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Other Boards and Agencies sub-Committee

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CHARTER REVIEW COMMISSION
OTHER BOARDS AND AGENCIES SUB-COMMITTEE
Minutes of Meeting
April 6, 2010

A meeting of the Other Boards and Agencies sub-Committee of the Charter Review Commission was held at the Administration Complex, Room 106B, Port Charlotte, Florida.

Roll Call

The following members were present:

Bill Folchi (Chairman), John Hitzel

The following members were absent:

Ken Doherty, Connie Kantor (alternate)

Call to Order

The meeting was called to order at 1:31 p.m. EDT by *Chairman Folchi*

Agenda Items

(1) **Approval of Minutes** of the meeting held March 30, 2010 was postponed.

(2) **Interview with Mr. Syd Kitson and Mr. Tom Danahy of Kitson Babcock LLC**

Chairman Folchi welcomed Mr. Kitson and Mr. Danahy and thanked them for attending the meeting. He briefly outlined the Charter Review Commission's history and purpose, explaining that this Other Boards and Agencies sub-Committee wanted to speak with Kitson Babcock to obtain their input on how the Charter and Charlotte County government could adapt and accommodate their development process. *Chairman Folchi* confirmed that this meeting was in the Sunshine. Mr. Kitson began speaking by saying that the relationship between Babcock Ranch and Charlotte County government is working extremely well. Mr. Kitson observed that Charlotte County has been proactive in looking at the different way of doing things, referring specifically to the Commissioners. He continued that Babcock Ranch is a unique approach to development, looking at sustainability and open spaces as well as one day becoming a City. Mr. Kitson said that Charlotte County has the leadership needed for Babcock Ranch to be successful, adding that the only area in which there is sometimes a problem is when directions are

passed down to staff. Mr. Kitson indicated this may be a communication issue and not the fault of staff, emphasizing that there are very skilled persons working for the County. He recognized the importance of their job and the fact that they must make sure there is no negative impact on the community as a result of the scope of the Babcock Ranch project. Mr. Kitson says that he speaks all over the world, and he mentions the positive experience in Charlotte County. Mr. Kitson described Babcock as being the first solar City in the world, adding that they have had to earn trust locally. Mr. Kitson indicated that Babcock basically now has all of its permits and approvals and is almost ready to build. He said that the important thing now is for the County to be certain that they have the necessary talent and expertise in place to help Babcock work through the complexities of the project. Mr. Kitson referred to departments such as CCU, Public Works, MPO, Parks and Recreation, the Charlotte County School Board, etc. He said that the School Board has been phenomenal to work with and they are one hundred percent behind creating an excellent educational system. Mr. Kitson added that they are not trying to create a new educational system but rather to model what has worked best. Mr. Kitson observed that as the project moves forward they will be using cutting edge technology, saying that IBM is working closely with them for implementation of the interaction among all the components. Mr. Danahy added that a lot of flexibility will be required, saying that they have already found this with the Commissioners and staff. Mr. Danahy remarked on the accessibility of the Commissioners and Mr. Kitson agreed, observing that he thought all of the public was treated that way. Mr. Danahy also said that in his opinion the staff in Charlotte County has gotten stronger and works well with Babcock. Mr. Kitson said that one of the things to keep in mind as the project goes forward is that Babcock is going to be a city coming out of the ground. He said there will be home permits, road permits, etc which will need to be issued in a timely manner, creating a volume which may require thoughtful consideration as far as adding staff and the burden on taxpayers. Mr. Kitson added that they have agreed to pay for and staff the additional requirements of public safety, public health, weather emergencies, etc.

Chairman Folchi asked if Babcock Ranch was going to incorporate and Mr. Kitson replied that it is currently classified as an Independent Special District, indicating that it will be the people who live in Babcock Ranch that make the final decision on incorporating.

Mr. Kitson observed that rather than say there are things to improve in the development process it may be better to say that there are things that must be anticipated. He said that assuming the State Legislature passes an energy policy this year they should be able to start in about six months with a \$400 million solar power plant that will create a lot of jobs. He added that they will begin infrastructure in the first or second quarter of 2011, including a utility plant, roads, etc. Mr. Kitson said that it is essential that the County be prepared to handle all of this. In response to a question from *John Hitzel*, Mr. Kitson replied that the majority of employees will come from Charlotte and Lee counties. *Mr. Hitzel* asked if the developer will be helping with transportation for them. Mr. Kitson

said that they will look into that depending on where the volume of workers come from, adding that they intend to employ as many regional local workers as possible and involve all the local merchants and services that they can. Mr. Kitson mentioned that there will be a degree of expertise necessary in connection with solar panels, etc. In response to a question from *Chairman Folchi*, Mr. Danahy replied that no one is currently living out there but in the long term they would like to have people both living and working in the community. *Chairman Folchi* mentioned the need for homes for people working in the solar plant once it is constructed. Mr. Kitson indicated that their approach is to first establish business. He said that the largest solar power plant so far is 25 megawatts (Arcadia) and the one planned for Babcock will be 75 megawatts. Mr. Kitson said that working through FPL they have identified several companies who have committed to moving to Babcock Ranch if they are doing the work on the solar plant. He said that when the numbers are established they can build residences accordingly at the same time as the infrastructure is being completed. *John Hitzel* observed that the School system and community colleges could get involved by offering courses in this renewable energy technology and training. Mr. Kitson confirmed this was already taking place, adding that they envision Babcock as being a kind of living laboratory. *Chairman Folchi* asked if FPL was a principal. Mr. Kitson replied that they had spent a year in negotiations with FPL and although they are not a partner in writing FPL has taken ownership of the project and future responsibilities and is working right along with them. *Chairman Folchi* and *John Hitzel* said that County districts would ultimately need to be adjusted with the growth of Babcock Ranch. Mr. Kitson mentioned that from a regional standpoint a different picture is presented. *Chairman Folchi* said that the Charter Review Commission is trying to determine what needs to be done to encourage acceleration of business development in Charlotte County. Mr. Kitson replied that the process needs to be streamlined, everyone needs to be on the same page and Economic Development and staff need to understand the goals. In discussion, Mr. Danahy said that one thing that other areas offer is dollar incentives. Mr. Kitson added that the County has to rely heavily on State and Federal incentives, and Mr. Danahy agreed. *Chairman Folchi* mentioned the fact that some areas already have permitted buildings in place to attract businesses. Mr. Kitson said that Babcock hoped to be able to attract new business and not only be competitive within the State but with the country as a whole. Mr. Danahy added that research shows that one of the things that dictate the location of a business is the choice of the CEO and other top management as to where they want to live. He observed this would give south Florida a definite advantage.

Mr. Kitson needed to leave the meeting at this time (2:05 p.m. EDT) due to other commitments, and the conversation continued with Mr. Danahy. *Chairman Folchi* mentioned the incentive of pre-platted and pre-constructed areas, and Mr. Danahy replied that Babcock Ranch will consider that measure in order to be successful. There was brief discussion about igniting business interest in Charlotte County. Mr. Danahy observed that in this economic climate the major issue is to be able to offer jobs. In response to a comment from *Chairman Folchi*, Mr. Danahy indicated that Florida itself was behind

some of the States in the push for renewable energy standards and a renewable energy portfolio. He continued that this action is necessary from the Legislature before Babcock can get started and had been expected before now. Mr. Danahy said that a solar panel manufacturer that was in negotiations with FPL ended up going to another State. Brief discussion ensued about the cost of kilowatt hours versus solar, start up costs, etc. Returning to the Babcock Ranch project, Mr. Danahy said that being an Independent Special District provided the vehicle to mitigate impacts. He added that they have an agreement with the County with respect to affordable housing, they have an economic stabilization agreement, they have an agreement with the School Board as far as dedicating the estimated number of school sites. In connection with the latter, Mr. Danahy mentioned that they are considering the possibility of becoming an independent educational district, which would still require dealing with the School Board but the structure was not yet determined.

Mr. Danahy then discussed some general questions which had been developed by this sub-Committee.

Should there be more or less County Commissioners? Mr. Danahy replied that he thought the number should remain at five. He indicated that he has dealt with other counties and municipalities which have different numbers, but he felt that there should be no more than seven nor fewer than five.

Should they be elected at large or single Commissioner districts? Mr. Danahy thought single districts work well, indicating that a combination of single plus at large would also work. *Chairman Folchi* was interested in the response for single member districts as that applies to Babcock Ranch.

Should the County Administrator be elected rather than appointed? Mr. Danahy replied that he thought the Administrator should be appointed. He acknowledged, though, the difficulty inherent in working for five bosses.

What is your opinion on setting term limits for elected officials and if proposed how long should they be? Mr. Danahy replied that he was not in favor of term limits at the local level, indicating that the voter will determine if they are not happy with the representation. He mentioned Manatee County, where the voters had replaced some “no growth” Commissioners with candidates that were in favor of growth, a change which pleased the business community. Mr. Danahy mentioned institutional memory and the balance of power shifting to staff when term limits are imposed.

Mr. Danahy concluded his comments by reiterating the good relationship enjoyed between the County and the developer. In response to a question by *Chairman Folchi*, Mr. Danahy said that there was currently a ranch manager on the Babcock property overseeing the mining operation, cattle, sod farm, etc. Mr. Danahy also indicated that they have a small office staff in the Murdock offices of Kitson/Babcock LLC. This concluded

the conversation with Mr. Danahy, and *Chairman Folchi* and *Mr. Hitzel* thanked him for his time and input.

Interview with Mr. Don Lee and Mr. Gary Quill of the Airport Authority

Chairman Folchi and *Mr. Hitzel* welcomed these gentlemen and thanked them for attending. Mr. Lee had prepared a written response to the questions previously submitted by this sub-Committee, and this written response is attached to these Minutes as Attachment "A". The members took several minutes to read this over prior to beginning discussion.

Chairman Folchi recognized that the Airport Authority as an independent organization. Mr. Lee said that they are the most well run organization in the County. He mentioned the Sheriff's office being located on the property, as well as the fact that the Airport Authority donated the land for the Fire Station. Mr. Lee added that the Authority was going to pay off its debt in October. *Mr. Hitzel* acknowledged that the Airport has done amazing things since Hurricane Charlie, and Mr. Lee gave credit to Gary Quill for those accomplishments. *Mr. Hitzel* said that his only comment is the difficulty in accessing financial information on-line. Mr. Lee replied that all of that information is available, and Mr. Quill added that annual audits are submitted to various agencies (enumerated under Question 1 on the aforementioned Attachment "A"). *Mr. Hitzel* then asked about the permitting problems mentioned in the answer to Question 4. Mr. Quill answered that Growth Management should be limited in the time allotted to respond. He added that it was his opinion that failure to respond in a timely manner was the reason for the lost opportunity of developing The Loop. Mr. Quill also elaborated on the conditions imposed on development, referring specifically to a landscaping requirement on the airport FEDEX building. Mr. Quill later referred to required plantings in the terminal parking lot, commenting that the County does not recognize the distinction between commercial and transportation use. Mr. Lee observed that instead of a group of people embracing the opportunity for development the County did just the opposite, both with The Loop and the Publix project. *Chairman Folchi* asked about the lineal path to success in permitting, saying that frustrations have been voiced by other entities interviewed. *Chairman Folchi* and Mr. Lee discussed the Publix project and the infrastructure on that land. Mr. Quill added that Publix had spent \$1 million in 2009 on the road and utilities, saying that was an indication of their intention to continue. Mr. Lee added that he thought the project would already have been completed had the County acted sooner. Mr. Lee and Mr. Quill both agreed that a solution is to place a limit on the time allowed to Growth Management.

Mr. Quill said that the number one priority in the County needs to be the creation of jobs. *John Hitzel* asked how the commercial carriers have fared in the economy and Mr. Quill said that they are doing very well, indicating that this coming Saturday will be their

busiest airline day ever. *Chairman Folchi* returned to the issue of permitting, observing that the Authority is dependent upon obtaining permits for everyone who wants to use their land. Mr. Lee indicated that they are one of the biggest economic generators in the County, mentioning the enterprises that are on Airport land. In response to a question from *Chairman Folchi*, Mr. Quill said that the Authority does not pay taxes but some of the non-aviation tenants do. *John Hitzel* asked about FEDEX and Mr. Quill replied that for that purpose they were considered non-aviation. Mr. Quill mentioned that about twenty years ago they received a portion of the millage but do not any longer. He said there is a tax on aviation fuel and an airline ticket tax which go to State and Federal authorities. Mr. Lee said that they get that money back in the form of grants which they use for ramp improvements, etc. Mr. Quill indicated that the cost of the tower will be funded eighty percent FDOT and twenty percent from the Airport Authority. He said that the cost of manning it will be borne by the FAA. *Chairman Folchi* asked about the ILS (Instrument Landing System) and Mr. Quill replied they were buying a used one from Tifton, Ga. He added that they have a grant from FDOT for a new one in 2013. Mr. Quill said that they will always be smaller than RSW but they do not subscribe to their model as far as bonded indebtedness.

Chairman Folchi asked what they thought the changes would be when and if they are annexed into the City of Punta Gorda. Mr. Lee answered that there would have to be some hard and fast contracts to make sure that the Authority is never controlled by the City. Mr. Lee said that at this time he sees no advantage to annexation as far as the Authority is concerned. *Chairman Folchi* said that at this time it would also be a loss to the City to annex as the City would collect less revenue for water and sewer charges. Mr. Quill observed that when Publix goes in that equation will change. *Chairman Folchi* observed that the City cannot create an enclave when annexing, thus could not obtain properties all around the Airport and leave it alone. Mr. Lee reiterated his opinion that he sees no advantage at this time for the Authority to be annexed. *Chairman Folchi* and Mr. Lee agreed this point may be moot as the City employs an agreeable annexation policy.

John Hitzel referred to the Authority's recommendation of compatible land use around the airport to protect it from encroachment. Mr. Quill agreed that steps have been taken towards this, mentioning that the area from Jones Loop to US 17 from the Interstate to east of the Airport has been zoned ECAP (Enterprise Charlotte Airport Park), a business park that prohibits residential. He said that in a few areas further out, on approach, they have an added layer of protection by virtue of a navigation easement. Mr. Quill also spoke about Noise Abatement and said it would be addressed on a case by case basis for areas outside of ECAP. *Mr. Hitzel* observed that this would have to have been presented in the Growth Management Plan, and Mr. Lee and Mr. Quill said that they have spoken to every Commissioner. *Chairman Folchi* asked how the navigation easement would affect property values. Mr. Quill said that developers likely agree to it without issue and it will never be imposed on an individual homeowner.

Should there be more or less County Commissioners? Mr. Lee replied that the current number is fine. He said that the number could be increased to seven but the same issues would remain.

Chairman Folchi briefly outlined the three options for government which have been discussed in previous meetings and asked should the County Administrator be elected rather than appointed? Mr. Lee replied that he prefers the idea of an appointed County Administrator as the job requires a special set of skills.

What is your opinion on setting term limits for elected officials and if they should be proposed how long should they be? Mr. Lee replied that term limits are automatic, determined by the voter removing the official. He added that there was no point in having to term out an official who was doing a good job.

Should the Commissioners be elected at large or from single member districts? *Chairman Folchi* confirmed that the Commissioners are currently elected at large. Mr. Lee said he does not have a problem with that, as the Commissioners should represent everyone not just their District. He indicated that the requirement to reside in a District was probably an easy way to handle the election process and *Mr. Hitzel* added that if that residency requirement were not in place there might be five Commissioners from the same area of the County.

Mr. Quill remarked that there were trade-offs on the general questions, each issue having pros and cons. Brief discussion ensued and it was agreed that there is no easy answer and if something is working well it should be left alone.

Chairman Folchi and *John Hitzel* thanked Mr. Lee and Mr. Quill for their time and input. This concluded the interview portion of this meeting.

(3) Public Input: Mr. Park Pillikian was in attendance. Mr. Pillikian began his comments by referring to the general questions that had been answered during interview, asking if the CRC was considering single member Districts for the Board. *Chairman Folchi* replied that going forward with that proposal would depend on the vote of the full Commission. Mr. Pillikian said he thought some areas of the County had been overlooked over the years and observed that single member Districts might help, adding that the Commissioner would be working for that District rather than the County as a whole. *Chairman Folchi* explained that in order to get something done at least three Commissioners have to be in agreement, so even if you have one advocating for you that may not solve your problem. Mr. Pillikian continued that he has gone to various community board and agency meetings and never sees his Commissioner there.

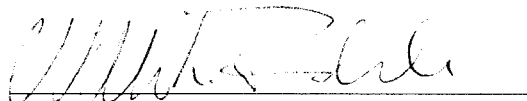
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BOOK _____ PAGE _____

Mr. Pillikian said that he had not been aware of the ability of the CRC to make changes to County government. *Chairman Folchi* explained that the Commission can make any proposals or recommendations without the approval of the Board of County Commissioners, and all Amendments ultimately have to be passed by the voters. Mr. Pillikian also said that he thought some homeowners do not have a voice and he recommends all activities be sent by direct mail to homeowners, observing that notices are buried in a website and news print may be discontinued.

(4) Commission Comments: None

(5) Adjournment: The meeting was adjourned at 3:35 p.m. EDT.



Bill Folchi, Chairman

Charter Review Interview with Don Lee Chairman Charlotte County Airport Authority

Question 1. Should the CRC recommend changes to the Home Rule Charter that would require the Airport Authority to publish financial information on line to include annual budgets, operating statements, debt and debt service, pay policies, positions and pay rates including authority members, and benefit programs including those available to authority members?

Answer: Under Florida law Chapter 98-508 and Amended Chapter 2004-405 Laws of Florida, the Charlotte County Airport Authority is an **Independent Special District of the State of Florida** with a board elected by the citizens of Charlotte County, vested with the power to operate the airport. The Airport Authority does not receive any property tax! The Airport Authority as an Independent Special District of the State of Florida is not under the purview of County Government. The airport is run as a business deriving its revenue from the sale of fuel and various leases.

- Under federal and state guidelines we submit an annual audit to the Florida Department of Transportation, the Federal Aviation Administration, the Department of Financial Services Bureau of Accounting, the Florida Department of Transportation, The Single Audit Clearing House, the Florida Treasurer's Office, the Charlotte County Clerk of the Court, the Florida Auditor General, the US Department of Commerce, the Department of Community Affairs, the Economic Development Office, the Port Charlotte Library, the Englewood Library, the Mid County Library, the Punta Gorda Library and the Charlotte County Finance Department.
- The airport entered into a loan in 1998 in the amount of \$2,153,200 for airport improvements. The remaining debt is \$140,000 and will be paid off by October 1, 2010.
- The pay rate of the Airport Authority Board members is set by state law.
- The pay and benefits program for the Airport staff is set by the elected Airport Authority.

Question 2. Should the CRC recommend changes to the Home Rule Charter that would require the Airport Authority to publish on the internet a listing of authority members with a brief biography and position, if any, on the authority? The listing to include contact information.

Answer: We will pass this recommendation to the Airport Authority Board.

Question 3. Should the CRC recommend changes to the Home Rule Charter that would require the Airport Authority to submit an annual budget to the BCC for review and acceptance?

Answer: Under state law the Airport Authority is responsible for the airport budget.

Question 4. Business development is of primary importance at present. Should the CRC recommend changes to the Home Rule Charter that would help the Airport Authority in its business development efforts.

Answer: The Airport Authority would recommend:

- Compatible land-use, not residential, around the airport to protect the airport from encroachment.
- Limit the amount of time the Growth Management Department has for review of development proposals. A long review time for permitting can result in lost window of opportunity. We recall the proposed development named The Loop on Jones Loop between US 41 and Interstate 75. The Loop would have provided 1,000 construction jobs, hundreds of permanent jobs as well as a continuing source of sales tax revenue to the county.
- Require an economic impact review on conditions imposed on development by the Growth Management Department. This review could be done by the Economic Development office to determine the cost feasibility of the conditions imposed. Too often we hear horror stories about exorbitant costs imposed by the Growth Management Department. For example, the landscaping on the airport FEDEX building cost \$200,000. The Airport Terminal parking lot is costing us \$18,000 this year, just to maintain! Even the County Government recognized the expense involved and exempted themselves from the landscaping requirements!

Question 5. Noise Abatement has been the most common topic of public comment since the inception of regularly scheduled commercial flights. In view of the plans for increased commercial flights in the future, should the CRC recommend changes to the Home Rule Charter that help in this area?

Answer: The Federal Aviation Administration provides regulations for airport noise issues and is the ultimate decision-maker in this regard. Pursuant to FAA methodology we have determined the airport noise contours. These noise contours are contained on airport property. We do wish to be a good neighbor. Therefore, the Airport has voluntary noise procedures for aircraft landing and taking off from Charlotte County Airport. In addition, the establishment of the new air traffic control tower will improve adherence with the procedures.