

**MARTIN COUNTY, FLORIDA
SUPPLEMENTAL MEMORANDUM**

TO: Honorable Members of the Board of County Commissioners **DATE:** September 18, 2018

VIA: Taryn Kryzda
County Administrator

FROM: Jennifer Manning
Director of the Office of Management & Budget

SUBJECT: OFFICE OF MANAGEMENT AND BUDGET ITEMS WHICH REQUIRE BOARD APPROVAL

GRANT ITEMS – PERMISSION TO APPLY

1. PERMISSION TO APPLY FOR THE FLORIDA RECREATION DEVELOPMENT AND ASSISTANCE PROGRAM (FRDAP) FOR PHIPPS PARK

- **Requestor** – Parks & Recreation Department
- **Granting Agency** – Florida Department of Environmental Protection
- **Project Description** – FRDAP is a competitive program which provides grants for development of land for public outdoor recreation use or to construct or renovate recreational trails and park amenities. The Board previously approved a larger scope for the Phipps Park project and while the project was ranked on the Large Development Project List, the Florida Legislature did not fund any large development projects during FY15-16 and FY 16-17 grant cycles. Many smaller projects have been approved that do not require any matching funds. This is a small grant request for new amenities at Phipps Park including platform tents and RV pads.
- **Requested Grant Award** – \$50,000
- **Budgetary Impact** – none
- **Annual Operating Cost** – Staff time for grant administration.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – Less funds will be available to implement plans for renovations at Phipps Park as identified in the Capital Improvement Plan.
- **Financial Fiscal impact if not approved** – Lower future revenue collection by Phipps Park due to not having the new additional proposed park amenities.

DOCUMENTS REQUIRING ACTION:

- None at this time.

RECOMMENDATION:

- Move that the Board authorize the Parks and Recreation Department to apply for the Florida Recreation Development Assistance Program for Phipps Park.

GRANT ITEMS – PERMISSION TO ACCEPT

2. PERMISSION TO ACCEPT THE STATE OF FLORIDA, DIVISION OF EMERGENCY MANAGEMENT HAZARD ANALYSIS GRANT FOR FISCAL YEAR 2019

- **Agreement/Contract drafted by:** The State of Florida, Division of Emergency Management.
- **Parties to the Agreement/Contract:** The State of Florida, Division of Emergency Management and Martin County Board of County Commissioners.
- **Purpose of the Agreement/Contract:** To update and maintain information and analysis of potential hazards associated with Extremely Hazardous Substances at sites throughout the County. The amount of funds distributed to a county is based upon the number of sites within the county that must be visited. Martin County will be reimbursed for costs not to exceed \$4,054 to inspect 19 sites.
- **New/Renewal/Modified:** This is a new contract.
- **Duration:** July 1, 2018 through June 30, 2019.
- **Benefits to Martin County:** Grant award of \$4,054. The completed analyses are provided to first responder organizations (fire rescue and law enforcement), the Local Emergency Planning Commission, and to the public, upon request, as provided for in the Emergency Planning and Community Right to Know Act.
- **Cost to Martin County:** There are no matching funds required. Administrative costs to prepare reimbursement paperwork, approximately \$500.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – There is no negative impact if the grant is not received. The sites will still be inspected.
- **Financial Fiscal impact if not approved** – The County will not be reimbursed for time spent inspecting sites.

DOCUMENTS REQUIRING ACTION:

- Grant Contract (4 copies)
- Budget Resolution.

RECOMMENDATION:

- Move that the Board authorize the Chairman and/or designee to execute the agreement as well as any grant related documents upon review and concurrence of the County Attorney's Office; and
- Move that the Board adopt a Budget Resolution for the State allocations.

APPROVED AS TO FORM & LEGAL SUFFICIENCY

3. PERMISSION TO ACCEPT THE FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) PUBLIC TRANSPORTATION GRANT AGREEMENT 436400-1-94-01 FOR RPZ (RUNWAY PROTECTION ZONE) CLEARING AND IMPROVEMENTS

- **Agreement/Contract drafted by** – Florida Department of Transportation
- **Parties to the Agreement/Contract** – FDOT and Martin County Board of County Commissioners.
- **Purpose of the Agreement/Contract** – Grant award of an additional \$25,000 for the RPZ Clearing and Improvement
- **New/Renewal/Modified** – This is a modified contract.
- **Duration:** 9/25/18 to 12/31/20
- **Benefits to Martin County** –Florida Department of Transportation grant will cover 5% of the total cost required for the RPZ Clearing and Improvements.
- **Cost to Martin County** – Local Share in the amount of \$25,000 will be provided from the Airport Enterprise Fund. There is no associated operating cost.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – Airport will not be in compliance with federal aviation safety regulations.
- **Financial Fiscal impact if not approved** Airport will need to allocate approximately \$25,000 to cover the remaining balance of the match

DOCUMENTS REQUIRING ACTION:

- Grant Contract (3 copies)
- Budget Resolution (2 copies)
- Budget Transfer from Airport Fund Reserves

RECOMMENDATION:

- Move that the Board authorize the Chairman and/or designee to execute the FDOT PTGA grant as well as any non-monetary grant related documents upon review and concurrence of the County Attorney's Office; and
- Move that the Board adopt the Budget Resolution; and
- Move that the Board approve a Budget Transfer from Airport Fund Reserves in the amount of \$25,000 for the grant match.

APPROVED AS TO FORM & LEGAL SUFFICIENCY

4. PERMISSION TO ACCEPT THE FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) PUBLIC TRANSPORTATION GRANT AGREEMENT 436401-1-94-01 FOR REHABILITATION OF MC NON-MOVEMENT AREAS PHASE III – TAXILANE C

- **Agreement/Contract drafted by** – Florida Department of Transportation
- **Parties to the Agreement/Contract** – FDOT and Martin County Board of County Commissioners
- **Purpose of the Agreement/Contract** – Grant award of \$800,000 for the Rehabilitation of MC Non-Movement Areas Phase III – Taxilane C.
- **New/Renewal/Modified** – This is a new contract.
- **Duration:** 9/25/18 to 12/31/20
- **Benefits to Martin County** – FDOT grant will cover 80% of the total cost required for the Rehabilitation of NC Non-Movement Areas Phase III – Taxilane C.
- **Cost to Martin County** – Local Share in the amount of \$200,000 will be provided from the Airport Enterprise Fund. There is no associated operating cost.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – Airport will not be in compliance with federal aviation safety regulations.
- **Financial Fiscal impact if not approved** Airport will need to allocate approximately \$200,000 to cover the remaining balance of the match.

DOCUMENTS REQUIRING ACTION:

- Grant Contract (3 copies)
- Budget Resolution (2 copies)
- Budget Transfer from Airport Fund Reserves

RECOMMENDATION:

- Move that the Board authorize the Chairman and/or designee to execute the FDOT PTGA grant as well as any non-monetary grant related documents upon review and concurrence of the County Attorney’s Office; and
- Move that the Board adopt the Budget Resolution; and
- Move that the Board approve a Budget Transfer from Airport Fund Reserves in the amount of \$200,000 for the grant match.

APPROVED AS TO FORM & LEGAL SUFFICIENCY

5. PERMISSION TO ACCEPT THE FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) PUBLIC TRANSPORTATION GRANT AGREEMENT 442005-1-94-01 FOR MAINTENANCE FACILITY AND EQUIPMENT STORAGE

- **Agreement/Contract drafted by** – Florida Department of Transportation
- **Parties to the Agreement/Contract** – FDOT and Martin County Board of County Commissioners.
- **Purpose of the Agreement/Contract** – Grant award of \$80,000 for the design and construct the Maintenance Facility and Equipment Storage.
- **New/Renewal/Modified** – This is a new contract.
- **Duration:** 9/25/18 to 12/31/20
- **Benefits to Martin County** – FDOT grant will cover 80% of the total cost required to design and construct the Maintenance Facility and Equipment Storage.
- **Cost to Martin County** – Local Share in the amount of \$20,000 will be provided from the Airport Enterprise Fund. There is no associated operating cost.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – Airport will need to find an alternative solution to extend the useful life of expensive equipment being exposed to natural elements.
- **Financial Fiscal impact if not approved** - Airport will need to provide full funding to the alternate solution without grant assistance.

DOCUMENTS REQUIRING ACTION:

- Grant Contract (3 copies)
- Budget Resolution (2 copies)
- Budget Transfer from Airport Fund Reserves

RECOMMENDATION:

- Move that the Board authorize the Chairman and/or designee to execute the FDOT PTGA grant as well as any non-monetary grant related documents upon review and concurrence of the County Attorney's Office; and
- Move that the Board adopt the Budget Resolution; and
- Move that the Board approve a Budget Transfer from Airport Fund Reserves in the amount of \$20,000 for the grant match.

APPROVED AS TO FORM & LEGAL SUFFICIENCY

6. PERMISSION TO ACCEPT THE FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) PUBLIC TRANSPORTATION GRANT AGREEMENT GRANT 443869-1-94-01 FOR SANITARY SEWER FORCE MAIN IMPROVEMENTS (DESIGN AND CONSTRUCTION)

- **Agreement/Contract drafted by** – Florida Department of Transportation
- **Parties to the Agreement/Contract** – FDOT and Martin County Board of County Commissioners.
- **Purpose of the Agreement/Contract** – Grant award of \$50,000 for the design and construction of the Sanitary Sewer Force Main Improvements.
- **New/Renewal/Modified** – This is a new contract.
- **Duration:** 9/25/18 to 12/31/20
- **Benefits to Martin County** – FDOT grant will cover 80% of the total cost required to design and construct the Sanitary Sewer Force Main Improvements.
- **Cost to Martin County** – Local Share in the amount of \$12,500 will be provided from the Airport Enterprise Fund. There is no associated operating cost.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – Airport and its customers will need continue to utilize the septic tank system which has a negative impact on the environment.
- **Financial Fiscal impact if not approved** - Airport will need to allocate approximately \$12,500 to cover the remaining balance of the match.

DOCUMENTS REQUIRING ACTION:

- Grant Contract (3 copies)
- Budget Resolution (2 copies)
- Budget Transfer from Airport Fund Reserves

RECOMMENDATION:

- Move that the Board authorize the Chairman and/or designee to execute the FDOT Public Transportation Grant as well as any non-monetary grant related documents upon review and concurrence of the County Attorney's Office; and
- Move that the Board adopt the Budget Resolution; and
- Move that the Board approve a Budget Transfer from Airport Fund Reserves in the amount of \$12,500 for the grant match.

APPROVED AS TO FORM & LEGAL SUFFICIENCY

7. PERMISSION TO ACCEPT THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) ASSISTANCE TO FIREFIGHTERS GRANT (AFG) FOR STAFFING FOR ADEQUATE FIRE & EMERGENCY RESPONSE (SAFER)

- **Agreement/Contract Drafted by** – U.S. Department of Homeland Security/FEMA
- **Parties to the Agreement/Contract** – U.S. Department of Homeland Security/FEMA and the Martin County Board of County Commissioners
- **Purpose of the Agreement/Contract** – Grant award of \$3,107,157 towards the salaries and benefits costs to hire 24 additional Firefighter/EMT positions to help maintain pace with the level of service requirements for response times as outlined in the Comprehensive Growth Management Plan.
- **New/Renewal/Modified** – This is a new contract.
- **Duration** – The grant award totals \$3,107,157 with a performance period of 3 years requiring a county match of 25% in the first 2 years and 65% in the last year.
- **Benefits to Martin County** - Since the addition of 33 Firefighter/EMT positions in 2009 with the help of the SAFER grant, the County call volume has grown by 43% from 16,763 calls in 2009 to over 24,000 calls in 2017. First, these positions will be used to enhance safety by ensuring that all fire suppression apparatus are staffed with 3 people. There will also be an increase to level of service at the 4 busiest fire stations by upgrading the fire engines from basic life support (BLS) to advanced life support (ALS) with the addition of a Firefighter/Paramedic on-board which will help stabilize area coverage for the northern and southernmost sections of the county. Finally, the positions will be used to permanently staff an additional ambulance at the busiest station that responds to the central corridor within the county. The additional positions will also help expedite the replenishment of the Firefighter/Paramedic rank which will aid in the reduction of overtime.
- **Annual operating costs** – Maximum county match of \$435,924 in the first year, \$723,350 in the second year, and \$1,491,331 in the third year.

ALTERNATIVE ACTION:

- **Programmatic Implication if not approved** – As the call volume increases, the conversion of 4 engines to ALS and the additional staffed ambulance will aid in the maintenance of level of service standards in some areas and enhance it in others. If not approved, fire suppression apparatus will continue to be staffed with two personnel and additional ambulances could not be introduced without impacting overtime.
- **Financial Fiscal impact if not approved** – The conversion of 4 engines to ALS status and the staffing of additional ambulances would have a substantial adverse impact on overtime expenditures.

DOCUMENTS REQUIRING ACTION:

- Grant Agreement

RECOMMENDATION:

- Move that the Board authorize the Chairman and or designee to execute the grant agreement as well as any non-monetary grant related documents upon review and concurrence of the County Attorney's Office; and

- Move that the Board approve the addition of 24 Full Time Equivalent (FTEs) to Fire Rescue's FY19 budget, adequately adjusting all line items for the anticipated monetary impact for the first fiscal year of the grant agreement.

APPROVED AS TO FORM & LEGAL SUFFICIENCY

OTHER OMB – REVENUE NOTE

8. AUTHORIZING THE ISSUANCE OF THE NORTH RIVER SHORES (PHASE 2) MUNICIPAL SERVICE BENEFIT UNIT (MSBU) SPECIAL ASSESSMENT REVENUE NOTE, SERIES 2018

BACKGROUND:

On April 24, 2018 the Board approved a bond resolution authorizing the issuance of not to exceed \$5,800,000 principal amount of Special Assessment Revenue Bonds, Series 2018 (the "Note") for the Martin County, Florida North River Shores (Phase 2) MSBU.

The proceeds of the Note will be used to finance a portion of the project, which includes, without limitation, the acquisition and construction of the facilities required for the County to provide wastewater collection services to property located in the North River Shores (Phase 2) Municipal Service Benefit Unit, including the installation of a vacuum wastewater collection system, including required lift stations, interconnections and other related facilities.

The Note will be payable from and secured by special assessments imposed on property benefitted by the Project and are additionally secured by a backup covenant to budget and appropriate from legally available non-ad valorem revenues of the County. The Note shall not constitute a direct obligation of the County or a pledge of its faith and credit.

The County prepared and advertised a Request for Proposals (RFP) for a 20 year term Non-Bank Qualified, tax-exempt fixed rate note in the amount of \$5,050,000. The County received one (1) bid from SunTrust on August 15, 2018 and was reviewed by staff and the County's Financial Advisors, Hilltop Securities and Masterson Advisors. Favorable negotiations were accomplished on behalf of the County with respect to prepayment penalties and modifications to the anti-dilution test on this loan and the County's other existing SunTrust bank notes. The fixed interest rate agreed on by staff and the financial advisors is 3.12%, with semi-annual interest payments commencing on July 1, 2019, annual principal payments commencing July 1, 2020, and maturing July 1, 2039.

Additionally, staff is requesting approval to amend the 2005 Loan Agreement and the 2010 Loan Agreement revising the anti-dilution test requirement to be consistent with the anti-dilution test in the Note.

Current Anti-Dilution Tests

2005 Loan Agreement

Section 10(F) Debt Service Coverage. While the Note is outstanding and unpaid, the County will not issue non-self-supporting revenue debt payable from or secured by Non-Ad Valorem Revenues unless the Non-Ad Valorem Revenues (excluding amounts necessary for payment of essential services and programs affecting the health, safety and welfare of County residents or payments mandated by applicable law, net of those expenses covered by County Ad Valorem taxes), for the most recent Fiscal Year of the County, divided by the annual debt service on the Note and all other non-self-supporting revenue debt payable from or secured by Non-Ad Valorem Revenues is at least 1.10x.

2010 Loan Agreement

Section 4.07. Additional Indebtedness. The County will not issue any Senior Lien Non-Enterprise Non-Ad Valorem Revenue Obligations secured by (1) a lien upon and pledge of all or any specified portion of the Non-Ad Valorem Revenues or (2) a covenant to budget and appropriate from Non-Ad Valorem Revenues, unless, for the Computation Period: (i) the total Non-Enterprise Non-Ad Valorem Revenues, less (ii) the product of (A) Non-Enterprise Non-Ad Valorem Revenues divided by Total Non-Enterprise Fund Revenues times (B) Essential Services Expenses, and less, (iii) principal and interest payments on Senior Lien Non-Enterprise Non-Ad Valorem Revenue Obligations equals or exceeds one hundred fifty percent (150%) of Existing and Proposed CB&A Debt Service.

Revised Anti-Dilution Test

Section 10(F) of the 2005 Loan Agreement and Section 4.07 of the 2010 Loan Agreement would each be revised to read as follows:

Anti-Dilution Test. The County will not issue any Non-Enterprise Non-Ad Valorem Revenue Obligations unless, for the Computation Period, (i) the total Non-Enterprise Non-Ad Valorem Revenues, less (ii) the product of (a) Non-Enterprise Non-Ad Valorem Revenues divided by Total Non-Enterprise Fund Revenues times (b) Governmental Expenses, and less (iii) principal and interest payments on Non-Enterprise Non-Ad Valorem Revenue Obligations equals or exceeds one hundred twenty-five percent (125%) of Existing and Proposed CB&A Debt Service.

DOCUMENTS REQUIRING ACTION:

- Series Resolution
- Budget Resolution

RECOMMENDATION:

- Move that the Board adopt the Series Resolution; and
- Move that the Board adopt the Budget Resolution.

APPROVED AS TO FORM & LEGAL SUFFICIENCY