



**Round Table of Volusia County Elected Officials
MEETING MINUTES
January 9, 2017**

CALL TO ORDER - Noon

The Dennis McGee Room of Daytona Beach International Airport, 700 Catalina Dr., Daytona Beach, Florida.

Those attending included the following Roundtable members: DeLand Mayor and Roundtable Chair Bob Apgar; Daytona Beach Shores Mayor Harry Jennings; South Daytona Mayor William Hall; New Smyrna Beach Mayor James Hathaway; Ormond Beach Mayor Bill Partington; Pierson Mayor James Sowell; Ponce Inlet Council Member Lois Paritsky; Daytona Beach Mayor Derrick Henry; Lake Helen Mayor Buddy Snowden; Oak Hill Mayor Douglas Gibson; Edgewater Mayor Michael Ignasiak; DeBary Interim Mayor Lita Handy-Peters; Holly Hill Mayor John Penny; Port Orange Mayor Don Burnette; Volusia County Council Chair Ed Kelley; and Volusia County School Board Chair Melody Johnson.

Others attending included James Dinneen, Volusia County Manager; George Recktenwald, Volusia County Deputy County Manager; Rob Ehrhardt, Volusia County Economic Development Division Director; John Angiulli, Volusia County Public Works Director; Jerry Brinton, Volusia County Engineer; Billie Wheeler, Volusia County Council Member, District 2; Heather Post, Volusia County Council Member, District 4; Michael Pleus, DeLand City Manager; Kohn Evans, Oak Hill City Administrator; Tracey Barlow, Edgewater City Manager; Michael Booker, Daytona Beach Shores City Manager; Jeaneen Witt, Ponce Inlet Town Manager; Joe Forte, Holly Hill City Manager; Joe Yarborough, South Daytona City Manager; Pam Brangaccio, New Smyrna Beach City Manager; Dale Arrington, City Manager of Orange City; Jane Shang, Deltona City Manager; Heidi Herzberg, Deltona City Commissioner; Ted MacLeod, Ormond Beach Assistant City Manager; Jake Johansson, Port Orange City Manager; Alan Williamson, DeBary Public Works Director; Nancy Christman, St. Johns River Water Management District Intergovernmental Coordinator; Jim Cameron, Daytona Regional Chamber of Commerce Senior Vice President of Government Relations; Keith Norden, Team Volusia Economic Development Corporation President and CEO; Betty Holness, County Council Liaison; and Jeff Crumbley, Volusia County Community Information. Taking minutes was Debbie Kelley with the County Manager's Office.

WELCOME

Roundtable Chairman Bob Apgar welcomed those attending. Everyone introduced themselves, then stood to say the Pledge of Allegiance.

2016 VOLUSIA COUNTY ROAD PROGRAM REPORT

George Recktenwald, Volusia County Deputy Manager; John Angiulli, Volusia County Public Works Director; and Jerry Brinton, Volusia County Engineer provided the *2016 Volusia County Road Program Report*, which included a PowerPoint presentation.

Mr. Recktenwald discussed the County Road Program and how the county funded roads; it is a very active program. The PowerPoint presentation was originally shown to the Volusia County Council in August 2016. The county is always hunting for opportunities and grants,

along with working with the Department of Transportation (DOT) to help offset costs. Approximately ten years ago, the county went out with a bond issue and received \$65 million in bond money. As is required, the bond used the gas tax as a pledge with the intent to repay it with impact fees. At that time, there was a large amount of growth occurring and the county had a fairly meager pay-as-you go road program in existence. The developmental needs and the community were going to outstrip the existing funding. The \$65 million was used to match other programs and was able to be used as leverage to build over \$100 million in roads. There is still some work out there which is basically the interest that was left over from the money and is being used on the final projects that are part of that program.

Road money comes from gas taxes. It is the biggest part of transportation operations, maintenance and construction. In the gas tax, certain pennies do certain things. The County points out continuously, the gas tax is not a percentage tax, it is a pennies on a gallon tax; which is a nationwide issue. If gas prices go up and people conserve more or buy less gas, then revenues go down. The amount has not changed in Volusia County since the late 1990's; on the national stage they have not been increased since the early 1990's. This is the same revenue stream which has dwindled somewhat do to vehicles getting better gas mileage and people conserving more.

Impact fees are the other large part of funding in Volusia County, and are quite substantial. They were derived to take on new growth and development that was happening throughout the county. When the economy tanked, the County Council decided to help out the struggling development industry and they waived the fees for a time. The fees are back in place and at the strength they were before they had been waived. The fees are what is supposed to drive many of the capital projects. Currently, the county is in decent shape when it comes to maintenance/resurfacing and the increased traffic congestion. The county is working to avoid becoming similar to areas such as Ft. Lauderdale and Highway 436 in Altamonte Springs. Construction costs have exploded especially with the I-4 corridor improvements currently being done. When gas prices go up, the price of asphalt also goes up, along with many other items. The County cuts costs where ever it can when monitoring maintenance, and knows where all the money is going. This is not a new problem, in 2008, the major universities and colleges in the county established a consortium which discussed transportation issues.

Mr. Angiulli said the Power Point presentation had been augmented with a few extra slides compared to the one shown to the County Council in 2016. He discussed the 2016/2017 Estimated Gas Tax Revenues and how they are divided among the county and the municipalities. Volusia County levies twelve pennies, the State levies three pennies, and there are Federal taxes on top of that. That adds up to approximately fifty-five cents per gallon in taxes. The municipalities get a portion of the local option gas taxes that are received. There is an interlocal agreement that governs the distribution percentages. The County share is 57.239% and the cities total share is 42.761%. In the cities portion, the interlocal agreement further defines how much money is shared between each of the cities. It is the primary source of revenue that drives the county transportation infrastructure program, which is predominately the maintenance section. Inflation distracts from the value this money creates for us and deflates buying power of the taxes. The primary revenue source is the gas tax, but the county does receive additional revenue from utility taxes, impact fees, and other reimbursements.

County Transportation Assets include roads, fixed bridges, bascule bridges, road right-of-ways, sidewalks, guardrails, signaled intersections, drainage structures, retention ponds, roadside ditches, pipes, and signs. All assets run throughout the entire county.

County fiscal year 2016/2017 expenses consist of operations and maintenance, debt service, resurfacing, and capital improvements. Some of the expenses are bridge maintenance, mowing, asphalt repair, dirt road maintenance, sidewalk maintenance, storm system maintenance, signal repair, construction management, right-of-way acquisition, and traffic studies/planning. Bond debt repayment costs roughly \$4.5 million per year. The debt extends to the year 2024, with a \$32 million balance left owed.

Gas tax collections dropped drastically as gas prices increased. Another impact that has been seen, is the Federal fuel guidelines requiring more fuel efficient vehicles that get better gas mileage. Inflation does distract from the value of the money and causes a major increase in costs of operations. The road program bond debt is paid by transportation impact fees and gas taxes. An impact fee moratorium began July 11, 2011, and fees were fully reinstated July 1, 2015. Gas taxes for funding roads come from federal, state and local taxes. The County Council would like to see the taxes distributed to local governments be indexed, just like the state taxes are.

Mr. Brinton discussed road program capital investments through fiscal year 2020/2021, which included all available funding and projects. There are no extra reserves available. He also discussed each of the capital projects currently being done or that were in the design phase throughout the county and provided of summary of bond projects by zone. Projects have to be closer to construction before being able to leverage state or federal grants. Bond proceeds are being depleted and there has been difficulty obtaining grants. Unfortunately, there is not much local gas tax money to match and many require matching funds.

Chair Apgar thanked county staff for the presentation. He felt unmet needs could not be funded at the present time and there was a need to revisit how to fund them along with other transportation needs. He felt SunRail and Votran funding needed to be included in the gas tax distribution to help pay for some of the costs incurred by each of them. The current gas tax formula was based on 1990 population within the county and needed to be revised to reflect the current population of the county. Palm Beach County had a sales tax referendum to create more money to fund transportation issues.

Joe Yarborough, South Daytona City Manager, discussed the gas tax and the best way to spend money received from it. He felt a dedicated percentage should go to schools. The current gas tax formula has problems, issues, and imperfections that needed to be changed; each municipality needed to receive fair distributions. He felt city managers needed more direction and information before making any decisions. Mayor Apgar responded, saying it needed to be looked at holistically. Mayor Yarborough also felt a buy-in was needed and a document needed to be created that could be adopted by the County and all municipalities.

Ed Kelley, Volusia County Council Chair, felt the formula needed to include items that were necessary for the municipalities and each city needed to acknowledge what their individual needs were. Some cities have as many county and state roads as they do city roads. He felt that SunRail should be included as part of the gas tax components.

James Hathaway, New Smyrna Beach Mayor, discussed the problems on Highway 44 with heavy traffic. There was also a need to look at what had already been planned for future growth and development.

Chair Apgar discussed the need for connector roads, the Transportation Subcommittee starting up again, and all municipalities meeting to discuss current and future road needs, issues and concerns.

SUBCOMMITTEE REPORTS

Transportation Subcommittee: No report.

Beach Driving Subcommittee: No report.

Water Quality and Water Quantity Subcommittee: No report, Chair Apgar said subcommittee members had discussed tentative meeting dates for 2017.

Homelessness Subcommittee: John Penny, Holly Hill Mayor, said more members were needed for the subcommittee and more support was needed from the County, both financially and in other ways.

Derrick Henry, Daytona Beach Mayor, said the west side of the County had progressed more than the east side when it came to working on establishing facilities and assistance for the homeless community; and the east side needed to come up to speed. He felt the homelessness subcommittee needed a County representative to be a member and that it should not consist of city representatives only.

Mr. Kelley pointed out *Hope Place* was part of helping improve the homeless situation on the east side of the County and reminded everyone that homelessness is a county-wide issue and problem. Within the next 180 days, he hopes more will be done to improve the homelessness problem throughout the county.

PUBLIC PARTICIPATION

Big John discussed the gas tax and how each city has problems with homelessness which needs a solution by 2018.

Mike Pastore discussed people needing to develop periscope vision, the fact nothing had been done to help the homeless community since the *Roundtable of Volusia County Elected Officials* had begun in December 2014. He felt both short-term and long-term solutions were needed for helping the homeless.

Jim Cameron, Daytona Regional Chamber of Commerce Senior Vice President of Government Relations, reminded everyone that Volusia Days started on March 7, 2017 and there was a two-day plan for March 21-22, 2017, in Tallahassee.

MEMBER CLOSING COMMENTS

Mayor Hathaway said the Florida League of Mayors was in need of more members and encouraged Volusia County mayors to join the organization.

Don Burnette, Port Orange Mayor said the Volusia League of Cities discussed having a water workshop in Port Orange in the near future.

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Heidi Herzberg, Deltona City Commissioner, discussed the Deltona planned community center.

Melody Johnson, Volusia County School Board Chair, said the high school graduation rate in Volusia County had increased.

Chair Apgar thanked county staff for the *Road Program* presentation and said a decision needed to be made on who would be the next roundtable chair.

ADJOURNMENT

There being no further business, the meeting adjourned at 1:26 pm.