

The Special Meeting of the City Council of the City of Panama City Beach, Florida, and when permitted or required by the subject matter, the Panama City Beach Community Redevelopment Agency, concerning the Capital Improvements Plan, held on June 30, 2017.

ROLL

MAYOR MIKE THOMAS

COUNCILORS:

JOHN REICHARD  
JOSIE STRANGE  
PHIL CHESTER  
HECTOR SOLIS

CITY MANAGER:

MARIO GISBERT  
CITY CLERK:  
DIANE FLOYD  
CITY ATTORNEY:  
KEVIN OBOS

Mayor Thomas called the Special Meeting to order at 10:04 A.M. with all Council members, City Manager, City Clerk and City Attorney present.

Mr. Gisbert said Pier Park planned to close Pier Park Drive for July 4<sup>th</sup> from the circle to Front Beach Road, as they have in the past. Councilman Reichard asked about the safety barriers and Mr. Gisbert said there would be no parade or procession down the road.

Mr. Gisbert explained the presentation would be in two components, the vertical buildings and assets, and the horizontal roads with grades. He then introduced Mr. Rick Mellin who would present the facilities portion. Mr. Mellin said they looked at all facilities, evaluated their conditions, developed cost estimates for replacements, and identified deficiencies and a renewal schedule. They looked at 22 different facilities, the Multi-Use Trails plus the Beach Accesses. He explained the Facility Condition Report, the Deficiency Report, and the Renewal Schedule, and that there was one set for each facility. Mr. Mellin said most of the buildings were in good shape and this had been a physical analysis not a functional analysis.

In response to the request by Councilman Reichard, Mr. Mellin defined deficiency and renewal and said part of the discussion would be Staff looking at those items classed as deficient based on age and if they were well maintained. He said because they were aged-out did not mean they must be replaced. Councilman Solis asked if deficiency also included something out of Code. Mr. Mellin said generally not unless it was apparent such as life safety things.

Mr. Mellin said three buildings had full reports to invite feedback from the Council members and to use for budgeting purposes. He said they had not projected for new facilities except for the City Hall and Fire Station. He said this information would go into an overall financial model to help the City budget the items.

Mr. Mellin said the summary aggregated all deficiencies and renewals for buildings for 2017. He said the deficiency total for now was about \$4.37 Million Dollars. The annual total for all deficiencies and renewals at the end of ten years was about Ten Million Dollars in today's dollars, budgeting approximately One Million Dollars per year. For the City Hall, there were significant deficiencies now and over the ten years, it would be approximately One Million Dollars. By building a new City Hall, the annual Million Dollars budgeted for maintenance would decrease by \$100,000. For Fire Station 1, the current deficiencies would substantially increase from this year to next year. In discussions about a new Fire Station, one of the questions would be what to do with the existing Fire Station 1 building.

Regarding large numbers in the report, these deficiencies/renewals were typically a roof, air conditioning, electrical, etc., which would allow Staff the ability to review and determine what could be done to prolong the life of that item as long as possible.

Another building highlighted was the Lyndell Conference Center with over \$600,000 in identified deficiencies now and another \$300,000 over the next ten years.

For Beach Accesses, all were deficient and listed at \$1.23 Million Dollars was for total replacement this year and a place to start discussion, and \$45,675 an annual maintenance cost after renewal. Mr. Gisbert said more than that amount was being spent because the City was trying to renew as well as keep up with the problems. The Mayor asked about the current maintenance of the beach accesses. Mr. Gisbert said they had not been maintained in the past.

Mr. Mellin spoke of the County Tax Collectors office whose building would be torn down. He said the 10-year maintenance cost would be \$700,000. Mayor Thomas said the County had already found a location on Middle Beach Road, the old Tyndall building, and should be moving in a few months.

Councilman Solis asked Mr. Mellin if he had any suggestions on the beach accesses to reduce the costs significantly. Mr. Mellin said the synthetic boards would have a higher initial cost but would last longer. Councilman Solis asked about having natural openings with only railings on the side with no walkways.

Councilman Reichard asked Mr. Gisbert how many beach accesses had been rehabbed since the two carpenters had been hired. Mr. Gisbert said six had been completely replaced and others had been touched as needed. He said he estimated the replacements and maintenance had been in the \$80,000 range. Mr. Mellin said his numbers had been based on using outside contractors, not City Staff. The Mayor said in his opinion, most of the other products were 4-5 times more expensive than lumber, and he would rather use wood to be maintained rather than spend 5 times the cost which could be destroyed by a hurricane at any time. He also mentioned removing half of the beach accesses and using ropes and posts to allow the foot traffic on the sand. Councilman Solis said he liked the idea of having as many natural accesses as possible.

Mr. Mellin said the numbers would change with the old City Hall being removed as well as the Tax Collector office. Mr. Gisbert said he had forwarded this report to the Department Heads to begin looking at the numbers for their recommendations. Councilman Solis said even with removing those buildings, the deficiencies were over Two Million Dollars the first year. Councilman Chester asked if these numbers included utilities and Mr. Mellin said no.

Specifically for the Lyndell Conference Center, Mr. Mellin said the detailed report had the deficiency and renewal costs outlined year by year. Mr. Gisbert said some of these items were not necessarily to be replaced but were at the end of their life cycle. Mayor Thomas said the Lyndell Center seemed to do well for events, not always full so was still a good building, very functional.

Mayor Thomas asked the Department Heads if they had any questions for Mr. Mellin. There were none. He thanked Mr. Mellin and invited Mr. Richard Zion of Gortemoller Engineering to the podium to talk about roads.

Mr. Zion said they also performed snapshot-type assessments of all City roads except those within the CRA. They provided a summary of the roads and a report of costs developed to maintain the roadway system. He explained they developed the assessment using the DOT model. Mr. Zion said they developed a ranking system after every road was examined. Once the assessment snapshot was in place, they looked at a mill and resurfacing program for maintenance and budget ranges.

Mr. Zion said they assigned a letter grade to the roads and some segments of the roads had been maintained more recently than others. The segments were noted separately in the report so be able to put them into a maintenance schedule. He referenced the map with all roads color-coded for their grade. He mentioned Vestavia, with the street cracked in some locations and issues with utilities, assigned an F which would give it a higher priority on maintenance ranking so the deficiencies could be addressed sooner rather than later.

For the cost summary, Mr. Zion said the estimated milling and resurfacing for all roadway segments was \$17.6 Million Dollars, with a maintenance schedule of 20/25/30 years and the budget range based on the original total.

Mayor Thomas asked Mr. Casto if the estimated milling costs were approximately the same as currently paid. Mr. Casto said close. Mr. Zion said they used a standard section at 1 ½" thick to estimate costs based on FDOT's historical costs, statewide averages and Bay County's costs. The Mayor asked if he could review to see what would make the City's costs higher. Mr. Zion said affirmatively.

Councilman Solis mentioned placing fifteen roads for example out to bid for this upcoming year to receive a better price, rather than fixing them individually. Mayor Thomas mentioned that the City did not have a good inspection capability for roadway resurfacing and sometimes did not receive a good product such as Cobb Road or some of the Colony Club roads.

Mr. Zion said cost for a 20-year maintenance interval would be between \$800,000 and \$950,000 per year. The roads were also ranked in order of most needed repairs. In response to Councilman Solis's question on the current budget, Mr. Gisbert said it was \$500,000 but the City also had \$1,000,000 in reserves. He explained that a Bid had

been noticed. He also mentioned the funds from the Half Cent Sales Tax, approximately \$1.2 Million Dollars per year. Councilman Solis asked for the current totals received for the Half Cent tax and Ms. White replied that they were running about 45 days behind and the last check received was almost \$90,000. Mr. Gisbert said he had directed Mr. Casto to start designing these projects now so that they could be released October 1<sup>st</sup>, funded by the \$1,000,000 set aside.

Councilman Solis said he was concerned about depending upon the Half-Cent to support the 20-year plan, and those funds stopping after 10 years. Mr. Gisbert said they had created a plan for high expenditures the first five years (\$1.3 Million Dollars per year) and then drop down to about \$700,000 for the balance of the plan. Mayor Thomas said he also wanted to see the expectations of what the City would see from the resurfacing and elaborated. He wanted standards raised to have good roads.

Mayor Thomas said the City needed tighter specifications on construction which helped the time periods. He mentioned Breakfast Point where water was bubbling up between the concrete curbs and asphalt. Mr. Gisbert said that problem had been addressed with St. Joe. Councilman Solis said the City should also be more strict on roads when subdivisions were brought into the City. Mr. Zion mentioned Breakfast Point and Cedar Hammock Lane, and the groundwater. He said the field reports would be provided which would list the criteria for evaluations on the cracking, rutting, rideability, etc, and how they arrived at the letter grades. He invited questions from the Council.

Mr. Gisbert said use this document as a working document and as roads were added, using this as a roadmap. Mayor Thomas asked Mr. Zion if he had suggestions to add to the City's rules about preventing the burden on the City when taking in subdivisions. Mr. Zion said their report did not have recommendations such as third-party oversight. The purpose of this report was to provide a snapshot assessment and develop a suggested rank and order to attack the maintenance situation. Councilman Solis said they did not review the City's current specifications for subdivision roads and Mr. Zion said no, not for this project but he would be glad to review.

Mr. Gisbert said the next step would be to make a selection of adopting the 20-year plan or the hybrid 22-year plan so that it could be given to the Modeling consultant and Impact Fee consultant so that they might determine what fees were needed. He said the modeling group would forecast out with escalation.

Councilman Solis said he felt the City should be starting to do at least One Million Dollars worth of roadway work this year since the funds were available. Mr. Gisbert said One Million Dollars could be in the FY18 Budget. Mr. Gisbert said he had ridden the City's F roads and they were far better than some of the roads outside of the City limits.

Councilman Solis suggested tightening the specifications in order to get the best product possible as the roads were redone. Mayor Thomas mentioned enlarging the report for inspections and quality. Mr. Gisbert said that was one reason for the additional engineer in Public Works for more eyes on the projects.

Mr. Zion said there were two different types of roads, the City's and those built by others. He said one issue was that the City would not have the same control when a developer was building the road, not even the same type of inspections. However, if a road was to be eventually assumed by the City, then the City could require testing be done during construction. Mr. Zion mentioned their becoming part of the minimum design and construction standards.

Mayor Thomas complimented the consultants on the good job on the presentation, adding knowledge to the Council members.

With nothing further, the meeting was adjourned at 11:20 A.M.

READ AND APPROVED this 27<sup>th</sup> of July 2017.

**IN THE EVENT OF A CONFLICT BETWEEN THE FOREGOING MINUTES AND A VERBATIM TRANSCRIPT OF THESE MINUTES, THE FOREGOING MINUTES SHALL CONTROL.**

  
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Mayor

ATTEST:

  
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Deputy City Clerk