

**Official Minutes of
MARION COUNTY
BOARD OF COUNTY COMMISSIONERS**

April 10, 2024

CALL TO ORDER:

The Marion County Board of County Commissioners (BCC) met in a special session in Commission Chambers at 1:33 p.m. on Wednesday, April 10, 2024 at the Marion County Governmental Complex located in Ocala, Florida.

INTRODUCTION OF PUBLIC HEARING BY CHAIRMAN MICHELLE STONE

Chairman Stone advised that the public hearing was scheduled this afternoon to consider adoption of a Resolution authorizing a front foot assessment for Oakhurst No. 1 Improvement Project and Award bid: 24B-051, Oakhurst No. 1 Improvement Area - John L. Finch Contracting Corp., Belleview, FL.

The Deputy Clerk was in receipt of a 179 page Agenda packet.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the Flag of our Country.

ROLL CALL

Upon roll call the following members were present: Chairman Michelle Stone, District 5; Commissioner Craig Curry, District 1; Commissioner Matthew McClain, District 3; and Commissioner Carl Zalak, III, District 4. Vice-Chairman Kathy Bryant, District 2 arrived shortly after the meeting began. Also present were Chief Assistant County Attorney Dana Olesky, County Administrator Mounir Bouyounes, Assistant County Administrator (ACA) Tracy Straub and Executive Director of Internal Services Mike McCain.

PROOF OF PUBLICATION

Deputy Clerk Ketner presented Proof of Publication of Display ad No. 9962645 entitled, "Notice of Hearing to Impose and Provide for Collection of Special Assessments in the Oakhurst No. 1 Improvement Area" published in the Star Banner newspaper on March 20, 2024. The Notice states the Board will consider the creation of the Oakhurst No. 1 Improvement Area and imposition of special assessments for the construction of road improvements.

STAFF PRESENTATION

1. PUBLIC HEARING to Consider Adoption of a Resolution Authorizing a Front Foot Assessment for Oakhurst No. 1 Improvement Project and Award Bid: 24B-051, Oakhurst No. 1 Improvement Area - John L Finch Contracting Corp., Belleview, FL

Municipal Service Taxing Units (MSTU) Director Chad Wicker presented the following recommendation:

Description/Background: The proposed project consists of approximately 1.21 miles of County maintained paved roads within Oakhurst No. 1 subdivision which was originally platted in 1925. The project includes, but is not limited to, reclaim, driveway prep, clearing and grubbing of the right-of-way, prime coat, and resurfacing. It also includes temporary striping, thermoplastic, striping and

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stabilizing of all areas disturbed during construction. The estimated cost for this project is \$673,784.16 with the front foot assessment at \$968.00 annually.

This is a FY 2021-22 PCI-based road improvement project. This was approved at the June 21, 2023 workshop to move to the design phase. The Initial Resolution was adopted on March 19, 2024. On behalf of MSTU, Procurement advertised Bid 24B-051 seeking experienced and qualified contractors. Three (3) submittals were received with John L. Contracting Corp. providing the lowest bid as seen in the tabulation below:

Firm Name - City	Bid
John L. Finch Contracting Corp. - Belleview, FL	\$514,444.74
Superior Asphalt Inc. - Brandon, FL	\$623,954.20
CW Roberts Contracting, Inc. - Ocala, FL	\$769,711.00

A Community meeting was held on April 2, 2024 to update property owners on the project scope and costs.

Budget/Impact: Neutral; expenditure of \$673,784.16 as approved in FY 2023/24 budget.

Recommended Action: Motion to adopt a Resolution authorizing per front foot assessment for Oakhurst No. 1 Improvement Area and certify the Assessment Roll to the Tax Collector. Motion to award Project 24B-051 Oakhurst No. 1 Improvement Area to John L. Finch Contracting Corp. and authorize Chairman and Clerk to execute contract upon approval by Legal.

MSTU Director Chad Wicker presented a folder containing letters of opposition and a letter of support of the assessment from various impacted property owners and a 12 page handout entitled "Oakhurst No. 1 PCI Road Assessment" to follow along with the PowerPoint presentation.

Mr. Wicker advised that this is the final Public Hearing Oakhurst No. 1 subdivision. This is a Pavement Condition Index (PCI) road assessment project. He provided a brief overview of the PCI road assessment process. The first process is the Petition process, which was established in 1996, it is initiated by the property owner's association (POA) or homeowner's association (HOA) and requires a majority in favor vote from the community. If the petition passes, it is presented to the BCC. Many residents are not aware this process is available, so there are quite a few older subdivisions that have roads that are deteriorating and need some improvement. In 2020, the County established the PCI process where staff identifies 5 potential projects annually, based on the PCI rating of the subdivision's local roads. Those projects are presented to the BCC for consideration. The PCI rating based process is a numerical rating of the pavement condition that ranges from 0 to 100, with 0 being the worst and 100 being the best possible condition. This rating provides an objective and rational basis for determining maintenance and repair needs and priorities. Along with the PCI numerical rating there is a verbal description of the pavement condition that provides ratings, such as; 0 to 26 is rated Fail, 26 to 55 is rated Poor, 55 to 80 is rated Fair, and 80 to 100 is rated Good. Mr. Wicker referred to a slide shown on the overhead screens, relating to examples of pavement distress that is considered during the PCI process, such as; alligator cracking, patching, potholes and depression/rutting, etc.

Mr. Wicker stated the project staff is presenting today is part of the PCI process, noting the overall PCI score for this subdivision's roads is around 32, which is labeled "Poor". The average property value, according to the Property Appraiser's Office (PAO), is

approximately \$170,000.00, and the past 5 year maintenance cost for this subdivision's roads was roughly \$14,000.00. He stated there are quite a few roads that are shown in red on the map, which indicate a PCI rating of 0 to 26. Mr. Wicker commented on photographs as seen on the overhead screens depicting road conditions relating to SE 21st Lane from SE 58th Avenue (looking west), and SE 23rd Lane from SE 55th Terrace (looking east). The roads being addressed in this assessment are classified as subdivision local roads. Those are streets located within a subdivision or neighborhood that primarily provide access to abutting properties or properties along interconnected neighborhood streets. He referred to the neighborhood map, noting the roads shown in purple are the roads being addressed in this assessment. Mr. Wicker stated the road maintenance for subdivision roads includes pothole repair, pavement edge repair, shoulder maintenance, tree and brush trimming, and pavement markings, which are all scheduled as needed or when reported. Sinkholes are assessed within 24 hours of notification; traffic signs are addressed as needed or reported and stop signs are restored within 4 hours of notification. Every 5 years a Pavement Condition Survey is conducted. Maintenance does not include resurfacing or improving the subdivision roads.

Commissioner Bryant arrived at 1:40 p.m.

Mr. Wicker advised that there is a misconception that road maintenance is paid for by the County's property taxes, but it is paid by the County's Gas Tax. In some subdivisions, the roads are maintained by the County, but that does not include improvements, such as reclaim and resurface projects, overlay projects, or any new construction. Subdivision roads are improved through an MSTU assessment, which helps keep the County's property taxes lower and allows for properties to only be assessed as needed. The benefit of the MSTU Road Assessment program is that it is not funded through property taxes and is not assessed for roads, which do not benefit the subdivision. He stated owners are only assessed when the roads need to be improved, noting all of the assessments that are collected stay in the neighborhood.

Mr. Wicker commented on photographs of 4 successfully completed PCI projects, noting at least one of these roads received a score as low as 8.7.

Mr. Wicker advised that the PCI project being presented today is Oakhurst No. 1, located in District 1. Oakhurst No. 1 was originally platted in 1925, the median property value is \$170,158.00, 97 percent (%) of the properties have structures on them, the past 5 year maintenance cost for this subdivision has been approximately \$14,000.00 and 66% of properties are homesteaded. He noted this is a 10 year assessment, which includes construction costs of \$514,444.74, the loaded costs are \$673,784.16, the front footage assessment per parcel (a one-time payment before bond is secured) is \$6,875.00 and the front footage maximum annual assessment is \$968.00 per year for 10 years (approximately \$81.00 monthly). There are 96 parcels and approximately 9,800 total front footage included in this project. This subdivision was platted with 25 foot (ft) by 100 ft lots, it requires 4 platted lots to make a buildable parcel. Each parcel is assessed for 100 ft of front footage on the road being improved, noting this is because some parcels are made up of 8 lots that are able to be platted, but they are only assessed for the 4 lots along the road being improved.

Mr. Wicker advised that the engineer of record for this project is CHW Professional Consultants. It is a reclaim and resurface of all road sections within the project area (1.21 miles) and will include removing any existing high shoulders. Once the road is built it will meet or exceed MSTU Citizen Standard.

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Mr. Wicker provided a brief overview of the pavement lifecycle. He advised that conditions vary, but pavement deteriorates at a fairly predictable rate. Mr. Wicker noted without intervention beyond routine maintenance, roadways will continue to deteriorate while the costs of improvements increase.

Mr. Wicker presented a brief summary of the project, stating the overall PCI score for this subdivision is around 32; the average property value is \$170,158.00, there are 1.21 miles of County maintained paved roads and roughly 9,800 ft. of frontal footage; the 2024 actual costs (loaded) are \$673,784.16; frontal footage assessment before the bond is \$6,875.00; the past 5 year maintenance costs for this subdivision was approximately 14,000.00; and the estimated annual assessment for 10 years is \$968.00. He noted today is the final public hearing and if the project is not approved by the BCC, it stops. If it is approved construction would start around August 2024 and can take up to 90 days to complete.

PUBLIC COMMENT

Chairman Stone opened the floor for public comment.

Amy Arellano, SE 23rd Lane, stated several property owners from this subdivision put together a flyer to remind other residents of this public hearing. She received 26 responses to the flyer, noting many of the residents are retired and on restricted fixed-incomes, including herself. Ms. Arellano expressed concern relating to the \$3,000.00 increase to the 10 year costs of the project. She addressed the amount of time that MSTU staff has given the residents to come up with the \$7,000.00 for a pre-payment, noting most of the residents she spoke to are not in favor of this MSTU project. Ms. Arellano stated 56th Terrace has no frontal properties on the road in this project.

Chairman Stone advised that the County cannot tax anyone who does not get a benefit from that roadway, noting the lots on 56th Terrace that do not have a driveway onto this road will not be taxed.

Malka Lamus, SE 22nd Street, expressed concern over the costs of this project for herself and the other residents who live on a fixed income. She stated she opposes this project and does not agree the County should be allowed to put a tax lien against their property. Chairman Stone advised that without the Board's approval of this project, the roads in this neighborhood will continue to get worse.

Heidi Villella, Director of Operations for Good News Church, SE 24th Street, advised that at the 2022 public hearings, MSTU staff agreed the Church should not be part of this assessment, as they do not have an entrance or exit on any road included in the assessment project.

Chairman Stone stated staff will confirm that the church is not part of this project.

James Omar Matta, SE 22nd Place, expressed opposition to paying for road improvements that can be used by the public.

Chairman Stone advised that this is a shared road for the community and this is why it is being assessed against the residents in the community.

Amy Gallop, SE 23rd Lane, stated they moved into this community because it does not have HOA fees, noting she does not want a special assessment added onto their property. She questioned if the road improvements will increase the property value in the neighborhood.

Chairman Stone advised that properties with a better paved road, usually have a higher value assessed to them.

Kent Sutherland, SE 22nd Street, stated they are out-of-state residents. They have owned this home since 2009, noting it used to belong to his wife's parents. He commented on

the different assessment values of this house since they took ownership. Mr. Sutherland compared the cost of property taxes on his home in Wisconsin and the benefits he receives compared to Marion County. He questioned if he would be allowed to put a gate at the end of the road since it is a dead-end road.

Chairman Stone advised that Mr. Sutherland can go through the process to install a gate, but that cannot be addressed at today's meeting.

Commissioner Bryant reviewed Mr. Sutherland's tax bill and advised that the total amount paid does not all go to the County, noting there are other entities receiving a portion of the taxes he pays.

Steven Johnson, SE 23rd Lane, stated the roads in the neighborhood are really bad, and he does not understand why the project did not move forward several years ago when the cost was much less.

Commissioner Zalak advised that the property owners in this community did not want to move this project through the petition process, noting it would fail during this process. At a certain point, the road breaks to where it goes back to almost a limerock base. There are other roads like this in certain parts of the County. The Board directs staff every year to bring back the top 5 or 6 subdivision neighborhoods that the County is spending a lot of repair money on but are not getting fixed. He noted at some point the County has to do something. This project has been on the list that staff looks at and brings back to the Board every year to evaluate the possibility of doing this project. The same thing happens that is happening today, the property owners oppose it, stating it is not affordable. The Board tries to be sympathetic to these things, until the point at which it breaks and cannot be fixed anymore, then the Board has to move forward. These roads are getting closer to that point. If this project does not pass this year, it will continue to come back to the Board year after year and will eventually be approved. Commissioner Zalak advised that this is how it was set up to fix roads in Marion County back in the 1980's. The County uses the tax money, gas money and sales tax money to fix the main artery roads, such as roads like Baseline, and other County roads that move traffic from one area of the community to another. He stated instead of County property owners paying taxes every year for roads to be fixed in the Ocala National Forest, or some other neighborhood, they only get taxed once every 20 or 30 years for the roads that their driveway is connected to. The BCC felt that was the best policy for everyone to pay for the roads. Otherwise, the taxes would be 4 times what they are today if the County tried to pave all 3,000 miles of roads in neighborhoods. The County is trying to figure out, to the very best of their ability, how to make that work over time, to give the neighborhood the best opportunity. This is why it is weighed out every year, to try to figure out at which point this section of road may get done.

Rosa Aviles, SE 22nd Place, expressed concern over the commercial traffic using her road. She questioned why the residents have to pay for the road improvements and stated she opposes this project.

Chairman Stone advised that public comment is now closed.

(The Deputy Clerk received the public comment Ms. Arellano referenced as part of the correspondence received from Mr. Wicker.)

BOARD DISCUSSION

Chairman Stone questioned if the 10-Year assessment period can be extended further, noting the Board had previously requested there be a 15-Year assessment period option.

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Chris Traber, Bond Counsel, Nabors Giblin & Nickerson P.A., advised that the term of the assessment is set at the beginning of the process, so this project could be extended out to 15 years, but the public hearing process would have to be repeated. Mr. Traber stated because the mailed notice that was sent to the property owners notifying them of the maximum amount they would pay.

In response to Chairman Stone, Mr. Traber stated the Legal Notice has to be mailed 20 days in advance of the public hearing. MSTU staff would need time to mail the new Notices, to set and publish a future hearing date, etc., prior to the tax roll process in August or September.

Chairman Stone question what the savings may be for the property owners if the 15-Year assessment plan was used.

Managing Director Jay Glover, PFM Financial Advisors, LLC, advised that PFM helps organize the financing for these types of projects. He stated he does not have the information readily available, but he could calculate it if given some time to do so. It would lower the annual payment each property owner would pay, but over 15 years the cost in total is greater. It is akin to taking out a 30 year mortgage versus a 20 year mortgage, the payments are lower on an annual basis, but over time you pay more for the loan.

Mr. Wicker advised that Good News Church would not be assessed for the front part of the parcel because the driveway access is onto SE 24th Street. They would be assessed for the back part of the parcel off of SE 23rd Lane, because this part of the parcel has the potential to be split and sold. He stated the church has access to SE 23rd Lane from the back part of the parcel, noting they would only be assessed for the 100 ft back part of the parcel.

In response to Commissioner McClain, Mr. Wicker stated the church does not have a driveway on the back of the parcel, but they can access SE 23rd Lane.

Commissioner Zalak stated that the confusion for the Good News Church, is they were previously told they would not be assessed. That was relating to the front part of the parcel and it was before staff looked to see if the parcels could be split.

Mr. Wicker stated he believes when it was presented at the workshop, staff was not sure how the project would be assessed, so it was stated if the driveway does not access onto one of the roads being improved, the property owner would not be assessed. He reiterated that the front part of the parcel is not being assessed, only the back part of the parcel.

In response to Chairman Stone, Commissioner Zalak stated the reason there would be an assessment on the Church's back part of the parcel is because it can potentially be split and sold, and it would be a developable parcel. He advised that in other instances, such as Meadowood Farms, the property owners had the option to do a parcel unification if they had multiple lots. He noted the Church would need to apply for a unification of the parcels, then they would not be assessed. This follows the same standard the County has done with other assessments. Commissioner Zalak reiterated that if at some point the Church wants to sell that piece of property and keep it separate, they will have to pay the assessment because that is the standard the County uses. If the Church wants to unify that parcel under 1 parcel Identification number, they will not be assessed.

Chairman Stone requested Ms. VILLELLA, Director of Operations for Good News Church to return to the podium.

ACA Tracy Straub advised that when this item came up at the community meeting it was simply stated as; "if we do not have a driveway on the road that is being assessed, we will not be charged." Staff responded with a "yes", and moved on, then when staff looked

at the parcel it had already been combined under 1 parcel Identification number; however, because the Church owns all the platted lots of record, it can be split out into a buildable lot. Ms. Straub stated MSTU staff are working with Legal relating to unified lots and assessments, as there were some concerns during another assessment project. She opined that should the parcel be sold the funds come back as a revenue to that assessment, which helps to pay down that assessment sooner. Ms. Straub stated if there is any leftover funds on the project, each contributor gets some of those funds back.

Commissioner Zalak questioned if the Church property owners can unify the parcels and change the plat. Chief Assistant County Attorney Dana Olesky advised that she spoke with Mr. Wicker and it was decided for the Church property owners to sign the restrictive covenant, so that if at some point the property was sold or split, the assessment would have to be paid.

Commissioner Zalak stated even though the Church property is under 1 parcel identification number it is platted with subdividable parcels, noting County legal staff can assist them with a Deed Restriction to sign. He noted, there would not be an assessment now, but if the parcel is sold or subdivided at some point, the assessment would be owed. Chairman Stone advised that the County would be reimbursed if the parcel were to be divided and sold, noting the assessment money would go to the other community members.

Mr. Wicker commented on SE 56th Terrace, noting all of the parcels along this road are being assessed.

Ms. Straub advised that SE 56th Terrace is a spine road through the neighborhood that can be used by surrounding neighborhoods, the same way Oakhurst residents can use the spine roads in the surrounding neighborhoods to cut through to other major roads.

Commissioner McClain questioned if the residents could apply for a "no trucks" sign to prevent large trucks from cutting through the neighborhood.

Commissioner Curry questioned if future projects can be presented with both 10-Year and 15-Year assessment options.

Mr. Wicker advised that all future projects are being looked at with 15-Year assessments. Commissioner Bryant advised that she is not in favor of moving forward with this project today. She noted looking at what the County has spent over the past 5 years, she does not think, at this point in time, it justifies adding this type of tax on the people who live there. With the added cost and higher interest rates at 7% and 8%, no one wants to finance anything right now. Commissioner Bryant stated the Board has heard the people that live in this community and they are not in favor of this project.

A motion was made by Commissioner Bryant, seconded by Commissioner Curry, to deny the request to impose and provide for collection of Special Assessments for the Oakhurst No. 1 Improvement Area.

Commissioner Zalak stated he disagrees with denying this project, noting the project will continue to become more expensive each year. He commented on possible financial assistance to property owners to pay for the assessment costs, and the condition of the roads in the subdivision. He stated these roads need to be paved at some point.

In response to Commissioner Bryant, Commissioner Curry stated he has not received any communications from the property owners in this subdivision relating to poor road conditions. He advised that he agrees with Commissioner Bryant, that the time is wrong to approve this project with its cost and high interest rates, noting hopefully the interest rates will come down and by that time there will be a 15-Year assessment option. Commissioner Curry stated there will be a year the Board will vote to redo these roads

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and whatever the cost is the community will have to bear. For this particular subdivision, he would rather wait to see if interest rates will come down.

Commissioner Zalak stated building materials may come down a bit, but the cost of labor is going up. If interest rates come down 1 or 2 points, but costs go up, the residents are still going to pay more for the roads.

Commissioner McClain stated he would also be voting no on this project. If the roads get bad enough, the community will be banging on the door to come fix their roads.

Commissioner Bryant stated if this comes back to the Board, she would like to see it done by the Petition process, that it is something the residents are asking to be done.

Commissioner Zalak requested this project does not come back until it is being asked for by the community.

Chairman Stone reiterated there is a motion by Commissioner Bryant, seconded by Commissioner Curry, to deny moving forward with this project. The motion was unanimously approved by the Board (5-0).

In response to Chairman Stone, Commissioner Bryant stated she wants it to come back at the request of the people who live there. It was the general consensus of the Board to concur.

Chairman Stone stated this project is not to come back before the Board until the people who live in that community make the request.

Commissioner Zalak directed staff not to bring the project back unless the petition vote is at least 51% in favor of the project.

CLOSING COMMENTS

There being no further business to come before the Board, the meeting thereupon adjourned at 2:32 p.m.

Michelle Stone, Chairman

Attest:

Gregory C. Harrell, Clerk