

APRIL 17, 2012 – SPECIAL MEETING

The Board of County Commissioners, Walton County, Florida, held a special meeting on Tuesday, April 17, 2012, at 5:00 p.m., at the South Walton Courthouse Annex to discuss the Highway 331 four-laning and bridge project.

The following Board members were present: Commissioner Scott Brannon, Chairman; Commissioner Kenneth Pridgen, Vice-Chair; Commissioner Larry Jones; Commissioner Sara Comander; and Commissioner Cecilia Jones. Mr. Greg Kisela, County Administrator, and Ms. Toni Craig, County Attorney, were also present.

Chairman Brannon called the meeting to order.

Mr. Greg Kisela, County Administrator, explained that details of a toll on the north bound bridge would be discussed. The Department of Transportation (DOT) has reviewed a preliminary analysis to better understand the specifics of the proposed toll and modeled some discount components for Walton County residents using a Sunpass transponder or through a monthly discount. Representatives from both DOT and the Turnpike Authority were present to address any concerns.

Mr. Jason Peters, DOT, explained that the four-laning of Hwy 331 has been a very important project for quite some time and there have been numerous conversations with Walton County to try to move the project forward. They have been seeking funding opportunities through the Tiger 2 and Tiger 3 projects, but have been unsuccessful. Funding opportunities are still being sought out for this project. Although the traveling has decreased due to gas prices, the improvements are still needed. A preliminary analysis was performed in September to determine what the toll would be for the project.

The analysis revealed that the traffic generation is adequate to allow a feasible toll to be applied for the funding.

The total bridge structure is estimated at \$177 million. Of that total, DOT has approximately \$100 million for funding and Walton County would be responsible for \$75 million. The toll applied would be approximately a \$2 fee for the north bound bridge. A toll and revenue analysis has begun but those results were not available. Mr. Peters briefly discussed the analysis of the composition of traffic to determine what amount is local, commuter, and tourist traffic. After the analysis is complete, discount options for locals will be reviewed.

Commissioner C. Jones suggested having a discount option for those citizens who travel the bridge on a daily basis and for companies with multiple vehicles. Mr. Peters explained that a frequency option would be reviewed. Commissioner C. Jones questioned the ability for DOT to toll roads, if Hwy 331 is four-laned and grandfathered in. Mr. Peters explained that DOT has committed that the Hwy 331 corridor will not be tolled once the debt is settled for the bridge structure.

Commissioner Pridgen questioned the construction time length of the bridge project. Mr. Peters confirmed the project would take approximately 4 years. Commissioner Pridgen expressed concern with the interest accrual during that time period on the debt owed since tolling would start after the new bridge is completed. Ms. Nicola Liquori, Florida Turnpike Authority Chief Financial Officer, explained that there are a number of toll rate structures available and will be reviewed after traffic studies and revenue calculations have been made.

Commissioner Comander questioned the ability to pay off the debt early if funds become available because the choice is available with the half cent sales tax option. Ms. Liquori explained that various projects have different financing options and debt structures vary for the needs of the projects.

Mr. Kisela asked Ms. Liquori to explain the non-attendant toll booth process. Ms. Liquori briefly explained the process and the use of Sunpass transponders, which are not strictly limited to debit/credit card reloading due to payment acceptance by local stores.

Chairman Brannon asked for public comment.

Ms. Mary Neilson questioned the collection process for those people who do not have a Sunpass transponder. Ms. Liquori explained that those travelers will receive an invoice by mail, of those invoices sent approximately 6 out of 10 are paid. They have been seeking approval to send those unpaid invoices to collection agencies. Ms. Neilson questioned the ability to have a credit/debit card machine rather than a toll-by-plate process. Ms. Liquori explained why that option is less beneficial due to slower machines and traffic safety concerns. Ms. Neilson questioned if the attendants at the mid-bay bridge would be removed in the near future. Ms. Liquori explained that the mid-bay bridge is a separate authority than the turnpike. Mr. Peters explained that there is an extension for the northern roadway on the mid-bay bridge and that portion will be electronic.

Mr. Walter Campbell expressed concern that the toll would impact the faith community and those traveling across the bridge, and the need for a motorcycle Sunpass device. Ms. Liquori stated that they are reviewing options for a motorcycle Sunpass transponder.

Ms. Mary Bollmer questioned if other alternatives are available besides tolling. Mr. Kisela explained that there are two options available and a special ballot will be held on May 8th to vote on the half cent sales tax option.

Mr. Bill Fletcher questioned why there is such a short time frame to make a decision. Mr. Kisela explained that if the May 8th ballot is not approved for the half cent sales tax then the county has until July 1st to make a determination. The DOT has to have a budget and planning for their funds so a commitment by that timeframe is needed. Mr. Fletcher stated that the sales tax would burden the tourists, whereas the toll would burden the citizens which travel across the bridge to work.

Ms. Betty Letcher questioned if the funds are strictly for the bridge. Mr. Kisela explained that the cost of the bridge is \$177 million. When they met with DOT in Tallahassee, they agreed to commit to four-laning Hwy 331 to I-10 in addition to the bridge. The toll would service the \$75 million for the bridge and the entire project would be complete. Ms. Letcher expressed concern for the working families which travel across the bridge.

Ms. Betty Thompson questioned if DOT estimated that tourists or locals would be paying for the toll. Mr. Peters explained that the traffic study would review the traffic and determine what percentage is local or tourists. From that calculation they can then determine what discounts can be provided for the local residents. Ms. Thompson expressed concern with the tolls which would affect her business. She questioned the administrative fee which is collected along with the toll for those who do not have Sunpass transponders. Ms. Liquori clarified that a monthly invoice will be mailed to

collect the toll and one administrative fee of \$2.50 will be collected, not an administrative fee collection applied per trip.

Mr. Bob Hudson briefly discussed the toll options Florida has in place and to provide maintenance on the road. He urged the Board to get the best discounts possible for the citizens.

Mr. Kisela stated that the County was not asked to pay any maintenance costs for the bridge. Mr. Peters briefly explained that DOT has committed to continue to pay for the maintenance costs of the facility and new structures.

Mr. Danny Hunter expressed concern with the residents having to pay the toll and suggested allowing only tourists to pay. Mr. Kisela stated that a free pass for residents is not available, but they will review options for a resident discount.

Mr. Kirby Rushing spoke in opposition of the toll or tax and urged the Board to spend their funds wisely. He questioned how neighboring counties have received full funding but Walton County cannot. Mr. Peters explained that the TPO prioritizes the project and while Hwy 331 is a priority it has not been as much as other projects. Commissioner Comander explained that there are only 4 people who serve on the Okaloosa/Walton TPO for Walton County, while Okaloosa County has 15 or more people.

Brief discussion ensued regarding the funds that must be kept in reserve for county operation.

Mr. Leonard Anderson explained that the bridge will help the growth in the county. A half-cent sales tax is only 50 cents per one hundred dollars. He questioned the \$5,000 cap on the amount taxed. Mr. Kisela explained that any large purchase will have a

cap and the tax is not applied to gas, prescriptions, or food. Mr. Anderson stated that the toll will cost those working more than the tax and discussed the fact that Walton County has the lowest Ad-Valorem property taxes in the state than any other county.

Mr. Campbell briefly discussed an option for a specific lane for employees or residents for no toll.

Chairman Brannon closed public comment.

Commissioner Comander briefly discussed the economic opportunity that will come with four-laning Hwy 331.

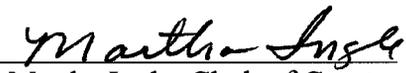
Mr. Bill Miller questioned if the toll or tax will be voted on by the citizens. Mr. Kisela explained there will be a special ballot on May 8th to vote on the half cent sales tax, if that is not passed then the Board will decide if the toll is the best option. Mr. Miller suggested four-laning the highway and not the bridge then allow an additional lane on the bridge in emergency situations. Mr. Kisela stated that DOT has standards for the bridge. Mr. Miller expressed concern for the time frame to build the bridge and the cost increase of materials for construction during that time. Mr. Kisela explained that if the construction costs increase the county is only responsible to fund \$75 million.

There being no further business, the meeting adjourned at 6:16 p.m.

APPROVED


Scott Brannon, Chairman

ATTEST


Martha Ingle, Clerk of Courts