.

Commr. Zunz moved to pass Ordinance 2016-21 on first reading and to forward to the July 5, 2016, Meeting for second reading and public hearing. The motion was seconded by Vice Mayor Gans.

Town Attorney Maggie Mooney-Portale provided an overview on consideration of amendments to Chapter 39 of the Town Code through Ordinance 2016-21.

The motion carried by a 6-0 roll call vote, as follows: Zunz, aye; Gans, aye; Duncan, aye; Younger, aye; Linde, aye; Pastor, aye.

TOWN COMMISSION COMMENTS

A. Organizations

Commr. Zunz noted a letter attributed to him that was published in the Longboat Key News, advised he was not the author, and requested that the newspaper provide a written retraction.

Longboat Key News Owner and Editor Steve Reid noted an error in the publication advising that the letter attributed to Commr. Zunz was submitted by Mr. Charles Resnick.

TOWN ATTORNEY COMMENTS

A. Sunshine Law

Town Attorney Maggie Mooney-Portale reminded Commissioners of restrictions relating to the Sunshine Law and upcoming quasi-judicial meetings that will require disclosures prior to the beginning on issues.

TOWN MANAGER COMMENTS

A. Tropical Storm Update

Town Manager Dave Bullock provided an update on the effects of Tropical Storm Colin and advised that the Governor has declared a State of Emergency which includes both Manatee and Sarasota Counties.

PRESS TO BE HEARD

A. Sunshine Law

Longboat Key News Owner and Editor Steve Reid inquired as to violation of Sunshine Law and Town Attorney Maggie Mooney-Portale reviewed restrictions placed on Commissioners on discussions outside of a public meeting. Discussion ensued on the inability of Commissioners to restrict comments made by a constituents and printed in the newspaper.

ADJOURNMENT

Mayor Duncan adjourned the June 6, 2016, Special Meeting at 3:37 p.m.

Trish Granger, Town Clerk

Jack G. Duncan, Mayor

Minutes Approved: _____

Minutes in draft form and are not official until approved by the Town Commission.

**MINUTES
LONGBOAT KEY TOWN COMMISSION
REGULAR MEETING
June 6, 2016 - 7:00 P.M.**

Present: Mayor Jack Duncan, Vice Mayor Terry Gans, Commrs. Jack Daly (electronic), Armando Linde, Irwin Pastor, Phill Younger, Ed Zunz

Also: Town Manager Dave Bullock, Town Attorney Maggie Mooney-Portale,
Present: Town Clerk Trish Granger

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Duncan called the June 6, 2016, Regular Meeting to order at 7:00 p.m., in the Town Hall Commission Chamber, 501 Bay Isles Road, Longboat Key, Florida. Commr. Younger led the Pledge of Allegiance.

Mayor Duncan noted the Civility Policy and read the Pledge of Public Conduct.

20. Other Business

A. Town Commission

Mayor Duncan noted that Commr. Daly was participating electronically due to recovery from surgery.

Following comments by Town Attorney Maggie Mooney-Portale, Mayor Duncan requested, and there was unanimous consensus to allow electronic participation by Commr. Daly.

PUBLIC TO BE HEARD

1. Opportunity for Public to Address Town Commission

A. Public Works

Ms. Madilyn Spoll, Harbourside Drive, commented on the construction schedule for Bayfront Park Recreation Center.

APPROVAL OF MINUTES

2. May 2, 2016 Special Workshop Meeting (Meet & Greet); May 2, 2016 Regular Meeting; May 16, 2016 Regular Workshop Meeting; and May 18, 2016 Special Workshop Meeting Minutes

There was consensus to approve the minutes as submitted.

COMMITTEE REPORTS AND COMMUNICATIONS

3. Manatee County Special Liaison Report

A. Town Commission

Commr. Zunz noted attendance at the Islands' Mayor's Meeting and reviewed the issues discussed.

Minutes in draft form and are not official until approved by the Town Commission.

4. Sarasota County Special Liaison Report - No items presented.

5. ManaSota League of Cities Report

A. Organizations

Commr. Pastor noted attendance at the ManaSota League of Cities meeting and reviewed the issues discussed.

6. Other Reports: Proclamation - Flood & Hurricane Awareness Month, June 2016

Mayor Duncan read and presented the Flood and Hurricane Awareness Month, June 2016, to Longboat Key Fire Chief Paul Dezzi, Longboat Key Chamber of Commerce President Gail Loefgren, and Longboat Key Public Works Director Juan Florensa.

Mayor Duncan noted appreciation for the Public Works staff for their efforts during the storm event.

CLOSING AND ACTION ON CONSENT AGENDA

7. Cancellation of July Workshop and August Meetings

As provided for in Article II, Section 13 of the Town Charter, the Town Commission may elect to cancel the July and August Regular Workshop Meetings and the August Regular Meeting. This item was forwarded from the May 16, 2016, Regular Workshop Meeting Consent Agenda for formal action. Recommended Action: Approval of the Consent Agenda will confirm the cancellation of the July and August Regular Workshop Meetings and the August Regular Meeting.

8. Consideration of Request for Temporary Closure of Bay Isles Road for July 4, 2016, Freedom Festival

The Longboat Key Chamber of Commerce has requested Commission consideration for temporary closure of Bay Isles Road on July 4th between the hours of 8:30 and 11:30 AM to hold the annual Freedom Festival parade and festivities scheduled to begin at 9:00 AM. Recommended Action: Approval of the Consent Agenda will approve the request for temporary closure of Bay Isles Road for July 4, 2016, Freedom Festival.

9. Bayfront Park Interlocal Agreement Amendment

On December 8, 2015, Sarasota County and the Town entered into an Interlocal Agreement for the maintenance and use of the expanded Bayfront Park, which includes the property owned by Sarasota County. An Amendment to the Interlocal Agreement is placed on the June 6, 2016, Regular Meeting Consent Agenda to formalize the maintenance and use of the restricted vehicle beach access and associated gate for emergency access to the Gulf side of the expanded Bayfront Park. Recommended Action: Approval of the Consent Agenda will authorize Mayor to execute the final version of Amendment upon receipt from Sarasota County.

10. Bayfront Park Joint Project Agreement Addendum

On December 8, 2015, Sarasota County and the Town entered into a Joint Project Agreement for the design, engineering and construction of amenities and improvements to the Expanded Bayfront Park. An addendum to the Joint Project Agreement is placed on the June 6, 2016, Regular Meeting Consent Agenda to formalize the responsibilities regarding engineering and construction of the restricted vehicle beach access and associated gate for emergency access to the Gulf side of the expanded Bayfront Park. Recommended Action: Approval of the Consent Agenda will authorize the Mayor to execute the final version of Addendum upon receipt from Sarasota County.

CLOSING AND ACTION ON CONSENT AGENDA - Continued

There was consensus to approve the Consent Agenda in accordance with Staff's reports and recommendations.

ORDINANCES - FIRST READING AND PUBLIC HEARING

11. Ordinance 2016-12, Amending Chapter 158, Zoning Code Relating to Personal Wireless Services

At their April 19, 2016, Regular Meeting the Planning & Zoning (P&Z) Board recommended approval of proposed Ordinance 2016-12 and forwarded it for Commission consideration at the May 16, 2016, Town Commission Regular Workshop Meeting. Ordinance 2016-12 was forwarded to the June 6, 2016, Regular Meeting for first reading and public hearing. Recommended Action: Pending first reading, public hearing, and discussion, forward Ordinance 2016-12 to the July 5, 2016, Regular Meeting for second reading and public hearing.

Town Clerk Trish Granger place Ordinance 2016-12 on record for first reading and public hearing by title only.

Commr. Pastor moved to pass Ordinance 2016-12 and to forward to the July 5, 2016, Regular Meeting for second reading and public hearing. The motion was seconded by Vice Mayor Gans.

Mayor Duncan opened the public hearing.

Planning, Zoning, and Building Department Director Alaina Ray gave a PowerPoint presentation on Ordinance 2016-12.

As no one wished to be heard, Mayor Duncan closed the public hearing.

The motion carried by a 7-0 roll call vote, as follows: Pastor, aye; Gans, aye; Duncan, aye; Zunz, aye; Linde, aye; Younger, aye; Daly, aye.

12. Ordinance 2016-19, Annual Update to the Town Comprehensive Plan Capital Improvements Element

Ordinance 2016-19 was forwarded from the May 17, 2016, Planning & Zoning (P&Z) Board Regular Meeting with a recommendation for Commission approval. The Ordinance provides an update to the Town's five-year Capital Improvement Element which is required by Florida Statute, and must be adopted by ordinance, although State Department of Economic Opportunity review and comment is no longer required. Ordinance 2016-19 was forwarded to the June 6, 2016, Regular Meeting for first reading and public hearing. Recommended Action: Pending first reading, public hearing and discussion, forward Ordinance 2016-19 to the July 5, 2016, Regular Meeting for second reading and public hearing.

Town Clerk Trish Granger place Ordinance 2016-19 on record for first reading and public hearing by title only.

12. Ordinance 2016-19, Annual Update to the Town Comprehensive Plan Capital Improvements Element - Continued

Commr. Pastor moved to pass Ordinance 2016-19 and to forward the Ordinance to the July 5, 2016, Regular Meeting for second reading and public hearing. The motion was seconded by Vice Mayor Gans.

Mayor Duncan opened the public hearing.

Planning, Zoning, and Building Department Director Alaina Ray gave a PowerPoint presentation on Ordinance 2016-19. Upon inquiry, discussion ensued on the placement of the improvements to Gulf of Mexico Drive in the year 2020.

As no one wished to be heard, Mayor Duncan closed the public hearing.

The motion carried by a 7-0 roll call vote, as follows: Pastor, aye; Gans, aye; Daly, aye; Younger, aye; Zunz, aye; Linde, aye; Duncan, aye.

ORDINANCES - SECOND READING AND PUBLIC HEARING

13. Ordinance 2016-16, Amending the FY 2015-2016 Adopted Budget and Establishing a Neighborhood Undergrounding Utilities Capital Project Fund and Budget

On March 15, 2016, the Town's electors voted to authorize the Town's borrowing of up to \$23,850,000 for the undergrounding of utilities and street lighting in neighborhoods and side streets. Ordinance 2016-16 establishes a new capital fund and budget to account for all revenue sources and expenditures associated with this new capital project. Ordinance 2016-16 was forwarded to the June 6, 2016, Regular Meeting following first reading and public hearing at the May 2, 2016, Regular Meeting. Recommended Action: Pending second reading, public hearing and discussion, adopt Ordinance 2016-16.

Town Clerk Trish Granger placed Ordinance 2016-16 on record for second reading and public hearing by title only.

Commr. Linde moved to adopt Ordinance 2016-16. The motion was seconded by Commr. Pastor.

Mayor Duncan opened the public hearing.

Town Manager Dave Bullock reviewed Ordinance 2016-16 and responded to inquiry regarding the process for budget amendments.

As no one wished to be heard, Mayor Duncan closed the public hearing.

The motion carried by a 5-2 roll call vote, as follows: Linde, aye; Pastor, aye; Younger, no; Duncan, aye; Daly, aye; Gans, aye; Zunz, no.

14. Ordinance 2016-17, Providing for Referendum for Certain Properties Located Along Gulf of Mexico Drive (Whitney Plaza)

Mr. Ryan Snyder, Esq., representative for Whitney Plaza, LLC., submitted a request for a referendum to be placed before the electors of the Town of Longboat Key to allow the Town to consider conversion of the property commonly known as Whitney Plaza to Residential Use with a maximum density not to exceed six (6) units per acre. Mr. Snyder requests that the Commission place the item before the electors and waive the requirement for signatures as provided for in the Town Charter. Ordinance 2016-17 was forwarded from the May 2, 2016 Regular Meeting following first reading and discussion. Recommended Action: Pending second reading, public hearing and discussion, adopt Ordinance 2016-17.

Town Clerk Trish Granger placed Ordinance 2016-17 on record for second reading and public hearing by title only.

Commr. Younger moved to adopt Ordinance 2016-17. The motion was seconded by Commr. Pastor.

Mayor Duncan opened the public hearing.

Planning, Zoning, and Building Department Director Alaina Ray gave a PowerPoint presentation on Ordinance 2016-17.

Mr. Larry Grossman, St. Judes Drive North, commented on Ordinance 2016-17.

Discussion ensued on the current Charter provisions relating to referendums.

As no others wished to be heard, Mayor Duncan closed the public hearing.

The motion carried by a 7-0 roll call vote, as follows: Younger, aye; Pastor, aye; Zunz, aye; Linde, aye; Daly, aye; Duncan, aye; Gans, aye.

15. Ordinance 2016-18, Providing for Referendum for Property Located at 4134 Gulf of Mexico Drive (Harbour Square)

Mr. Charles H. Ball, Esq., representing Mr. Oscar R. Parsons, Trustee and Owner of Harbour Square Office Complex located at 4134 Gulf of Mexico Drive, has submitted a request for a referendum to allow the Town to consider conversion of property to allow residential density not to exceed 3 units per acre. Mr. Ball requests that the Commission place the item before the electors and waive the requirement for signatures as provided for in the Town Charter. Ordinance 2016-18 was forwarded from the May 2, 2016 Regular Meeting following first reading and discussion Recommended Action: Pending second reading, public hearing, and discussion, adopt Ordinance 2016-18.

Town Clerk Trish Granger placed Ordinance 2016-18 on record for second reading and public hearing by title only.

Commr. Younger moved to adopt Ordinance 2016-17. The motion was seconded by Commr. Zunz.

15. Ordinance 2016-18, Providing for Referendum for Property Located at 4134 Gulf of Mexico Drive (Harbour Square) - Continued
Mayor Duncan opened the public hearing.

Planning, Zoning, and Building Department Director Alaina Ray gave a PowerPoint presentation on Ordinance 2016-18.

Attorney Bob Turffs, representing the property owner, commented on the request.

As no others wished to be heard, Mayor Duncan closed the public hearing.

The motion carried by a 7-0 roll call vote, as follows: Younger, aye; Zunz, aye; Duncan, aye; Linde, aye; Gans, aye; Daly, aye; Pastor, aye.

RESOLUTIONS AND PUBLIC HEARING

16. Quasi-judicial - Resolution 2016-12, Request from the Colony Beach and Tennis Club Association, Inc. for Extension of Time to Comply with Regulations Governing Nonconforming Uses and Structures

On May 2, 2016, the Town received a request from Mr. Donald E. Hemke, legal counsel for The Colony Beach and Tennis Club Association ("Association"), for an extension of the nonconforming density for The Colony. The current extension of the nonconforming density, granted by Resolution 2014-14, expires on August 15, 2016. Recommended Action: Pending public hearing and discussion, pass Resolution 2016-12.

Mayor Duncan noted procedures for a quasi-judicial hearing.

Town Clerk Trish Granger administered the Oath of Office to those individuals providing testimony.

Town Attorney Mooney-Portale commented on ex-parte communications, requesting disclosure, with none stated.

Town Clerk Granger placed Resolution 2016-12 on record by title only.

Mayor Duncan opened the public hearing

Planning, Zoning, and Building Department Director Alaina Ray, duly sworn, noted receipt of correspondence from Mr. David Siegal and proposals relating to demolition. Ms. Ray gave a PowerPoint presentation on Resolution 2016-12. Discussions were held on the following topics/issues:

- intent (or lack of) to apply for additional tourism units
- lack of workshop/discussion of issues prior to the public hearing
- intent of Staff to proceed with demolition, if necessary
- timeframe on receipt of request for extension (May 2, 2016)
- procedures for quasi-judicial hearings/options to continue the public hearing
- expiration of current extension in August 2016
- options to provide temporary extension

16. Quasi-judicial - Resolution 2016-12, Request from the Colony Beach and Tennis Club Association, Inc. for Extension of Time to Comply with Regulations Governing Nonconforming Uses and Structures- Continued

- inability to consider request outside of a quasi-judicial hearing
- proposed development above existing allowable units
- ability to consider a shorter term extension
- legislative (town-wide) versus property specific
- current development and number of units being constructed.

Town Attorney Mooney-Portale requested that the applicant be provided the opportunity to make their presentation on the request.

RECESS: 8:39 p.m. - 8:52 p.m.

Following comments, Attorney Don Hemke, duly sworn, representing The Colony Beach and Tennis Club Association, commented on the timing of the extension request and advised that Attorney Jeffrey Warren and Mr. Chuck Whittall would be speaking on the request.

Mr. Whittall, duly sworn, with Unicorp National Developments, Inc., noted his intent to proceed with agreements on the property and advised that he would guarantee demolition of the commercial buildings no later than 120 days. Discussions were held on the following topics/issues:

- intent to proceed with the demolition
- impact on the development plan if a future referendum is unsuccessful
- lawsuit by two owners requiring rebuilding of units
- intent to seek residential units in lieu of additional tourism units
- intended number of units for the development (360 to 417 units)
- request to retain current entitlement
- offer to incorporate demolition within document
- lack of current property ownership standing of Mr. Whittall
- timeframe for issuance of a demolition permit.

Attorney Jeff Warren, duly sworn, representing the Colony Association, addressed comments made by Mr. Whittall and additional requirements involved with a demolition permit. Discussions were held on the following topics/issues:

- status of negotiations/bankruptcy proceedings/appeal process
- previous rulings in court cases
- impediments to resolve outstanding legal issues
- previous offerings from the Colony factions unfulfilled
- timeframe for development agreement completion.

Attorney Hemke commented on the application for an extension, the estimates received for demolition of commercial buildings, current bond amount and extension provisions, and the intent to proceed with demolition. Discussions were held on the option to provide a shorter extension than requested.

16. Quasi-judicial - Resolution 2016-12, Request from the Colony Beach and Tennis Club Association, Inc. for Extension of Time to Comply with Regulations Governing Nonconforming Uses and Structures- Continued

Following comments by Town Attorney Mooney-Portale, Mr. Randy Langley, duly sworn, advised that he was in support of the discussions this date proffered by Mr. Whittall, commented on the timeframe estimated for development, and noted agreement with the demolition quotes referenced this date.

Mr. Larry Grossman, duly sworn, St. Judes Drive N., commented on Resolution 2016-12.

Mr. Whittall and Attorney Hemke offered rebuttal comments and supported approval of the request.

Town Attorney Mooney-Portale reviewed portions of Section 158.138 of the Town Code.

Mayor Duncan closed the public hearing.

Subsequent to individual comments, Commr. Younger moved to grant an extension to December 31, 2016 (Section 3 of Resolution 2016-12). The motion was seconded by Commr. Pastor. Vice Mayor Gans suggested January 9, 2017, accepted by Younger and Pastor.

Commr. Daly inquired, and Town Attorney Mooney-Portale advised that the demolition proffered could be included in the recital section.

Town Attorney Mooney-Portale inquired as to the intent to proceed through the Resolution section by section.

Subsequent to discussion on inclusion of conditions relating to demolition, Mayor Duncan reopened the public hearing.

Mr. Whittall noted his willingness to commit to the demolition with a six-month extension and commented on the length of time required to develop the property.

Discussion ensued on the timeframe for additional extensions and bonding requirements. Subsequent to comments by Town Attorney Mooney-Portale,

The motion carried by 7-0 roll call vote, as follows: Younger, aye; Pastor, aye; Zunz, aye; Daly, aye; Linde, aye; Gans, aye; Duncan, aye.

Subsequent to discussion on the proposed bond amount, Commr. Younger moved to set the total bond amount at \$1,500,000.00. The motion was seconded by Commr. Linde.

Discussion ensued on the following topics/issues:

- type of bond to be required (cash versus surety)
- existing bond amount

16. Quasi-judicial - Resolution 2016-12, Request from the Colony Beach and Tennis Club Association, Inc. for Extension of Time to Comply with Regulations Governing Nonconforming Uses and Structures- Continued

- date of previous extension
- intent of the previous bond versus proposed bond
- basis for amount stated for bonds (cost of demolition)
- intent to protect Town's interests.

Following comments by Town Manager Dave Bullock, discussion ensued on previous bond amounts required for the property.

The motion carried by a 6-1 roll call vote, as follows: Younger, aye; Linde, aye; Daly, no; Zunz, aye; Pastor, aye; Duncan, aye; Gans, aye.

Discussion ensued on the breakdown of the allocation of the bond amount.

Commr. Zunz moved to split the bond amount at \$1,000,000.00 for the buildings and \$500,000.00 for the remaining property. The motion was seconded by Commr. Younger.

Subsequent to comments by Town Attorney Mooney-Portale, Commr. Zunz indicated his motion reflects the level of risk based on property ownership.

Town Manager Bullock inquired, and there was consensus to allow a reduction in the bond amount if buildings are demolished.

The motion, as amended to allow reductions upon demolition, carried by a 6-1 roll call vote, as follows: Zunz, aye; Younger, aye; Linde, aye; Pastor, aye; Gans, aye; Duncan, aye; Daly, no.

Town Attorney Mooney-Portale commented on establishment of a submission date and Commr. Younger moved to require submission of the cash/surety bond no later than August 15, 2016. The motion, seconded by Vice Mayor Gans, carried by a 7-0 roll call vote, as follows: Younger, aye; Gans, aye; Duncan, aye; Pastor, aye; Zunz, aye; Daly, aye; Linde, aye.

Following discussion on providing an extension for submission of the bond, Commr. Linde moved to grant an extension of 30 days if the bond cannot be obtained prior to August 15, 2016. The motion, seconded by Vice Mayor Gans, carried by a 6-1 roll call vote, as follows: Linde, aye; Gans, aye; Younger, aye; Daly, aye; Zunz, no; Pastor, aye; Duncan, aye.

Town Attorney Mooney-Portale advised that a percentage is required for extension on submission of the bond.

Subsequent to discussion, Commr. Zunz moved to require submission of at least 100% of the surety or cash bond to the Town no later than 30 days after August 15, 2016. The motion, seconded by Commr. Younger, carried by a 6-1 roll call vote, as follows: Zunz, aye; Younger, aye; Duncan, aye; Linde, aye; Pastor, aye; Daly, aye; Gans, no.

16. Quasi-judicial - Resolution 2016-12, Request from the Colony Beach and Tennis Club Association, Inc. for Extension of Time to Comply with Regulations Governing Nonconforming Uses and Structures- Continued

Commr. Younger moved to pass Resolution 2016-12, as amended. The motion, seconded by Commr. Zunz, carried by a 6-1 roll call vote, as follows: Younger, aye; Zunz, aye; Daly, aye; Pastor, aye; Linde, aye; Gans, no; Duncan, aye.

RECESS: 11:17 p.m. - 11:26 p.m.

RESOLUTIONS

17. Resolution 2016-15, Waiver of Procurement Provisions - Supplemental Truck Haul for South End Beaches

The Town Code Section 38.03 states “The Town Commission may waive any provision of this chapter by resolution.” Resolution 2016-15 provides for waiver of procurement provisions to expedite the planned nourishment of the critically eroded South end beaches. The project would utilize the current truck haul contractor, current sand source, current pricing, and minimize the time required to go through a lengthy procurement process therefore ensuring the project is completed in coordination with the New Pass dredging and beach nourishment project. Recommended Action: Pending discussion, pass Resolution 2016-15.

Town Clerk Trish Granger placed Resolution 2016-15 on record by title only.

Commr. Pastor moved to pass Resolution 2016-15. The motion was seconded by Vice Mayor Gans.

Town Manager Dave Bullock presented an overview of Resolution 2016-15. Discussions were held on the following topics/issues:

- level of confidence that swash channel will be resolved when channel is dredged
- need for long term approach/solution to address sand loss
- timing on dredging bid
- access to beach area requiring renourishment/temporary removal of structures
- permit requirements to extend groin structures
- options to cost share renourishment projects with Counties/State/Federal monies.

Following comments, the motion carried by a 7-0 roll call vote, as follows: Pastor, aye; Gans, aye; Duncan, aye; Zunz, aye; Daly, aye; Linde, aye; Younger, aye.

18. Resolution SDA 2016-01, Amending and Restating Resolution SDA 2011-12, Authorizing the Issuance of a General Obligation Bond in an Amount Not to Exceed \$10,800,000 for Beach Erosion Control (The Town Commission convene and take formal action as the governing board of District A.)

On March 15, 2011 the Town’s electorate approved two referenda authorizing District A to issue General Obligation bonds in an amount not-to-exceed \$16,000,000 for beach erosion control projects. Resolution SDA 2016-01, accepts the bid proposed from Capital One Public Funding on a borrowing not to exceed \$10,800,000 for the purposes of financing the beach renourishment project, and incorporates the terms and conditions of their proposal. Recommended Action: Pending discussion, pass Resolution SDA 2016-01, and authorize execution of documents.

18. Resolution SDA 2016-01, Amending and Restating Resolution SDA 2011-12, Authorizing the Issuance of a General Obligation Bond in an Amount Not to Exceed \$10,800,000 for Beach Erosion Control (The Town Commission convene and take formal action as the governing board of District A.) - Continued

Mayor Duncan recessed the Town Commission and convened as the Beach Erosion Control District A.

Town Clerk Trish Granger placed Resolution SDA 2016-01 on record by title only.

Commr. Younger moved to pass Resolution SDA 2016-01. The motion was seconded by Commr. Pastor.

Town Manager Dave Bullock and Attorney Duane Draper presented an overview of SDA 2016-01 and advised that a Certificate of No Conflict will need to be executed by all members of the Commission.

The motion carried by a 7-0 roll call vote, as follows: Younger, aye; Pastor, aye; Daly, aye; Zunz, aye; Linde, aye; Gans, aye; Duncan, aye.

Mayor Duncan adjourned as the Beach Erosion Control District A and reconvened as the Town Commission.

NEW BUSINESS

19. Ratification of Contract Between the Town of Longboat Key and International Association of Firefighters (IAFF) Local 2546 and Related Pension Issues

The proposed Contract was been ratified by the Union on Friday, May 27, 2016. The Town Commission will consider ratification of the proposed Contract between the Town and the IAFF Local 2546 at the June 6, 2016 Regular Meeting. Recommended Action: Pending discussion, provide direction to Manager.

Town Manager Dave Bullock presented an overview of the contract with the IAFF.

Following individual Commissioner comments, Commr. Pastor moved to accept proposal. The motion, seconded by Commr. Zunz, carried by 4-3 roll call vote as follows: Pastor, aye; Zunz, aye; Daly, aye; Linde, no; Younger, aye; Gans, aye; Duncan, no.

TOWN COMMISSION COMMENTS

A. Town Commission

Vice Mayor Gans thanked Commr. Daly for participating while recovering from surgery and all Commissioners for their dedication to the Town. Individual comments followed.

TOWN ATTORNEY COMMENTS - No items were presented.

TOWN MANAGER COMMENTS - No items were presented.

PRESS TO BE HEARD - No items were presented.

ADJOURNMENT

Mayor Duncan adjourned the June 6, 2016, Regular Meeting at 12:42 a.m.

Trish Granger, Town Clerk

Jack G. Duncan, Mayor

Minutes Approved: _____

Minutes in draft form and are not official until approved by the Town Commission.

MINUTES
LONGBOAT KEY TOWN COMMISSION
SPECIAL WORKSHOP MEETING
June 20, 2016 - 9:00 A.M.

Present: Mayor Jack Duncan, Vice Mayor Terry Gans, Commrs. Jack Daly, Armando Linde, Irwin Pastor, Phill Younger, Ed Zunz

Also: Town Manager Dave Bullock, Town Attorney Maggie Mooney-Portale,
Present: Town Clerk Trish Granger

CALL TO ORDER

Mayor Duncan called the June 6, 2016, Special Workshop to order at 9:00 a.m., in the Town Hall Commission Chamber, 501 Bay Isles Road, Longboat Key, Florida.

Mayor Duncan noted the Civility Policy and read the Pledge of Public Conduct.

PUBLIC TO BE HEARD

1. Opportunity for Public to Address Town Commission - No items were presented.

2. Discussion of Fiscal Year 2016-2017 Budget

The Town Manager will provide an update on the current year Budget and a review of the Fiscal Year (FY) 2015-2016 Budget currently under development. Recommended Action: Pending discussion, provide direction to Manager

Following comments, Town Manager Dave Bullock provided a PowerPoint presentation on the Fiscal Year (FY) 2016-2017 Budget. Discussions were held on the following topics/issues:

- firefighters contract
- utilization of updated mortality tables for pension calculations
- reduction in expenditures (FY2015-2016 Budget - page 6 of the PowerPoint)
- funds proposed for the Town Attorney's budget in FY 2016-2017
- impact of hiring a Purchasing Manager/anticipated reduction in legal review costs/intent to standardize contracts
request for breakdown of Attorney expenses/historical data, without objection
- Fund Balance/target for number of operating days
- anticipated millage rate
- option to place a maximum on the number of operating days
- tennis court capital funds/use of Infrastructure Surtax (IST) Fund
- ambulance/bunker gear replacement costs
- costs of ambulance/disposition of surplus equipment
- process for modifications to IST Projects (through Commission action)
- projected ending IST fund balance
- expiration date of the surtax collection
- State grant funding
- application process for Federal grant funding

2. Discussion of Fiscal Year 2016-2017 Budget - Continued

- policy discussion by the Commission on options to pursue Federal funding participation
- Federal requirements to obtain funding for beach renourishment
- Staff efforts to work with the Federal representatives to comply with requirements
- conversion of temporary easements to permanent beach easements
- determination of "suitable" sand for renourishment by Federal agencies
- options to contact Congressman Vern Buchanan to assist in the Town's efforts to engage with Federal representatives
- written Federal criteria for participation
- navigable waterway issues (New Pass bridge openings)-to bring to attention of Congressman Buchanan
- anticipated Federal Emergency Management Agency reimbursement for sand loss during storm events
- costs for replacement of the South Fire Station/utilization of IST funds
- provisions to undertake emergency steps during storm events
- options to discuss permanent beach sand retention
- need to discuss Policy Issue on transfer of IST funds from Beach Management to Public Safety for future capital purchases
- required expenditure of IST funds on designated projects.

Following discussion, there was consensus to direct Staff to provide additional information and a recommendation on the amount of IST funds to be transferred.

Discussions were held on the Special Budget Workshop scheduled for June 27, 2016, and comparisons utilized relating to the Tennis Center.

RECESS: 10:49 a.m. - 11:04 a.m.

Upon inquiry, Town Manager Bullock advised of the issues to be considered at the Special Budget Workshop on June 27, 2016, at 9:00 a.m., in the Town Hall Commission Chamber, 501 Bay Isles Road.

Discussions continued on the following topics/issues:

- cost of fire truck
- Tennis Center memberships/increase for credit card payment
- value of annual memberships
- reduction in walk-on plays
- comparison of a 12-month cycle to a 6-month cycle
- impact of special offers from other tennis centers (Cedars/Longboat Key Club)
- condition of courts at Tennis Center
- impact of weather (rain) on tennis play and court conditions
- request to maintain statistics on weather conditions/impacts, without objection**
- loss of approximately \$16,000 in membership dues collected
- analysis of tennis memberships throughout nation

2. Discussion of Fiscal Year 2016-2017 Budget - Continued

- new sporting games (pickle ball) impact on memberships
- rate structure options to increase costs to non-Longboat Key residents
- profit on costs associated with membership
- inclusion of Tennis Center in category as a recreational facility similar to a park facility
- historical reasons for establishing Tennis Center as an Enterprise Fund
- support of the Tennis Center by the Friends of Tennis
- need for capital funding for improvements
- comments provided by those polled on membership decline
- short/long term strategy for support of the Tennis Center
- condition of courts/available ratings for tennis centers
- maintenance cycle to optimize court conditions
- safety issues if courts are not maintained.

There was consensus to support Staff's recommendation outlined on page 8 of the PowerPoint presentation pertaining to the Tennis Center to fund \$37,000 Capital projects with IST funds (Parks and Recreation Category), to monitor operations with intent to make up the current short-fall, and to evaluate all rates (memberships, lessons, walk-ons, etc.).

Mayor Duncan requested that a Workshop discussion be scheduled in the fall to address issues discussed relating to the Tennis Center this date, without objection.

Commr. Zunz suggested that a Workshop discussion be scheduled on Town projects for the benefit of the public.

Commr. Younger requested that the statistics on page 3 be expanded through the end of fiscal year and brought back for comparison to the previous year and that a system be developed to track inventory sales, including beverages and events held.

ADJOURNMENT

Mayor Duncan adjourned the June 20, 2016, Special Workshop at 12:13 p.m.

Trish Granger, Town Clerk

Jack G. Duncan, Mayor

Minutes Approved: _____

Minutes in draft form and are not official until approved by the Town Commission.



End of Agenda Item



July 5, 2016

Agenda Item 3

**No Material
Provided For
This Item**



July 5, 2016

Agenda Item 4

**No Material
Provided For
This Item**



July 5, 2016

Agenda Item 5

**No Material
Provided For
This Item**

Town of Longboat Key Consolidated Retirement System
Board of Trustees
501 Bay Isles Road
Longboat Key, FL 34228

Phone: 316-1999

Fax: 316-1940

Board of Trustees

RADM Steve Branham, Chair; Frank Cona, Vice-Chair;
Sandi Henley, Secretary; Lou Levy, Chief Pete Cumming, Joe
Fabrizio, Randy Thompson, Tom Batchelor, Trustees

June 27, 2016

TO: Town Commission, Town of Longboat Key
Town Manager, Town of Longboat Key

FROM: RADM Steve Branham, Chairman
Town of Longboat Key Consolidated Retirement System Board of Trustees

RE: Briefing to update the status of work to combine pension funds

Dear Commissioners and Town Manager:

On behalf of the Board of Trustees for the Town of Longboat Key Consolidated Retirement System, I am forwarding for your information a briefing that updates the Board's work to combine Longboat Key Town employees' pension funds into one consolidated fund.

Fiscal Year 2015 was a tough year for investments and our numbers reflect that fact. The good news is that for the most part our fund investments beat many of the market indexes. The bad news is that our investments did not meet our assumed rate of return assumption and therefore both the unfunded liability and the required contribution from the Town increased from 30 Sep 2014 to 30 Sep 2015 (FY15). FY16 through 31 May 2016 has been much better with our earnings registering in the 4.2 – 6.3% range (gross of fees). Fees run in the range of 0.5 - 0.75% and will be reduced when the funds are completely consolidated. The work to consolidate funds was completed today, so we can consider the consolidation to be complete and the Pension Fund to be operating as a fully consolidated fund.

The Commission originally established a desired completion date of 1 October 2015 for the consolidation. Clearly, that goal was not met. I believe that neither the Commission nor those of us who served as Trustees over the past 20 months had an accurate initial view of the time required and the complexity of the process to complete the consolidation. While it may seem simple on the surface, there were numerous procedural steps that must be done in order. The Trustees ensured that accuracy and thoroughness were paramount, but always with an eye for expediency. The assets were always managed with the same rigor and critical, close oversight regardless of where we were in the process.

However, there were some inordinate delays that were beyond the control of the Trustees. When I spoke with you last at the November 2, 2015 Regular Meeting, you asked for an anticipated date of completion of the consolidation. Expecting a timely contracting and legal review process by Town resources, I opined that another 6-8 weeks would be required. That did not occur. Referring to the details in slides 4 and 5 of the enclosed briefing, in fact, that process required in excess of 9 months for the Consultant's contract and 5 months for the Attorney's contract. Those delays cascaded into the subsequent steps of the consolidation process. Those sorts of inordinate periods were not expected in this effort; nor were they experienced before the new requirements for those functions were instated by the ordinance that directed the consolidation. Now that the bulk of the contracting of consultants is complete and with the designation of our Pension Board Attorney as an Assistant Town Attorney, I expect those types of processes to be completed in a more timely fashion.

On behalf of the Board of Trustees, I thank you for your guidance, candor, and trust as we worked through this process to consolidate funds and established a system that will enable even better stewardship of our retirees' benefits and taxpayers' funds.

I would be happy to discuss this report with you at a time and in a forum of your choice.

Sincerely,



Steve Branham
Rear Admiral, U. S. Coast Guard (retired)
Chairman, Town of Longboat Key Consolidated Retirement System Board of Trustees

Encl: Consolidated Retirement System Board of Trustees Brief dated 23 June 2016



CONSOLIDATED RETIREMENT SYSTEM BOARD OF TRUSTEES

JULY 5, 2016 REGULAR MEETING



DISCUSSION TOPICS

- Board of Trustees
- Milestones and Work Completed and pending action
- Latest Pension and Investment Information
 - Number of Current Participants
 - Rate of Return Assumptions
 - Investment Performance
 - Pension Liability at 9/30/15
 - Ten Year Trend - Annual Required Contribution (ARC)



TRUSTEES

	<u>Term Expires</u>
• RADM Steve Branham – Chairman	30 Sep 2017
• Frank Cona – Vice Chairman	30 Sep 2016
• Sandi Henley – Secretary	30 Sep 2017
• Lou Levy	30 Sep 2018
• Chief Pete Cumming	30 Sep 2017
• Joe Fabrizio	30 Sep 2018
• Tom Batchelor	30 Sep 2016
• Randy Thompson	30 Sep 2018
• Vacant	30 Sep 2016



WORK COMPLETED

Since 9 Sep 2015

- Briefed Town Commission at regular meeting on 9 Sep 2015
- Consolidated Retirement System Board of Trustees (CRSB) met 7 times since 9 Sep 2015 - 3 regular quarterly, 4 special meetings.
- 3 contractor RFP review/selection meetings since Aug 2015
- 8 Oct 2015 - Assumed rate of return adjusted to 7% for all funds effective 1 Oct 2015.
- Updated Town Commission at workshop meeting on 19 Oct 2015 and regular meeting on 2 Nov 2015 as part of the IPS approval dialog.
- 18 Nov 2015 – CRSB Trustees approved changes to the IPS requested by the TC. IPS took effect 1 Dec 2015.



WORK COMPLETED

Since 9 Sep 2015

- RFP panel selected prospective Consultant during interviews on 13 & 27 Aug 2015 – Greystone Consulting. Town notified on 28 Aug 2015 after CRSB approved during scheduled meeting that day. Town contracting action and legal review ensued.
- RFP panel selected prospective CRSB attorney – Ron Cohen – during interviews on 8 Dec 2015. Town notified on 18 Dec after CRSB approved during scheduled meeting. Town contracting action and legal review ensued.
- 7 Mar 2015 – Ron Cohen attends his first CRSB meeting despite not under contract.
- 23 May 2015 - Contracts signed for both Greystone and Ron Cohen at CSRB regularly scheduled meeting.



MAJOR WORK PENDING

- Letters signed by the Chairman, CSRB on 13 June 2015 have been sent to all consultants, custodians, and money managers directing them to execute the merge of accounts.
- Work begins on 20 Jun 2015.
- Merge to be complete by 23 Jun 2015.



PENSION PARTICIPANTS

AS OF 1 JUNE 2016

	<u>DATE FROZEN</u>	<u>FIRE</u>	<u>GENERAL</u>	<u>POLICE</u>	<u>TOTAL</u>
		9/30/13	9/30/13	2/1/14	
Retired		35	40	1	96
Active Deferred		11	19	7	37
Terminated Deferred		3	13	1	17
Total		49	72	29	150



RATE OF RETURN ASSUMPTION

Revised as of 1 OCT 2015

General Employees	7.0% (was 7.0%)
Firefighters	7.0% (was 7.5)
Police	7.0% (was 7.5)



INVESTMENT PERFORMANCE

	FIRE	GENERAL	POLICE
Assumed Rate of Return	7.00%	7.00%	7.00%
Actual Rate of Return FY14	9.60%	9.53%	9.94%
Actual rate of return FY15	(2.53%)	(0.68%)	(3.07%)
Actual Rate of Return FY16 thru 31 May 16	6.32%	6.14%	4.17%



PENSION LIABILITY

SEPTEMBER 30, 2014

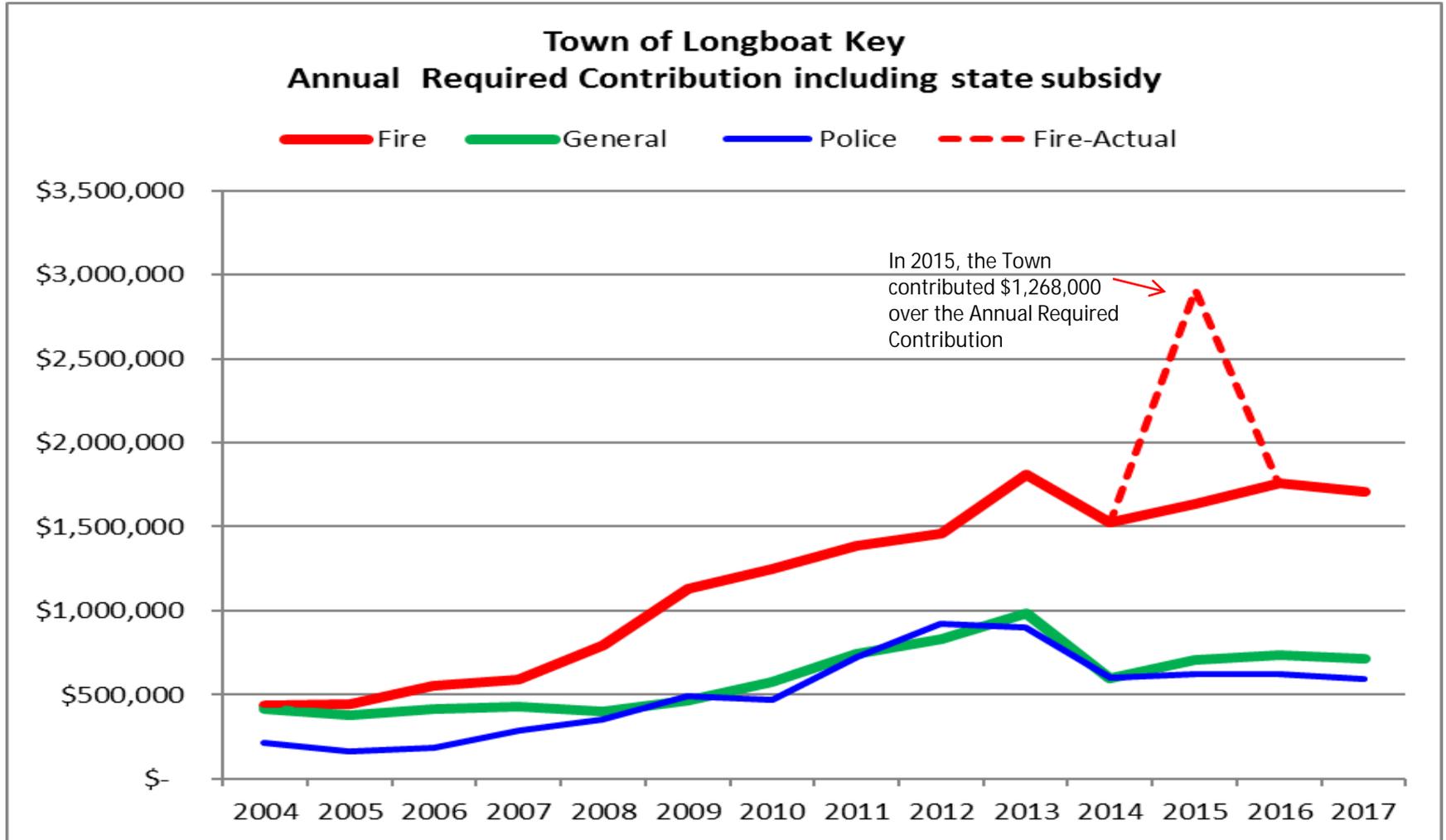
	FIRE	GENERAL	POLICE	TOTAL
Total Pension Liability	\$28.7M	\$14.8M	\$11.2M	\$54.7M
Fiduciary net position (Market value of assets)	<u>15.8M</u>	<u>10.2M</u>	<u>6.8M</u>	<u>32.8M</u>
Town net pension Liability	\$12.9M	\$4.7M	\$4.3M	\$21.9M
Percent Funded	54.8%	68.6%	61.4%	59.9%



PENSION LIABILITY – 30 SEP 2015

\$MILLION; % = CHANGE FROM 30 SEP 2014

	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Total pension liability	\$ 14.98 1.20%	\$ 11.80 5.30%	\$ 30.80 7.30%	\$ 57.58 5.30%
Plan fiduciary net position	\$ <u>(9.83)</u> -3.60%	\$ <u>(6.47)</u> -4.80%	\$ <u>(16.44)</u> 4.00%	\$ <u>(32.74)</u> -0.20%
Town's net pension liability	\$ 5.16 9.80%	\$ 5.38 25.10%	\$ 14.43 11.90%	\$ 24.89 13.60%
Plan fiduciary net position as a % of Total pension liability	65.6% -3.00%	54.8% -6.60%	53.4% -1.40%	56.9% -3.00%





End of Agenda Item

M E M O R A N D U M

DATE: June 23, 2016

TO: Dave Bullock, Town Manager

FROM: Alaina Ray, AICP, Director
Planning, Zoning and Building

RE: Ordinance 2016-12, Amending Chapter 158, Zoning Code, Personal Wireless Services

As a result of the projects to underground utilities, the Town Commission adopted Chapter 58, Undergrounding of Utilities, at their April 4, 2016 Regular Meeting to establish regulations for the undergrounding of the utilities on the island. The adoption of this new Chapter necessitates minor revisions to the Personal Wireless Service Facility regulations contained in Chapter 158, in order to reflect new terminology. Specifically, the term "light fixtures" has been added to the Code, to allow Wi-Fi equipment to be located on light poles, bollards, and other structures used for lighting purposes.

At their April 19, 2016 Planning & Zoning Board Regular meeting, approval of Ordinance 2016-12, Personal Wireless Services, was recommended for approval as written. The Town Commission discussed the item at their May 16, 2016 Regular Workshop Meeting and forwarded it to their June 6, 2016 Regular Meeting for first reading. The Town Commission directed Staff to consider a minor revision to the definition of "Light fixture". Staff has included a proposed revision to the definition in the Ordinance.

The Town Commission held first reading and public hearing at their June 6, 2016 Regular Meeting. This item was forwarded to the July 5, 2016 Regular Meeting for second reading and public hearing.

MEMORANDUM

DATE: April 27, 2016

TO: Honorable Mayor and Town Commission

THROUGH: Dave Bullock, Town Manager

FROM: Jim Brown, Chair
Planning and Zoning Board

SUBJECT: Proposed Ordinance 2016-12, Personal Wireless Services

During the public hearing held on April 19, 2016, the Planning and Zoning Board recommended APPROVAL of Ordinance 2016-12, which provides for minor revisions to the Personal Wireless Service Facility regulations in Chapter 158 as a result of the Town adopting Chapter 58, Undergrounding of Utilities. The specific motion from the April 19, 2016, meeting of the P&Z Board is as follows:

MS. BISHOP MADE A MOTION THE P&Z BOARD RECOMMEND APPROVAL OF ORDINANCE 2016-12, PERSONAL WIRELESS SERVICES, AS WRITTEN. MR. SCHNEIER SECONDED THE MOTION. MOTION CARRIED ON ROLL CALL VOTE: AITKEN, AYE; BISHOP, AYE; BROWN, AYE; GARNER, AYE; MADVA, AYE; SCHNEIER, AYE; SYMANSKI, AYE.

Enclosed, for your review and consideration, please find the following support documentation:

1. Ordinance 2016-12;
2. Staff Report, dated 4-11-2016, PZB Director to P&Z Board;
3. PowerPoint presentation; and
4. Draft minutes from the 4-19-2016 regular P&Z Board meeting on this issue.

If you should have any questions, or desire any additional information, please do not hesitate to contact me.

JB/dmc

M E M O R A N D U M

DATE: April 11, 2016

TO: Planning and Zoning Board

FROM: Alaina Ray, AICP, Director
Planning, Zoning and Building

RE: Ordinance 2016-12, Amending Chapter 158, Zoning Code, Section 158.006, Definitions, Section 158.200, Personal Wireless Service Facilities, and Section 158.201, Personal Wireless Service Facility Development Standards

On November 3, 2015, the Town's electors voted to authorize the Town's borrowing of up to \$25,250,000 for undergrounding utilities (electric, telephone, cable and fiber optic) and feeder lines on Gulf of Mexico Drive. Subsequently, on March 15, 2016, the Town's electors also voted to authorize the Town's borrowing of up to \$23,850,000 for undergrounding utilities in all neighborhoods where overhead utilities exist, as well as installation of fiber optics in all neighborhoods. The resulting projects to underground utilities necessitated a new chapter to be added to the Town's Code of Ordinances to establish regulations for underground utilities on the island, which the Town Commission adopted as Chapter 58, Undergrounding of Utilities, on April 4, 2016.

The adoption of Chapter 58 necessitates minor revisions to the Personal Wireless Service Facility regulations contained in Chapter 158, in order to reflect new terminology. Specifically, the term "light fixtures" has been added to the Code, to allow Wi-Fi equipment to be located on light poles, bollards, and other structures used for lighting purposes.

If the Planning and Zoning Board recommends approval of Ordinance 2016-12, the Ordinance will be forwarded to the Town Commission for consideration.

Attachments: PowerPoint Presentation
Ordinance 2016-12



Ordinance 2016-12

Chapter 158:

Personal Wireless Service Facilities

Town Commission
Regular Meeting
July 5, 2016



Background

- November 3, 2015: Funding for GMD Undergrounding Project approved by electorate
- March 15, 2016: Funding for Neighborhood Undergrounding Project approved by electorate
- April 4, 2016: Town Commission adopted Ordinance 2016-06, creating a new Chapter 58: Underground Utilities
- April 19, 2016: P&Z Board held a public hearing and recommended approval of Ordinance 2016-12
- May 16, 2016: Town Commission considered Ordinance 2016-12 at their Regular Workshop and forwarded it to their June 6th Regular Meeting
 - Requested Staff revise wording in the definition of “Light fixtures”
- June 6, 2016: Town Commission held first reading and public hearing and forwarded to their July 5, 2016 Regular Meeting for second reading and public hearing



Chapter 158: Personal Wireless Service Facilities

- The adoption of Ordinance 2016-06 necessitates minor revisions to Chapter 158 to maintain consistency.
 - Establishes new definition:
 - “Light fixture” shall mean any above ground pole, bollard, ground-mounted pathway light, and other similar structure utilized ~~exclusively~~ primarily for lighting or signalization, but which may also include Wi-Fi node facilities. This definition does not include wiring for street lighting, which is required to be underground.
 - Allows Wi-Fi equipment to be located on light poles, bollards, and other structures used for lighting purposes.

TOWN OF LONGBOAT KEY
PLANNING AND ZONING BOARD
MINUTES OF REGULAR MEETING

APRIL 19, 2016

The regular meeting of the Planning and Zoning Board was called to order at 9:00 AM by Chair Jim Brown.

Members Present: Chair Jim Brown; Vice Chair BJ Bishop; Secretary Ken Schneier; Members Andrew Aitken, Leonard Garner, Stephen Madva, George Symanski

Also Present: Maggie Mooney-Portale, Town Attorney; Alaina Ray, Planning, Zoning & Building Director; Maika Arnold, Planner; Donna Chipman, Office Manager

AGENDA ITEM 1
PUBLIC TO BE HEARD
Opportunity for Public to Address Planning and Zoning Board

No one wished to address the board.

AGENDA ITEM 2
CONSENT AGENDA

MRS. BISHOP MOVED APPROVAL OF THE MINUTES OF THE MARCH 22, 2016, REGULAR MEETING AND SETTING THE FUTURE MEETING DATE FOR MAY 17, 2016, REGULAR MEETING. MR. GARNER SECONDED THE MOTION. MOTION WAS APPROVED UNANIMOUSLY.

AGENDA ITEM 4
ORDINANCE 2016-12, PERSONAL WIRELESS SERVICES

Pursuant to published notice, the public hearing was opened.

Alaina Ray, Planning, Zoning & Building Director, provided an overview of the ordinance noting:

- On November 3, 2015, funding for the Gulf of Mexico Drive Undergrounding Project was approved by the electorate
- On March 15, 2016, funding for the Neighborhood Undergrounding Project was also approved by the electorate

- On April 4, 2016, the Town Commission adopted Ordinance 2016-06, creating a new Chapter 58 – Underground Utilities
- The adoption of the underground ordinance required a ‘tweak’ to the Town’s Personal Wireless Service Facilities Ordinance
- Because the Town would be removing utility poles from the island, there was a need to add language that would accommodate above-ground wireless equipment, which typically were located on light poles or light fixtures
- Since the Town was planning on including a ‘lighting plan’ in conjunction with the undergrounding project, new light fixtures would go up along Gulf of Mexico Drive
- Some of those fixtures might be tall utility light fixtures, or some might be at ground or walking level
- The proposed ordinance included a definition for ‘light fixture’ to address any type of lighting that could be used and where Wi-Fi equipment could be located

Mr. Garner believed the language was contradictory with ‘Wi-Fi’ included; lighting was not exclusive. Ms. Ray responded staff wished to limit it so no other utilities could be affixed to the structure. Mr. Symanski questioned why it did not state, “*utilized exclusively for lighting, common signalization, or Wi-Fi.*”. Ms. Ray pointed out that if it stated “or Wi-Fi” it would no longer be a light fixture. She explained under the ordinance it allowed something that looked like a tree, but did not have lighting, but if it was a fixture that has lighting, that was the primary purpose. Maggie Mooney-Portale, Town Attorney, noted that within the Town Code were illustrative pictures of wireless facilities.

Chair Brown asked if the Town was protected against any utility coming in and saying they want to install a new pole and put up what they wanted within Federal guidelines. Attorney Mooney-Portale responded the precursor to this ordinance was another ordinance that was approved by the Town Commission, which basically states, “all utilities shall be underground from this point forward.” This language ensures the scenario suggested does not occur. The ordinance was to provide for typical ‘Wi-Fi’ nodes, and making it as unobtrusive as possible; it was contemplated that it would provide for that opportunity. Chair Brown discussed Distributive Antenna Systems (DAS) and asked if a provider would be able to install a pole. Ms. Ray reviewed the illustrative pictures contained in Section 158.201 of the Town Code. She pointed out that under the new underground ordinance, the Town did anticipate there might be some unknown technology that would want to be placed above-ground and not included in the list. The list that existed for utilities included cable, telecommunication, etc., but also states not limited to these things. Any service that was provided had to be underground.

Mr. Schneier commented that it seemed to be a narrow thing the Town was wanting to accomplish. He mentioned that at this time wireless nodes can be placed on utility poles, but since the Town would not have utility poles, they were allowing on the lighting poles. He asked why it did not state, “light fixtures shall mean any... or similar structure utilized for lighting.” Ms. Ray responded it might not be a light pole, but lighting affixed to a building, and staff was wishing to add a definition for ‘light fixture,’ and include that a wireless node can be attached on a light fixture. Chair Brown noted there was a need to define ‘light pole’ and then define what was allowed on the light pole.

Ms. Ray reviewed the zoning definition for 'Wi-Fi' and 'DAS.' The definitions themselves did not note every place they can be located, but only defined what they were. Ms. Bishop believed Mr. Schneier's point was to define 'light fixture.'

Discussion continued on:

- Whether the Town would have control over a utility company wanting to install a 'tree' pole; it would have to meet certain standards and was covered in the ordinance
- If there were state requirements that would supersede the Town; staff noted it would be required to be underground
- Once the Town embarked on the undergrounding path, the Town was within their rights in requiring that from this point forward, they would be required to place it underground
- there would be a trigger date where notices would be sent to residents pointing out that under the ordinance, from this date forward, they could not install overhead wires
- If someone was wishing to install a tree, or something else, would it be allowed in a right-of-way; this was covered in the existing code, but if within a right-of-way, they would need to obtain Florida Department of Transportation (FDOT) approval, which was not typically granted for those type structures in a right-of-way

No one else wished to be heard, and the hearing was closed.

MS. BISHOP MADE A MOTION THE P&Z BOARD RECOMMEND APPROVAL OF ORDINANCE 2016-12, PERSONAL WIRELESS SERVICES, AS WRITTEN. MR. SCHNEIER SECONDED THE MOTION. MOTION CARRIED ON ROLL CALL VOTE: AITKEN, AYE; BISHOP, AYE; BROWN, AYE; GARNER, AYE; MADVA, AYE; SCHNEIER, AYE; SYMANSKI, AYE.

The Board recessed from 9:20 am – 9:33 am.

ORDINANCE 2016-12

AN ORDINANCE OF THE TOWN OF LONGBOAT KEY, FLORIDA, AMENDING WITHIN TITLE 15 LAND DEVELOPMENT CODE, CHAPTER 158, ZONING CODE; SECTION 158.006, DEFINITIONS; 158.200, PERSONAL WIRELESS SERVICE FACILITIES; SECTION 158.201, PERSONAL WIRELESS SERVICE FACILITY DEVELOPMENT STANDARDS; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF ORDINANCES IN CONFLICT HERewith; PROVIDING FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, The Town of Longboat Key (Town) is a barrier island with unique natural attributes and limited development; and

WHEREAS, Policy 1.1.7 of the Town's Comprehensive Plan mandates that, in development planning efforts, emphasis will be placed upon the protection of the visual and aesthetic character of neighborhoods, including open space; and

WHEREAS, an Urban Land Institute study was performed for the Town in October 2013 which recommended streetscape enhancements to Gulf of Mexico Drive, to include landscape options that would necessitate removal of overhead wires, as part of a transformation of Gulf of Mexico Drive into a more pedestrian-friendly system; and

WHEREAS, the Town recognizes the benefits of improved reliability, safety, and aesthetics of eliminating overhead utility lines within the town's corporate limits; and

WHEREAS, the Town seeks to achieve these benefits by requiring the infrastructure for electrical power, telecommunications, video, cable, television, internet, broadband, and similar services be installed underground to the greatest extent possible; and

WHEREAS, the Town found it is necessary to revise its Code of Ordinances to incorporate uniform guidelines, standards, and procedures for these underground services; and

WHEREAS, those revisions prompted the need for modifications to the Code of Ordinances regulations regarding personal wireless services facilities, for the purpose of maintaining consistency regarding terminology; and

WHEREAS, after due public notice, the Town's Planning and Zoning Board held a public hearing on April 19, 2016, to consider the proposed Zoning Code amendments and provided recommendations to the Town Commission as the local governing body; and

WHEREAS, after due public notice, the Town Commission held a workshop on May 16, 2016, and considered the recommendations of the Town's Planning and Zoning Board; and

WHEREAS, on June 6, 2016, the Town Commission conducted a duly noticed initial public hearing on the proposed Zoning Code amendments; and

WHEREAS, on July 5, 2016, the Town Commission conducted a duly noticed second public hearing on the proposed Zoning Code amendments and the Town Commission approved the amendments.

THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LONGBOAT KEY, AS FOLLOWS

SECTION 1. The above recitals are true and correct and are hereby incorporated fully by reference.

SECTION 2. Chapter 158, Zoning Code, Sections 158.006, Definitions; 158.200, Personal Wireless Service Facilities; and 158.201, Personal Wireless Service Facility Development Standards; are hereby amended as follows:

Chapter 158 Zoning Code

158.006 - Definitions.

For the purpose of this chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“Light fixture” shall mean any above ground pole, bollard, ground-mounted pathway light, and other similar structure utilized primarily for lighting or signalization, but which may also include Wi-Fi node facilities. This definition does not include wiring for street lighting, which is required to be underground.

158.200 - Personal wireless service facilities.

(B) *Hierarchy of personal wireless service facility preferences.* The town has established the hierarch set forth below for personal wireless service facilities, with (1) being the most preferred and (4) being the least preferred. More preferred facilities require fewer approvals and are subject to fewer restrictions.

- (1) An antenna located on or in an existing building, whether or not a co-location (see subsections 158.201(A)(2), (3) and (5)).
- (2) The co-location of an antenna on an existing freestanding facility (see subsection 158.201(A)(4)).
- (3) Facilities primarily mounted on existing utility poles and/or light fixtures, such as DAS or similar applications (see subsection 158.201(B)).
- (4) Freestanding facilities (see subsection 158.201(C)).

158.201 - Personal wireless service facility development standards.

(B) *Personal wireless service facilities primarily mounted on existing utility poles and/or light fixtures.*

- (1) Personal wireless service facilities primarily mounted on existing utility poles and/or light fixtures, including but not limited to DAS and/or small cell applications, are permissible in all zoning districts provided the following criteria are met:

- (a) The applicant shall provide proof that the owner of the utility pole and/or light fixture authorizes the installation of the facilities.
- (b) The applicant shall provide proof that the property owner, if different from applicant, authorizes the installation of the facilities.
- (c) Any ancillary equipment located in a right-of-way:
 - 1. Shall be attached to a utility pole and/or light fixture and painted the same color as the utility pole and/or light fixture; and
 - 2. Shall not exceed three feet in height, two foot in width, and one foot in depth.

(C) *Freestanding facilities.*

(1) Freestanding facilities and their ancillary equipment shall be permissible by site plan review and special exception granted by the planning and zoning board in all zoning districts except in Island Preserve (R-1IP), Open Space - Passive (OS-P), Open Space - Conservation (OS-C), and Single-Family (R-1SF, R-2SF, R-3SF, R-4SF, R-6SF) districts, provided the following criteria are met:

- (a) The freestanding facility shall be designed so as to mimic a structure or natural feature that could reasonably be found and/or blend with the surrounding area, such as a light ~~pole~~ fixture or tree. Examples of acceptable and unacceptable freestanding facilities are provided in the following graphics:

SECTION 3. Severability. If any provision of this Ordinance or the application thereof is held invalid, such invalidity shall not affect the other provisions or applications of this Ordinance which can be given effect without the invalid provisions or applications, and to this end the provisions of this Ordinance are hereby declared severable.

SECTION 4. Repeal of Ordinances in Conflict. All other ordinances of the Town of Longboat Key, Florida, or parts thereof which conflict with this or any part of this Ordinance are hereby repealed.

SECTION 5. Codification. This Ordinance shall be codified and made a part of the official Code of Ordinances of the Town of Longboat Key.

SECTION 6. Effective Date. This Ordinance shall take effect immediately upon its adoption, as provided by law.

Passed on first reading and public hearing the 6th day of June, 2016.

Adopted on second reading and public hearing the _____ day of _____, 2016.

ATTEST:

Jack G. Duncan, Mayor

Trish Granger, Town Clerk



End of Agenda Item

M E M O R A N D U M

DATE: June 23, 2016

TO: Dave Bullock, Town Manager

FROM: Alaina Ray, AICP, Director
Planning, Zoning and Building Department

SUBJECT: Ordinance 2016-19, Annual Update to the Town Comprehensive Plan
Capital Improvements Element

With the adoption of the 2011 Community Planning Act, the Florida Legislature revised the procedural requirements for updating the five-year schedule of capital improvements. The Town still must review the Capital Improvement Element (CIE) on an annual basis, but any modifications to the schedule or data, such as deleting the past year and adding a new fifth year to the five-year plan, are no longer considered amendments to the Comprehensive Plan. The update of the CIE must be adopted by ordinance but is not transmitted to the State for review and comment. This change applies only to the five-year schedule of capital improvements, and not to text amendments, unless the text is restating the schedule or data.

Ordinance 2016-19 provides an update to the five-year schedule. All revisions are either updates to the five-year schedule, minor linguistic changes, or revisions to correct scrivener's errors, and are provided in legislative format (proposed changes indicated strike-through/ underline and highlighted in yellow) as Exhibit "A." A clean copy (showing how the document will read if the changes are accepted) will be provided at the June 6, 2016 Regular Meeting

Nothing in this update constitutes amendments as currently provided under the relevant statutes and therefore this ordinance is not required to be transmitted to the state Department of Economic Opportunity (DEO) (formerly Department of Community Affairs (DCA)).

The Planning & Zoning Board held a public hearing on this item at their May 17, 2016 Regular Meeting and recommended approval.

The Town Commission held first reading and public hearing for Ordinance 2016-19 at their June 6, 2016 Regular Meeting. This item was forwarded to the July 5, 2016 Regular Meeting for second reading and public hearing.



Ordinance 2016-19 CIE Amendment

Town Commission
Regular Meeting
July 5, 2016



Background

- May 17, 2016: Planning & Zoning Board considered Ord. 2016-19 and recommended approval to the Town Commission.
- May 18, 2016: Town Commission considered Ord. 2016-19 at their Special Workshop and forward the ordinance to their June 6, 2016 Regular Meeting for first reading.
- June 6, 2016: Town Commission held first reading and public hearing of Ord. 2016-19 and forwarded it to their July 5, 2016 Regular Meeting for second reading and public hearing.



Capital Improvements Element

- A Capital Improvements Element (CIE) is required element of the Comprehensive Plan by 163.3177(3)(a), Florida Statutes.
- Purpose of CIE
 - Identify the capital improvements needed to implement the Comprehensive Plan and ensure that adopted Levels of Service (LOS) are achieved and maintained for concurrency related facilities (wastewater, potable water, parks and recreation, etc.)
- All local governments must undertake an annual review of the CIE to update the Five-Year Capital Improvements Schedule



Capital Improvement Schedule

- Capital Improvements Schedule functions as the vehicle for the CIE's achievement
- Schedule identifies the capital projects necessary for implementation of the Comprehensive Plan
- Modifications to update the 5-year capital improvement schedule may be accomplished by ordinance and may not be deemed to be amendments to the local comprehensive plan.



2016 Update

- Projects added to Capital Improvements Schedule:
 - Undergrounding GMD and Neighborhoods
- Fiscal Years updated to reflect current five year projection (2016-2020)

ORDINANCE 2016-19

AN ORDINANCE OF THE TOWN OF LONGBOAT KEY, FLORIDA, ADOPTING THE ANNUAL UPDATE TO THE FIVE-YEAR SCHEDULE OF CAPITAL IMPROVEMENTS OF THE CAPITAL IMPROVEMENTS ELEMENT OF THE TOWN'S COMPREHENSIVE PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Community Planning Act, Sections 163.3161 through 163.32466, Florida Statute, ("Act") authorizes and requires the Town of Longboat Key to adopt and amend a Comprehensive Plan in accordance with the Act; and

WHEREAS, Section 163.3177(3), Florida Statutes, requires that the Capital Improvements Element of the Comprehensive Plan be reviewed on an annual basis, and provides that updates to the five-year capital improvement schedule are not deemed to be amendments to the Comprehensive Plan; and

WHEREAS, pursuant to the Act, the Town of Longboat Key Code of Ordinances, Chapter 33, designates the Town of Longboat Key Planning and Zoning Board as the local planning agency, responsible for the preparation of the local Comprehensive Plan and amendments thereto; and

WHEREAS, the Town provided due public notice of the Planning and Zoning Board public hearing that was conducted in a manner affording public participation to the fullest extent possible; and

WHEREAS, the Town Planning and Zoning Board, as the local planning agency, held a public hearing on May 17, 2016, to review the annual update to the Five-Year Schedule of Capital Improvements, and provided recommendations to the Town Commission as the local governing body; and

WHEREAS, after due public notice, the Town Commission held public hearings on June 6, 2016, and July 5, 2016, to consider adopting the Comprehensive Plan update as recommended by the Planning and Zoning Board.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN OF LONGBOAT KEY, FLORIDA, THAT:

SECTION 1. The Recitals above are ratified and confirmed as true and correct.

SECTION 2. The Fiscal Year 2015-2016 annual update to the Five-Year Schedule of Capital Improvements, attached hereto and incorporated herein as Exhibits "A" and "B" are hereby adopted by the Town of Longboat Key Town Commission.

SECTION 3. If any section, subsection, sentence, clause, or provision of this Ordinance is held invalid, the remainder of the Ordinance is valid.

SECTION 4. This Ordinance becomes effective when adopted in accordance with Florida law and the Charter of the Town of Longboat Key.

Passed on the first reading and public hearing this 6th day of June, 2016.

Adopted on the second reading and public hearing this _____ day of _____, 2016.

Jack G. Duncan, Mayor

ATTEST:

Trish Granger, Town Clerk

Exhibits:

“A-1”: 2016 Updates to the Capital Improvement Element; Legislative Version
“A-2” 2016 Updates to the Capital Improvement Element –Data and Analysis, Legislative Version

EXHIBIT "A-1"

AMENDED CAPITAL IMPROVEMENTS ELEMENT

Legislative Version

CAPITAL IMPROVEMENTS ELEMENT

GOAL 1

The Town will take actions to provide the public facilities and open space essential to maintaining a level of service (LOS) consistent with the adopted Comprehensive Plan.

OBJECTIVE 1.1

Table 1, the Five Year Schedule of Capital Improvements, identifies capital projects that will be provided, at a standard that eliminates deficiencies, accommodates existing and future needs consistent with the Comprehensive Plan, and replaces obsolete or worn-out facilities.

Policy 1.1.1

The Five Year Schedule of Capital Improvements shall include all projects identified in the other elements of this plan and determined to be essential to maintenance of the adopted LOS.

Policy 1.1.2

The Town will identify projects and make provisions to fund the Five Year Schedule of Improvements in the Capital Improvements Element (CIE), which is based on the Capital Improvement Program (CIP). The priorities will be projects identified in the CIE as correcting existing deficiencies and maintaining adopted LOS.

Policy 1.1.3

Future amendments and modifications to the Five Year Schedule of Capital Improvements will be made by the Town. Proposed capital improvement projects will be evaluated and ranked in order of priority according to the following categories:

- 1) the project is needed to protect the public health and safety;
- 2) the project is needed to maintain or meet the adopted LOS as identified in individual elements;
- 3) the project increases the efficiency of existing facilities, mitigates future improvement cost, provides service to developed areas lacking full service, or promotes in-fill development or revitalization; or
- 4) the project represents a logical extension of facilities and services.

TABLE 1
LONGBOAT KEY CURRENT (FISCAL YEARS (FY) 1 THROUGH 5) SCHEDULE OF CAPITAL IMPROVEMENTS
NECESSARY TO MAINTAIN ADOPTED LEVEL OF SERVICE (LOS)

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Potable Water						
Water Distribution Rehabilitation	\$0	\$0	\$125,000	\$500,000	\$500,000	Utility Revenues
	\$0	\$0	\$0	\$500,000	\$0	
WATER TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$125,000</u>	<u>\$500,000</u>	<u>\$500,000</u>	-
	\$0	\$0	\$0	\$500,000	\$0	

TABLE 1 (Continued)
LONGBOAT KEY CURRENT (YEARS (FY) 1 THROUGH 5) SCHEDULE OF CAPITAL IMPROVEMENTS NECESSARY TO MAINTAIN ADOPTED LEVEL OF SERVICE (LOS)

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Wastewater						
Slipline Gravity Sewers and Services, I&I Studies	\$600,000 \$600,000	\$600,000 \$600,000	\$600,000 \$600,000	\$0 \$600,000	\$0 \$0	Bank Loan or Utility Revenues
Rehabilitate Intermediate Pumping Stations	\$300,000 \$300,000	\$300,000 \$300,000	\$300,000 \$300,000	\$300,000 \$300,000	\$300,000 \$0	Bank Loan or Utility Revenues
GMD Gravity Wastewater Crossing	\$0 \$300,000	\$300,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	Bank Loan or Utility Revenues
Rehabilitate Minor & Smaller Pumping Stations	\$250,000 \$250,000	\$250,000 \$250,000	\$250,000 \$250,000	\$200,000 \$250,000	\$200,000 \$0	Bank Loan or Utility Revenues
Pumping Stations, Control Panel Upgrades	\$75,000 \$75,000	\$75,000 \$75,000	\$0 \$75,000	\$0 \$75,000	\$100,000 \$0	Utility Revenues
Wastewater Collection, Subaqueous Force Main	\$20,108,596 \$19,000,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	Bank Loan or Utility Revenues
SCADA Upgrades	\$200,000 \$150,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	Utility Revenues
Wastewater Subaqueous Force Main Rehabilitation	\$0 \$0	\$0 \$0	\$0 \$0	\$500,000 \$0	\$0 \$500,000	Utility Revenues
WASTEWATER TOTAL	\$21,533,596 \$20,675,000	\$1,525,000 \$1,225,000	\$1,150,000 \$1,225,000	\$1,000,000 \$1,225,000	\$600,000 \$500,000	

TABLE 1 (Continued)
LONGBOAT KEY CURRENT (FISCAL YEARS (FY) 1 THROUGH 5) SCHEDULE OF CAPITAL IMPROVEMENTS
NECESSARY TO MAINTAIN ADOPTED LEVEL OF SERVICE (LOS)

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Mobility						
Turn lanes on GMD (Country Club Shores)	\$0	\$0	\$0	\$1,000,000	\$0	TBD
	\$0	\$0	\$1,000,000	\$0	\$0	
MOBILITY TOTAL	\$0	\$0	\$0	\$1,000,000	\$0	
	\$0	\$0	\$1,000,000	\$0	\$0	

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Extension of Facilities and Services						
Underground Utilities on Gulf of Mexico Dr	-	-	-	-	-	NON-AD VALOREM ASSESSMENTS
	\$25,250,000	\$0	\$0	\$0	\$0	
Underground Utilities in Neighborhoods	-	-	-	-	-	NON-AD VALOREM ASSESSMENTS
	\$23,850,000	\$0	\$0	\$0	\$0	
Total Extension of Facilities and Services	-	-	-	-	-	
	\$49,100,000	\$0	\$0	\$0	\$0	
TOTAL TOWN OF LONGBOAT KEY COMPREHENSIVE PLAN CAPITAL PROJECTS	\$70,633,596	\$1,525,000	\$1,275,000	\$2,500,000	\$1,100,000	
	\$20,675,000	\$1,225,000	\$2,225,000	\$1,725,000	\$500,000	

Note: There are no schools on Longboat Key and none are planned.

OBJECTIVE 1.2

Public expenditures that subsidize development in coastal high hazard areas will be limited to those improvements that are necessary and are included in the Conservation and Coastal Management Element.

Policy 1.2.1

The Town will expend funds in coastal high hazard areas for the necessary protection, replacement or renewal of existing public infrastructure, including the Comprehensive Beach Management Plan, as amended.

OBJECTIVE 1.3

The Town will plan for its capital needs to ensure that the adopted LOS standards for public facilities and services are achieved and maintained, and encourage the conservation of water and wastewater use.

Policy 1.3.1

The Town adopts and maintains the following LOS standards in reviewing impacts of development, and encourages the conservation of water and wastewater use:

Wastewater	109 gallons per capita per day (gpcd)
Potable Water	120 gallons per capita per day (gpcd)
Solid Waste	Landfill disposal rate of 4.5 pounds per day per capita compaction rate of 1200 pounds per cubic yard. The adopted LOS excludes recyclable material and yard waste.
Stormwater	Stormwater systems based on 25 year/24 hour frequency storms and the water quality standards of Chapters 40D-4, 40 and 400, FAC of the Southwest Florida Water Management District.
Transportation	Gulf of Mexico Drive (GMD)/SR 789: LOS E All intersections within the Town: Volume to Capacity Ratio of 1.08
Recreation/Open Space	12 acres per 1,000 peak season functional population.
Public Transit	Maintain transit service to the Town, at or better than levels in effect in January 2007. Public transit LOS will not be used for concurrency determinations.

Policy 1.3.2

Proposed comprehensive plan amendments, and requests for development orders will be evaluated according to the following guidelines as to whether the proposed action would:

- 1) Be detrimental to public health, safety, and welfare, as described in the goals, objectives, and policies of this comprehensive plan;
- 2) Exacerbate any existing public facility capacity deficits, as described in the goals, objectives, and policies of this comprehensive plan;

- 3)
- 4) Generate public facility demands that may be accommodated by capacity increases planned in the Five-Year Schedule of Capital Improvements;
- 5) Conform with future land uses as shown on the Future Land Use Map of the Future Land Use Element;
- 6) Ensure that developer-provided public facilities, contributions, or other mitigation measures are consistent with the adopted LOS standards and with the Town's multimodal transportation mobility plan; and,
- 6) Affect state or regional agencies' facilities plans.

Policy 1.3.3

The Town will utilize the planning process to identify long-range capital needs for Years 6-10.

Policy 1.3.4

The Town's Finance Department's professionally accepted methodologies will be employed in determining the financial feasibility of the LOS adopted in the Comprehensive Plan by projecting revenues and expenses over a five-year planning horizon.

OBJECTIVE 1.4

Except for transportation facilities, future development will bear a proportionate cost of facility improvements necessitated by the development in order to maintain adopted LOS standards.

Policy 1.4.1

The Town will charge land acquisition fees, as a condition for building permits, with the proceeds to be used for the acquisition of or improvements to parks and open space.

Policy 1.4.2

The Town will charge water and sewer connection fees, which reflect a proportionate share of facility costs.

Policy 1.4.3

The Town is at or near potable water capacity. A development project that requires additional potable water capacity will be required to pay the commensurate Facility Investment Fee for capacity improvements then in effect under the terms of the applicable water agreement between the Town and Manatee County or its successor.

Policy 1.4.4

A development project that requires additional wastewater capacity over and above the Town's current reserve capacity will be required to pay the commensurate Facility Investment Fee for capacity improvements then in effect under the terms of the wastewater agreement between the Town and Manatee County or its successor.

Policy 1.4.5

The Town will participate in Manatee County's and Sarasota County's Road Impact Fee programs, as they may be amended from time to time, and consider funding transit service improvements, bicycle facilities, pedestrian and other multi-modal enhancements in the Town.

OBJECTIVE 1.5

The Town will manage its fiscal and financial resources to fund the implementation of the Five Year Schedule of Capital Improvements and to ensure the provision of needed capital improvements to accommodate future development, and to maintain adequate facilities for existing populations.

Policy 1.5.1

The Capital Improvements Plan (CIP) shall indicate funding sources.

Policy 1.5.2

The Town will consider including land acquisition projects in the CIP, as funds are available.

Policy 1.5.3

A minimum of \$300,000 per year from the Infrastructure Sales Tax and proceeds from the Tourism Development Taxes will be allocated to the Comprehensive Beach Management Plan, as amended.

Policy 1.5.4

The CIP and the annual capital budget will be adopted by the Town Commission.

Policy 1.5.5

In providing capital improvements, the Town will limit the maximum ratio of outstanding general obligation debt to no greater than two percent of the property tax base. However, in extraordinary circumstances requiring action to preserve the public health, safety, or welfare, the Town may exceed that limit. Voter approval is required to incur new capital debt, except in an emergency.

Policy 1.5.6

The Town will not depend on connection fees, land acquisition fees, and any other fees related to development, to service long-term debt.

Policy 1.5.7

The Town will certify that all public facilities needed to serve the development upon which the development order is based, will meet or exceed the requirements enumerated in Chapter 163.3180, FS, as stated below:

- 1) Concurrency determination for Wastewater, Solid Waste, and Stormwater: certification of occupancy or functional equivalent.

- 2) Concurrency determination for Potable Water: certification of occupancy or functional equivalent, after the appropriate water supplier or its functional equivalent has been consulted to determine if adequate water supplies will be available.
- 3) Concurrency determination for Recreation and Open Space: Parks and recreation facilities will be in place or under actual construction no later than one year after the issuance of certificate of occupancy or its functional equivalent. Acreage required for parks and recreation facilities will be dedicated or be acquired prior to issuance of the certificate of occupancy or its functional equivalent, or funds in the amount of the developer's fair share will be committed no later than the building permit approval or its functional equivalent.

Policy 1.5.8

With specific respect to transportation facilities and services, the Town will implement the recommendations of the multimodal transportation mobility plan. Except where improvements are necessary for the safety and welfare of the general public, priority 2 projects in Transportation Element Policy 1.2.2 are further categorized based on the following criteria in order to support the Town's transportation planning efforts:

- Category 1: Projects which reduce person trips or vehicle miles traveled
- Category 2: Projects which shift automobile trips to other modes of transportation
- Category 3: Projects which shift trips from single-occupancy vehicles (SOVs) to high-occupancy vehicles (HOV) Auto/Van
- Category 4: Projects which incorporate needed improvements to roadway operations
- Category 5: Projects which add capacity to existing facilities

Transportation capital improvements projects will be adopted into the Town's Five-Year Schedule of Capital Improvements consistent with the timing of and need for such projects as identified in the multimodal transportation mobility plan. The Town will limit or discourage the construction of or contribution towards transportation projects that will promote or encourage increased densities within the Town's Coastal High Hazard Area or land use or development activities which may adversely affect the Town's ability to evacuate in the event of a hurricane or storm event, consistent with Objectives 2.1 and 3.1 of the Conservation and Coastal Management Element.

OBJECTIVE 1.6

The Town will review the Capital Improvements Element on an annual basis as required by the Florida Statutes.

Policy 1.6.1

Within 60-days of the effective date of the Town's most recently adopted budget, an amendment to the Capital Improvements Element (CIE), meeting the criteria of Chapter 163.3177, FS, will be presented for Town Commission action, and if appropriate, subsequent transmittal to the state land planning agency.

Policy 1.6.2

The Town will include projects in the capital improvements schedule that are necessary to maintain and achieve the adopted levels of service for the five year planning period.

GOAL 2

It shall be the Goal of the Town of Longboat Key to ensure that the public school needs of the Town are met.

OBJECTIVE 2.1: Public School Facilities

The Town shall ensure that future public school facility needs are addressed in a manner consistent with the adopted level of service standards for public schools for Manatee and Sarasota Counties.

Policy 2.1.1

The Town and School Board of Manatee County agree to implement the level of service standards for public schools district-wide to all schools of the same type as follows:

- Elementary – 110% Permanent FISH Capacity and capacity for Eligible Relocatables based on the School Service Area;
- Middle – 105% Permanent FISH Capacity and capacity for Eligible Relocatables based on the School Service Area; and,
- High – 100% Permanent FISH Capacity and capacity for Eligible Relocatables district-wide.

Policy 2.1.2

The Town and School Board of Sarasota County agree to implement the level of service standards for public schools district-wide to all schools of the same type as follows:

- Elementary – 115% of Permanent Program Capacity by School Service Area
- Middle – 100% Permanent Program Capacity by School Service Area
- High – 105% Permanent Program Capacity by School Service Area

Policy 2.1.3

The Town shall ensure that future development pays its share of the costs of capital facility capacity needed to accommodate new development and to assist in maintaining the applicable adopted level of service standards, via impact fees and other legally available and appropriate methods.

Policy 2.1.4

Manatee and Sarasota County School Boards, in coordination with the Town, shall annually update their Five Year Capital Facilities Plans to ensure that level of service standards will continue to be achieved and maintained by the end of the planning period. The Town adopts by reference the annually updated Sarasota School District Five Year Capital Facilities Plan, as amended. The Town adopts by reference the School District of Manatee County’s annual Work Plan and annual School Capacity Program, as amended, by the School Board.

Policy 2.1.5

Manatee and Sarasota County School Boards will ensure that the Level of Service standards for public schools are achieved and maintained by the end of their five-year schedules of capital improvements.

Policy 2.1.6

Each year the Town of Longboat Key will review the CIE and amend, as necessary, by: 1) adding a new fifth year; 2) updating the public schools capital facilities program; 3) coordinating the program with the five year district facilities work plan, the plans of other local governments; and, 4) as necessary, updating the concurrency service area map. The annual plan amendments shall ensure that the level of service standards will continue to be achieved and maintained.

EXHIBIT "A-2"
AMENDED CAPITAL IMPROVEMENTS ELEMENT

DATA and ANALYSIS

Legislative Version

CAPITAL IMPROVEMENTS ELEMENT

Supplemental Data and Analysis

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CAPITAL IMPROVEMENTS

I. PURPOSE

Florida legislation mandates that local governments plan for the provision of adequate public facilities and make services available concurrent with the impacts of development. The other elements of the Comprehensive Plan address the issues of the degree of service and extent of facilities necessary to maintain the desired quality of life in the community. The Capital Improvements Element (CIE) ensures that the Comprehensive Plan is feasible. This element examines the fiscal resources of the community and compares those resources to the expenditures necessary to implement the Comprehensive Plan. This element also looks at a 10-year planning horizon by projecting capital items needed to maintain adopted Levels of Service (LOS) in years six through ten.

The specific objectives of the CIE include:

- § Evaluating the feasibility of facilities identified in the other Comprehensive Plan elements.
- § Analyzing the fiscal capability of the local government to finance and construct improvements.
- § Recommending financial policies to guide the funding, scheduling, and construction of improvements so that they are provided when required.

The CIE differs from a Capital Improvements Program in that it is limited to only those projects derived from the other elements of the Comprehensive Plan. The contents of the CIE data and analysis include:

- § An inventory of capital improvement needs, financial resources, and local policies and practices.
- § A fiscal assessment of revenues and expenditures, and a discussion of issues and recommendations related to the feasibility of the Comprehensive Plan.
- § An implementation section, including a Five-Year Schedule of Capital Improvements, as well as a section describing strategies to ensure compliance with the goals, objectives, and policies.
- § A section describing the annual monitoring and evaluation process to ensure that the CIE is updated annually.

II. INVENTORY

A. NEEDS DERIVED FROM OTHER ELEMENTS

The CIE is based on public facility needs as identified in the other Comprehensive Plan elements and is intended to implement the Future Land Use Element. The capital improvements addressed in this inventory are generally large-scale, of a non-recurring nature, and may require multi-year financing. Such capital improvements often involve construction, acquisition or installation of

public facilities, or the acquisition of land. The needed capital improvements derived from the other elements of the Comprehensive Plan are listed in Table 1.

Table 1 provides brief descriptions of each capital improvement project by facility type, target year, completion dates, cost estimates, and committed funding sources. The capital items identified in Table 1 originated from the Town's adopted budget for the current fiscal year, that identifies projects for the near-range fiscal planning horizon (Years 1 through 5). Note that most of the capital projects are multi-year.

Consistent with CIE Policy 1.1.3, capital improvements were ranked in order of importance: first, public health considerations; second, improvements to existing service areas; and, third, extension of facilities and services. The capital improvement projects listed in Table 1 include only those that are needed to maintain the adopted LOS. Improvements that are not essential to maintaining adopted LOS standards are not included in Table 1, even though they may be desirable. The improvements listed are of a type and size that would be identified in the Town's capital improvements program. Smaller scale items are addressed in the Town's annual capital budget. The basis for the cost estimates in Table 1 is established by Town staff and, if applicable, the Metropolitan Planning Organization's (MPO) adopted Transportation Improvement Program (TIP).

TABLE 1
LONGBOAT KEY CURRENT (FISCAL YEARS (FY) 1 THROUGH 5) SCHEDULE OF CAPITAL IMPROVEMENTS
NECESSARY TO MAINTAIN ADOPTED LEVEL OF SERVICE (LOS)

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Potable Water						
(1) Water Distribution Rehabilitation	\$0	\$0	<u>\$125,000</u> \$0	<u>\$500,000</u> \$500,000	<u>\$500,000</u> \$0	Utility Revenues
WATER TOTAL	<u>\$0</u> \$0	<u>\$0</u> \$0	<u>\$125,000</u> \$0	<u>\$500,000</u> \$500,000	<u>\$500,000</u> \$0	

TABLE 1 (Continued)
LONGBOAT KEY CURRENT (FISCAL YEARS (FY) 1 THROUGH 5) SCHEDULE OF CAPITAL IMPROVEMENTS
NECESSARY TO MAINTAIN ADOPTED LEVEL OF SERVICE (LOS)

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Wastewater						
(1) Slipline Gravity Sewers and Services, I&I Studies	\$600,000 \$600,000	\$600,000 \$600,000	\$600,000 \$600,000	\$0 \$600,000	\$0 \$0	Bank Loan or Utility Revenues
(2) Rehabilitate Intermediate Pumping Stations	\$300,000 \$300,000	\$300,000 \$300,000	\$300,000 \$300,000	\$300,000 \$300,000	\$300,000 \$0	Bank Loan or Utility Revenues
(3) GMD Gravity Wastewater Crossing	\$0 \$300,000	\$300,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	Bank Loan or Utility Revenues
(4) Rehabilitate Minor & Smaller Pumping Stations	\$250,000 \$250,000	\$250,000 \$250,000	\$250,000 \$250,000	\$200,000 \$250,000	\$200,000 \$0	Bank Loan or Utility Revenues
(5) Pumping Stations, Control Panel Upgrades	\$75,000 \$75,000	\$75,000 \$75,000	\$0 \$75,000	\$0 \$75,000	\$100,000 \$0	Utility Revenues
(6) Wastewater Collection, Subaqueous Force Main	\$20,108,596 \$19,000,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	Bank Loan or Utility Revenues
(7) SCADA Upgrades	\$200,000 \$150,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	Utility Revenues
(8) Wastewater Subaqueous Force Main Rehabilitation	\$0 \$0	\$0 \$0	\$0 \$0	\$500,000 \$0	\$0 \$500,000	Utility Revenues
WASTEWATER TOTAL	\$21,533,596 \$20,675,000	\$1,525,000 \$1,225,000	\$1,150,000 \$1,225,000	\$1,000,000 \$1,225,000	\$600,000 \$500,000	

TABLE 1 (Continued)
LONGBOAT KEY CURRENT (FISCAL YEARS (FY) 1 THROUGH 5) SCHEDULE OF CAPITAL IMPROVEMENTS
NECESSARY TO MAINTAIN ADOPTED LEVEL OF SERVICE (LOS)

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Mobility						
(1) Turn lanes on GMD (Country Club Shores)	\$0	\$0	\$0	\$1,000,000	\$0	TBD
	\$0	\$0	\$1,000,000	\$0	\$0	
MOBILITY TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>	
	\$0	\$0	\$1,000,000	\$0	\$0	

PROJECT DESCRIPTION	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)	Funding Source
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)	
Extension of Facilities and Services						
(1) Underground Utilities on Gulf of Mexico Dr	\$25,250,000	\$0	\$0	\$0	\$0	NON-AD VALOREM ASSESSMENTS
(2) Underground Utilities in Neighborhoods	\$23,850,000	\$0	\$0	\$0	\$0	NON-AD VALOREM ASSESSMENTS
Total Extension of Facilities and Services	<u>\$49,100,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
TOTAL TOWN OF LONGBOAT KEY COMPREHENSIVE PLAN CAPITAL PROJECTS	<u>\$70,633,596</u>	<u>\$1,525,000</u>	<u>\$1,275,000</u>	<u>\$2,500,000</u>	<u>\$1,100,000</u>	
	\$20,675,000	\$1,225,000	\$2,225,000	\$1,725,000	\$500,000	

B. PUBLIC EDUCATION AND PUBLIC HEALTH SYSTEM COMPONENTS WITHIN LONGBOAT KEY

There are no public education facilities and no public health system facilities within the boundaries of the Town. Students who attend public schools travel off the island to school facilities in Manatee and Sarasota Counties, depending upon the county in which their residence is located. Residents from the northern part of Town tend to utilize major medical health facilities in Manatee County, and residents from the southern part of the island tend to utilize major medical health facilities in Sarasota County.

Due to the relatively small number of school-aged students residing on the island - 184 according to the 2010 U.S. Census - and their isolated location, the school boards of Sarasota and Manatee Counties have notified the Town in writing that no facilities are planned on the island. For similar reasons, it is not expected that hospitals or other major components of the public health system will be constructed on the island. Therefore, impacts to the Town's infrastructure are not anticipated from new public educational or public health care systems and facilities. The island is nearing build-out, unless and until redevelopment and revitalization occur, and the impact of permitted growth on the transportation system and other infrastructure will be minor or insignificant.

Note: There are no schools on Longboat Key and none are planned.

C. FINANCIAL RESOURCES

An inventory of existing revenue sources and funding mechanisms available for capital improvement financing is essential for determining the Town's fiscal capacity. The following listing of financial resources constitutes a working inventory from which the Town's capability to derive revenues for capital improvements will be measured. Along with the inventory, a status of its current availability and use by the Town is included. The list is not limited to those revenue sources, which will be used for capital improvements included in this element, but will help to define revenue sources available for capital improvement projects. Table 2 summarizes the Town's active revenue sources as identified in the current year budget. For ease of use, this inventory follows the same general format as the Town's annual budget. However, not all revenue categories are identified in the Town budget.

1. Local Sources

- a. **Property Taxes (ad valorem)** -- Property taxes are based on a millage rate (one mill is the equivalent of \$1 per \$1000 of assessed value, or 0.1%), which is applied to the total taxable value of all real property and other tangible personal property. Revenue from ad valorem taxes is used to fund both operating costs and capital projects. Property taxes are the predominant source of revenue for the Town, amounting to approximately 72% of general fund revenues. The general fund is primarily used to support personnel services and operating expenses. A smaller proportion of the general fund is used to support capital outlays, debt service, and transfers to capital projects. Debt service funds are used to account for the annual payment of principal, interest, and expenditures on long-range general obligation debt.

b. Special Revenues

- i. Tourist Development Council (TDC) funds. The Town receives tourist development taxes from both Manatee and Sarasota Counties. An agreement, amended in 1999 and renewed in 2008 provides the Town with TDC funds based on the following funding formulas. Manatee County: The Town's share of the 3rd penny. Sarasota County: \$150,000 (base amount) plus the difference between the 3rd penny and the base amount (\$150,000). The tourist development taxes received from the counties is exclusively for beach related expenditures.
- ii. Land Acquisition Fee. The Town collects a land acquisition fee of the value of 1/100 of one acre per dwelling unit. (Fee = fair market value of land/sq. ft. x 435.6 x no. of units.) Land acquisition fees are used to secure or improve undeveloped lands in the Town, to preserve open spaces, and to provide recreational facilities.
- iii. Public Utility Fees. The Town collects these charges from the operation of the water and wastewater system. Annually, the Town adopts a five-year Capital Improvements Program for its water and wastewater system. The Program includes any necessary rehabilitations, upgrades, and replacements for the existing system. In 2004, the Town adopted Ordinance 04-11, which established the basis for rate increases to fund the capital program on a "pay as you go" basis.
- iv. Ordinance 04-11 also adopted the first rate increase and set forth the procedures for additional rate increases, which are balanced with the amount of capital funds committed toward the improvements.

The Town issued \$9,250,000 of bank-qualified debt in 2009 to fund water and wastewater projects in the Town utility's capital improvement program. The debt is general obligation debt backed by the taxing authority of the Town with the Town Commission's recorded intention to repay the debt with revenues of the utility system.

In addition to the bank-qualified debt, the Town borrowed \$4,480,773 from the State Revolving Fund (SRF) loan program. This borrowing funded the upsizing of the water transmission line from the New Pass Bridge to Bay Isles Road and constructed the new mid-key pumping station. This debt is backed by the taxing authority of the Town with the recorded intention of the Town Commission to repay the debt with revenues of the utility system.

The issuance of the debt described in the previous two paragraphs represents a departure from the Town's policy of doing utility projects on a "pay-as-you-go" basis. The Town currently charges a water connection fee of \$690 per dwelling unit and a wastewater connection fee of \$1,224 per dwelling unit. Water and wastewater connection fees are collected on new construction to provide for additions and extensions to the utility system. The Town is functionally built-

out, unless and until redevelopment and revitalization occur, with few new water and wastewater connections anticipated.

- v. General Obligation (GO) Bonds. These bonds are backed by the full faith and credit of the Town, secured by the pledge of the Town's ad valorem taxing power, and must be approved by voter referendum. Ad valorem taxes necessary to pay debt service on GO bonds are not subject to constitutional property tax millage limits. In the event of default, the holders of GO bonds have the right to compel a tax levy or legislative appropriation. GO bonds offer favorable interest rates and have been issued by the Town to finance improvements to the water and wastewater distribution system, beach restoration and maintenance, and public buildings. The respective GO bonds referred to above and their respective payment and payoff schedules are in Table 3.
- vi. Revenue Bonds. These bonds are payable from a specific source of revenue, which do not pledge the full faith and credit of the issuer. In Florida, revenue bonds issued by local units of government are payable from revenues generated by enterprise activity or specified non-ad valorem tax sources. Revenue bonds are payable from identified sources of revenue and do not permit the bondholders to compel taxation for payment of debt service. Pledged revenues may be derived from operation of the financed project, grants, and excise or other specified non-ad valorem taxes. The Town Commission has formally recorded its intention to repay the bank loan and the SRF loan using net revenues of the utility system. A referendum is required prior to issuance of such obligations. The Town currently has no revenue bonds issued.
- vii. Industrial Revenue Bonds (IRB). IRBs are securities issued by a local government to finance the construction or purchase of certain industrial, commercial, manufacturing, or public-purpose facilities to be purchased by or leased to a private user. IRBs are backed by the credit of the private user and are not considered liabilities of the governmental issuer. The range of facilities that may be financed with IRBs are defined by state law. The tax exempt status of these bonds is derived from federal law. No Industrial Revenue Bonds have been issued by the Town.
- viii. Franchise Fees. These fees include electricity, solid waste, and heating and cooking gas. These revenues are part of the general fund.
- ix. Licenses and Permits. These include business tax, building, inspections, signs, and other miscellaneous categories. These revenues are part of the General Fund and the Building Division Enterprise Fund.
- x. Impact Fees. These fees are charged in advance of new development and are designed to pay for infrastructure needs, but not operating costs, which directly result from new development. These fees must be equitably allocated to the specific group(s) that will directly benefit from the capital improvement, and the assessment levied must fairly reflect the true costs of these improvements. The Town has not enacted impact fees; however, it collects Sarasota County's Library, Education System, General Government, Justice, and Road impact fees and passes those through to the County. The Town also collects a School Impact Fee for Manatee County.

- xi. Special Assessments. Like impact fees, special assessments are levied against residents, agencies, or districts that directly benefit from the new service or facility. For example, new sidewalks for an existing neighborhood can be financed through special assessment of the affected homeowners, rather than through the Town's general fund, when only the neighborhood would benefit. No special assessments are being levied at the present time.
- xii. Charges for Services. These include Town charges for planning and zoning reviews, Recreation Center and Tennis Center memberships, EMS, fire inspections, among others. These revenues are part of the general fund.
- xiii. Fines and Forfeitures. These include courts, police parking fine, fire alarm violations, and handicap parking violations.
- xiv. Administration Fees collected from the Building Fund and Utility Fund. These are the General Fund costs allocated to the Utility Department and Building Division for services provided.
- xv. Miscellaneous Revenue. These revenues include interest and tennis center merchandise sales.

2. State (Intergovernmental) Revenues

- a. Infrastructure Surtax (sales tax). In 1999, Sarasota County voters approved a 10-year infrastructure surtax (a.k.a. 1 penny sales tax). Sarasota County voters approved an extension of the program for 15 years beginning in 2009. At the time of approval, the Town's estimated share was approximately \$833,333 per year for a total of \$12.5 million. However, it is now projected that the Town will receive an estimated \$7.8 million instead of the total \$12.5 million expected by the end of the 15-year program. Manatee County's Infrastructure surtax expired in 1999.
- b. Local Communications Services Tax. The state collects this tax and distributes to local governments.
- c. Grants. These revenues are dependent on the needs in fiscal year and applied for on an individual basis. If the grant is not awarded, the expenditure will not occur.
- d. Miscellaneous. The category includes mobile home licenses, alcoholic beverage licenses, boat registrations, and firefighters' supplemental compensation.
- e. Gas Taxes. These taxes include the local option gasoline taxes - two-cent, four-cent, ninth-cent, Sarasota County fifth-cent, and state motor fuel revenue. Beginning January 2007, the Town began receiving revenues from the recently approved fifth-cent from Manatee County. All revenues are for the Road and Bridge fund and the Streets Department.
- f. Sales Tax. Sales taxes include the state revenue sharing for sales tax proceeds. The municipal distribution formula is a compound ratio of the Town's population, total county population, statewide total city/county population ratio, and statewide sales tax collections.

**TABLE 2
TOWN OF LONGBOAT KEY
REVENUE SOURCES**

		<u>\$ 5,196,470,815</u>		
Total Assessed Value:		<u>\$ 4,956,422,312</u>		
Revenue Source	Rate/Basis	2015 2016 (FY 1) Budgeted Amount	Fund	Notes/Comments
Tax Revenues				
Property Taxes (Mills)	2.1300	\$10,680,620	General	Reduced by 3.5% for early payments
	2.1763	\$10,409,124		
Business Tax Receipts	Tax set by Town Commission	\$152,000	General	Formerly known as Occupational Licenses.
		\$156,000		
Special Revenues				
Utility Fees	Fees set by Town Commission and Manatee County	\$7,658,300	Utility	Income from connection fees insignificant, \$0 budgeted for current fiscal year
		\$7,274,000		
Erosion Control District A	0.8328	\$2,464,574	Debt Service	Debt is expected to be issued late in current fiscal year
	0.8500 Mills	\$2,423,312		
Erosion Control District B	0.2082	\$422,501		
	0.2125 Mills	\$418,882		
Land Acquisition Fees	Fees set by Town Commission	\$150,000	Land Acquisition Fund	New Construction resulting in additional housing units subject to these fees.
		\$2,100,000		
Local Option Sales Tax	Formula based on sales and population	\$560,000	Infrastructure Surtax	1 penny surcharge in Sarasota County
		\$540,000		
TDC Funds	Negotiated	\$635,000	Tourist Development Tax	
		\$604,000		

TABLE 2 (Continued)				
LONGBOAT KEY CURRENT (FISCAL YEAR (FY) 1 REVENUE SOURCES				
Franchise Fees				
All Franchises: Electricity, Cooking Gas, Solid Waste	Individually Negotiated	\$938,500	General	-
		\$896,000		
Permits				
Building, Inspections, Misc.	Fees set by Town Commission	\$1,882,190	Building Division Enterprise Fund	Majority of fees are from building permits
		\$1,219,000		
Miscellaneous	Fees set by Town Commission	\$31,200	General	Mobile Home Licenses, Alcoholic Beverage Licenses, Boat Registrations, Fire Prevention , Signs and Micellaneous
		\$27,500		
Intergovernmental Revenues				
Sales Tax Revenue Sharing	Proportionate share based on population	\$134,900	General	
		\$130,000		
Local Communications Services Tax	5.22% of communication industry revenues	\$552,000	General	Maximum allowed by the Town
		\$575,000		
Grants	WCIND	\$78,600	General	Grants applied for on an annual basis as needed.
		\$57,669		
Sales Tax	Proportionate share based on population	\$535,000	General	1/2 penny sales tax
		\$538,000		
Gas Tax (County)	Proportionate share based on population	\$427,985	Road & Bridge	2nd, 4th, 5th & 9th penny and state motor fuel revenue.
		\$417,150		

TABLE 2 (Continued)				
LONGBOAT KEY CURRENT (FISCAL YEAR (FY) 1 REVENUE SOURCES				
Charges for Services				
Planning & Zoning Fees; Recreation Center; EMS, etc.	EMS set at prevailing Medicare Rate; all other fees set by Town Commission	\$332,480 \$305,780	General	Major contributors: EMS
Tennis Center	Set by Town Commission	\$417,520 \$406,178	Tennis Special Revenue Fund	
Road & Bridge	Negotiated	\$33,463 \$39,600	Road & Bridge	FDOT payment to Town for mowing of GMD and traffic signal maintenance
Fines and Forfeitures				
Courts, Police parking fines, fire alarm violations, handicap parking violations	Fees set by County, State and Town Commission	\$12,100 \$13,050	General	
Miscellaneous & Non-Revenue				
Utility administration and building department administration	Fees set by Town Commission based on consultants' recommendations	\$1,855,500 \$2,083,855	General	Transfers into General Fund from Utility, Building, Road & Bridge
Interest <u>and</u> <u>Misc.</u>	Interest is set at market rate.	\$27,200 \$54,750	General	Includes Sale of Fixed Assets
Tennis Merchandise	Cost plus mark up	\$155,300 \$126,000	Tennis Special Revenue Fund	
Total All Revenue Sources (including Interest)		\$30,136,933 \$29,918,850		

**TABLE 3
TOWN OF LONGBOAT KEY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Fiscal Year	GO-UTILITY IMPROVEMENT BONDS—2009 Series			GO-UTILITY REFUNDING BONDS—2014 Series			GO FACILITY IMPROVEMENT REFUNDING BONDS—2010 Series			STATE REVOLVING FUNDS LOAN			Total All Bonds
	(Bond Retires October 2029)			(Bond Retires October 2029)			(Bond Retires October 2019)						
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2014-15	\$356,200	\$165,584	\$521,784	\$19,836	\$144,612	\$164,448	\$260,000	\$29,295	\$289,295	\$193,848	\$111,698	\$305,546	\$1,116,625
2015-16	\$374,800	\$147,061	\$521,861	\$20,448	\$143,999	\$164,447	\$265,000	\$23,653	\$288,653	\$199,353	\$106,193	\$305,546	\$1,116,060
2016-17	\$394,200	\$127,572	\$521,772	\$21,080	\$143,367	\$164,447	\$270,000	\$17,903	\$287,903	\$205,014	\$100,531	\$305,545	\$1,115,220
2017-18	\$414,700	\$107,073	\$521,773	\$21,732	\$142,716	\$164,448	\$275,000	\$12,044	\$287,044	\$210,837	\$94,709	\$305,546	\$1,114,363
2019-23	\$1,644,400	\$201,126	\$1,845,526	\$890,253	\$695,610	\$1,585,863	\$280,000	\$6,076	\$286,076	1,147,469.00	380,259.00	\$1,527,728	\$3,659,330
2024-28	\$0	\$0	\$0	\$3,040,920	\$390,467	\$3,431,387	\$0	\$0	\$0	1,319,924.00	207,804.00	\$1,527,728	\$1,527,728
2029-33	\$0	\$0	\$0	\$665,731	\$20,571	\$686,302	\$0	\$0	\$0	732,586.00	31,278.00	\$763,864	\$763,864
	\$3,184,300	\$748,416	\$3,932,716	\$4,680,000	\$1,681,342	\$6,361,342	\$1,350,000	\$88,971	\$1,438,971	\$4,009,031	\$1,032,472	\$5,041,503	\$10,413,190

Fiscal Year	GO UTILITY IMPROVEMENT BONDS - 2009 Series			GO UTILITY REFUNDING BONDS - 2014 Series			GO FACILITY IMPROVEMENT REFUNDING BONDS - 2010 Series			STATE REVOLVING FUNDS LOAN			Total All Bonds
	(Bond Retires October 2029)			(Bond Retires October 2029)			(Bond Retires October 2019)						
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2016	\$356,200	\$156.32 2	\$512,522	\$19,836	\$144,306	\$164,142	\$260,000	\$26,475	\$286,475	\$199,353	\$106.19 2	\$305,545	\$1,268,684
2017	\$374,800	\$137.31 6	\$512,116	\$20,448	\$143,683	\$164,131	\$265,000	\$20,778	\$285,778	\$205,014	\$100.53 1	\$305,545	\$1,267,570
2018	\$394,200	\$117.32 2	\$511,522	\$21,080	\$143,042	\$164,122	\$270,000	\$14,973	\$284,973	\$210,837	\$94,709	\$305,546	\$1,266,163
2019	\$414,700	\$96,291	\$510,991	\$21,732	\$142,380	\$164,112	\$275,000	\$9,059	\$284,059	\$216,824	\$88,722	\$305,546	\$1,264,708
2020	\$436,300	\$74,165	\$510,465	\$22,403	\$141,698	\$164,101	\$280,000	\$3,038	\$283,038	\$222,982	\$82,564	\$305,546	\$1,263,150
2021													
-	\$1,208.10		\$1,292.30	\$1,439.60		\$2,085.45				\$1,213.56	\$314.16	\$1,527.72	
2025	0	\$84,206	6	0	\$645,859	9	\$0	\$0	\$0	8	0	8	\$4,905,493
2026													
-				\$3,134.90		\$3,382.96				\$1,395.95	\$131.77	\$1,527.72	
2030	\$0	\$0	\$0	1	\$248,068	9	\$0	\$0	\$0	7	1	8	\$4,910,697
2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,649	\$2,124	\$152,773	\$152,773
	\$3,184.30	\$665.62	\$3,849.92	\$4,680.00	\$1,609.03	\$6,289.03	\$1,350.00		\$1,424.32	\$3,815.18	\$920.77	\$4,735.95	\$16,299.23
-	0	3	3	0	6	6	0	\$74,323	3	4	3	7	9

Source: ~~FY 2014-2015 Adopted Budget~~ 2014-2015 CAFR

D. LOCAL POLICIES AND PRACTICES

The effectiveness of the CIE as a tool for implementation of the Comprehensive Plan will depend on the local policies and practices that guide the timing and location of construction, extension, or increases in public facilities capacity. In addition to local policies and practices, the effectiveness of implementation may also be influenced by state and regional agencies that provide public facilities within the Town. For example, the Florida Department of Transportation's (FDOT) Five-Year Plan will affect improvements to Gulf of Mexico Drive. FDOT is also responsible for the structural integrity and capacity of the bridges that are part of the state road network; however, the U.S. Coast Guard regulates the timing of the bridge opening.

This section will inventory current local capital improvements policies and practices. This inventory will contribute to establishing a sound basis for the analysis and recommendations of the capital improvements element. It will achieve this contribution by:

- Defining policies and practices that are relevant to implementation of the Comprehensive Plan.
- Identifying issues that will need to be resolved.
- Providing a basis in fact for recommendations for future goals, objectives, and policies.

1. Capital Improvement Program (CIP)

A capital improvement program provides a method for looking five or more years into the future and preparing a long-range plan for capital expenditures. By definition, a capital expenditure is a major one-time expenditure for facilities or equipment that has an anticipated life expectancy of five years or more. In addition, a capital expenditure normally has a minimum threshold dollar amount that will vary from community to community. Facilities and equipment usually included in the CIP are:

- § Public buildings and facilities new construction or major renovation.
- § Public works projects such as roadway improvements, sidewalks, water, wastewater, and stormwater.
- § Purchase of major equipment such as public safety apparatus and vehicles.
- § In the Town's case, a long-range plan for the maintenance of the beach and canal resources.

Preparation of a CIP includes: identification and listing of proposed capital items and their projected schedule, estimating costs, and identifying their funding source(s). The result is a program outlining capital expenditures for a number of years. The CIP should be closely integrated with the local planning process, consistent with the adopted Comprehensive Plan, and used to implement the Plan's recommendations for capital improvements.

2. Level of Service (LOS) Standards

LOS standards are indicators of the adequacy and conditions of public facilities and are defined by Chapter 9J-5, Florida Administrative Code (FAC) as: "An indicator of the extent or degree of service provided by, or proposed to be provided by a facility,

based on and related to the operational characteristics of the facility. LOS must indicate the capacity per unit of demand for each public facility.”

LOS standards are required for certain public facilities (transportation, recreation and open space, potable water, wastewater, solid waste, stormwater, and public schools) and must be addressed by local governments in their comprehensive plans. A primary purpose is to ensure that adequate capacity will be maintained for existing development and provided for future development, and that issuance of development orders and permits will not lead to a deterioration of LOS. Consequently, development will only be permitted if facilities and services needed to maintain LOS are provided or phased in over time.

The Town's LOS standards are included in the various elements of the Comprehensive Plan and are summarized in Table 4 and in CIE Objective 1.3 and related policies. With regard to the adopted LOS for Town facilities, the Town implements a five-year Capital Improvements Program for its water and wastewater system. The program includes any necessary rehabilitations, upgrades, and replacement projects to maintain the existing LOS.

The Town has also adopted a LOS standard for recreation and open space based on Town-owned and controlled acreage that provides a guideline for facility standards. The current LOS standard results in a slight surplus of four acres of recreation and open space. However, the projected population growth in the planning period will quickly result in a deficit of four acres. The Town collects Land Acquisition Fees, which have been and continue to be used to purchase land and develop or improve recreation facilities. The Town continues to fund the maintenance of facilities to ensure the quality of the parks, recreation, and open space amenities. The Town completed its second major beach restoration project in July 2006. A smaller emergency beach placement project from Broadway Beach Access North to the North Shore Road Beach Access (approximately 133,000 CY) was completed in May 2011.

3. Impact Fees

Impact fees are an optional funding mechanism imposed by local governments on new development to offset the costs of new capital facilities necessary to serve that development. Pursuant to state law, the Town has adopted the Road Impact Fees for Sarasota County. The Town passes the collections for Road, Education, General Government, Justice, and Library Impact Fees through to Sarasota County. It also collects a School Impact Fee for Manatee County. The Town has not enacted stand-alone impact fees, and does not anticipate doing so in the future.

4. User Charges

User charges are designed to impose the cost of public facilities or services on those who directly benefit from them. They are commonly used for meeting debt service on revenue bonds, as well as for meeting expenses for operation and maintenance. User charges are typically applied to water, wastewater, and solid waste and are sometimes applied to recreation, roads, and bridges (tolls).

5. Water and Wastewater Connection Fees

The Town currently charges a water connection fee of \$690 per dwelling unit and a wastewater connection fee of \$1,224 per dwelling unit. Water and wastewater connection

fees are collected on new construction to provide for additions and extensions to the utility system. The Town is functionally built-out, unless and until redevelopment and revitalization occur, with few new water and wastewater connections anticipated. These fees are restricted to the acquisition and construction of additions, extensions, and improvements to the Water and Wastewater system.

6. Concurrency Management System

A Concurrency Management System controls the timing and location of development by conditioning development approval upon a showing that sufficient facilities and services are present or will be provided to maintain adopted LOS standards. It implements the legislative mandate which requires public facilities be available to support the impacts of development in accordance with the time schedules established by state law under Chapter 163.3180, Florida Statutes (FS). If necessary, developments may be required to furnish facilities and services to maintain adopted LOS standards.

The concurrency management requirements of Florida Law have been incorporated within existing land development regulations and are addressed in the review of all development orders. The Town is nearly built-out, unless and until redevelopment and revitalization occur, and is experiencing redevelopment in the form of conversion of tourism units to residential housing resulting in rare negative impacts to the Town's public facilities.

7. Mandatory Dedications or Fees in Lieu Of

The Town is nearly built-out, unless and until redevelopment and revitalization occur, and land dedication for public purposes (e.g., roads or parks) is impractical. As an alternative, a fee in lieu of dedication may be required. A land acquisition fee equal to the value of 0.01 of one acre per dwelling or tourism unit is charged for all residential development/redevelopment, as applicable. Proceeds of the land acquisition fee are deposited into the Land Acquisition Fees Fund which is used to partially offset improvements to the Town's park and open space system.

8. Moratoria

A moratorium, or stop-gap ordinance, is used to temporarily halt or freeze development on an emergency basis. Moratoria have been held as a valid last resort for the protection of public health, safety, and welfare when properly applied. Some important considerations in adoption of a moratorium are (1) the legal status of existing "vested" development rights, (2) the geographic extent of the moratorium, and (3) the time frame and conditions of the moratorium. When imposed, moratoria must be for a reasonable time to allow for necessary improvements. If a local government adopts a moratoria ordinance, it effectively stops the issuance of building permits, development approvals, and hook-ups or extensions of public services such as water and wastewater for the duration of the moratoria period. In January 2007, the Town adopted Ordinance 2006-30 which established the Town's *Post-Disaster Redevelopment Plan*. The plan, contained in Chapter 159 of the Town Code, outlines the Town Commission's ability, pursuant to Chapter 252 of the Florida Statutes, to declare a moratorium under specific conditions immediately needed for public health, safety, and welfare purposes.

**TABLE 4
TOWN OF LONGBOAT KEY
LEVELS OF SERVICE (LOS) STANDARDS**

<u>Element</u>	<u>LOS Standard</u>
Wastewater	109 gallons per capita per day (gpcd)
Potable Water	120 gpcd
Solid Waste	Landfill disposal rate of 4.5 pounds per day per capita compaction rate of 1,200 pounds per cubic yard. The adopted LOS excludes recyclable material and yard waste.
Stormwater	Stormwater systems based on 25 year/24 hour frequency storms and the water quality standards of Chapters 40D-4 and 400, FAC of the Southwest Florida Water Management District
Transportation Gulf of Mexico Drive (GMD)/SR 789	LOS E All intersections within the Town: Volume to Capacity Ratio of 1.08
Recreation/Open Space	12 acres per 1,000 peak season functional population
Public Transit	Maintain transit service to the Town at or better than levels in effect in January 2007. Public transit will not be used for concurrency determinations.

III. CAPITAL IMPROVEMENTS ANALYSIS

A. GENERAL FISCAL IMPLICATIONS OF IDENTIFIED DEFICIENCIES AND PUBLIC FACILITIES NEEDS

This section addresses the fiscal implications of the existing deficiencies, if any, and determines future public facility needs. This analysis is based on improvements identified in other elements of the Comprehensive Plan, and considers the relative priority of need among facility types.

As discussed elsewhere in this element, the Town adopts a five-year Capital Improvements Program for its water and wastewater system. The program includes any necessary rehabilitations, upgrades, and replacements to correct identified deficiencies. Through the Evaluation and Appraisal Report (EAR), the Town updated its population projections and changed the LOS standard for Recreation and Open Space to include functional population. The Town collects Land Acquisition Fees from residential development, which can be used for the recreational and open space system. The Town is nearly built-out, unless and until redevelopment and revitalization occur, resulting in a scarce availability of land for recreation and open space. However, the Town has prepared a vision plan, which identifies seeking opportunities to purchase open space for public use as a strategy related to the goal of maintaining the beauty of the Key.

There are fewer than 200 units that can be built on vacant land (outside of the Bay Isles and Islandside Mixed Use Communities (MUC)); and, approximately 250 of the Town's tourism units have converted (or are in the process of converting) from higher density to low-density residential development over the previous ten years - a trend that may continue even in light of the town approving an additional 250 tourism units above the current maximum density that may be used to support redevelopment of tourism facilities in the future. These conversions are resulting in fewer impacts to the Town's infrastructure.

The probability of large-scale changes is unlikely. Current fiscal policies require that development pay its way and this is reflected in the Town's very low millage and strong financial position.

A recent change by the legislature to growth management law (House Bill 7270) no longer requires all local governments to adopt CIEs that are financially feasible. However, the Town's capital program has historically been and continues to be fiscally sound. Capital projects identified in Table 1 are represented within the budget document as part of the current five-year capital plan.

B. RELATIONSHIP OF CAPITAL IMPROVEMENTS TO THE FUTURE LAND USE ELEMENT

This section addresses the use of timing and location of capital improvements to support efficient land development/redevelopment as well as the various comprehensive plan elements, goals, objectives, and policies.

As described above, the Town is functionally built-out, unless or until redevelopment and revitalization occur, and is losing its tourism base as older tourism developments, at higher densities, convert to residential units, at much lower densities. In general, these conversions have

not caused adverse impacts to the Town's infrastructure; however, even with a stable or declining population potable water remains an issue. The Town purchases bulk water from Manatee County (see Potable Water Sub-Element that sets limits on the amount of water that the Town can use). The current wholesale water contract between the Town and Manatee County has a provision for purchasing additional reserve capacity from the County by paying the appropriate Facility Investment Fees (FIF) for all new and increased potable water connections in the Town.

In January 2007, the Town renewed its contract to purchase bulk potable water from Manatee County. The renewed contract expires in 2031, with one 10-year renewal to 2041. Manatee County includes the Town population in its water planning projections. The Town received a renewed Water Use Permit in 2012 from the Southwest Florida Water Management District for a population of 16,810.

The Town contracts with Manatee County for the treatment and disposal of its wastewater. In November 2009, the Town renewed its contract for wastewater services with Manatee County. The renewed contract follows the same timeline as the water contract. It expires in 2031 with one 10-year renewal to 2041. The wastewater contract also contains a provision for increased reserve capacity based on need and paying an FIF.

The Town adopts a five-year Capital Improvements Program for its water and wastewater system. The program includes any necessary rehabilitations, upgrades, and replacements to maintain the existing LOS. There are no plans to expand the geographic service area.

The Town contracts its solid waste disposal to Waste Management, who in turn, contracts with Manatee County to use the Lena Road landfill. Waste Management contracts with Sarasota County for recycling materials.

FDOT has jurisdiction over the structural and roadway components of the New Pass and Longboat Pass Bridges and Gulf of Mexico Drive (GMD)/State Road 789. The adopted LOS for GMD is not expected to change during the planning period. Transit is provided by Manatee and Sarasota Counties, which have "seamless" service between Downtown Bradenton and Downtown Sarasota through GMD. (see Transportation Element) However, continuation of the route through Longboat Key is currently under review.

As noted in the Recreation and Open Space Element Data & Analysis, Sarasota County recently purchased over three acres of commercial and residential land immediately adjacent to the Town's Bayfront Recreation Center. Subsequent to the purchase, the Town and County entered into a Memorandum of Understanding regarding the purchase, design and development costs. Inclusion of the redevelopment of the Center in the Five Year Capital Improvements Plan would be premature at this time because a development schedule has not been proposed, much less adopted by both parties. However, this addition of over three acres to the Center and the expansion of recreational activities will significantly increase the recreational opportunities in the Town available to the public and support efforts to achieve and maintain the adopted Recreation and Open Space LOS. The Town continues to levy the Land Acquisition Fee on new residential development, which can be used for land acquisition and/or facility improvement.

C. FISCAL ASSESSMENT

This section assesses the Town's ability to finance capital improvements based upon anticipated revenue to cover minor pay as you go projects and debt service payments on the major projects. The Town is near build-out and, therefore, revenue projections do not rely on population growth, but do rely on projections provided by the Town's Finance Department. The assessment will focus on whether sufficient revenues are available to fund needed improvements during the near-range fiscal planning horizon (Fiscal Years (FY) 1 through 5). The assessment will include:

- Projections of ad valorem and other taxes, fees, and charges.
- Projections of debt service.
- Forecast of revenues and expenditures for the planning period.
- Increase in operating costs from capital improvements.
- Projections of debt capacity.

Using this process, annual revenue surpluses or shortfalls will be identified along with recommendations for financing needed capital improvements. These opportunities will be discussed in the next section titled *Issues and Recommendations*.

1. The Ad Valorem Tax Base

Based on the Future Land Use Element, the residential population is expected to increase slightly; however, the overall Town population will be lower than the present population. The Town is losing the tourism component of its population due to the conversion of tourism units to residential. Because the Town is nearly built-out, unless and until redevelopment and revitalization occur, the redevelopment of existing units coupled with the conversion of tourism units to residential will constitute the bulk of future development. Table 5 projects revenue from the tax base and forecasts revenues based on a millage rate necessary to balance the budget. The Town has the ability to change the millage rate based on state law. The taxable value of property on Longboat Key has been volatile during the downturn in the economy and while the Town attempts to forecast for five years, the forecasts have changed significantly. Therefore, these predictions will be explained in Table 5 rather than the text of this document. Included in the revenue forecast are tax yield projections that are reduced by 3.5% to account for tax collector charges and early payment discounts taken by the taxpayers.

2. All Other Projected Revenues

Revenue sources (other than ad valorem) affecting capital improvements, were projected for the near-range Fiscal Years (FY 1 through 5). First, a determination is made of the current fiscal year (FY 1) revenue in each fund that is available for capital improvements. Transfers, interest, contingencies, depreciation, and all non-recurring revenues and operating expenses, such as grants in aid, were then subtracted. The difference represents revenue available for capital expenses. The second step involved a projection to Fiscal Year five (FY 5) of the revenue available for capital improvements. This was accomplished by reviewing historical revenues for the individual funds combined with the Town Finance Department's assessment of likely increases. As previously noted, revenue projections from dwelling unit growth were insignificant. The procedure assumed that the millage

rate will remain the same. Due to the functionally built out condition of the island, connection fees and the land acquisition fees are minor revenue sources.

Table 6 summarizes the results of this projection of revenues affecting capital improvements. Projections are in current fiscal year dollars.

3. Projected Expenditures

In order to obtain a complete picture of future capital expenditures for the near-range fiscal years (FY 1 through 5), three separate categories will be projected:

- a. Scheduled capital improvement expenditures, from the capital improvements program for the adopted LOS that have been identified and set forth in the Comprehensive Plan. This category was derived from the Town's five-year list of capital projects previously identified in Table 1.
- b. Capital improvement debt service expenditures. These include expenditures necessary to meet debt service on outstanding bond issues. Table 3 shows the projected debt service by fund source for the near-range fiscal years (FY 1 through 5). General obligation bonds are funded from debt service funds and water and sewer revenue bonds are funded from the utility fund.

4. Forecast of Revenues and Expenditures

To determine the ability of the Town to meet projected capital expenditures, the difference between projected revenues and projected expenditures for each fund is compared. This comparison is shown in Table 7. The revenues in each fund include those derived from Table 6 plus transfers, interest, contingencies, and all non-recurring revenues. These expenditures are the sum of planned expenditures from the Capital Improvements Program items related to LOS (Table 1), debt service expenditures (Table 3) and capital improvements not related to LOS.

5. Operating Costs

The Town can incur annual operating costs associated with the capital improvements necessitated by the Comprehensive Plan. Operating costs would include recurring expenses of personnel, utilities, maintenance, and supplies.

6. Debt Capacity

- a. General Obligation (GO) Debt - In the prior fiscal year the ratio of general obligation debt to assessed values was 0.23%. The Town issued a general obligation bond in 2009 for improvements to the utility system that is not being paid by ad valorem taxes, but rather utility rates. In the current fiscal year (FY 1), there is one remaining bond, paid with ad valorem taxes, that has an annual payment of approximately \$290,000.

- b. Revenue Bonds - The Town's capacity to issue revenue debt is derived from its unpledged revenues, such as the one-half cent sales tax, franchise fees and water/wastewater charges.

- c. Millage Rate - By law, the Town can enact a millage rate up to a maximum of 10 mills. However, the Town's relatively low rate, seen on Table 2, results from high property values and low capital needs.

7. Long-Range Capital Planning

Pursuant to Chapter 163.3177(5)(a), FS, requiring the development of two planning periods for capital projects, Table 8 represents planned improvements to the Town's utility infrastructure for Fiscal Years (FY) 6 through 10. Beginning with the annual budget process, which begins during late spring and concludes prior to the adoption of the annual budget in late September, the Town will develop a 10-year planning horizon for capital projects. As appropriate, projects from the long-range list will be considered for funding as their need matures and the Town Commission approves the expenditure.

D. ISSUES AND RECOMMENDATIONS

The major issue addressed in the CIE is what financial policies should guide the Town in making necessary improvements.

1. Contingent or Discretionary Capital Expenses

The Conservation and Coastal Management Elements indicated that the Town has established a Dependent Special Taxing District to pay debt service on beach capital construction funds. In addition to the bonds, the State of Florida may participate by funding up to 21.7% of the construction cost. The Town has committed TDC funds as well. These are budgeted capital funds and their commitment will not affect the General Fund budget.

2. Policy-Guided Capital Improvements

Due to the ability of the Town to finance the public facilities that impacts the level of service identified in the Comprehensive Plan, no recommendations will be made regarding new funding sources. With regard to the scheduling of capital improvements, first priority is given to correcting existing deficiencies to protect the public health and safety, the second priority is to eliminate existing deficiencies in the adopted LOS, the third is to increase efficiency of existing facilities, and the fourth priority is to evaluate logical extensions throughout the five-year planning timeframe. These criteria are adopted in the Comprehensive Plan as CIE Policy 1.1.3.

3. Concurrency Management System

A Concurrency Management System (CMS) controls the timing and location of development by conditioning development approval upon a showing that sufficient facilities and services are present or will be provided to maintain adopted LOS standards at the time the impacts occur. The Town is approaching build-out, unless and until redevelopment and revitalization occur, and is able to maintain its LOS standards. In order to ensure that adopted levels of service are maintained, a CMS has been part of the Town's land development regulations since 1990 and is used to review all proposed developments.

4. The CIP/CIE Process

The Town’s capital planning process runs within the annual budget cycle. The Town adopts year one capital projects with its annual budget. Years two through five include identified funding sources and their implementation is effective when they are adopted into the year one position. Years six through ten will be developed as a component of the Town’s long-range planning process.

**TABLE 5
LONGBOAT KEY
AD VALOREM TAX BASE REVENUE PROJECTIONS**

Category	<u>2016 (FY 1)</u>	<u>2017 (FY 2)</u>	<u>2018 (FY 3)</u>	<u>2019 (FY 4)</u>	<u>2020 (FY 5)</u>
	2015 (FY 1)	2016 (FY 2) (Projected)	2017 (FY 3) (Projected)	2018 (FY 4) (Projected)	2019 (FY 5) (Projected)
Housing Units (1)	8830	8,840	8850	8,860	8,870
	8820	8,830	8840	8,850	8,860
Projected ad valorem property value (2)	\$5,196,470,815	\$5,352,364,939	\$5,512,935,888	\$5,678,323,964	\$5,848,673,683
	\$4,956,422,312	\$5,253,807,651	\$5,569,036,110	\$5,791,797,554	\$6,023,469,456
General Fund ad valorem tax yield (3)	\$10,680,620	\$11,001,519	\$11,331,564	\$11,788,226	\$12,263,292
	\$10,409,124	\$11,144,013	\$11,930,781	\$12,532,092	\$13,163,709
GO Debt Service ad valorem tax yield for District A for District B (4)	\$2,887,075	\$2,850,000	\$2,850,000	\$2,850,000	\$2,850,000
	\$2,842,194	\$2,850,000	\$2,850,000	\$2,850,000	\$2,850,000

**TABLE 6
LONGBOAT KEY
PROJECTED REVENUES AFFECTING CAPITAL IMPROVEMENTS**

FUND	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)
General (1)	\$13,513,600	\$13,848,663	\$14,192,945	\$14,663,914	\$15,153,358
	\$13,384,436	\$14,134,202	\$14,935,920	\$15,552,257	\$16,198,975
Utility (2)	\$7,658,300	\$10,721,620	\$10,721,620	\$10,721,620	\$10,721,620
	\$7,274,000	\$10,097,170	\$10,097,170	\$10,097,170	\$10,097,170
Road and Bridge (3)	\$427,985	\$450,000	\$460,000	\$470,000	\$480,000
	\$417,150	\$417,150	\$417,150	\$417,150	\$417,150
Infrastructure Surtax (4)	\$565,600	\$576,912	\$588,450	\$600,219	\$612,223
	\$540,000	\$550,800	\$561,816	\$573,052	\$584,513
Beach Erosion Districts: A & B (5)	\$2,887,075	\$2,850,000	\$2,850,000	\$2,850,000	\$2,850,000
	\$2,842,194	\$2,849,000	\$2,849,000	\$2,849,000	\$2,849,000
Tourist Development (6)	\$635,000	\$641,350	\$647,764	\$654,241	\$660,784
	\$604,000	\$634,200	\$665,910	\$699,206	\$734,166
Land Acquisition Fees (7)	\$150,000	\$25,000			
	\$2,100,000	\$50,000	\$0	\$0	\$0
TOTAL	\$25,831,960	\$29,111,218	\$29,475,261	\$29,992,887	\$30,530,971
	\$27,161,780	\$28,732,522	\$29,526,966	\$30,187,835	\$30,880,974

(1) Excludes interest and non-revenue sources. Revenues other than Ad Valorem estimated to increase 0.5 % per year. ~~Ad Valorem increase explained in Table 5.~~

(2) Projected to increase 40% in 2016~~7~~ (FY 2) and remains flat in FY 3 through FY 5. Excludes other grants, loan proceeds and miscellaneous.

(3) ~~Excludes vehicle gas rebate, charges for services, miscellaneous and non operating revenues.~~ Projected revenues to increase to \$450k in FY 2 and increase \$10k per year in FY 3 through FY 5 remain flat.

(4) Revenue projected to increase 2% each year.

(5) Figures amounts. Millage is annually adjusted to collect only the amount needed for bond payment. A referendum was are bond payment will passed in March 2011, which allow the Town to issue approximately \$16,000,000 in bonds. ~~resulting in dDebt service collections resuming~~ in fiscal year 2015.

(6) Excludes interest, revenues projections to increase 51% in FY 2 - FY 5.

(7) Revenue projections based upon known new construction in FY 1. and FY 2 projected to be \$25k. Projections for FY 3 through 5 are estimated to be zero and do not include interest.

**TABLE 7
LONGBOAT KEY
FISCAL ASSESSMENT**

FUND	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)
	2015 (FY 4)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)
General Fund (1)	<u>\$4,564,986</u>	<u>\$3,942,746</u>	<u>\$2,962,409</u>	<u>\$460,136</u>	<u>\$409,811</u>
Beginning Balance	<u>\$4,268,805</u>	<u>\$3,748,525</u>	<u>\$3,754,901</u>	<u>\$4,040,668</u>	<u>\$3,816,575</u>
	<u>\$15,618,79</u> 7	<u>\$15,641,88</u> 3	<u>\$15,995,130</u>	<u>\$16,475,110</u>	<u>\$16,973,610</u>
Revenues	<u>\$15,493,79</u> 4	<u>\$16,254,10</u> 7	<u>\$17,066,424</u>	<u>\$17,693,414</u>	<u>\$18,530,838</u>
	<u>\$15,517,24</u> 8	<u>\$15,672,42</u> 0	<u>\$15,829,144</u>	<u>\$15,987,435</u>	<u>\$16,147,309</u>
Operating Expenditures	<u>\$14,838,71</u> 6	<u>\$15,135,49</u> 0	<u>\$15,438,200</u>	<u>\$15,746,964</u>	<u>\$16,061,903</u>
	<u>\$723,789</u>	<u>\$949,800</u>	<u>\$2,668,259</u>	<u>\$538,000</u>	<u>\$170,000</u>
Capital Expenditures	<u>\$220,000</u>	<u>\$726,801</u>	<u>\$779,000</u>	<u>\$1,106,259</u>	<u>\$381,500</u>
	<u>\$3,942,746</u>	<u>\$2,962,409</u>	<u>\$460,136</u>	<u>\$409,811</u>	<u>\$1,066,112</u>
Balance	<u>\$3,854,229</u>	<u>\$3,854,409</u>	<u>\$4,002,842</u>	<u>\$3,816,575</u>	<u>\$3,290,548</u>
Utility (2)					
	<u>\$12,321,50</u> 9	<u>\$632,246</u>	<u>\$1,914,483</u>	<u>\$3,104,465</u>	<u>\$4,194,350</u>
Beginning Balance	<u>\$15,930,54</u> 3	<u>\$1,671,926</u>	<u>(\$7,858,563)</u>	<u>(\$18,263,684)</u>)	<u>(\$28,861,809)</u>)
	<u>\$13,000,00</u> 0				
Bond Proceeds	<u>\$13,000,00</u> 0	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<u>\$7,658,300</u> 0	<u>\$10,721,62</u> 0	<u>\$10,721,620</u>	<u>\$10,721,620</u>	<u>\$10,721,620</u>
Operating Revenues	<u>\$7,274,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<u>\$6,973,156</u>	<u>\$7,112,619</u>	<u>\$7,254,871</u>	<u>\$7,399,968</u>	<u>\$7,547,967</u>
Operating Expenditures	<u>\$6,872,481</u>	<u>\$7,009,931</u>	<u>\$7,150,129</u>	<u>\$7,293,132</u>	<u>\$7,438,994</u>
	<u>\$24,781,30</u> 7	<u>\$1,335,000</u>	<u>\$1,285,000</u>	<u>\$1,240,000</u>	<u>\$735,000</u>
Capital Expenditures	<u>\$26,559,65</u> 6	<u>\$1,420,000</u>	<u>\$1,285,000</u>	<u>\$1,335,000</u>	<u>\$1,195,000</u>
	<u>\$593,100</u>	<u>\$991,764</u>	<u>\$991,767</u>	<u>\$991,767</u>	<u>\$991,767</u>
Debt / Other	<u>\$1,100,480</u>	<u>\$1,100,558</u>	<u>\$1,969,992</u>	<u>\$1,969,993</u>	<u>\$1,970,029</u>
	<u>\$632,246</u>	<u>\$1,914,483</u>	<u>\$3,104,465</u>	<u>\$4,194,350</u>	<u>\$5,641,236</u>
Balance	<u>\$1,671,926</u>	<u>(\$7,858,563)</u>)	<u>(\$18,263,684)</u>)	<u>(\$28,861,809)</u>)	<u>(\$39,465,833)</u>)
Road & Bridge (3)					
Beginning Balance	<u>\$1,466,137</u>	<u>\$1,061,187</u>	<u>\$1,011,187</u>	<u>\$961,187</u>	<u>\$31,187</u>
	<u>\$1,776,876</u>	<u>\$1,484,901</u>	<u>\$1,150,426</u>	<u>\$918,451</u>	<u>\$576,476</u>
	<u>\$427,985</u>	<u>\$450,000</u>	<u>\$460,000</u>	<u>\$470,000</u>	<u>\$480,000</u>

Revenues	\$468,750	\$468,750	\$468,750	\$468,750	\$468,750
Transfers to Other Funds	\$700,000	\$500,000	\$400,000	\$400,000	\$400,000
	\$700,725	\$700,725	\$700,725	\$700,725	\$700,725
Capital Expenditures	\$132,935	\$0	\$110,000	\$1,000,000	\$0
	\$60,000	\$102,500	\$0	\$110,000	\$0
Balance	\$1,061,187	\$1,011,187	\$961,187	\$31,187	\$111,187
	\$1,484,901	\$1,150,426	\$918,451	\$576,476	\$344,501

**TABLE 7 (Continued)
LONGBOAT KEY
FISCAL ASSESSMENT**

FUND	2016 (FY 1)	2017 (FY 2)	2018 (FY 3)	2019 (FY 4)	2020 (FY 5)
	2015 (FY 1)	2016 (FY 2)	2017 (FY 3)	2018 (FY 4)	2019 (FY 5)
Infrastructure Surtax (4)	<u>\$1,519,197</u>	<u>\$424,109</u>	<u>\$636,021</u>	<u>\$951,730</u>	<u>\$1,351,949</u>
Beginning Balance	<u>\$1,351,804</u>	<u>\$1,476,804</u>	<u>\$1,760,604</u>	<u>\$2,074,420</u>	<u>\$2,584,732</u>
Revenues	<u>\$565,600</u> <u>\$540,000</u>	<u>\$576,912</u> <u>\$550,800</u>	<u>\$588,450</u> <u>\$561,816</u>	<u>\$600,219</u> <u>\$573,052</u>	<u>\$612,223</u> <u>\$584,513</u>
Transfers to other Funds	<u>\$1,160,000</u> \$0	\$0	\$0	\$0	\$0
Capital Expenditures	<u>\$500,688</u> <u>\$415,000</u>	<u>\$365,000</u> <u>\$267,000</u>	<u>\$272,741</u> <u>\$248,000</u>	<u>\$200,000</u> <u>\$62,741</u>	<u>\$100,000</u> \$0
Balance	<u>\$424,109</u> <u>\$1,476,804</u>	<u>\$636,021</u> <u>\$1,760,604</u>	<u>\$951,730</u> <u>\$2,074,420</u>	<u>\$1,351,949</u> <u>\$2,584,732</u>	<u>\$1,864,172</u> <u>\$3,169,245</u>
Beach Erosion Districts (GO Bonds)					
Beginning Balance	<u>\$2,947,669</u> \$0	\$0	\$0	\$0	\$0
Revenues (5)	<u>\$2,887,075</u> <u>\$2,842,194</u>	<u>\$2,850,000</u> <u>\$2,849,000</u>	<u>\$2,850,000</u> <u>\$2,849,000</u>	<u>\$2,850,000</u> <u>\$2,849,000</u>	<u>\$2,850,000</u> <u>\$2,849,000</u>
Debt Payments & Transfers to Beach Capital	<u>\$5,834,744</u> \$0	<u>\$2,850,000</u> <u>\$5,839,000</u>	<u>\$2,850,000</u> <u>\$5,727,000</u>	<u>\$2,850,000</u> <u>\$781,500</u>	<u>\$2,850,000</u> <u>\$783,700</u>
Balance	\$0	\$0	\$0	\$0	\$0
Tourist Development					
Beginning Balance	<u>\$395,118</u> <u>\$2,077,317</u>	<u>\$495,573</u> <u>\$396,317</u>	<u>\$393,670</u> <u>\$35,767</u>	<u>\$298,248</u> <u>\$7,190</u>	<u>\$209,372</u> <u>\$12,183</u>
Revenues (6)	<u>\$641,680</u> <u>\$609,000</u>	<u>\$648,097</u> <u>\$639,450</u>	<u>\$654,578</u> <u>\$671,423</u>	<u>\$661,124</u> <u>\$704,994</u>	<u>\$667,735</u> <u>\$740,243</u>
Transfer to other funds (7)	<u>\$541,225</u> <u>\$2,290,000</u>	<u>\$750,000</u> <u>\$1,000,000</u>	<u>\$750,000</u> <u>\$700,000</u>	<u>\$750,000</u> <u>\$700,000</u>	<u>\$750,000</u> <u>\$725,000</u>
Balance	<u>\$495,573</u> <u>\$396,317</u>	<u>\$393,670</u> <u>\$35,767</u>	<u>\$298,248</u> <u>\$7,190</u>	<u>\$209,372</u> <u>\$12,183</u>	<u>\$127,107</u> <u>\$27,427</u>
Land Acquisition					
Beginning Balance	<u>\$2,556,800</u> <u>\$462,834</u>	<u>\$2,651,670</u> <u>\$2,537,834</u>	<u>\$2,676,670</u> <u>\$2,577,834</u>	<u>\$2,676,670</u> <u>\$2,577,834</u>	<u>\$2,666,670</u> <u>\$2,577,834</u>
Revenues (8)	<u>\$155,700</u> <u>\$2,100,000</u>	<u>\$25,000</u> <u>\$50,000</u>	\$0	\$0	\$0
Capital Expenditures	<u>\$60,830</u> <u>\$25,000</u>	<u>\$0</u> <u>\$10,000</u>	\$0	<u>\$10,000</u> <u>\$0</u>	\$0
Balance	<u>\$2,651,670</u> <u>\$2,537,834</u>	<u>\$2,676,670</u> <u>\$2,577,834</u>	<u>\$2,676,670</u> <u>\$2,577,834</u>	<u>\$2,666,670</u> <u>\$2,577,834</u>	<u>\$2,666,670</u> <u>\$2,577,834</u>

IV. IMPLEMENTATION

A. FIVE YEAR SCHEDULE OF CAPITAL IMPROVEMENTS

The Five Year Schedule of Capital Improvements is an implementation tool to guide the timing, location, projected costs, and revenue sources for the capital improvements necessary to accomplish the implementation of the Comprehensive Plan. The Five Year Schedule of Capital Improvements, Table 1, reflects the need to reduce existing deficiencies, remain abreast of replacements, and meet future demands.

B. MONITORING AND EVALUATION

The capital improvements planning process must be organized to establish a sound basis in both community and fiscal planning. Annual review of the CIE will be coupled with the annual adoption of a Capital Improvements Program and a capital improvements budget. The emphasis in this process will be on establishing the necessity of projects being programmed. In return for confirmation of the necessity of a project, a committed or planned funding source will be identified.

In addition, capacity and service demands of public facilities needed to serve new development will be monitored and evaluated on an on-going basis. This evaluation program is an integral part of the Town's CMS, which was implemented in accordance with Chapter 163.

The annual CIE update will be the responsibility of the Planning, Zoning and Building Department, with involvement of the Finance Director and all other applicable department heads. CIE Objective 1.6 and Policy 1.6.1 memorializes the requirement to update the CIE annually.

**Table 8
Town of Longboat Key Long-Range (Years 6 through 10) Capital Projects**

Item #	WASTEWATER	2020 (FY 6)	2021 (FY 6)	2022 (FY 7)	2023 (FY 8)	2024 (FY 9)	2025 (FY 10)
1	Slipline Gravity Sewers and Services	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
2	Rehabilitate Intermediate Pumping Stations	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
3	Rehabilitate Manhole Pumping Stations	\$0	\$0	\$150,000	\$150,000	\$150,000	\$150,000
4	Pumping Station Pumps, Control Panel Upgrades	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
5	Wastewater Distribution Rehabilitation	\$500,000	\$0	\$0	\$0	\$0	\$0
	WASTEWATER TOTAL	\$1,865,000	\$1,365,000	\$1,515,000	\$1,515,000	\$1,515,000	\$1,515,000

Item #	WATER	2020 (FY 6)	2021 (FY 6)	2022 (FY 7)	2023 (FY 8)	2024 (FY 9)	2025 (FY 10)
1	Water Distribution Rehabilitation	\$0	\$0	\$200,000	\$200,000	\$0	\$0
2	Water Pump Station Upgrades	\$100,000	\$0	\$0	\$0	\$0	\$0
	POTABLE WATER TOTAL	\$100,000	\$0	\$200,000	\$200,000	\$0	\$0

The review process will include an analysis of the following factors:

Updates, corrections, and revisions to costs, revenues, target dates, and locations.

Consistency with the other elements of the Comprehensive Plan.

Actions of other agencies such as the Florida Department of Transportation.

The continued validity of priority assignments.

Projects completed or progress toward completion.

The Level of Service being achieved.

The debt capacity of the Town.

Grants or private donations received or being considered.

Account balances and reserves.

Emerging facility or land needs for the latter portion of the planning period.

Recommendations for implementing the 5-year program in year one.

Public perceptions of the process, the necessity of projects in the 5-year program, and a willingness to support capital improvements at the level planned.



End of Agenda Item

MEMORANDUM

Date: July 5, 2016

TO: Town Commission

FROM: Dave Bullock, Town Manager

SUBJECT: Ordinance 2016-22, Amending Chapter 34, Providing an Election for Refund of Accumulated Contributions or Actuarial Present Value of Frozen Accrued Benefit

The Town froze the General Employees' and Firefighters' pension on September 30, 2013 and the Police Officers' pension on February 1 2014. Any member of the system who was employed and had less than ten years of credited service on a date certain could elect to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the system.

In May 2015, the Town hired Doug Lozen of Foster & Foster to perform an impact study to determine what would happen if we allowed current Active Members with greater than ten years of credited service, the opportunity to cash out their actuarial accrued benefits.

Each Plan was analyzed for two types of scenarios:

Scenario A. All active Plan Members receive the lump sum equivalent of their accrued benefit (or accumulated Member Contributions, if greater); and

Scenario B. 50% of the active Plan Members with the largest liabilities received the lump sum equivalent of their accrued benefit (or accumulated Member Contributions, if greater).

In the worst case, Scenario A, a lump sum payment of \$6.6 million would take place, which reduces the market value of assets from \$32.7 million to \$26.2 million. The actuarial accrued liability (AAL) for each Member is roughly equal to the cash-out amount since the benefit is frozen. So, while the AAL decreases by the cash-out amount, Plan assets also decrease by the same amount, hence little change in the UAAL (Unfunded AAL).

At the July 22, 2015 Pension Board Meeting, the Board, by consensus of the Trustees, expressed no objection for the Town to move forward with a cash out offer to additional members of the Retirement System.

These studies were updated by Foster & Foster to include "terminated vested" members as well as a sensitivity analysis to the lowering of the actuarial equivalent rate to 7% for all three plans. The interest rate used for lump sum payments is based on the Plan's definition of Actuarial Equivalence. The lower the actuarial equivalent rate, the higher the payout to the employee.

The rate of return for investment purposes which determines annual contributions is 7%.

The actuarial equivalent rate is defined in the following sections as follows:

Section 34.13 Police	7.5%
Section 34.73 General	7.75%
Section 34.43 Fire	8.0%

At the June 20, 2016 Workshop, the Town Commission agreed to move forward with a cash out offer for active members as well as terminated vested members. Terminated vested members are those who have left employment but are not yet collecting benefits. The Town Commission did not agree to reduce the actuarial equivalent rate of interest to 7%. The estimated impact of lowering the interest rates to 7% was \$500,000. Proposed Ordinance 2016-22 was amended to eliminate the modification of these sections and read aloud for first reading.

The Ordinance before you amends Sections 34.12, 34.42 and 34.72 providing for a one-time irrevocable election, on or before October 1 2016, to receive a refund of accumulated contributions or the actuarial present value of frozen accrued benefits, in lieu of any other benefit under the system. Ordinance 2016-22 was prepared and reviewed by the Town's Pension Counsel, Jim Linn.

In Summary,

- } Allowing this cash out transfers interest rate risk from the Town to the individual and reduces the number of pensioners.
- } There is a risk transfer from the Town to the Employee for future life expectancy for any cash outs.
- } Graystone Investment Advisor, sees no significant issues for the three plans under both worst case scenarios.
- } All investments in the plan are liquid.
- } If a sizable reduction in plan assets were to occur, no immediate change in the current 7% rate of return is required.
- } Most active members are more than 5-10 years away from normal retirement date, therefore expected benefit payments will not change significantly over next 5-10 years under both scenarios.

The Original Study using current actuarial equivalent rates of:

Police 7.5%, General 7.75%, Fire 8.0%

October 1 2014 Valuation Data

SCENARIO A - All active Members					
October 1 2014	Asset value- Current	Asset Value- Actuarial	Unfunded Accrued Actuarial Liability	Expected Net Cash Flow (Annual)	Town Contribution (Annual)
General	\$ 10,203,725	\$ 9,775,235	\$ 5,126,147	\$ (321,797)	\$ 738,676
Fire	\$ 15,707,549	\$ 15,026,121	\$ 13,703,215	\$ (216,305)	\$ 1,758,137
Police	\$ 6,858,039	\$ 6,429,064	\$ 4,741,178	\$ (231,728)	\$ 623,019
TOTAL	\$ 32,769,313	\$ 31,230,420	\$ 23,570,540	\$ (769,830)	\$ 3,119,832
SCENARIO A					
Lump Sum Payment	\$ (6,612,281)	\$ (6,611,281)	\$ (318,798)	\$ 66,460	\$ (82,340)
AFTER PAYOUT					
General	\$ 7,473,452	\$ 7,045,962	\$ 4,821,734	\$ (343,788)	\$ 706,625
Fire	\$ 12,973,059	\$ 12,291,631	\$ 13,554,879	\$ (246,216)	\$ 1,725,459
Police	\$ 5,710,521	\$ 5,281,546	\$ 4,875,129	\$ (246,286)	\$ 605,408
TOTAL	\$ 26,157,032	\$ 24,619,139	\$ 23,251,742	\$ (836,290)	\$ 3,037,492

SCENARIO B - 50% of Active (most Expensive Members)					
October 1 2014	Asset value- Current	Asset Value- Actuarial	Unfunded Accrued Actuarial Liability	Expected Net Cash Flow (Annual)	Town Contribution (Annual)
General	\$ 10,203,725	\$ 9,775,235	\$ 5,126,147	\$ (321,797)	\$ 738,676
Fire	\$ 15,707,549	\$ 15,026,121	\$ 13,703,215	\$ (216,305)	\$ 1,758,137
Police	\$ 6,858,039	\$ 6,429,064	\$ 4,741,178	\$ (231,728)	\$ 623,019
TOTAL	\$ 32,769,313	\$ 31,230,420	\$ 23,570,540	\$ (769,830)	\$ 3,119,832
SCENARIO B					
Lump Sum Payment	\$ (5,233,584)	\$ (5,232,584)	\$ (311,723)	\$ 39,736	\$ (53,288)
AFTER PAYOUT					
General	\$ 7,942,649	\$ 7,515,159	\$ 4,891,673	\$ (336,234)	\$ 714,218
Fire	\$ 13,619,025	\$ 12,937,597	\$ 13,581,211	\$ (237,417)	\$ 1,734,849
Police	\$ 5,974,055	\$ 5,545,080	\$ 4,785,933	\$ (235,915)	\$ 617,477
TOTAL	\$ 27,535,729	\$ 25,997,836	\$ 23,258,817	\$ (809,566)	\$ 3,066,544

The Updated Study using current actuarial equivalent rates of 7%
October 1 2015 Valuation Data

Summary of Lump Sum Payouts SCENARIO A - All active Members					
	Scenario A Oct 1 2014 Valuation Using Old Interest Rates	Scenario A Oct 1 2015 Valuation Using 7%	Increase in Cost	Scenario A Oct 1 2015 Valuation Using 7% Add Terminated Vested	Incremental Cost of Terminated Vested
LUMP SUM PAYOUT					
General	\$ 2,730,273	\$ 2,775,050	\$ 44,777	\$ 3,813,940	\$ 1,038,890
Fire	\$ 2,734,490	\$ 3,526,254	\$ 791,764	\$ 3,764,939	\$ 238,685
Police	\$ 1,147,518	\$ 1,229,662	\$ 82,144	\$ 1,287,377	\$ 57,715
TOTAL	\$ 6,612,281	\$ 7,530,966	\$ 918,685	\$ 8,866,256	\$ 1,335,290
Estimated Interest rate impact			(200,000)		(300,000)
Impact of October 1 2015 valuation data			\$ 718,685		\$ 1,035,290
Summary of Lump Sum Payouts SCENARIO B - 50% of Active (most Expensive Members)					
	Scenario B Oct 1 2014 Valuation Using Old Interest Rates	Scenario B Oct 1 2015 Valuation Using 7%	Increase in Cost	Scenario B Oct 1 2015 Valuation Using 7% Add Terminated Vested	Incremental Cost of Terminated Vested
LUMP SUM PAYOUT					
General	\$ 2,261,076	\$ 2,202,370	\$ (58,706)	\$ 3,241,260	\$ 1,038,890
Fire	\$ 2,088,524	\$ 2,667,425	\$ 578,901	\$ 2,906,111	\$ 238,686
Police	\$ 883,984	\$ 875,168	\$ (8,816)	\$ 932,883	\$ 57,715
TOTAL	\$ 5,233,584	\$ 5,744,963	\$ 511,379	\$ 7,080,254	\$ 1,335,291

The estimated lump sum payout if ALL active Members made the election is \$7.3 million. If all terminated vested made the election, then an additional lump sum payout of \$1 million is possible.

It is important to note that results of this analysis are estimates using October 1 2015 valuation data, with the resulting true impact dependent on which Members elect to receive cash outs if provided by the Town by way of Plan amendment.

This item was considered at the June 20, 2016 Regular Workshop Meeting and June 20, 2016 Special Meeting for first reading and forwarded to the July 5, 2016 Regular Meeting for second reading and public hearing.

Please feel free to contact me if you have any questions.

ORDINANCE 2016-22

AN ORDINANCE OF THE TOWN OF LONGBOAT KEY, FLORIDA, AMENDING THE CONSOLIDATED RETIREMENT SYSTEM FOR EMPLOYEES OF THE TOWN OF LONGBOAT KEY BY AMENDING SECTION 34.12, PLAN FREEZE AND PARTICIPATION IN DEFINED CONTRIBUTION PLAN; PROVIDING FOR AN ELECTION TO RECEIVE A REFUND OF ACCUMULATED CONTRIBUTIONS OR ACTUARIAL PRESENT VALUE OF FROZEN ACCRUED BENEFIT; AMENDING SECTION 34.42, PLAN FREEZE AND ENROLLMENT IN THE FLORIDA RETIREMENT SYSTEM; PROVIDING FOR AN ELECTION TO RECEIVE A REFUND OF ACCUMULATED CONTRIBUTIONS OR ACTUARIAL PRESENT VALUE OF FROZEN ACCRUED BENEFIT; AMENDING SECTION 34.72; PROVIDING FOR AN ELECTION TO RECEIVE A REFUND OF ACCUMULATED CONTRIBUTIONS OR ACTUARIAL PRESENT VALUE OF FROZEN ACCRUED BENEFIT; PROVIDING FOR SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LONGBOAT KEY, FLORIDA, THAT:

SECTION 1. Section 34.12, Plan freeze and participation in defined contribution plan, is amended to read as follows:

Sec. 34.12. Plan freeze and participation in defined contribution plan.

Notwithstanding any other provision of the system:

- (A) The accrued benefits of all members of this system who are employed and not participating in the DROP on February 1, 2014, shall be frozen on that date. All members shall be fully vested in their frozen accrued benefit. The value of each member's frozen accrued benefit shall be calculated in accordance with the provisions of the system in effect on January 25, 2014, based on the member's credited service and average final compensation on that date. The frozen accrued benefit shall be payable to the member upon termination of town employment and attaining age 55 with ten years of credited service, 25 years of credited service regardless of age, or age 60 regardless of years of credited service, whichever occurs first. In applying the preceding sentence, credited service shall include all credited service as a member of this system prior to February 1, 2014, and all periods of employment as a full-time police officer with the Town of Longboat Key on and after February 1, 2014. For the purpose of determining a member's frozen accrued benefit in accordance with this subsection (A), salary shall include any payments of accrued leave that would have been included in the member's salary if the member retired prior to February 1, 2014. Notwithstanding the preceding sentence, upon separation

from employment, the amount of accrued leave included in a member's salary for the purpose of determining the member's frozen accrued benefit shall be the lesser of the amount of leave accrued at the time of separation from employment, or the amount of accrued leave that would have been included in the member's salary if the member retired prior to February 1, 2014, and the member's frozen accrued benefit shall be adjusted accordingly.

- (B) No benefits shall be accrued under this system on or after February 1, 2014, and no member contributions to this system shall be required on or after that date. The town shall continue to make contributions to the system in accordance with subsection 34.17(C), and the board shall continue to administer the system in accordance with sections 34.13 through 34.41 until all accrued benefits have been paid to all eligible members and beneficiaries.
- (C) Any member of this system who is employed on January 25, 2014 and has less than ten years of credited service on that date may elect to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the system.
- (D) Effective February 1, 2014, all current and future police officers of the Town of Longboat Key shall participate in a defined contribution retirement plan established by the Town of Longboat Key, and shall be eligible for benefits and make contributions to the defined contribution plan for all service as a police officer with the town on and after that date, in accordance with the defined contribution plan, as it may be amended from time to time.
- (E) Members of this system who retired, entered the DROP or terminated town employment with the right to a deferred vested benefit prior to February 1, 2014 shall be entitled to receive benefits from the system in accordance with the provisions of the system in effect on the date of their retirement, DROP entry, or termination of employment.
- (F) Effective July 5, 2016, any member of this system with the right to receive a deferred vested benefit who has not begun to receive a benefit may, on or before October 1, 2016, make a one-time irrevocable election on a form provided by the Town to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the system. For the purpose of determining the actuarial present value of the frozen accrued benefit, such benefit shall include the lesser of the amount of leave accrued as of July 5, 2016, or the amount of accrued leave that would have been included in the member's salary if the member retired prior to February 1, 2014.

SECTION 2. Section 34.42, Plan freeze and enrollment in the Florida Retirement System, is amended to read as follows:

Sec. 34.42. Plan freeze and enrollment in the Florida Retirement System.

Notwithstanding any other provision of the system:

- (A) The accrued benefits of all members of this system who are employed and not participating in the DROP on September 30, 2013, shall be frozen on that date. All members shall be fully vested in their frozen accrued benefit based on their length of service as of September 30, 2013. The value of each member's

frozen accrued benefit shall be calculated in accordance with the provisions of the system in effect on September 30, 2013, based on the member's credited service and average final compensation on that date. The frozen accrued benefit shall be payable to the member upon termination of town employment and attaining age 55 with ten years of credited service, 25 years of credited service regardless of age, or age 60 regardless of years of credited service, whichever occurs first. In applying the preceding sentence, credited service shall include all credited service as a member of this system prior to October 1, 2013, and all periods of employment as a full-time firefighter with the Town of Longboat Key on and after October 1, 2013. For the purpose of determining a member's frozen accrued benefit in accordance with this subsection (A), salary shall include any payments of accrued leave that would have been included in the member's salary if the member retired prior to October 1, 2013. Notwithstanding the preceding sentence, upon separation from employment the amount of accrued leave included in a member's salary for the purpose of determining the member's frozen accrued benefit shall be the lesser of the amount of leave accrued at the time of separation from employment, or the amount of accrued leave that would have been included in the member's salary if the member retired prior to October 1, 2013, and the member's frozen accrued benefit shall be adjusted accordingly.

- (B) No benefits shall be accrued under this system on or after October 1, 2013, and no member contributions to this system shall be required on or after that date. The town shall continue to make contributions to the system in accordance with subsection 34.47(C), and the board shall continue to administer the system in accordance with sections 34.43 through 34.67, until all accrued benefits have been paid to all eligible members and beneficiaries.
- (C) Any member of this system who is employed on September 30, 2013, and has less than ten years of credited service on that date may elect to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the system.
- (D) Effective October 1, 2013, all current and future firefighters of the Town of Longboat Key shall be enrolled in the Florida Retirement System, and shall accrue benefits under and make contributions to the Florida Retirement System for all service as a firefighter with the town on and after that date, in accordance with the state statutes and rules applicable to the Florida Retirement System, as those statutes and rules may be amended from time to time.
- (E) Members of this system who retired, entered the DROP or terminated town employment with the right to a deferred vested benefit prior to October 1, 2013, shall be entitled to receive benefits from the system in accordance with the provisions of the system in effect on the date of their retirement, DROP entry, or termination of employment. Members who retire or enter the DROP prior to October 1, 2013, shall not be eligible for reemployment with the town after that date, except at the exclusive option of the town.
- (F) Effective July 5, 2016, any member of this system with the right to receive a deferred vested benefit who has not begun to receive a benefit may, on or before October 1, 2016, make a one-time irrevocable election on a form provided by the Town to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other

benefit under the system. For the purpose of determining the actuarial present value of the frozen accrued benefit, such benefit shall include the lesser of the amount of leave accrued as of July 5, 2016, or the amount of accrued leave that would have been included in the member's salary if the member retired prior to October 1, 2013.

SECTION 3. Section 34.72, Plan freeze and participation in defined contribution plan, is amended to read as follows:

Sec. 34.72. Plan freeze and participation in defined contribution plan.

Notwithstanding any other provision of the system:

- (A) The accrued benefits of all members of this system who are employed and not participating in the DROP on September 30, 2013, shall be frozen on that date. All members shall be fully vested in their frozen accrued benefit based on their length of service. The value of each member's frozen accrued benefit shall be calculated in accordance with the provisions of the system in effect on September 30, 2013, based on the member's credited service and average final compensation on that date. The frozen accrued benefit shall be payable to the member upon termination of town employment and attaining age 55 with 30 years of credited service or age 62 regardless of years of credited service, whichever occurs first. Alternatively, a member who is employed and not participating in the DROP on September 30, 2013, may elect to receive the frozen accrued benefit, reduced in accordance with subsection 34.78(D), upon termination of town employment and attaining age 50 with 15 years of credited service. In applying the preceding two sentences, credited service shall include all credited service as a member of this system prior to October 1, 2013, and all periods of employment with the Town of Longboat Key on and after October 1, 2013. For the purpose of determining a member's frozen accrued benefit in accordance with this subsection (A), salary shall include any payments of accrued leave that do not exceed the member's accrued leave balance as of July 1, 2011, and that would have been included in the member's salary if the member retired prior to October 1, 2013. Notwithstanding the preceding sentence, upon separation from employment the amount of accrued leave included in a member's salary for the purpose of determining the member's frozen accrued benefit shall be the lesser of the amount of leave accrued at the time of separation from employment, or the amount of accrued leave that would have been included in the member's salary if the member retired prior to October 1, 2013, and the member's frozen accrued benefit shall be adjusted accordingly.
- (B) No benefits shall be accrued under this system on or after October 1, 2013, and no member contributions to this system shall be required on or after that date. The town shall continue to make contributions to the system in accordance with subsection 34.77(B), and the board shall continue to administer the system in accordance with sections 34.73 through 34.98, as modified by this section 34.72, until all accrued benefits have been paid to all eligible members and beneficiaries.

- (C) Any member of this system who is employed on September 30, 2013 and has less than ten years of credited service on that date may elect to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the system. Such election must be made in writing on a form provided by the town on or before December 13, 2013, and if a member does not make a timely election he/she shall retain the frozen accrued benefit and shall not be eligible for a refund of accumulated contributions or the actuarial present value of their frozen accrued benefit, except as otherwise provided in the plan.
- (D) Effective October 1, 2013, all current and future general employees of the Town of Longboat Key shall participate in a defined contribution retirement plan established by the Town of Longboat Key, and shall be eligible for benefits and make contributions to the defined contribution plan for all service as a general employee with the town on and after that date, in accordance with the defined contribution plan, as it may be amended from time to time.
- (E) Members of this system who retired, entered the drop or terminated town employment with the right to a deferred vested benefit prior to October 1, 2013 shall be entitled to receive benefits from the system in accordance with the provisions of the system in effect on the date of their retirement, DROP entry, or termination of employment. Members who retire or enter the DROP prior to October 1, 2013 shall not be eligible for reemployment with the town after that date, except at the exclusive option of the town.
- (F) Notwithstanding the provisions of subsection 34.96(B)(1), a member who as of June 1, 2013 is within five years of the normal retirement date, may enter the DROP without penalty or enhancements on the first day of any month prior to September 30, 2013. Any member entering DROP pursuant to this provision must execute a voluntary resignation irrevocable for any reason to be effective at the end of the member's participation in the DROP, and which provides that the member shall not be eligible for reemployment with the town, except at the exclusive option of the town.
- (G) Effective July 5, 2016, any member of this system with the right to receive a deferred vested benefit who has not begun to receive a benefit may, on or before October 1, 2016, make a one-time irrevocable election on a form provided by the Town to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the system. For the purpose of determining the actuarial present value of the frozen accrued benefit, such benefit shall include the lesser of the amount of leave accrued as of July 5, 2016, or the amount of accrued leave that would have been included in the member's salary if the member retired prior to October 1, 2013.

SECTION 4. All other ordinances of the Town of Longboat Key, Florida, or parts thereof which conflict with this or any part of this Ordinance are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrase under application shall not be affected thereby.

SECTION 6. This Ordinance shall take effect upon adoption.

Passed on the first reading the 20th day of June, 2016.

Adopted on the second reading and public hearing the day of , 2016.

Jack G. Duncan, Mayor

ATTEST:

Trish Granger, Town Clerk



PROPOSED ORDINANCE 2016-22

PENSION CASH OUT

REGULAR WORKSHOP AND SPECIAL MEETING

JULY 5, 2016



PENSION CASH OUT

- At the time of the freeze, members with less than 10 years of service were allowed an opportunity to cash out their accrued benefit in the Plan.
- The plan defines the method of payment if a member cashes out.
- An actuarial analysis was completed in May 2015 and updated June 2016 for all three plans to understand the impact on the funds if members with greater than 10 years of service were allowed to cash out.
- Town Manager asked Pension Board to offer an opinion on the impact to the funds.



PENSION CASH OUT

- At the July 22, 2015 Pension Board Meeting, the Board, by consensus of the Trustees, expressed no objection for the Town to move forward with a cash out offer to additional members of the Retirement System.
- On June 20, 2016 Workshop, the Town's actuary, Doug Lozen was invited to explain the actuarial impact.
- First reading was held on June 20, 2016 at a Special Meeting following the Workshop.



LUMP SUM PAYMENTS DEFINED

- A lump sum payment is equal to the present value of accrued benefits.
- Interest Rate used for lump sum payments are based on the Plan's definition of Actuarial Equivalence:
 - Firefighters – 8%
 - General Employees – 7.75%
 - Police Officers – 7.5%

Note: This is different than the Investment Rate of Return Assumption (Now 7% for all three plans). This is the valuation funding assumption approved by the Pension Board of Trustees in conjunction with the October 1, 2015 valuations.

- **At the June 20, 2016 Workshop, the Commission did NOT approve of changing the definition of Actuarial Equivalence.**



HISTORICAL CHANGES IN RATES

	<u>Actuarial Equivalent</u>		<u>Rate of Return Assumption</u>	
Police			10/1/15	7.0%
			10/1/14	7.5%
			10/1/13	8.0%
	9/23/13	7.5%		
Fire			10/1/15	7.0%
			10/1/14	7.5%
		8.0%	10/1/13	8.0%
General Employees			10/1/15	7.0%
			10/1/14	7.0%
			10/1/13	7.0%
	9/23/13	7.75%	10/1/12	7.75%



ACTUARIAL IMPACT ANALYSIS

- Scenario A – What would happen to the pension plan if all active members receive the lump sum equivalent of their accrued benefit (or accumulated Member Contributions, if greater)?; and
- Scenario B – What if only 50% of the most expensive active Plan members took the offer?



ACTUARIAL IMPACT ANALYSIS PERFORMED MAY 2015

- Data as of October 1 2014 Valuation
- Current Actuarial Equivalent Rates
 - General 7.75%
 - Fire 8%
 - Police 7.5%



**ACTUARIAL IMPACT ANALYSIS- SCENARIO A- ALL ACTIVE MEMBERS
AS OF OCTOBER 1 , 2014**

Actuarial Equivalent Rates:

General 7.75%

Fire 8%

Police 7.5%

SCENARIO A - All active Members

October 1 2014	Asset value- Current	Asset Value- Actuarial	Unfunded Accrued Actuarial Liability	Expected Net Cash Flow (Annual)	Town Contribution (Annual)
General	\$ 10,203,725	\$ 9,775,235	\$ 5,126,147	\$ (321,797)	\$ 738,676
Fire	\$ 15,707,549	\$ 15,026,121	\$ 13,703,215	\$ (216,305)	\$ 1,758,137
Police	\$ 6,858,039	\$ 6,429,064	\$ 4,741,178	\$ (231,728)	\$ 623,019
TOTAL	\$ 32,769,313	\$ 31,230,420	\$ 23,570,540	\$ (769,830)	\$ 3,119,832
SCENARIO A					
Lump Sum Payment	\$ (6,612,281)	\$ (6,611,281)	\$ (318,798)	\$ 66,460	\$ (82,340)
AFTER PAYOUT					
General	\$ 7,473,452	\$ 7,045,962	\$ 4,821,734	\$ (343,788)	\$ 706,625
Fire	\$ 12,973,059	\$ 12,291,631	\$ 13,554,879	\$ (246,216)	\$ 1,725,459
Police	\$ 5,710,521	\$ 5,281,546	\$ 4,875,129	\$ (246,286)	\$ 605,408
TOTAL	\$ 26,157,032	\$ 24,619,139	\$ 23,251,742	\$ (836,290)	\$ 3,037,492



**ACTUARIAL IMPACT ANALYSIS- SCENARIO B- 50% ACTIVE MEMBERS
AS OF OCTOBER 1, 2014**

Actuarial Equivalent Rates:

General 7.75%					
SCENARIO B - 50% of Active (most Expensive Members)					
Fire 8%			Unfunded		
Police 7.5%	Asset value-	Asset Value-	Accrued	Expected Net	Town
October 1 2014	Current	Actuarial	Actuarial	Cash Flow	Contribution
			Liability	(Annual)	(Annual)
General	\$ 10,203,725	\$ 9,775,235	\$ 5,126,147	\$ (321,797)	\$ 738,676
Fire	\$ 15,707,549	\$ 15,026,121	\$ 13,703,215	\$ (216,305)	\$ 1,758,137
Police	\$ 6,858,039	\$ 6,429,064	\$ 4,741,178	\$ (231,728)	\$ 623,019
TOTAL	\$ 32,769,313	\$ 31,230,420	\$ 23,570,540	\$ (769,830)	\$ 3,119,832
SCENARIO B					
Lump Sum Payment	\$ (5,233,584)	\$ (5,232,584)	\$ (311,723)	\$ 39,736	\$ (53,288)
AFTER PAYOUT					
General	\$ 7,942,649	\$ 7,515,159	\$ 4,891,673	\$ (336,234)	\$ 714,218
Fire	\$ 13,619,025	\$ 12,937,597	\$ 13,581,211	\$ (237,417)	\$ 1,734,849
Police	\$ 5,974,055	\$ 5,545,080	\$ 4,785,933	\$ (235,915)	\$ 617,477
TOTAL	\$ 27,535,729	\$ 25,997,836	\$ 23,258,817	\$ (809,566)	\$ 3,066,544



PENSION CASH OUT

The actuarial accrued liability for each Member is roughly equal to the cash-out amount since the benefit is frozen. So while the accrued liability decreases by the cash out amount, plan assets also decrease by the same amount, hence little change in the Unfunded accrued liability.

	* Before	Cash Out	After
Plan Assets	\$ 32,749,715	\$ (1,000,000)	\$ 31,749,715
Total pension liability	\$ 57,642,811	\$ (1,000,000)	\$ 56,642,811
Unfunded Liability	\$ (24,893,096)		\$ (24,893,096)

* As of 9/30/2015



WHY WOULD WE ALLOW A CASH OUT?

- ▶ It transfers interest rate risk from the Town to the individual
- ▶ It reduces the number of pensioners and potentially reduces the life of the pension plan.
- ▶ There is a risk transfer from the Town to the Employee for future life expectancy for any cash outs.
- ▶ Graystone, Investment Advisor, sees no significant issues for the three plans under both worst case scenarios.
- ▶ All investments in the plan are liquid.
- ▶ If a sizable reduction in plan assets were to occur, no immediate change in the current 7% rate of return is required.
- ▶ Most active members are more than 5-10 years away from normal retirement date, therefore expected benefit payments will not change significantly over next 5-10 years under both scenarios.



ACTUARIAL IMPACT ANALYSIS

UPDATED JUNE 2016

- Most recent Valuation report October 1 2015
- Change the Actuarial Equivalent Rate to match the Investment Rate of Return Assumption of 7% (Estimated impact \$500,000)
- Quantify the Potential Payout of Adding Terminated Vested Members



ACTUARIAL IMPACT ANALYSIS SUMMARY

Summary of Lump Sum Payouts					
<u>SCENARIO A - All active Members</u>					
	Scenario A Oct 1 2014 Valuation Using Old Interest Rates	Scenario A Oct 1 2015 Valuation Using 7%	Increase in Cost	Scenario A Oct 1 2015 Valuation Using 7% Add Terminated Vested	Incremental Cost of Terminated Vested
LUMP SUM PAYOUT					
General	\$ 2,730,273	\$ 2,775,050	\$ 44,777	\$ 3,813,940	\$ 1,038,890
Fire	\$ 2,734,490	\$ 3,526,254	\$ 791,764	\$ 3,764,939	\$ 238,685
Police	\$ 1,147,518	\$ 1,229,662	\$ 82,144	\$ 1,287,377	\$ 57,715
TOTAL	\$ 6,612,281	\$ 7,530,966	\$ 918,685	\$ 8,866,256	\$ 1,335,290
Estimated Interest rate impact			(200,000)		(300,000)
Impact of October 1 2015 valuation data			\$ 718,685		\$ 1,035,290
Summary of Lump Sum Payouts					
<u>SCENARIO B - 50% of Active (most Expensive Members)</u>					
	Scenario B Oct 1 2014 Valuation Using Old Interest Rates	Scenario B Oct 1 2015 Valuation Using 7%	Increase in Cost	Scenario B Oct 1 2015 Valuation Using 7% Add Terminated Vested	Incremental Cost of Terminated Vested
LUMP SUM PAYOUT					
General	\$ 2,261,076	\$ 2,202,370	\$ (58,706)	\$ 3,241,260	\$ 1,038,890
Fire	\$ 2,088,524	\$ 2,667,425	\$ 578,901	\$ 2,906,111	\$ 238,686
Police	\$ 883,984	\$ 875,168	\$ (8,816)	\$ 932,883	\$ 57,715
TOTAL	\$ 5,233,584	\$ 5,744,963	\$ 511,379	\$ 7,080,254	\$ 1,335,291



PROPOSED ORDINANCE 2016-22

Proposed Ordinance

- Amends Sections 34.12 Police
34.42 Fire
34.72 General Employees
- Allows all three plans the cash out option for current employees with greater than 10 years vesting.
- **Allows terminated vested members the cash out option.**
- Sets a fixed election period of 90 days (Oct 1, 2016).
- Makes this a one time only election.
- ~~Amends Actuarial Equivalent Definition~~



PENSION CASH OUT

It is important to note that results of this analysis are estimates using October 1 2015 valuation data, with the resulting true impact dependent on which Members elect to receive cash outs if provided by the Town by way of Plan amendment.



Questions?



End of Agenda Item

M E M O R A N D U M

Date: June 26, 2016

TO: Town Commission
FROM: Dave Bullock, Town Manager
SUBJECT: U.S. Army Corps of Engineers (USACE) Update

Staff has been working with the U. S. Army Corps of Engineers (USACE) to investigate if the previously congressionally authorized Longboat Key segment is eligible to participate in the USACE Hurricane and Storm Damage Prevention program. In May of this year the Town Manager sent a letter of intent to the Corps expressing our intent to participate in a partnership with the Corps to cooperatively investigate shoreline erosion and the benefit of implementing hurricane and storm damage reduction features along the shoreline of Longboat Key. That letter formed the basis for the Corps to include a budget request for a Longboat Key study re-initiation to update the previously authorized segment. If the study is included in the FY2018 Presidents Budget, the Corps would work with the Town to conduct the study over a three year period. The study is expected to cost \$3 million and take 3 years. The Town is required to fund 50% of the study. The required 50% match is in the FY 2017 proposed budget.

The Corps representative said they should know by February, 2017 if the study is included in the FY2018 Presidents budget. If funding is included in the approved budget it is possible the study could begin in 2018 once the FCSA is signed.

Information describing the Federal participation formula is shown in Attachment 1. Actual participation share would be determined in the feasibility study.

The next milestone will be when we learn if the feasibility study is included in the Federal budget. A time line is attached showing the major activity points in Attachment 2.

This item is placed on the July 5, 2016 Regular Meeting for Commission consideration.



TOWN OF LONGBOAT KEY

Incorporated November 14, 1955

Town Hall
501 Bay Isles Road
Longboat Key, Florida 34228-3196
(941) 316-1999
SUNCOM 516-2760
Fax (941) 316-1656
www.longboatkey.org

May 11, 2016

Colonel Jason A. Kirk
Commander, Jacksonville District
U.S. Army Corps of Engineers
701 San Marco Blvd., 4 West
Jacksonville, FL. 32207

Dear Colonel Kirk:

The Town of Longboat Key is willing and able to participate as the Sponsor for the Longboat Key Feasibility Study, in partnership with the U.S. Army Corps of Engineers (USACE), to cooperatively investigate shoreline erosion and the benefit of implementing hurricane and storm damage reduction features along shoreline of Longboat Key, Sarasota County, Florida.

The Town of Longboat Key understands that a study cannot be initiated unless it is selected as a resumption study with associated allocation of Federal funds provided through the annual Congressional appropriations process. If selected, we intend to sign a Feasibility Cost Sharing Agreement (FCSA) to initiate the study with USACE. It is our understanding the FCSA targets completion of the feasibility study within 3 years at a total cost of no more than \$3 million. After signing the FCSA, a Project Management Plan will be developed and agreed upon by the Town of Longboat Key and USACE. The study will be conducted and managed by USACE. The cost-sharing for the study is based on a 50% contribution by the Federal government, with our agency's 50% contribution provided in cash, or by a portion or all of the contribution provided through in-kind non-monetary services.

The Town of Longboat Key is aware that this letter constitutes an expression of intent to initiate a study partnership to address the specified water resources problems and is not a contractual obligation. We understand that work on the study cannot commence until it is included in the Administration's budget request, funds are appropriated by the Congress, and an FCSA is signed. It is understood that we or USACE may opt to discontinue the study at any time after the FCSA is signed but will commit to work together as partners from the scoping phase, and subsequent decision points throughout the feasibility study, on providing the necessary support to risk-informed decision making. If it is determined that additional time or funding is necessary to support decisions to be made in order to complete the study, our agency will work with USACE to determine the appropriate course of action.

If you require additional information, please don't hesitate to contact me at 941-316-1999 or dbullock@longboatkey.org.

My best regards,

Dave Bullock,
Town Manager

SECTION IV – Hurricane and Storm Damage Prevention

E-22. Federal Interest. Congress has authorized Federal participation in shore protection projects to prevent or reduce damages caused by wind and tidal generated waves and currents along the Nation's ocean coasts and Great Lakes shores.

E-23. Types of Improvements. The improvements are usually structural measures including such features as beachfill, groins, seawalls, revetment, breakwaters, and bulkheads. Nonstructural measures, such as property acquisition, may also be appropriate.

E-24. Specific Policies. These policies are presented in more detail in ER 1165-2-130.

a. Geographic Applicability. The shore protection authority is applicable to the shores of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, estuaries, and bays directly connected therewith of each of the States, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and the possessions of the United States. The authority extends only that distance up streams where the dominant causes of damage are storms or ocean tidal action (or Great Lakes water motion) and wind-generated waves. The program does not address damages caused by streamflows or vessels.

b. Beach Restoration and Protection and Historic Shoreline. Existing authority provides for restoration and protection of beaches. It does not provide for extending a beach beyond its historic shoreline unless the extension is desirable for engineering reasons, is environmentally acceptable, and is an economically justified means to prevent or reduce storm damage behind the historic shoreline.

c. Formulation and Establishing Corps Participation. Shore protection projects are formulated to provide hurricane and storm damage reduction. Recreation is incidental. The Corps participates only in those projects formulated exclusively for hurricane and storm damage reduction, and justified ($BCR \geq 1.0$) based solely on damage reduction benefits, or a combination of damage reduction benefits plus (at most) a like amount of incidental recreation benefits. In other words, recreation benefits useable to establish Corps participation may not be more than fifty percent of the total benefits required for justification, which in turn means they may not exceed an amount equal to fifty percent of costs. If the criterion for participation is met, then all recreation benefits are included in the BCR. Costs incurred for other than the damage reduction purpose, i.e. to satisfy recreation demand, are a 100% non-federal responsibility.

d. Public Use and its Relation to Federal Participation. Federal involvement in shore protection developed historically in a beach context, generally with efforts to stabilize, create or restore beaches. It was intended that beaches receiving public aid should not provide exclusively private benefits, and therefore, whenever a hurricane and storm damage reduction project involves beach improvements, real estate interest to insure public use of the Federal project is required. (See Table E-22.) Items related to public access are discussed below.

(1) User Fees. Reasonable beach recreation use fees used to offset the local share of project costs are allowable.

(2) Parking. Lack of sufficient parking facilities for the general public (including nonresident users) located reasonably near and accessible to the project beaches may constitute a restriction on public access and use, thereby precluding eligibility for Corps participation. Generally, parking on free or reasonable terms should be available within a reasonable walking distance of the beach. The amount of parking should be consistent with the attendance used in benefit evaluation. In some instances non-Federal plans may encourage or direct substitution of public transportation access for private automobile access. Reports considering public transportation must indicate how the public transportation system would be adequate for the needs of projected beach users.

(3) Access. Provision of reasonable public access rights of way, consistent with attendance used in benefit evaluation is a condition of Corps participation. Reasonable access is access approximately every one-half mile or less.

(4) Beach Use by Private Organizations. Federal aid to private shores owned by beach clubs and hotels which limit beach use to members or guests is contrary to the intent of Public Law 84-826.

(5) Public Shores with Limitations. Publicly owned beaches, which limit use to residents of the community or a group of communities, are not considered to be open to the general public and are treated as private beaches.

e. Shore Lines Owned by Federal Agencies.

(1) Work to provide shore protection to lands under the jurisdiction of another Federal agency is accomplished only on a reimbursable basis, upon request from the agency. In the event protection has not been requested and such lands are within the study area, Civil Works funds may be used if including them in a project is more cost effective than excluding them.

(2) Protection of (non Civil Works) Department of the Army lands is accomplished with military funds, not civil works funds. If the lands are a minor part within the study area, Civil Works funds may be used if including them in a project is more cost effective than excluding them.

f. Evaluation. This paragraph provides general principles for evaluation of benefits from hurricane and storm damage prevention projects.

Table E- 22 Shore Ownership and Levels of Federal Participation

<u>Shore Ownership (4)</u> <u>and Project Purposes or Benefits</u>	<u>Maximum Level of Federal Participation</u>	
	<u>Construction (2)</u>	<u>Operation</u> <u>Main, Repair, Replace</u> <u>Rehabilitation</u> <u>(OMRR&R)</u>
<u>I. Federally owned (1)</u>		
HSDR on Developed Lands	100%	100%
HSDR to Undeveloped Lands	100%	100%
Recreation (Separable Costs) (7)	100%	100%
<u>II. Publicly and privately owned</u> <u>(protection results in public</u> <u>benefits) (3)</u>		
HSDR on Developed Lands	65% (8)	0%
HSDR to Undeveloped Lands		
Public lands (5) (6)	50% (8)	0%
Private lands	0%	0%
Recreation (Separable Costs) (7)	50% (8)	0%
<u>III. Privately owned, use limited</u> <u>to private interests</u>		
HSDR on Developed Lands (9)	0% (8)	0%
HSDR to Undeveloped Lands	0%	0%
Recreation (Separable Costs) (7)	0%	0%

- (1) See paragraph E-24e on protecting other Federal agency shores.
- (2) Periodic nourishment is considered "construction."
- (3) Privately owned shores under public control, as through a sufficiently long-term lease assuring realization of public benefits throughout the economic life of the project.
- (4) The status of Indian shores depends upon the particular treaty provisions pertaining to the lands in question and will need to be examined in each instance. Specific cases should be referred to CECW-P for guidance.
- (5) Non-Federal public shores dedicated to recreation or fish and wildlife purpose.
- (6) Adjusted by the ratio of public to total shore protection benefits along the protected shore.
- (7) Department of Army Policy precludes civil works funding of separable recreation measures at shore protection projects.
- (8) The fair market value of LERRD is included in these cost sharing percentages, unless the land has no value or special benefit situation considerations apply.
- (9) Federal participation in construction could be 65 percent if project is only for inundation reduction or wave damage reduction and does not provide beach erosion control or shoreline protection. Note that no Federal participation in beach fill or restoration would be allowed due to the absence of public benefits.

(1) Systems Analysis. Because shoreline processes are dynamic, shore protection measures may generate both beneficial and adverse impacts beyond immediate project sites. Impacts elsewhere may occur as a consequence of the design and implementation of site specific hurricane and storm damage reduction projects, and navigation projects may impact or be impacted by such projects. These impacts must be evaluated, and this requires expansion of the study area to include reaches adjacent to the project site. Generally, the adjacent reaches are bounded by natural features that interrupt or substantially limit the natural littoral processes (e.g., bays, sounds, inlets, geomorphic features, etc.). For studies which may not require a full systems approach, the justification shall be documented in the feasibility report. A systems analysis approach will include the following components:

(a) Physical Processes. Develop a sediment budget for the segment of coast under investigation based on modeling of sediment movements, empirical data, and estimates of gross and net shoreline change rates over the past fifty year period, as well as rates of change during the most recent decade. Ascertain the effects and probability of occurrence of relevant storm events. Identify the magnitude of the average annual volumetric changes in beach area and volume.

(b) Coastal Alterations. Identify man-made alterations to the shore (jetties, sand-bypassing and recycling, dredging, seawalls, groins, breakwaters, beach nourishment, etc.) and estimate their contribution to the balance of littoral processes and shoreline changes. This information, and knowledge of the physical processes, establishes the historical and existing conditions.

(c) Forecast Shoreline Changes. Forecast shoreline changes (including changes in nourishment requirements, if appropriate) and navigation related dredging requirements for the economic life of the proposed measure. Forecast this for future without and with project conditions.

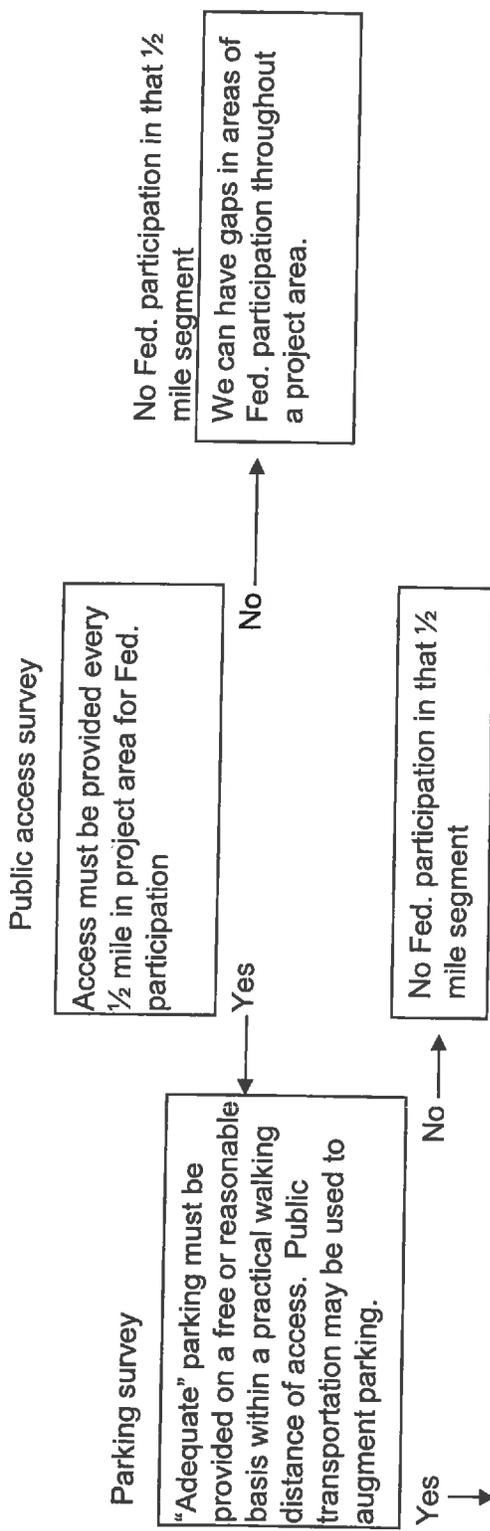
(d) Economic Benefits and Costs. Inventory potential damage centers and locations of other project induced benefits or costs. For without and with project conditions estimate the costs of maintaining shore protection and navigation projects. At the project site and other impacted sites assess the extent of damages to property through analysis of storm surge and wave damage; assess changes in recreation (if any); and evaluate project impacts to jetties, channels and other navigation features.

(2) Evaluation Procedure. The steps to evaluate benefits for hurricane and storm damage prevention projects are described in the following paragraphs. (See Figure E-6.) The level of effort expended on each step will depend on the scope and nature of the proposed improvement, the state of the art to accurately develop the estimates and the sensitivity of project formulation and evaluation to further refinement.

(a) Step 1 – Delineate the Study Area. The study area is that area affected by storms and erosion problems and by proposed alternatives. It includes areas indirectly affected by the

Corps' Public Use and Construction Cost Share Determination for Hurricane and Storm Damage Reduction Projects

Sept. 2010



Determine Federal percent of cost sharing for initial construction & periodic nourishment

*For projects authorized for construction, with DE Report completed, or requiring a new PPA after December 31, 1999, the cost sharing is different for initial construction and periodic nourishment. For projects authorized for construction or with DE Report completed before December 31, 1999, cost sharing for initial construction and periodic nourishment is the same.

	Federal % based on shoreline ownership	
	Initial Construction	Periodic Nourishment
Federal lands	= 100%	= 100%
Developed public	= 65%	= 50%
Developed private	= 65%	= 50%
Undeveloped public	= 50%	= 50%
Undeveloped private	= 0%	= 0%

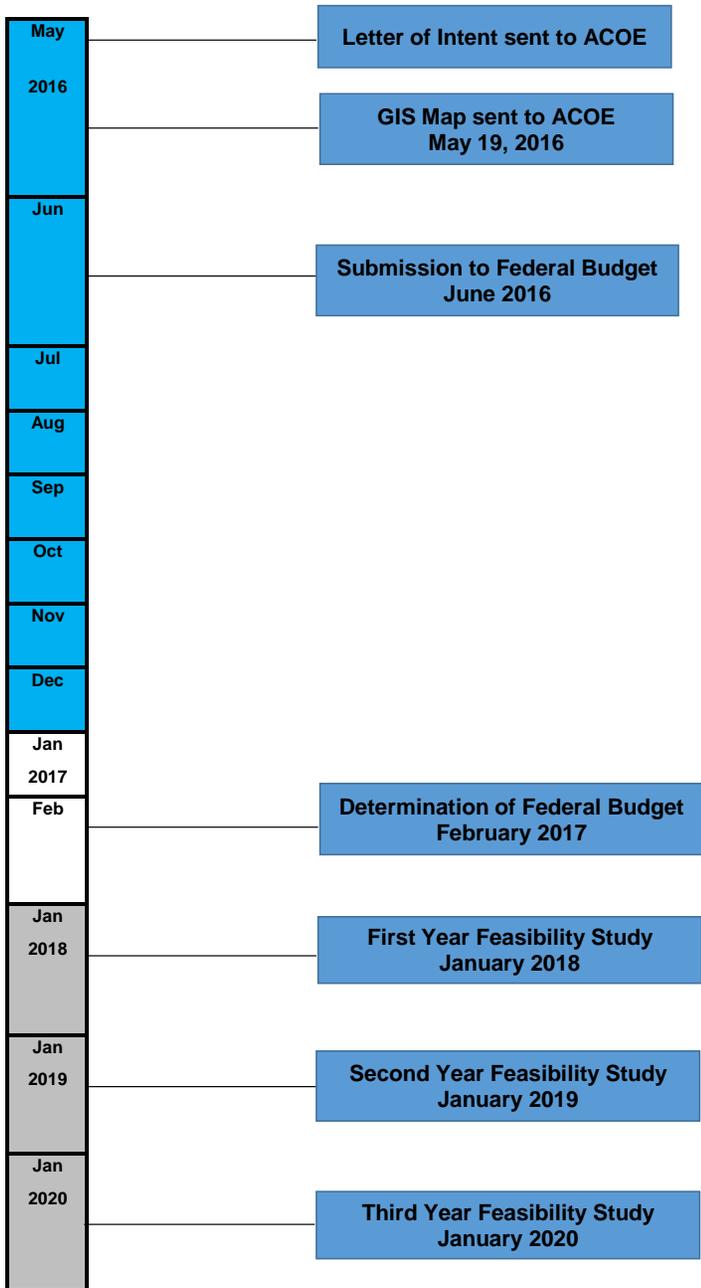
Corresponding shoreline length	
Federal lands	= a feet
Developed public	= b feet
Developed private	= c feet
Undeveloped public	= d feet
Undeveloped private	= e feet

X

$$\frac{(a^* p1 + b^* p2 + c^* p3 + d^* p4 + e^* p5) \text{ feet}}{\text{total project shoreline length}} = \% \text{ Federal cost share}$$

reference ER1105-2-100 Appendix E

* WRDA 1999, Section 215 (17 Aug 1999 and 24 Nov 1999 update) amendment to Section 103(d) of WRDA 1986





End of Agenda Item

M E M O R A N D U M

DATE: June 27, 2016

TO: David Bullock, Town Manager

FROM: Alaina Ray, AICP
Director – Planning, Zoning and Building Department

SUBJECT: Mote Scientific Foundation Property, 5630 Gulf of Mexico Drive

The Town has recently been approached by the Mote Scientific Foundation (“Foundation”), which owns the property at 5630 Gulf of Mexico Drive. The Foundation is a private family foundation incorporated in New York in 1963 by William R. Mote and is not affiliated with Mote Marine Laboratory and Aquarium. The Foundation has offered to sell the property to the Town, to be used as open space, park, or other Town purposes, as may be appropriate.

The property is located on the southeast corner of Jungle Queen Way and Gulf of Mexico Drive. It consists of 2.44 acres of land, has direct canal access, and is zoned C-1, Limited Commercial.

The Town’s Comprehensive Plan includes policies that encourage the acquisition of land for open space and recreational purposes. The following Comprehensive Plan policies, in part, guide how the Town manages recreation and open space:

- 1.1.10 The Town will implement its parks and land acquisition regulations, as adopted in the Zoning Code, to require private land dedication or equivalent monetary value be deeded or paid to the Town for park and open space purposes;
- 1.1.11 The Town will support the appropriate improvement of Town-owned and controlled recreation and open space lands with facilities that expand public enjoyment of those lands while balancing the needs of the environment and neighborhood compatibility; and
- 1.2.4 Acquisition of land and capital improvements of existing land will be funded by the Town’s Parks and Open Space Land Acquisition Fund and other sources.

The Town’s current Level of Service (LOS) standard is 12 acres of recreation and open space per 1,000 people. The LOS is based on the Town’s peak seasonal functional population and the functional household size, which is evaluated annually. Based on the LOS standard, the Town is required to provide 213.82 acres of recreation and open space. The Town currently owns 212.96 acres of land for recreation and open space, which results in a deficit of .86 acres. If the Town decided to utilize the Mote Property as open space or park, the Town’s LOS standard would be met.

The Town currently charges a Land Acquisition Fee on construction of new residential and tourism units. The use of this fund is restricted by the Comprehensive Plan and Land Development Code for acquisition, improvement and expansion of Town parks and open space land. The balance in the land acquisition fund as of June 27, 2016 is \$2,715,571.58.

If the LOS for recreation and open space was met for acreage, the Town would need to reevaluate the continued collection of the Land Acquisition Fee for the purpose of improving existing parks and open space lands.



Mote Scientific Foundation Property Discussion

Town Commission

July 5, 2016



Property Location





Property Information

- Current Owner: Mote Scientific Foundation, Inc. (The Foundation is a private family foundation incorporated in New York in 1963 by William R. Mote and is not affiliated with Mote Marine Laboratory and Aquarium)
- Property Address: 5630 Gulf of Mexico Drive (Southeast corner of Jungle Queen Way and Gulf of Mexico Drive)
- Current Zoning: C-1 (Limited Commercial)



PARKS AND RECREATION LEVEL OF SERVICE (LOS)

- Level of Service (LOS) for recreation and open space is based on the Town's peak seasonal functional population and the functional household size (evaluated annually)
- Current LOS: 12 acres of recreation and open space land per 1,000 peak seasonal functional residents and a Facilities Standards Guide
 - Required recreation and open space: 213.82 acres
 - Current Town-owned land: 212.96 acres
 - Deficit of .86 acres



LAND ACQUISITION FEE

- Town charges a Land Acquisition Fee on new construction
- Fee is based on meeting the current LOS (12 acres/1,000 people)
- The use of this fund is restricted by Town Comprehensive Plan and Land Development Code for acquisition, improvement and expansion of Town parks and open space land
- If LOS is met, collection of the Land Acquisition Fee would need to be reevaluated



POTENTIAL USES

- Due to the property's proximity to Durante Park and the vastly enhanced recreational amenities that will be offered upon completion of Bayfront Park, any additional recreational uses that could be offered at this site would likely be minimal in value to the community.
- The Town does not currently have a recommended plan as to how this property could be utilized, should the property be acquired by the Town.



End of Agenda Item

M E M O R A N D U M

Date: June 27, 2016

TO: Town Commission
FROM: Dave Bullock, Town Manager
SUBJECT: Setting of Maximum Millage Rate

The Town Commission is required to set a maximum millage rate for FY 2016-17 at the July Regular Meeting.

The Maximum Millage Rate is the highest millage rate that the Town Commission could levy in September. The final tax rate could be lower but not higher than the maximum millage rate. I am recommending that the maximum millage be set the same as the fiscal year 2016 final millage which is **2.1300**.

Beach nourishment projects began in the spring of 2016. FY 2017 will be the third year with a beach levy. The Town borrowed \$10,720,908 on June 10, 2016 which was bought down with the taxes collected in fiscal years 2015 and 2016.

The County Property Appraisers are required to certify taxable values to the Taxing Authorities by July 1, 2016. The certified values are included in this presentation. The rolled-back rate is 2.0380. The rolled-back rate is the millage that would generate the same amount of tax revenue as the previous year.

You will be setting the maximum millage rate that will appear on the Truth in Millage (TRIM) notices at the July 5, 2016 Regular Meeting

Please let me know if you have any questions



MAXIMUM MILLAGE DISCUSSION

JULY 5, 2016



JULY CERTIFIED PROPERTY VALUES

	SARASOTA	MANATEE	COMBINED
TAX YR 2016	\$3,900,168,329	\$1,559,114,640	\$5,459,282,969
FINAL 2015	\$3,719,283,879	\$1,471,187,971	\$5,190,471,850
	\$180,884,450	\$87,926,669	\$268,811,119
	4.86%	5.98%	5.18%



ROLLED-BACK RATE & MAXIMUM MILLAGE

- Ø The proposed operating millage of 2.1300 produces a 4.51% change from the Rolled-Back Rate of 2.0380 for 2016.
- Ø The Rolled-Back Rate is the rate which, exclusive of new construction, will provide the same property (ad valorem) tax revenue as was levied during the prior year.
- Ø The maximum millage that can be levied
 - Ø Simple majority vote 2.1144
 - Ø Two-thirds vote 2.3258
 - Ø Unanimous vote is required for the levy of millage in excess of 2.3258



G.O. FACILITY IMPROVEMENT DEBT MILLAGE

∅ This millage is for repayment of the funds borrowed for construction of Town Facilities listed below.

∅ Town Hall Addition and Remodel

∅ Public Works Complex

∅ Police Station

∅ The fiscal year 2016-17 proposed millage rate is 0.0547. These bonds expire in 2019.



BEACH MILLAGE

Ø For Truth in Millage (TRIM) notices, the Town Commission is required to set a proposed millage rate for the two Beach Erosion Control Special Districts.

Ø FY 2016 Beach Debt Activity

- Ø Reduced borrowing by amount of tax collected from FY15 and FY16 millage
- Ø Borrowed \$10,720,908 June 10, 2016
- Ø Adjust FY 17 millage to cover reduced borrowing



BEACH MILLAGE

Recommended Maximum Millage Beach Districts A and B

	<u>FY 16 Actual</u>	<u>FY 17 Proposed</u>
Beach District A	0.8328	0.7699
Beach District B	0.2082	0.1925



TOTAL TOWN MILLAGE

Town Manager Recommended Maximum Millage

	OPERATING MILLAGE	G.O. DEBT SERVICE	BEACH BOND MILLAGE	TOTAL MILLAGE
DISTRICT A	2.1300	0.0547	0.7699	2.9545
DISTRICT B	2.1300	0.0547	0.1925	2.3771

Upon Town Commission Approval, the Total Proposed Town Millage rates that will appear on the TRIM Notice are Listed Above.



MILLAGE COMPARISON FOR FY 16 AND FY 17

<u>Beach District A</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>% Change</u>
Operating Millage	2.1300	2.1300	0.00%
Facilities Bond Millage	0.0576	0.0547	-5.12%
Beach Debt	<u>0.8328</u>	<u>0.7699</u>	<u>-7.56%</u>
Total	3.0204	2.9545	-2.18%

<u>Beach District B</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>% Change</u>
Operating Millage	2.1300	2.1300	0.00%
Facilities Bond Millage	0.0576	0.0547	-5.12%
Beach Debt	<u>0.2082</u>	<u>0.1925</u>	<u>-7.56%</u>
Total	2.3958	2.3771	-0.78%



**ESTIMATED TOTAL TAXPAYER IMPACT
HOMESTEAD PROPERTIES –DISTRICT A & B**

HOMESTEAD @ 2.1300 mills operating

Longboat Key Taxes - District A

<u>Home value</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>Decrease</u>
\$500,000	\$1,510.20	\$1,487.59	(\$22.61)
\$750,000	\$2,265.30	\$2,231.39	(\$33.91)
\$1,000,000	\$3,020.40	\$2,975.18	(\$45.22)
\$1,500,000	\$4,530.60	\$4,462.78	(\$67.82)

Longboat Key Taxes - District B

<u>Home value</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>Decrease</u>
\$500,000	\$1,197.90	\$1,196.88	(\$1.02)
\$750,000	\$1,796.85	\$1,795.32	(\$1.53)
\$1,000,000	\$2,395.80	\$2,393.75	(\$2.05)
\$1,500,000	\$3,593.70	\$3,590.63	(\$3.07)

Increase in values is based on the 2016 Consumer Price Index (CPI) which is 0.7%
'Save Our Homes' sets the annual increase for homestead properties based on the CPI with a 3% maximum.



**ESTIMATED TOTAL TAXPAYER IMPACT
NON - HOMESTEAD PROPERTIES**

NON-HOMESTEAD @ 2.1300 mills operating

Longboat Key Taxes - District A

<u>Home value</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>Increase</u>
\$500,000	\$1,510.20	\$1,576.23	\$66.03
\$750,000	\$2,265.30	\$2,364.34	\$99.04
\$1,000,000	\$3,020.40	\$3,152.45	\$132.05
\$1,500,000	\$4,530.60	\$4,728.68	\$198.08

Longboat Key Taxes - District B

<u>Home value</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>Increase</u>
\$500,000	\$1,197.90	\$1,268.19	\$70.29
\$750,000	\$1,796.85	\$1,902.29	\$105.44
\$1,000,000	\$2,395.80	\$2,536.38	\$140.58
\$1,500,000	\$3,593.70	\$3,804.57	\$210.87

Assumes a 6.7% Increase in Values (Average increase for non-homestead on LBK)



HISTORY OF TAXABLE VALUES AND MILLAGE RATES

FY	Ad Valorem Values Taxable Value	Millages				Total Millages	
		Operating	Debt	Beach A	Beach B	Beach A	Beach B
2001	2,959,417,542	2.3220	0.2251	0.9888	0.2471	3.5359	2.7942
2002	3,395,861,821	2.1500	0.1954	0.8635	0.2166	3.2089	2.5620
2003	4,028,202,211	2.0000	0.1639	1.0415	0.2604	3.2054	2.4243
2004	4,618,875,625	1.8500	0.1474	0.6929	0.1732	2.6903	2.1706
2005	5,014,504,388	1.5500	0.1360	0.6013	0.1504	2.2873	1.8364
2006	5,695,624,611	1.4650	0.1199	0.5781	0.1445	2.1630	1.7294
2007	6,555,048,538	1.4175	0.0836	0.5044	0.1261	2.0055	1.6272
2008	6,606,809,366	1.4062	0.1036	0.5011	0.1253	2.0109	1.6351
2009	5,954,878,099	1.5000	0.0583	0.5520	0.1380	2.1103	1.6963
2010	5,350,393,405	1.4903	0.0651	0.6146	0.1536	2.1700	1.7090
2011	4,868,600,933	1.8872	0.0716	0.0000	0.0000	1.9588	1.9588
2012	4,647,670,792	1.8872	0.0677	0.0000	0.0000	1.9549	1.9549
2013	4,582,642,068	1.8872	0.0564	0.0000	0.0000	1.9436	1.9436
2014	4,647,670,792	2.0760	0.0560	0.0000	0.0000	2.1320	2.1320
2015	4,933,697,920	2.1763	0.0605	0.8500	0.2125	3.0868	2.4493
2016	5,190,471,850	2.1300	0.0576	0.8328	0.2082	3.0204	2.3958
2017	5,459,282,969	2.1300	0.0547	0.7699	0.1925	2.9545	2.3771



UNDERGROUNDING UTILITIES ON GMD-ASSESSMENT

- Ø Referendum passed on November 3, 2015 authorizing the borrowing of an amount not to exceed \$25,250,000 for the purpose of undergrounding utilities along Gulf of Mexico Drive.
- Ø Amount borrowed to be repaid with a non ad valorem assessment over a 30 year period.
- Ø Residents were given an option to pre-pay until August 15, 2016 resulting in no assessment on tax bill.
 - Ø Due to the timing of the Truth In Millage (TRIM) mailings, an assessment that was pre-paid may show on the TRIM notice, but not the actual tax bill.
- Ø At this time, the average annual assessment for the Gulf of Mexico Drive project is \$190.



End of Agenda Item