



OFFICE OF THE CITY COUNCIL

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FINANCE COMMITTEE BUDGET HEARING #5 MINUTES

August 21, 2024
9:00 a.m.

Location: City Council Chamber, City Hall – St. James Building

In attendance: Council Members Ron Salem (Chair), Raul Arias, Rory Diamond, Terrance Freeman, Nick Howland (dep. 3:34 p.m.), Will Lahnen, Ju’Coby Pittman

Also: Council Members Reggie Gaffney Jr., Michael Boylan, Joe Carlucci, Kevin Carrico, Randy White; Kim Taylor, Brian Parks, Heather Reber - Council Auditor’s Office; Mary Staffopoulos, Shannon MacGillis – Office of General Counsel; Merriane Lahmeur, Rebecca Bolton – Legislative Services Division; Darnell Smith, Karen Bowling, Joe Inderhees, Brittany Norris, Scott Wilson– Mayor’s Office; Anna Brosche, Angela Moyer, Kathleen Collins – Finance Department

Meeting Convened: 9:00 a.m.

Chairman Salem convened the meeting and the attendees introduced themselves for the record. The Chair said he sent out a form last night for council members to propose budget amendments – the deadline for submission is noon tomorrow. The committee will take up committee member recommendations first and then non-members may request a committee member to make a motion on their behalf. Mr. Salem said he thinks it would be useful to renew the discussion regarding the DIA from a previous meeting, which he anticipates will take place at tomorrow’s meeting. Council Member Howland asked if the enhancement requests are above and beyond the Council strategic priorities addressed yesterday; Mr. Salem said they could be.

All page references from this point refer to Council Auditor’s Meeting #5 handout.

5-Cent Local Option Gas Tax

Council Member Freeman asked if the Auditor’s Office has a list of all the projects being funded by this tax and their construction status. Council Auditor Kim Taylor said her staff can work with JTA to get a list. She noted that all of the fuel taxes are seeing slightly reduced collections compared to previous years.

Chairman Salem said he would like for members to propose any changes to the CIP today while that plan is being explained.

JTA

Heather Reber of the Auditor's Office reviewed the authority's proposed budget. Mary Staffopoulos with the Office of General Counsel said that separate legislation has been drafted and will be introduced next week to approve the JTA budget due to a council member conflict of interest. The Auditor's Office recommended technical amendments on p. 31 of today's handout will be incorporated into that separate legislation (2024-514).

Council Member Lahnen asked about the growth in the bus driver head count although the number of buses is not increasing. Nat Ford, CEO of JTA, said they are increasing the utilization of the existing fleet with more hours of operation. Mr. Lahnen asked about compliance with the new state law limiting transit system overhead costs. Raj Srinath, CFO of JTA, explained HB 1301's provisions and said JTA is currently well below what the law will require based on the overhead costs in other large transit systems in the state. Council Member Howland asked if there is a way for the City to potentially share in the 5-cent local option gas tax that now goes entirely to JTA. Ms. Taylor said that would require renegotiation of the interlocal agreement between the parties and the Office of General Counsel would need to weigh in on what is permissible. The tax was approved by referendum and its use is governed by the interlocal agreement. Mr. Howland asked if the Emerald Trail could be done at a reduced cost while achieving the same functionality, freeing up some funds for other City uses. Mr. Ford said they are in the design stage for numerous phases of the project and won't know the real total cost of the project until that is done. Mr. Howland asked that the designers consider options to save costs where possible because the City is facing huge new costs for capital projects (stadium renovation, parks, jail replacement, etc.) and has to reconsider previously approved projects. Mr. Ford cautioned that the Emerald Trail is a 3-party effort (JTA, COJ, Groundworks Jax) and all 3 parties need to agree on changes. He cautioned that reducing local funding may reduce the amount of the federal grant.

Council Member Diamond said JTA does good work and provides a needed service but he doesn't think the Ultimate Urban Circulator (U2C) is a worthwhile use of funds and asked if the project is over budget. Mr. Ford said the Phase I Bay Street element cost went from \$45M to \$65M to add cybersecurity features and to build a separate vehicle maintenance facility. The project is on time and on budget. Phase II design will begin shortly for conversion of the Skyway elevated structure to autonomous vehicle (AV) use; Phase III is the expansion at street level of service to Riverside, San Marco and Springfield. Phase III may precede Phase II because it may be easier to accomplish. JTA is looking at the potential for other AV uses in places where a full-size transit bus doesn't make sense. Phase II will be difficult to achieve so he doesn't want to hazard a guess as to when it might be in operation. Mr. Diamond said large transit projects are notorious for being late and over budget and he worries that Jacksonville can't absorb those excess costs in the same way as a Boston or Washington could.

Chairman Salem asked if the 3 new management positions are necessary. Raj Srinath said the FY25 budget is not increasing overall. Mr. Salem asked about the capital costs for the Skyway; Mr. Ford said it is to keep the existing system in operation before it is shut down and repurposed. Council Member Freeman thanked JTA for stepping up to help transport students to school and asked for JTA's cooperation in assisting with workforce transportation. Mr. Ford said JTA is aggressively looking at what can be done to assist low-income workers get to their jobs. JTA now allows fares to be purchased through CashApp for the unbanked. The BestFare program on the JTA app provides the best discounted fare for riders who currently pay the highest cash fare. Council Member Pittman asked Mr. Ford to talk about the City's obligation to the federal government for the Skyway. Mr. Ford said the City might be liable to return up to \$110M in federal funding if the system is abandoned before the end of its useful life.

Council Member Boylan asked about the status of the Mandarin Road sidewalk extension project. Mr. Srinath said it is in the budget in a general sidewalk account; Greer Johnson Gillis, JTA's Chief Infrastructure and Development Officer, said the project is in the environmental review stage. Mr. Boylan

said there are 3 schools in close proximity in his district with over 1,200 students that is causing a traffic problem and he asked if JTA could devise a transit solution that might help with that congestion. Ford said he will report back.

Mr. Ford thanked the Council for its support of Project Link, an international autonomous vehicle producer that will be an industry leader and establish a domestic AV plant to supply vehicles to meet Buy American requirements. Regarding recent media stories about JTA's administrative and travel costs, he said JTA had a history of being insular and inward-focused before his arrival nearly 10 years ago and his administration has been much more focused on being deeply involved with national organizations and federal funding agencies which has paid tremendous dividends in grants received and national and international publicity for and interest in its projects. He emphasized the importance of treating employees well so that they can provide the vital service they provide to the city, from bus drivers and mechanics to upper-level management. Council Member Diamond asked if JTA complies with the City travel policy; Mr. Ford said he would look at that policy and see what is applicable, given that the JTA was established by the state. Mr. Diamond asked JTA to develop a report showing compliance with HB 1301's requirements.

Council Member Howland asked about JTA's current cash balance – Mr. Srinath said \$135M, some restricted and some not, which represents 10 months of operating expenses. Council Member Pittman thanked MR. Ford for the emphasis on health and wellness initiatives to take care of JTA's front line staff. Council Member Arias said he believes JTA's travel expenses are in line with what is being spent by the other independent authorities and asked who is traveling. Mr. Ford said a variety of levels of employees travel for different purposes. Chairman Salem said the independent authority boards are responsible for setting policy and governing their agencies; that's who is accountable for what management does. He thinks it would be good to have a system to evaluate the travel practices of the independent authorities. Mr. Salem said he is adamantly opposed to the widespread use of purchasing cards in government agencies; there are too many cards and too little oversight of their use which leads to problems.

The committee was in recess from 10:30 to 10:44 a.m.

Chairman Salem said there is very little capacity in the budget as it stands now for significant enhancements – perhaps as little as \$3-4M – and several items have been deferred from previous meetings that remain to be dealt with. Council Member Lahnen asked if there is a limit on the use of Operating Reserve funds – Mr. Salem said he wants to keep the use at no more than \$7-8M, and preferably less.

Debt Management Fund

Chief Financial Officer Anna Brosche gave the annual debt affordability report. She said that all ratios in the proposed budget are within the established targets, minimums and maximums and explained the practice of paying for expenditures during the year with available pooled cash and then replenishing that with debt issuances at the end of the fiscal year. The City's reserve funds, operating and emergency, are very strong. Council Member Lahnen asked if the City might be too conservative in its revenue estimates and if there might be capacity to do more. Roger Phillips, Senior Debt Manager, said the \$775M for the stadium somewhat skews the ratios because of the size and timing of the borrowing over just a few years. Mr. Lahnen pointed out that the City's bond rating was just increased, and that was in part because the City has additional revenue capacity through its unused tax millage capacity.

Kim Taylor told the committee that the CIPs in the last few years that have neared or exceeded half a billion dollars are not the norm – they have grown substantially over the last 3 fiscal years and the long-term obligations are sobering. Council Member Howland said the future debt obligations are

unsustainable, and he appreciated the Auditor's expressed concern. Council Member Arias said it's important to prioritize projects because putting necessary things off to the future will just make them more expensive due to inflation. Chairman Salem asked what borrowing costs; Ms. Taylor said borrowing \$100M costs about \$8M per year in debt service. Mr. Salem said the current borrowing figures don't consider a new jail which will cost tens of millions in annual debt service on a project that will cost hundreds of millions. Mr. Lahnen said next year's budget should keep new borrowing at or below the amount of debt being paid off.

Motion: on p. 42, tentatively approve Auditor's recommendation that Loans be increased by \$81,476,000 (to accurately reflect the amount of Debt Management Funds needed for the proposed budget) and \$11M related to a project that was not deauthorized, and make a corresponding adjustment to Budget Ordinance Schedule B4 – **approved unanimously via a voice vote.**

In response to a question from Council Member Pittman about when the BJP funding for capital projects will end, Ms. Taylor said in December 2030 when it will shift to covering pension liability.

Ms. Brosche said the administration went through an extensive CIP review process this year to try to reduce it as much as possible for this year's budget. Numerous projects were closed out and remaining funds returned to their source of origin; a scoring committee was tasked with reviewing and ranking all the requests; departments were asked to reduce their requests; the Beyond 5th Year column was eliminated; and the BJP funding swap for the stadium project was accomplished. She said the Finance Department has answered numerous questions from council members and the Auditor's Office since the CIP was released in July.

Capital Improvement Plan (CIP)

Ms. Reber noted that the \$500,000 allocation the project entitled Confederate Memorial Removing, Relocation, Remaining or Renaming Determined by Council is proposed to be removed from the CIP due to lack of expenditure. Chairman Salem said the removed Women of the Southland memorial is still in storage. Council Member Howland asked if the removal from the CIP makes any change in Council's authority over this issue. Mary Staffopoulos said this action does not impact the broader policy discussion that has taken place. Council Member Diamond said he thinks the administration vastly exceeded its authority by removing the monument. There are parties that want to take possession of the removed statue and a decision should be made about its disposition.

Council Member Freeman announced that he will be abstaining from all votes on CIP items.

Motion: on p. 51, approve Auditor's recommendation #1 that the budget be corrected to accurately account for the projects being funded with Better Jacksonville Plan funds and Debt Management Funds. This will have no impact on project funding or special council contingency but will add \$70,376,000 in borrowing. This will also include correcting the classification of one project funded with Pay-Go Better Jacksonville Plan funding instead of Pay-Go Transfers from Other Funds in the amount of \$2,728,803 – **approved unanimously via a voice vote** (Freeman abstained).

Council Member Diamond asked for confirmation that the funds allocated to the Jax Beach Pier from pier lease revenue would continue to be used for that purpose; Ms. Reber said it would. Kathleen Collins said the incorrect amount resulted from the changeover process from FAMIS to the 1Cloud financial management system.

Motion: on p. 52, approve Auditor's recommendation #2 that the funding for the Jacksonville Beach Pier be reduced by \$105,348 from \$254,503 to \$149,155 – **approved unanimously via a voice vote** (Freeman abstained).

Council Member Diamond said the Jax Beach Pier and Hanna Park are self-sustaining, unlike all the other park facilities that are subsidized by the General Fund. Council Member Pittman asked how long Hanna and Huguenot Parks have been collecting fees; Ms. Taylor said for many years. Hanna Park is self-sufficient, Huguenot Park has always been subsidized. Ms. Pittman says some other parks could collect fees to provide for their own support, which would require Council action.

Motion: on p. 53, approve Auditor's recommendation #3 that the Hanna Park – Parking Lot 11 project be fully funded by transferring from fund balance \$467,399 within the Hanna Park (Fund 11302) and transferring that amount to the capital project since there is available funding to fully fund the entire project that was not scheduled to be fully funded until FY 2025/26 – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 53, approve Auditor's recommendation #4 that a new project named Taye Brown Regional Park Improvements in the amount of \$236,178 be added to the CIP to be used for repairs and maintenance at the pool and community center within Taye Brown Regional Park and funded from the Solid Waste Mitigation Capital Projects fund that includes the park's share of host fees collected at the Trial Ridge Landfill. The intent of this recommendation is only to create the CIP project and will not impact the intended use of the funds, borrowing, or special council contingency – **approved unanimously via a voice vote** (Freeman abstained).

Council Member Lahnen asked for confirmation that none of the projects listed on p. 54 under Pay-Go: Transfer from BJP are new projects; Ms. Reber confirmed that was the case. Mr. Lahnen asked if all \$12M for Arena projects need to be budgeted for next year. Mike Kenny, General Manager of ASM Global Jacksonville, said all of the projects will be started in FY25 and all but one are planned to be completed in that year, one will carry over to the following year. He said these projects had been requested in previous years but not approved for funding until this budget.

Motion: on p. 56, approve Auditor's recommendation #5 that the project named Hollybrooke Park in the Solid Waste Improvements Projects list be changed to Hollybrook Park Environmental Assessment and Remediation – **approved unanimously via a voice vote** (Freeman abstained).

Council Member Lahnen asked if the Recurring Capital Maintenance Needs funds are completely used every year. Brian Parks said some of them are fully expended, other areas have been reduced this year because they have not been fully expended in previous years.

Chairman Howland asked if it is appropriate to approve recommendation #6 before the indigent care contract amount with Shands Jacksonville Medical Center has been approved. Ms. Taylor said they were trying to align it with the budget and the amount can change later if the indigent care amount changes.

Motion: on p. 58, approve Auditor's recommendation #6 that a provision be added to the Budget Ordinance that will authorize the Mayor to execute an amendment to the existing agreement with Shands Jacksonville Medical Center, Inc. for the additional capital improvement funding of \$38 million for FY 2024/25 included in the CIP This will require an extension to timing since FY 2023/24 was the final year of the existing capital improvement funding agreement – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 58, approve Auditor’s recommendation #7 that a provision be added to the Budget Ordinance that will authorize the Mayor to execute an amendment to the existing agreement with the Jacksonville Zoological Society, Inc. for the additional capital improvement funding of \$4 million for FY 2024/25 included in the CIP. This will require an extension to the agreement since the current agreement expires September 30, 2024 – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 58, approve Auditor’s recommendation #8 that the Municipal Stadium Renovations – 2024 project amount be adjusted to reflect the correct previously authorized amount for the project and bring the total cost of the project to the \$775 million approved in the Stadium Development Agreement. The amount planned for FY 27/28 will be reduced by the \$12,867,928 to reflect this adjustment – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 58, approve Auditor’s recommendation #9 to correct various project names in the City’s financial system as shown in the table – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 58, approve Auditor’s recommendation #10 that the FY 2024/25 funding of \$3 million for the MOSH Building Relocation and Park Design project be moved from Other Construction to Engineering and Design – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 59, approve Auditor’s recommendation #11 to correct the Previous Funding amounts on the 5-year General Capital schedule, the 5-year City Venue schedule, the 5-year Stormwater schedule and the 5-year Solid Waste schedule, and the project information sheets in the CIP book to reflect the correct total cost for each project – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 59, approve Auditor’s recommendation #12 to correct the project information sheets in the CIP book to update Council Districts, project numbers, and other specific changes needed as shown in the table - **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 62, approve Auditor’s recommendation #13 that three projects listed in the table be added to the “projects removed” list in the CIP book (Kennedy Fitness Center, Police Memorial Building – Maintenance and Upgrades, Property Warehouse and Impound Facility Replacement); that one project name listed on the “projects removed” listing in the CIP book be corrected (from Hood Landing Road Drainage Improvements to Hood Landing Road Improvements); and remove one project from the projects removed list (Northbank Riverwalk – Northbank Artist Walk Extension) – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 63, approve Auditor’s recommendation #14 that 15 projects in the table on p. 63 be added to the “removed from Beyond 5th column” listing – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 63, approve Auditor’s recommendation #15 that the CDBG grant funding be removed from the 1-year schedule since the funding has been appropriated through Ordinance 2024-432-E. The grant funding is correctly reflected on the 5-year schedule - **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 63, approve Auditor’s recommendation #16 that the FDEP grant funding amount of \$5,177,094 for the McCoy’s Creek Branches project be removed from the 1-year schedule since this will be appropriated through separate legislation – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 64, approve Auditor's recommendation #17 that the City's match amount for the FIND grants in the amount of \$2,700,000 and the FIND grants in the amount of \$2,250,000 be removed from the 1-year schedule as the match amount is appropriated as a nondepartmental expenditure within the General Fund/GSD and will be appropriated to the projects when the grant award is received and approved by the Mayor's Budget Review Committee – **approved unanimously via a voice vote** (Freeman abstained).

Motion: on p. 64, approve Auditor's recommendation #18 that a provision be added to the Budget Ordinance to authorize the Mayor to amend the cost disbursement agreement with Jacksonville Baseball, LLC to account for the project costs being increased from \$24.8 million to \$31.8 million as the funding provided in FY 24/25 will result in an increase to the overall funding amount originally agreed to in Ordinance 2022-849-E and that the project scope and justification be clarified – **approved unanimously via a voice vote** (Freeman abstained).

Council Member Lahnen asked who is bearing the additional cost of the ballpark project; Ms. Reber said by the City in the CIP.

Motion (Freeman on behalf of Salem): add \$3,568,840 of debt funding for 121Ballpark in the FY25-26 budget for irrigation system repairs and field replacement

Ken Babby, owner of the Jacksonville Jumbo Shrimp, said this would be the first complete replacement of the field since 2003 and will provide for repairs to the non-functional drainage system and resodding the field. Council Member Howland asked for a tally of all spending for 121 Ballpark budgeted in the CIP. Mr. Babby said the team is working hard to value engineer the 3 planned projects to improve the stadium and will pay for any cost overruns. The stadium was built in 2003 as a AA stadium and needs to be upgraded to AAA standards. Mr. Howland asked to defer the motion until further information can be received on the project. Ms. Taylor said a contract amendment will be needed and her office would like more clarification of what is being required by Major League Baseball's AAA requirements and what is discretionary. Council Member Lahnen said this action raises the requested increase from \$25M to \$35M in recommendation #18. Council Member Freeman thanked the Jumbo Shrimp for the product they put on the field and what they do in the community. Council Member Carrico asked for the administration's stance on this request. Deputy CAO Kelly O'Leary said the project should have been included in the budget when it was introduced and the administration is supportive of this additional request. Council Member Diamond said he understands this request is a contractual obligation; Ms. Taylor said the \$3.5M was not part of the original \$31.8M and she needs more clarity about the MLB requirements, the expansion of the project scope, and the contractual obligation. Mr. Howland said he wants to see more detail about the project before being asked to vote today. Mr. Babby said the irrigation system operability is a City obligation under the contract and needs to be fixed. The item was deferred for later discussion.

Motion: on p. 64, approve Auditor's recommendation #19 to authorize the Auditor's Office to correct project names, project numbers, and prior years funding amounts for schedule presentation purposes as necessary for continuity if a need for other corrections is discovered during budget review – **approved unanimously via a voice vote** (Freeman abstained).

Chairman Salem asked that DIA CEO Lori Boyer or another DIA representative come to the Friday wrap-up meeting to continue the discussion of the riverfront restaurant issue from last week.

The committee was in recess from 12:32 to 1:00 p.m.

Capital Improvement Plan

Chairman Salem said the City has already invested and has future plans to invest tens of millions of dollars in downtown riverfront parks and asked if the committee felt it was appropriate to look at those investments and decide if consideration of a reduced scope or lesser investment is warranted. Daryl Joseph, Director of Parks, Recreation and Community Services, said as conceptual plans become concrete designs and as time passes from concept to contract, the costs are increasing. The department plans to produce an end result that the city will be proud of for years to come. Council Member Howland said that as the costs increase, a conscious decision process needs to take place to determine what can be afforded now versus what was originally envisioned. Mr. Salem asked if the City Council has been approving the increased costs; Mr. Joseph said the Council has approved the conceptual plans. Council Member Lahnen asked if the \$56M fully funds the 4 downtown riverfront parks; Joseph said it does.

Chairman Salem said he has been informed the Inspector General was listening to the JTA discussion earlier in the meeting and has said he will investigate JTA's travel expenses.

Council Member Diamond noted that another \$11M is being proposed for addition to the \$56M already approved for the downtown parks.

Motion (Diamond): on p. 69, put the \$6M addition for Riverfront Plaza and the \$5M addition for Shipyards West Park "below the line" pending further action by City Council

Council Member Howland said he wants further information on the MOSH and UF Health capital projects as well as these two park projects. Council Member Diamond said the cost increases in the park projects are unconscionable and can't be afforded in the current budget climate.

The Diamond motion was approved unanimously via a voice vote (Freeman abstained).

In response to a question from Council Member Howland, Ms. Collins explained the notation for Downtown Projects which reflect spending on City administrative buildings that, in the aggregate, make it look like Districts 7 and 9 are getting a disproportionate share of CIP funds when much of the funding is not for community-centered expenditures like in most districts.

Chairman Salem asked for discussion of items listed on pp. 73-74 as being removed from the CIP. Council Member Diamond advocated for the Fire Station #41 replacement project on p. 75 as being necessary to move up to the next few years. Council Member Pittman asked that the Fire Station #56 replacement project be funded in the next few years. Council Member Carrico asked for the rationale for removing many projects from the Beyond 5th Year category. Ms. Brosche said that most projects in that category never reach funded status, so rather than keep them in the CIP in the Beyond 5th Year category, a separate list will be kept of projects that are needed to eventually be placed in the CIP. She said the bond ratings agencies do consider the City's expression of its plan for eventual capital expenditures. Council Member Carrico said he would like information on how many projects on the Beyond 5th Year list never got done versus those that started on that list and eventually moved up into the 5-year category. Mr. Carrico asked about the elimination of the Beach Boulevard boat ramp project. Daryl Joseph, Director of the Department of Parks, Recreation and Community Services, said it's moving from the CIP to a FIND-grant funded project. Council Member Arias said projects that don't show up in the Beyond 5th Year listing will likely be forgotten and never done. Ms. Brosche said she doesn't think those projects belong in the CIP but is willing to compile a list of future projects in another document for tracking purposes.

Council Member Diamond said he had just spoken to Fire Chief Powers about the need to replace old fire stations built under the volunteer firefighter model and has been assured by the administration that those

stations will be scheduled for replacement. Council Member Gaffney Jr. said millions of dollars has been spent on studies and designs for many of the projects being removed from the CIP, which is a waste of that investment. He asked Mr. Joseph about the Oceanway Pool project. Mr. Joseph said the \$350,000 was no longer need for that project because it was funded from a different source. Mr. Gaffney Jr. said he wants information on what has already been spent on the projects that are now proposed to be removed. In response to a question, Kim Taylor clarified that the Previously Funded column funds will remain listed, but no additional funds will be added to those projects. Brian Parks said that the previously funded amounts may already have been expended and a project may be completed. Council Member Howland asked about the mechanism by which a list of potential future projects can be compiled and publicized but not as a formal part of the budget process where it might impact the thinking of the ratings agencies and bond underwriters. Council Member Diamond said he wants a concrete plan for fire station replacements before the budget hearings wrap up. Chief Administrative Officer Karen Bowling said Fire Chief Powers will be at the wrap-up session on Friday to discuss the fire stations.

Council Member Joe Carlucci said he wants to add a new CIP project and will propose several reductions totaling \$1.5M in other projects to produce the funds needed for the additions. His first new project is to change speed limit signs from 30 mph to 25 mph on residential roads in neighborhoods to increase safety via \$500,000 allocations in years 2, 3 and 4 of the CIP. Chairman Salem said he interprets the motion to be to add this project to the list of items to be considered on wrap-up day. Council Member Arias asked if this project is for just District 5 or citywide, what the plan is for enforcement by JSO, and what is the cost for publicity via Tax Collector tag renewal insert flyers. Mr. Carlucci said it will be a citywide initiative, starting in a target area and expanding. JSO will develop the enforcement plan. The tag renewal flyer inserts will be spread over 3 years and should be a one-time effort. Council Member Diamond said the 3 Beaches cities should be excluded from this plan if adopted. Council Member Freeman asked about its application to private roads in gated communities and the cost of signage in neighborhoods developed in the future. Chairman Salem said the proposal is a policy issue that is broader than the CIP and feels the policy decision should be made first before putting a project in the CIP.

Motion (Arias): on p. 64, add \$3,568,840 for the 121 Financial Ballpark field and irrigation replacement project requested earlier in the meeting

In response to a question from Council Member Diamond, Ken Babby said the several projects underway at the stadium are currently projecting to be \$3.1M over budget which the team will cover pursuant to its contract. Council Member Freeman questioned taking this item up today given the other projects awaiting discussion on wrap-up day. Council Member Howland said there are lots of items that need to be dealt with on wrap-up day and would prefer to take this up then, but is willing to vote because this project was left out of the budget by error. Ms. Taylor said the \$11M savings referenced earlier is “below the line”, not removed.

The Arias motion was approved unanimously via a voice vote (Freeman abstained).

Dean Cocchi, CFO of UF Health Jacksonville, arrived to answer questions from the committee. Council Member Howland asked about the hospital’s capital needs and the \$124M increase over last year’s CIP allocation. Mr. Cocchi said \$14M is for the Haley Trauma Center to increase capacity and separate the forensic population from other patients; \$24M is for infrastructure like pipes, wiring, generators, etc. Chairman Salem said the contract between the City and UF Health makes the hospital responsible for maintenance expenses in consideration of the \$1 per year lease and asked if UF Health is matching the City’s capital investments in any way. Mr. Cocchi said UF Health invests \$48M per year of its funds into the City’s buildings. In response to a question, Ms. Taylor said the contract for the last \$120M allocation provides that UF Health pays the capital expenses and is reimbursed by the City. The Public Works Department should have documentation of the expenditures and reimbursements. Mr. Salem said he was

under the impression when the Mayor Curry administration asked for the \$120M allocation several years ago that that would get UF Health back on sound footing. Council Member Arias asked if the City's funds will be going into capital items or to UF Health's equipment, furniture, etc. Council Member Freeman said the City and UF Health nearly reached a funding impasse about 10 years ago and the possibility of UF Health relinquishing the lease and giving the hospital back to the City was raised. That would have created a crisis then and would now. Jacksonville can't afford to lose its Level 1 trauma center and primary indigent care provider. He encouraged all council members to take a tour of the UF Health facility and see the conditions under which they are treating the city's most disadvantaged citizens. Mr. Howland asked that UF Health, the Parks and Recreation Department, and MOSH each produce a detailed list of the uses to which their proposed CIP allocations will be put.

CIP Requests

Public Works Director Nina Sickler described a road widening project needed where the 5-lane section of northbound Lane Avenue narrows down between 5th Street to 12th Street. President White said the cost is \$12M - \$6M apiece over 2 fiscal years.

Motion (Howland on behalf of President White): add a CIP project to allocate \$6M in FY25 and \$6M in FY26 funded by debt to a Lane Avenue North widening project from 5th to 12th Street – **approved unanimously via a voice vote** (Freeman abstained).

Motion (Diamond on behalf of Carrico): remove \$1.5M of planned debt funding from the Drew Park Project for FY28-29, move \$500,000 of debt funding into FY24-25 for that project and \$500,000 of debt to the Beachwood Park Project in FY28-29 - **approved unanimously via a voice vote** (Freeman abstained).

Council Member Boylan said next year's budget is likely to be even more difficult and asked for some assurance that numerous projects in his district listed in FY26-27 will actually be funded in that year and not pushed back. Mr. Boylan said he wants to include a project for \$500,000 as a placeholder for a special assessment district dredging project in his district. Steve Long of the Public Works Department said the City and the neighborhood started planning for the dredging project and when the neighborhood finishes the design then a CIP project will be needed. Council Member Diamond said his district has more dredging districts than any other council district and none of them have asked for City assistance to get their projects done. If the door is opened to City funding for dredging, then be prepared for many of his districts to ask for funding as well.

Council Member Joe Carlucci proposed an Atlantic Boulevard median project for \$250,000 with funds reallocated funding from the Art Museum Drive Sidewalk project (installing sidewalks on one side, not both sides of the road), and swapping debt funding for BJP funding for a Commonwealth Avenue/Pickettville Road project.

Motion (Arias on behalf of Joe Carlucci): remove \$4.4M of funding from Art Museum Drive Sidewalks project (\$1.2M in FY26-27 and \$3.2M in FY27-28), switch \$423,319 of planned debt funding in FY24-25 to BJP funding for the Commonwealth Avenue/Pickettville Road project and add \$250,000 in debt funding for the Atlantic Boulevard Median Project, reducing planned BJP by \$3,976,681 and decreasing debt funding by \$173,319 - **approved unanimously via a voice vote** (Freeman abstained).

Council Member Gaffney Jr. asked for consideration of a sidewalk project in a rural area of his district using \$5.5M over 4 years. Steve Long said Public Works has looked at this project for the Beyond 5th Year category and it did not make it into the CIP this year. There are 4,200 homes coming to the area and the City's development regulations will require the developer to put sidewalks inside the development but

not outside. He said spreading the funding over several years would be typical for this kind of project. Council Member Arias asked to hear all of Mr. Gaffney Jr's requests before voting so the committee can judge the relative worth of the proposals. Chairman Salem asked Mr. Gaffney Jr. to bring his requests with supporting documentation to tomorrow's meeting. Council Member Howland said the Council has the power of the purse and should approve the projects most important to the voters, but the Finance Committee should find an equal amount of cuts in other parts of the CIP proposal to reduce the impact on the budget.

Council Member Howland was excused at 3:34 p.m.

Fire Chief Keith Powers addressed the subject of fire station replacements/renovations. There are 4 or 5 stations that were built many years ago as volunteer stations that were not built to be lived in, and their renovations are in competition with the need to build new stations to address newly developing areas and reduce long run times. He has been assured by the administration that when the department is ready to build stations, they will be added to the CIP. Council Member Pittman advocated for replacing Station #18 at Myrtle and Moncrief. Chief Powers said there is \$1M already allocated to that project and the Real Estate Division is in the process of acquiring adjacent land. Council Member Diamond said public safety should be the Council's top priority and luxuries like libraries and parks can be delayed while the top priority is addressed. He is concerned about the size of the overall CIP and thinks more cuts are needed. Chairman Salem asked about a time frame for the renovation of the old stations. Chief Powers said the top priority has to be reducing run times with new stations in high volume areas before remodeling existing stations. He said the department is looking at ways to substantially remodel rather than build new stations at a lower cost given the budget considerations.

Meeting adjourned: 3:46 p.m.

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