METROPOLITAN PLANNING ORGANIZATION BOARD
EXECUTIVE COMMITTEE

1:30 p.m: February 10, 2016
Cape Coral Public Works Building Room 200
815 Nicolas Parkway, Cape Coral, FL 33915

LEE COUNTY MPO METROPOLITAN PLANNING ORGANIZATION

AGENDA

Call to Order

Roll Call

New Business

1. Public Comments on New Business Items
2. +Executive Committee Member Input on Sales Tax Revenue Discussions (Members)
3. *Review and Approval of a Request for Proposal for Accounting Services (Don Scott)
4. +Provide Input on the Executive Committee Language included in the MPO Bylaws (Don Scott)
5. +Provide Input on the Format and Items to be Presented for the MPO Roles and Responsibilities Discussion at the February Board Meeting (Don Scott)
6. +MPO Project Update (Don Scott)

Other Business

7. Public Comments on Items Not on the Agenda
8. Announcements
9. Information and Distribution Items

Adjournment

* Action Items   + May Require Action

All meetings of the Lee County Metropolitan Planning Organization (MPO) are open to the public. In accordance with the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting should contact Mr. Johnny Limbaugh at the Lee MPO 48 hours prior to the meeting by calling (239) 330-2242; if you are hearing or speech impaired call (800) 955-8770 Voice / (800) 955-8771 TDD. Or, e-mail jlimbaugh@leempo.com.

The MPO's planning process is conducted in accordance with Title VI of the Civil Rights Act of 1964 and related statutes. Any person or beneficiary who believes he has been discriminated against because of race, color, religion, sex, age, national origin, disability, or familial status may file a complaint with the Lee County MPO Title VI Coordinator Johnny Limbaugh at (293) 330-2242 or by writing him at P.O. Box 150045, Cape Coral, Florida 33915-0045.

EXECUTIVE COMMITTEE MEMBER INPUT ON SALES TAX REVENUE DISCUSSIONS

RECOMMENDED ACTION: Executive Committee member discussions on sales tax revenue discussions as a follow up to last month's revenue discussions and results.

At last month's Executive Committee meeting, members discussed the various transportation revenues and decided to further discuss the sales tax funding options in their own communities along with an overall discussion of transportation needs to help determine what the next step might be. For the members information, attached is the Revenue analysis that was done as part of the LRTP update that includes the projected sales tax revenue table on page 15.

DRAFT

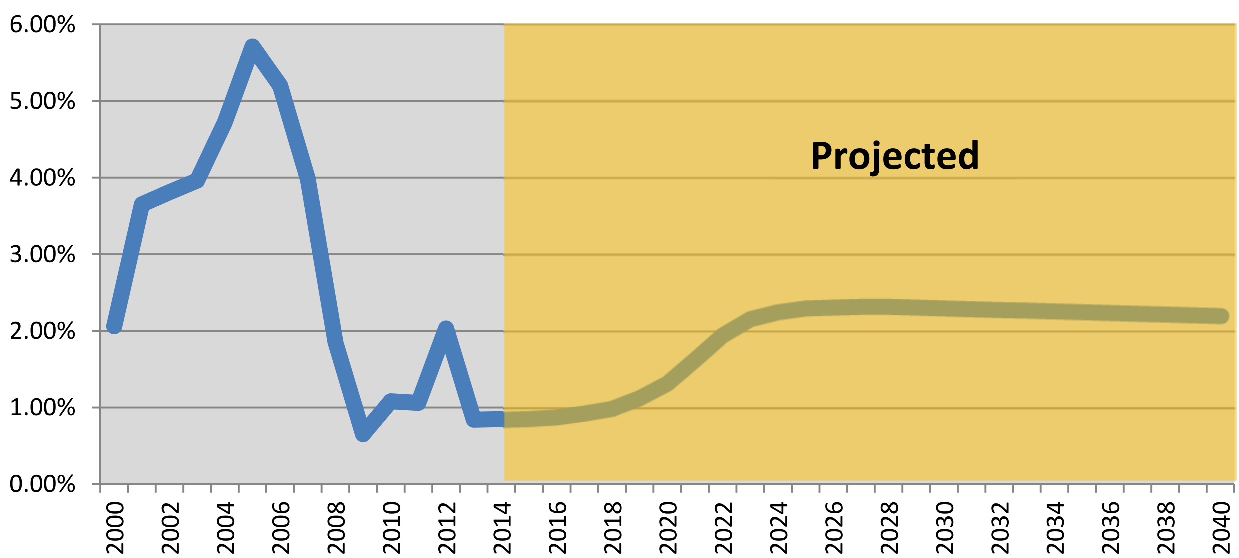
Lee County
Local Government Revenue Source Research Support
DRAFT (5/30/2014)

The following analyses were completed to provide research support on local government revenue sources for Lee County. The data reviewed included historical trends and future projections (where available) for population, taxable value, sales tax revenue and fuel tax revenue to provide an understanding of likely future growth and revenue levels. A review of historical trends provide valuable insight in terms of the relation of growth, income levels, and other demographics and revenue generation levels from various funding sources. The following sections provide a description of funding sources, revenue estimates, a comparative analysis of revenue sources, and case study research from other jurisdictions in Florida.

Population:

Between 1990 and 2010, Lee County population increased by an annual average of 3.1%, which resulted in almost doubling the population (from 339,000 to 619,000). Future projections suggest that the population will continue to grow, but at a more moderate annual rate, partially because of a larger base population. It is important to note although the population growth rate of Lee County is decreasing compared to historical trends, the County is projected to experience one of the highest growth rates among Florida counties through 2040. Using Bureau of Economic and Business Research (BEBR) medium-level projections, the population is projected to grow by 1.6% annually, adding just over 200,000 people over the next 20 years (2030). By 2040, the population is projected to reach approximately 1.07 million. Given this growth rate, it is important for the County and the municipalities to explore possible funding sources for future needs.

Figure 1
Annual Population Growth: Historical and Projected



Source: Bureau of Economic and Business Research (BEBR); Medium-Level Projections

Description of Revenue Sources

This section provides a detailed description of the following tax revenue sources for Lee County:

- Local Discretionary Sales Surtax
- Local Option Fuel Tax
- Ad Valorem (Property) Tax

Local Discretionary Sales Surtax:[1]

Currently, Lee County does not collect any local option sales tax. This section provides information on the local option sales taxes available to Lee County that can be used for transportation, which includes the Charter County and Regional Transportation System Surtax and the Local Government Infrastructure Surtax.

Charter County and Regional Transportation System Surtax:

- May be levied at a rate up to 1.0 percent
- Levy is subject to approval by a majority vote of the county's electorate or by a charter amendment approved by a majority vote of the county's electorate
- Generally, proceeds can be:
    - Deposited into the county trust fund and used for development, construction, equipment, maintenance, operation, supportive services (including countywide bus service), on-demand transportation services, and related costs of a fixed-guideway rapid transit system.
    - Remitted by the county's governing body to an expressway or transportation authority and used for development, construction, operation, or maintenance of roads and bridges in the county, for the operation and maintenance of a bus system, for the operation and maintenance of on-demand transportation services, for payment of principal and interest on existing bonds issued for the construction of such roads and bridges, and , upon approval of the county commission, such proceeds may be pledged for bonds issued to refinance existing bonds or new bonds issued for the construction of such roads and bridges.
    - Used by the county for development, construction, operation, and maintenance of roads and bridges in the county; for the expansion, operation, and maintenance of bus and fixed guideway systems; for the expansion, operation, and maintenance of on-demand transportation services; and for the payment of principal and interest on bonds issued for the construction of fixed guideway rapid transit systems, bus systems, roads, bridges; and such proceeds may be pledged by the County's governing body for bonds issued to refinance existing bonds or new bonds issued for construction of such fixed

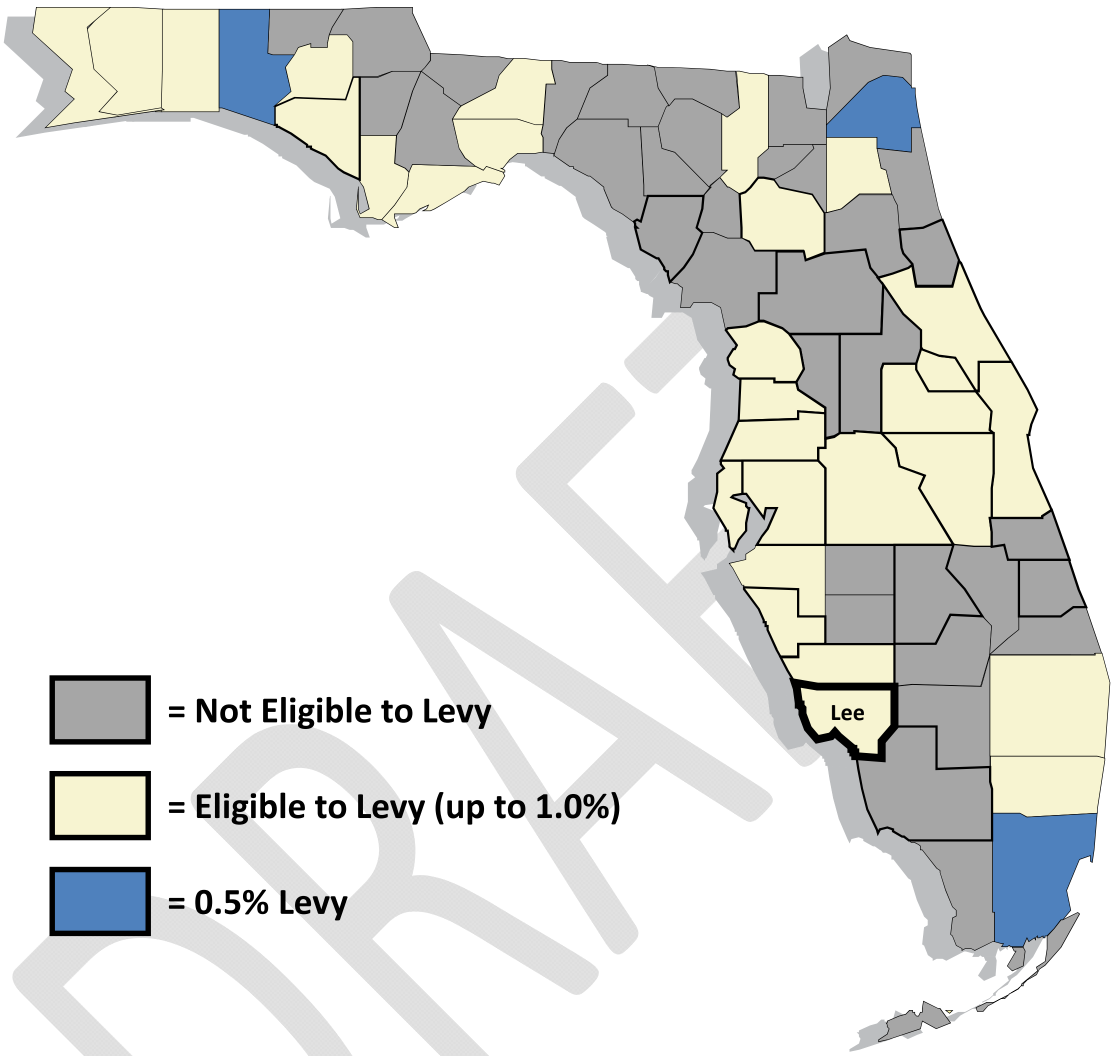
[1] *2013 Local Government Financial Information Handbook*; The Florida Legislature's Office of Economic and Demographic Research

guideway rapid transit systems, bus systems, roads, or bridges and no more than 25 percent used for non-transit uses.

- Used by the county for the planning, development, construction, operation, and maintenance of roads and bridges in the county; for planning, development, expansion, operation, and maintenance of bus and fixed guideway systems; for the planning, development, construction, operation, and maintenance of on-demand transportation services; and for the payment of principal and interest on bonds issued for the construction of fixed guideway rapid transit systems, bus systems, roads, or bridges; and such proceeds may be pledged by the county's governing body for bonds issued to refinance existing bonds or new bonds issued for construction of such fixed guideway rapid transit systems, bus systems, roads, or bridges. Pursuant to an interlocal agreement entered into pursuant to ch. 163, F.S., the county's governing body may distribute surtax proceeds to a municipality, or an expressway or transportation authority created by law to be expended for such purposes.

Figure 2 identifies the counties eligible for the Charter County and Regional Transportation System Surtax and the rate at which it has been adopted for each eligible county. As shown, this sales tax is available for only 32 counties. Unlike the Small County Surtax and the Local Government Infrastructure Surtax, this sales tax is not subject to the combined rate caps and can be adopted in addition to either of the aforementioned local option sales taxes. Currently, only 3 counties have adopted the Charter County Surtax, which represents 4% of all counties in Florida and 9% percent of the counties eligible to adopt.

Figure 2
Charter County and Regional Transportation System Surtax



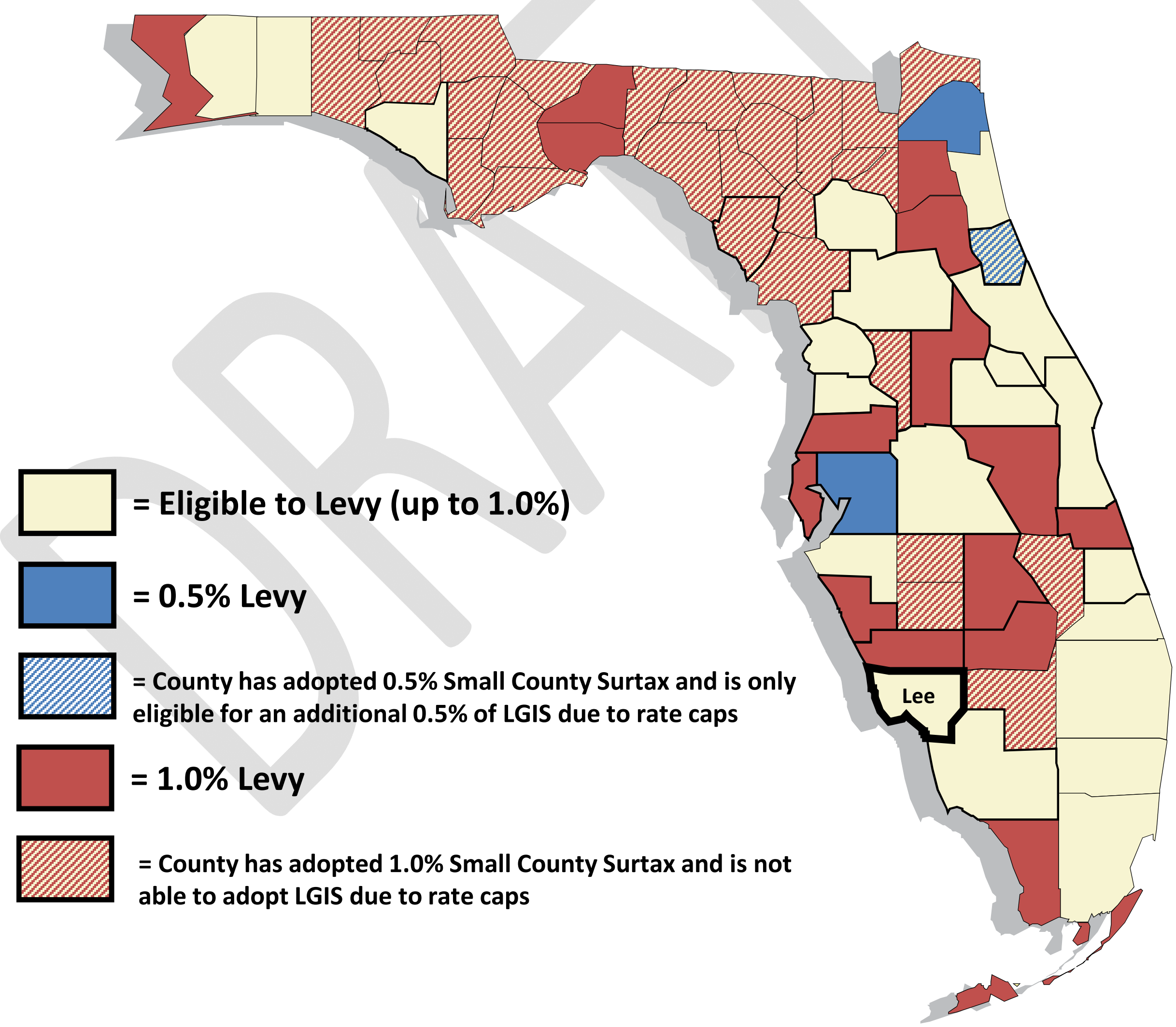
Source: 2013 Local Government Financial Information Handbook

Local Government Infrastructure Surtax:

- This tax must be levied at the rate of 0.5 or 1 percent pursuant to an ordinance enacted by a majority vote of the County's governing body and approved by voters in a countywide referendum.
- Generally, the proceeds must be expended to finance, plan, and construct infrastructure; to acquire land for public recreation, conservation, or protection of natural resources; or to finance the closure of local government-owned solid waste landfills that have been closed or are required to be closed by order of the Department of Environmental Protection.
- The surtax proceeds must be distributed to the County and its respective municipalities according to an interlocal agreement. If there is no interlocal agreement, the distribution will be

based on the Local Government Half-cent Sales Tax formulas provided in Section 218.62, Florida Statutes. Figure 3 identifies the counties eligible for the Local Government Infrastructure Surtax and the rate at which it has been adopted for each eligible county. As shown, this sales tax is available to all 67 counties. However, due to rate caps, counties that already charge the maximum 1.0% of the Small County Surtax cannot adopt this tax. Only two counties (Wakulla and Glades) are eligible for the Small County Surtax but have chosen to adopt the Local Government Infrastructure Surtax Instead. Of the 67 counties in Florida, 17 (25%) have adopted the Local Government Infrastructure Surtax. Looking at both the Small County Surtax and the Local Government Infrastructure Surtax, 46 counties (69%) have adopted a portion of either sales tax.

Figure 3
Local Government Infrastructure Surtax



Source: 2013 Local Government Financial Information Handbook

Small County Surtax:

An additional local discretionary sales surtax, the Small County Surtax, is available for counties with a population of less than 50,000. While not available to Lee County, it is important to the note that this sales tax (which is very similar to the Local Government Infrastructure Surtax) has been adopted in some capacity by almost all eligible counties (29 out of 31).

Figure 4 identifies the counties eligible for the Small County Surtax and the rate at which it has been adopted for each eligible county. Only two counties (Wakulla and Glades) are eligible and have not adopted, while Flagler has only adopted 0.5%. Any county eligible for this surtax is also eligible for the Local Government Infrastructure Surtax, but due to rate caps, can only adopt these at a maximum combined rate of 1.0%. Due to an easier adoption process and equally flexible spending regulations, the Small County Surtax is typically adopted in place of the Local Government Infrastructure Surtax, however, Wakulla County and Glades County are exceptions. As mentioned previously, of the 67 counties in Florida, 31 counties are eligible (46%) for the Small County Surtax and 29 have adopted it (43%).

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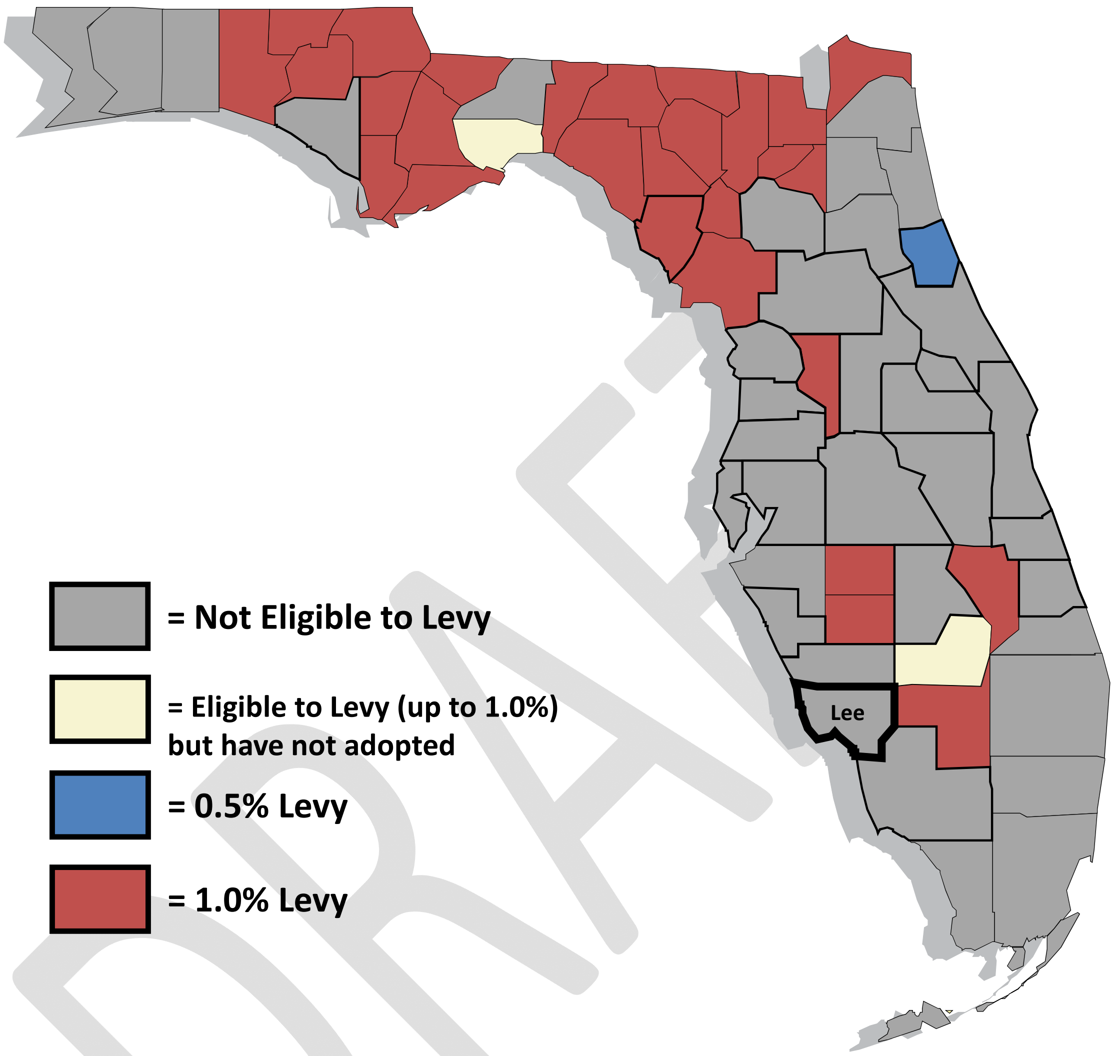
Figure 4
Small County Surtax



Source: 2013 Local Government Financial Information Handbook

Local Option Fuel Tax:[2]

Currently, Lee County has adopted all available pennies of local option fuel tax. These revenues are contributing towards capacity expansion, operating/maintenance, and transit expenditures.

9th Cent Fuel Tax (1 cent/gallon):

- Tax applies to every net gallon of motor fuel sold within a county.
- Proceeds may be used to fund transportation expenditures as defined in Section 336.027(7), Florida Statutes.
- To accommodate statewide equalization, this tax is automatically levied on diesel fuel in every county, regardless of whether a County is levying the tax on motor fuel at all.
- Counties are not required to share the proceeds of this tax with their municipalities.

Based on the distribution provided in the *Local Government Financial Information Handbook*, Lee County will receive approximately **$2.92 million** from this fuel tax in FY 2013/2014. This represents the portion allocated to the County, which is 100 percent of the revenues. The County has the option to allocate revenues to municipalities, but currently does not. Revenues from the 9th cent fuel tax are currently used for transportation capital projects.

1st Local Option Fuel Tax (up to 6-cents/gallon):

- Tax applies to every net gallon of motor and diesel fuel sold within a county.
- Proceeds may be used to fund transportation expenditures as defined in Section 336.025(7), Florida Statutes.
- To accommodate statewide equalization, all six cents are automatically levied on diesel fuel in every county, regardless of whether a County is levying the tax on motor fuel at all or at the maximum rate.
- Proceeds are distributed to a County and its municipalities according to a mutually-agreed-upon distribution ratio or by using a formula contained in the Florida Statutes.

Based on the distribution provided in the *Local Government Financial Information Handbook*, Lee County will receive approximately **$16.45 million** from this fuel tax in FY 2013/2014, with approximately 50 percent allocated to the County and the remaining 50 percent distributed to the municipalities (based on an interlocal agreement). Currently, Lee County dedicates a portion of this revenue to LeeTran transit.

2nd Local Option Fuel Tax (up to 5-cents/gallon):

- Tax applies to every net gallon of motor fuel sold within a county. Diesel fuel is not subject to this tax.

[2] *2013 Local Government Financial Information Handbook*; The Florida Legislature's Office of Economic and Demographic Research

- Tax must be levied by an ordinance adopted by a majority plus one vote of the membership of the governing body or voter approval in a countywide referendum.
- Proceeds may be used to fund transportation expenditures needed to meet requirements of the capital improvements element of an adopted Local Government Comprehensive Plan or for expenditures needed to meet the immediate local transportation problems and for other transportation-related expenditures that are critical for building comprehensive roadway networks by local governments. Routine maintenance of roads is NOT considered an authorized expenditure.
- Proceeds are distributed to a County and its municipalities according to a mutually-agreed-upon distribution ratio or by using a formula contained in the Florida Statutes.

Based on the distribution provided in the *Local Government Financial Information Handbook*, Lee County will receive approximately **$12.14 million** from this fuel tax in FY 2013/2014, with approximately 50 percent allocated to the County and the remaining 50 percent distributed to the municipalities (based on an interlocal agreement). Currently, Lee County dedicates 10 percent of this revenue to LeeTran transit.

Table 1 provides a summary of fuel taxes adopted by Lee County and the distribution of the revenues between the County and municipalities.

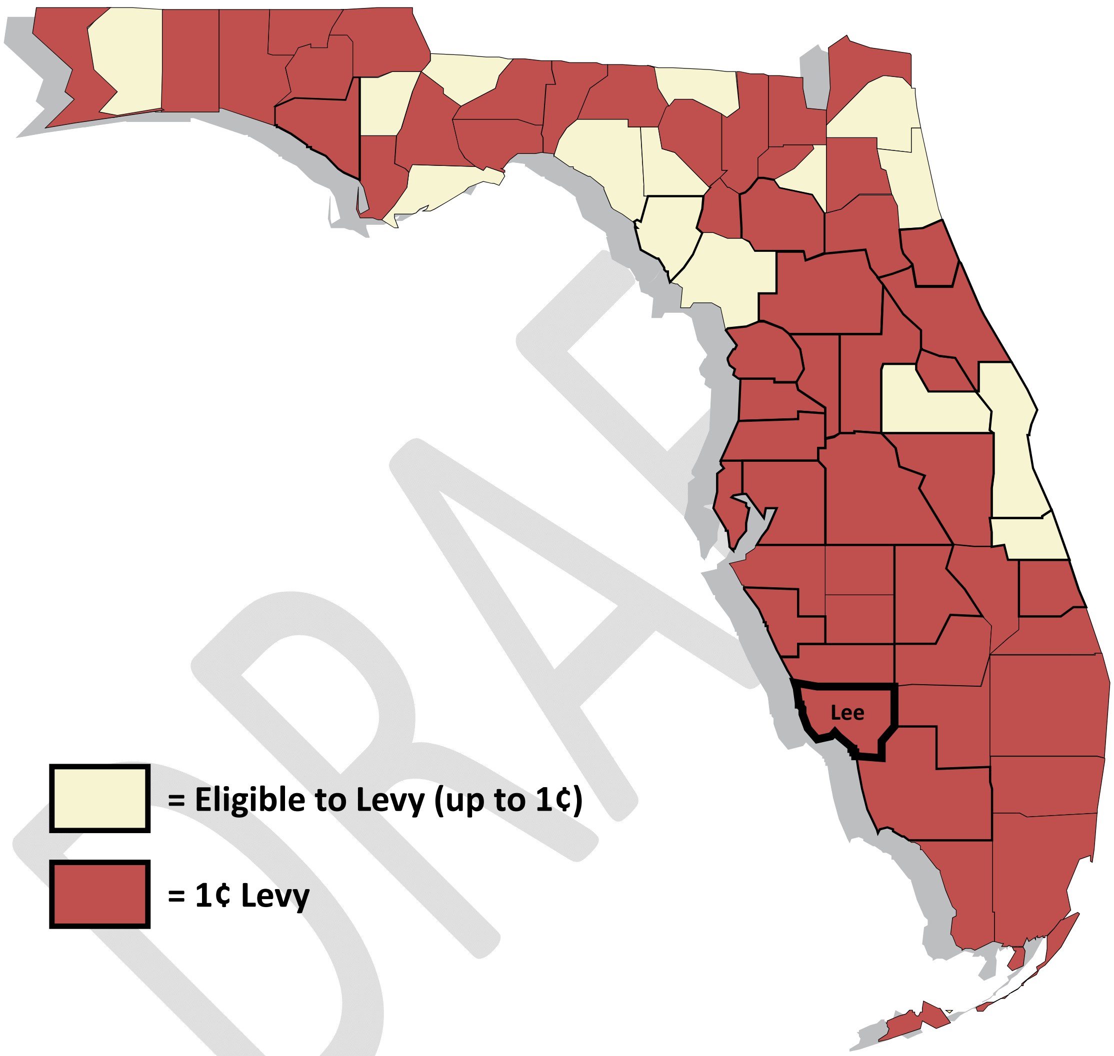
Table 1
Local Option Fuel Tax Distribution

Jurisdiction	9th Cent Fuel Tax (1 cent/gallon)	1st Local Option Fuel Tax (6 cents/gallon)	2nd Local Option Fuel Tax (5 cents/gallon)
Lee County	100%	50.49%	50.49%
Bonita Springs	-	4.54%	4.54%
Cape Coral	-	24.95%	24.95%
Ft Myers	-	14.00%	14.00%
Ft Myers Beach	-	1.02%	1.02%
Sanibel	-	5.00%	5.00%

Source: Local Government Financial Information Handbook

Figure 5 identifies the counties that have adopted the ninth-cent fuel tax. As shown, this tax is available for all 67 counties, with 52 counties (78%) having adopted the fuel tax, including Lee County.

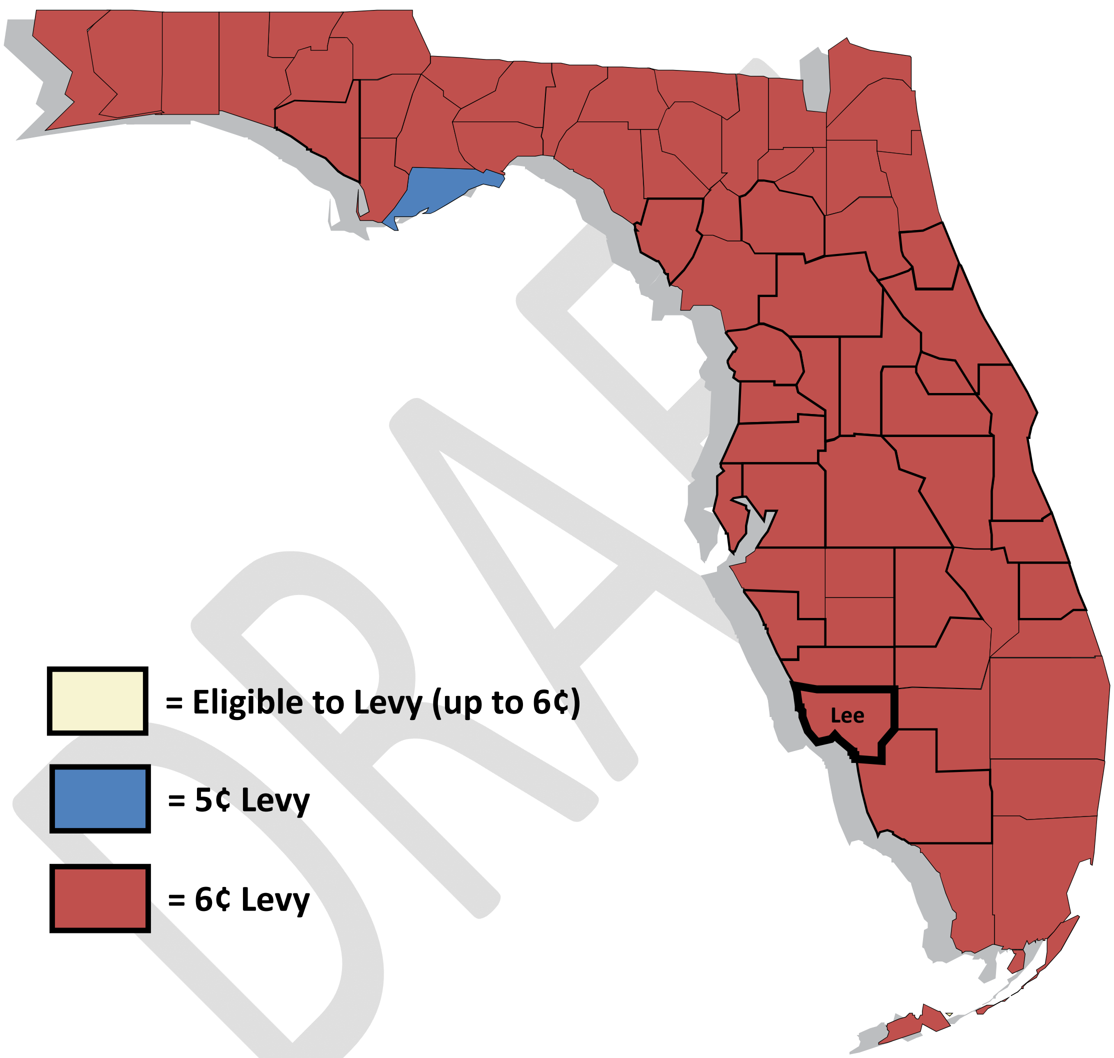
Figure 5
Ninth-Cent Fuel Tax (1¢)



Source: 2013 Local Government Financial Information Handbook

Figure 6 identifies the counties that have adopted the 1st local option fuel tax. As shown, this tax is available for all 67 counties, with all counties (100%) having adopted the fuel tax in some capacity, including Lee County at a full 6-cents.

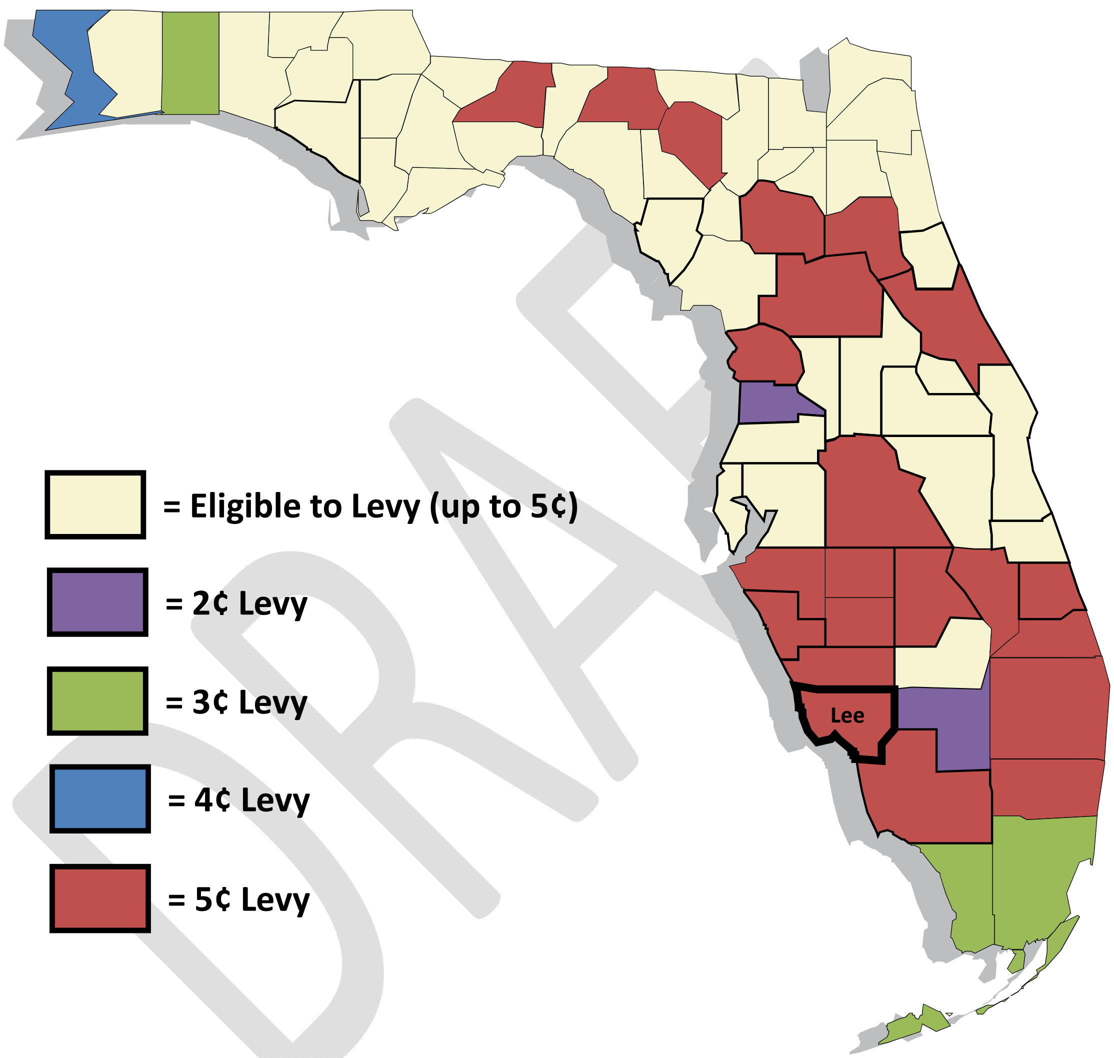
Figure 6
1st Local Option Fuel Tax (up to 6¢/gallon)



Source: 2013 Local Government Financial Information Handbook

Figure 7 identifies the counties that have adopted the 2nd local option fuel tax. As shown, this tax is available for all 67 counties, with 28 counties (42%) having adopted the fuel tax in some capacity, including Lee County at a full 5-cents.

Figure 7
2nd Local Option Fuel Tax (up to 5¢/gallon)



Source: 2013 Local Government Financial Information Handbook

Ad Valorem (Property) Tax:[3]

Ad valorem revenues are based on the taxable value of property and the adopted millage rate within a county. Florida's constitution authorizes counties, municipalities, and school districts to levy ad valorem taxes. At its discretion, the Legislature may authorize special districts to levy ad valorem taxes. Millage rates are fixed only by the ordinance or resolution of the taxing authority's governing body in a manner specifically provided by general law or special law. Ad valorem taxes are considered general revenue for general-purpose local governments as well as for school districts. Local governments may levy ad valorem taxes subject to the following limitations:

- Ten mils for county purposes
- Ten mils for municipal purposes
- Ten mils for school purposes
- A millage fixed by law for a county furnishing municipal services
- A millage fixed by law and approved by voters for special districts

Currently, Lee County has countywide operating millage of 4.1506 mils, with $226.7 million of taxes levied in 2013 (Countywide levies ONLY). Ad valorem taxes account for the majority of the County's general fund revenue, which are mainly used for general government services and public safety expenditures.

Toll Revenues

Recently, the City of Ft. Myers conducted a toll re-allocation study to review surplus revenues. This study has not been fully reviewed or adopted at all levels of the City agencies. It may be considered in a "draft" form at this time.

The study concludes that the toll revenues generated by the LeeWay toll system are meeting financial requirements and are projected to generate net surplus revenues. This study details the current and a potential new revenue allocation for these surplus revenues. These projected revenues should be taken into consideration when exploring available funding sources for future transportation projects in Lee County.

[3] *2013 Local Government Financial Information Handbook*; The Florida Legislature's Office of Economic and Demographic Research

Revenue Projections

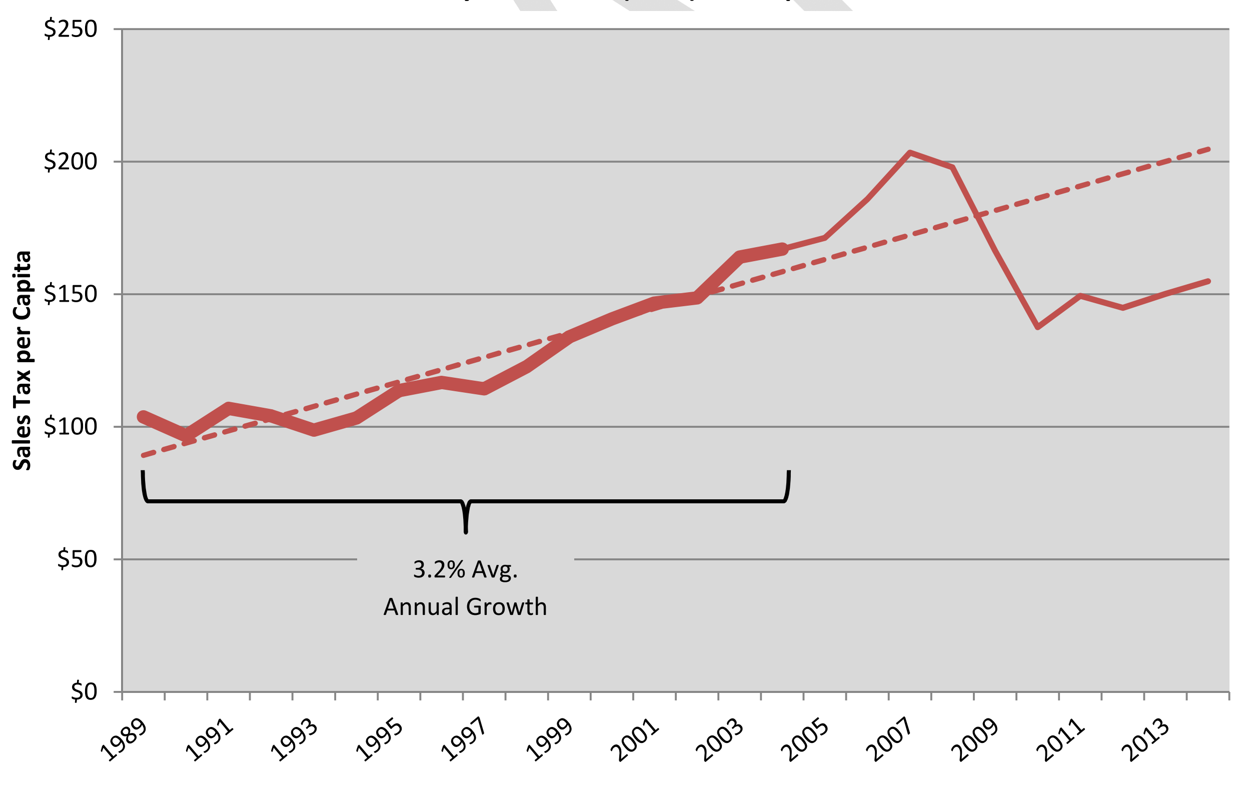
This section provides revenue projections for the following tax revenue sources for Lee County:

- Local Discretionary Sales Surtax
- Local Option Fuel Tax
- Ad Valorem (Property) Tax

Local Discretionary Sales Surtax:

Currently, Lee County does not collect any local option sales tax, but does collect the 6 percent state sales tax. Figure 8 illustrates the trend in historical sales tax revenue per capita for a 1.0 percent sales tax in Lee County. As shown, the sales tax revenue per capita has increased by an annual average of 1.6 percent since 1989. However, due to the economic boom and recession in the mid-2000s, there was significant volatility in sales tax revenues and the revenue per capita. Due to this unique time period, the recommended annual index for sales tax revenues was based on the average annual increase in sales tax per capita from 1989 to 2004, which was approximately 3.2 percent. During this same time period, the average annual increase in sales tax revenue per capita for all of Florida was 3.3 percent.

Figure 8
Lee County – Sales Tax (1.0%) Per-Capita Trend



Source: *Local Government Financial Information Handbook*

Table 2 provides the projected sales tax revenues for Lee County through 2040. Based on the trend observed in Figure 7, it was assumed that the sales tax per capita revenue levels will continue to increase through 2040. The projections in Table 2 reflect the total revenues available to the County and municipalities, with the assumption that the allocation between the entities remains constant through 2040. The current allocation is based on the same allocation formulas used to distribute the local government half-cent sales tax. These projections provide the total revenues potentially available for all service areas, and do not make assumptions regarding how the County is likely to allocate these revenues. Typically, transportation expenditures only account for a portion of total revenues received.

Table 2
Lee County – Sales Tax (1.0%) Per-Capita Trend

Year	Projected Revenues			Annual Growth
	County (65.59%)	Cities (34.41%)	Total	
2014	$67,347,673	$35,332,115	**$102,679,788**	-
2015	$69,964,669	$36,705,050	**$106,669,719**	3.89%
2016	$72,697,769	$38,138,896	**$110,836,665**	3.91%
2017	$75,575,074	$39,648,396	**$115,223,470**	3.96%
2018	$78,612,965	$41,242,142	**$119,855,107**	4.02%
2019	$81,886,330	$42,959,424	**$124,845,754**	4.16%
2020	$85,456,247	$44,832,283	**$130,288,530**	4.36%
2021	$89,454,659	$46,929,941	**$136,384,600**	4.68%
2022	$93,934,995	$49,280,427	**$143,215,422**	5.01%
2023	$98,842,911	$51,855,231	**$150,698,142**	5.22%
2024	$104,098,883	$54,612,632	**$158,711,515**	5.32%
2025	$109,687,952	$57,544,785	**$167,232,737**	5.37%
2026	$115,588,396	$60,640,291	**$176,228,687**	5.38%
2027	$121,818,148	$63,908,560	**$185,726,708**	5.39%
2028	$128,384,914	$67,353,634	**$195,738,548**	5.39%
2029	$135,291,123	$70,976,788	**$206,267,911**	5.38%
2030	$142,554,904	$74,787,532	**$217,342,436**	5.37%
2031	$150,193,993	$78,795,172	**$228,989,165**	5.36%
2032	$158,226,969	$83,009,453	**$241,236,422**	5.35%
2033	$166,673,283	$87,440,580	**$254,113,863**	5.34%
2034	$175,553,302	$92,099,240	**$267,652,542**	5.33%
2035	$184,888,349	$96,996,617	**$281,884,966**	5.32%
2036	$194,700,743	$102,144,421	**$296,845,164**	5.31%
2037	$205,013,847	$107,554,909	**$312,568,756**	5.30%
2038	$215,852,109	$113,240,907	**$329,093,016**	5.29%
2039	$227,241,114	$119,215,837	**$346,456,951**	5.28%
2040	$239,207,631	$125,493,743	**$364,701,374**	5.27%

Note: 3.0% average annual growth in sales tax per capita and 1.9% average annual population growth

Local Option Fuel Tax:

Currently, Lee County collects all 12 pennies of available local option fuel tax. Local fuel tax revenues are based on a set pennies-per-gallon charge, not a percentage of the sale (as with a sales tax) and, therefore, fuel taxes do not increase as gas prices increase or with the effects of inflation. Additionally, fuel tax revenues are expected to deteriorate due to the new standards in fuel efficiency. Since 1980, fuel efficiency has increase by approximately 0.50 percent each year, but due to recent government standards for new vehicles, a preliminary analysis suggests that the fleet-wide fuel efficiency is estimated to increase by an average of 5.0 percent annually through 2025.

Figure 9 illustrates the trend in historical fuel tax revenue per capita for one penny of fuel tax in Lee County. As shown, the fuel tax revenue per capita has decreased by an annual average of 0.5 percent since 1989. During this same time period, the average annual change in fuel tax revenue per capita for all of Florida was -0.4 percent.

Figure 9
Lee County – County Fuel Tax (1¢) Per-Capita Trend

Source: *Local Government Financial Information Handbook*

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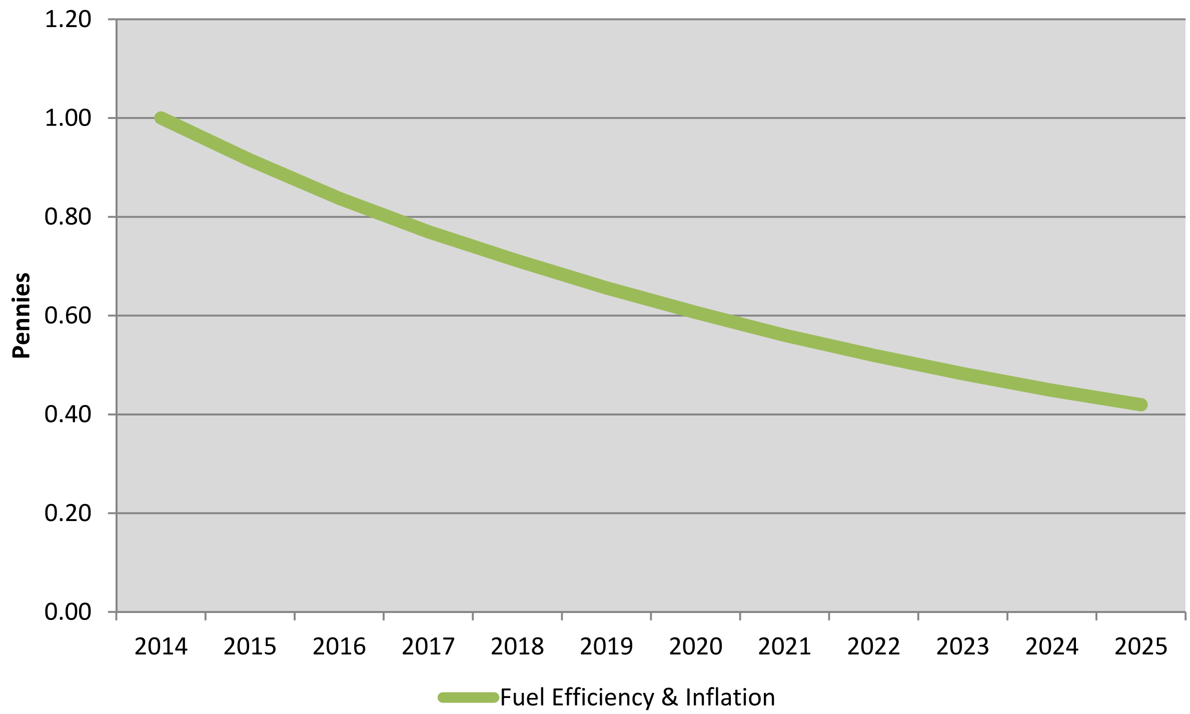
Figure 10 illustrates the projected decrease in the value of a penny of local option fuel tax over the next decade, taking into account future inflation and aggressive fuel efficiency standards implemented by the Federal Government. Based on these new standards, and an average annual inflation rate of 3.0 percent, it is projected that a penny of fuel tax today will decrease in value by almost 60 percent by 2025.

Figure 10
Projected Decrease in the Value of a Penny of Local Option Fuel Tax



Sources: U.S. Census Bureau, FHWA, Whitehouse.gov

For fuel tax projection purposes, conservative deflation factors were applied to the current collection rates in Lee County. For the next 11 years (though 2025), it is projected that revenues from the local option fuel taxes will decline by 0.5 percent per capita annually and that for the following 15 years, fuel tax revenues per capita will decline by 1.0 percent annually due to increased fuel efficiency and inflation. Due to projected population growth during this time period, actual local option fuel tax revenues will continue to increase, but at a declining annual rate.

Tables 3, 4, and 5 present the annual revenue projections for the ninth-cent, 1st local option, and 2nd local option fuel taxes, respectively.

Table 3 presents the annual revenue projections for the ninth-cent fuel tax through 2040. While the County has the option to share these revenues with the municipalities, Lee County currently retains 100 percent of the revenues. Table 3 assumes that this current distribution will continue through 2040.

Table 3
Lee County
Ninth Cent Fuel Tax Revenue Projections

Year	Projected Revenues	Annual Growth
2014	$2,922,989	-
2015	$2,933,681	0.37%
2016	$2,944,996	0.39%
2017	$2,957,820	0.44%
2018	$2,972,465	0.50%
2019	$2,991,324	0.63%
2020	$3,015,959	0.82%
2021	$3,050,100	1.13%
2022	$3,094,340	1.45%
2023	$3,145,688	1.66%
2024	$3,200,705	1.75%
2025	$3,258,277	1.80%
2026	$3,300,208	1.29%
2027	$3,343,005	1.30%
2028	$3,386,390	1.30%
2029	$3,429,970	1.29%
2030	$3,473,770	1.28%
2031	$3,517,787	1.27%
2032	$3,562,012	1.26%
2033	$3,606,441	1.25%
2034	$3,651,067	1.24%
2035	$3,695,884	1.23%
2036	$3,740,885	1.22%
2037	$3,786,064	1.21%
2038	$3,831,413	1.20%
2039	$3,876,927	1.19%
2040	$3,922,597	1.18%

Note: -0.5% average annual growth through 2025 and -1.0% average annual growth in fuel tax per capita from 2025 to 2040 and 1.9% average annual population growth

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Table 4 presents the annual revenue projections for the 6-cents of 1st local option fuel tax through 2040. Currently, the county retains just over 50 percent of the revenues, while the cities retain the remaining amount. Table 4 assumes that this current distribution will continue through 2040.

Table 4
Lee County
1st Local Option Fuel Tax Revenue Projections

Year	Projected Revenues			Annual Growth
	County (50.49%)	Cities (49.51%)	Total	
2014	$8,304,329	$8,143,143	**$16,447,472**	-
2015	$8,333,867	$8,172,109	**$16,505,976**	0.36%
2016	$8,365,169	$8,202,803	**$16,567,972**	0.38%
2017	$8,400,750	$8,237,694	**$16,638,444**	0.43%
2018	$8,441,498	$8,277,651	**$16,719,149**	0.49%
2019	$8,494,203	$8,329,332	**$16,823,535**	0.62%
2020	$8,563,295	$8,397,083	**$16,960,378**	0.81%
2021	$8,659,362	$8,491,286	**$17,150,648**	1.12%
2022	$8,784,078	$8,613,581	**$17,397,659**	1.44%
2023	$8,928,945	$8,755,636	**$17,684,581**	1.65%
2024	$9,084,197	$8,907,875	**$17,992,072**	1.74%
2025	$9,246,668	$9,067,192	**$18,313,860**	1.79%
2026	$9,365,664	$9,183,878	**$18,549,542**	1.29%
2027	$9,487,118	$9,302,975	**$18,790,093**	1.30%
2028	$9,610,240	$9,423,708	**$19,033,948**	1.30%
2029	$9,733,915	$9,544,981	**$19,278,896**	1.29%
2030	$9,858,217	$9,666,871	**$19,525,088**	1.28%
2031	$9,983,130	$9,789,360	**$19,772,490**	1.27%
2032	$10,108,638	$9,912,432	**$20,021,070**	1.26%
2033	$10,234,723	$10,036,069	**$20,270,792**	1.25%
2034	$10,361,368	$10,160,256	**$20,521,624**	1.24%
2035	$10,488,553	$10,284,973	**$20,773,526**	1.23%
2036	$10,616,262	$10,410,203	**$21,026,465**	1.22%
2037	$10,744,475	$10,535,927	**$21,280,402**	1.21%
2038	$10,873,172	$10,662,126	**$21,535,298**	1.20%
2039	$11,002,334	$10,788,781	**$21,791,115**	1.19%
2040	$11,131,942	$10,915,873	**$22,047,815**	1.18%

Note: -0.5% average annual growth through 2025 and -1.0% average annual growth in fuel tax per capita from 2025 to 2040 and 1.9% average annual population growth

Table 5 presents the annual revenue projections for the 5-cents of 2nd local option fuel tax through 2040. Currently, the county retains just over 50 percent of the revenues, while the cities retain the remaining amount. Table 5 assumes that this current distribution will continue through 2040.

Table 5
Lee County
2nd Local Option Fuel Tax Revenue Projections

Year	Projected Revenues			Annual Growth
	County (50.49%)	Cities (49.51%)	Total	
2014	$6,129,014	$6,010,052	**$12,139,066**	-
2015	$6,150,815	$6,031,429	**$12,182,244**	0.36%
2016	$6,173,918	$6,054,083	**$12,228,001**	0.38%
2017	$6,200,179	$6,079,834	**$12,280,013**	0.43%
2018	$6,230,253	$6,109,325	**$12,339,578**	0.49%
2019	$6,269,151	$6,147,468	**$12,416,619**	0.62%
2020	$6,320,144	$6,197,472	**$12,517,616**	0.81%
2021	$6,391,047	$6,266,998	**$12,658,045**	1.12%
2022	$6,483,094	$6,357,259	**$12,840,353**	1.44%
2023	$6,590,013	$6,462,102	**$13,052,115**	1.65%
2024	$6,704,597	$6,574,462	**$13,279,059**	1.74%
2025	$6,824,509	$6,692,046	**$13,516,555**	1.79%
2026	$6,912,333	$6,778,166	**$13,690,499**	1.29%
2027	$7,001,972	$6,866,066	**$13,868,038**	1.30%
2028	$7,092,843	$6,955,173	**$14,048,016**	1.30%
2029	$7,184,121	$7,044,679	**$14,228,800**	1.29%
2030	$7,275,862	$7,134,639	**$14,410,501**	1.28%
2031	$7,368,055	$7,225,042	**$14,593,097**	1.27%
2032	$7,460,686	$7,315,876	**$14,776,562**	1.26%
2033	$7,553,743	$7,407,127	**$14,960,870**	1.25%
2034	$7,647,213	$7,498,782	**$15,145,995**	1.24%
2035	$7,741,083	$7,590,830	**$15,331,913**	1.23%
2036	$7,835,338	$7,683,256	**$15,518,594**	1.22%
2037	$7,929,966	$7,776,047	**$15,706,013**	1.21%
2038	$8,024,951	$7,869,188	**$15,894,139**	1.20%
2039	$8,120,279	$7,962,666	**$16,082,945**	1.19%
2040	$8,215,936	$8,056,466	**$16,272,402**	1.18%

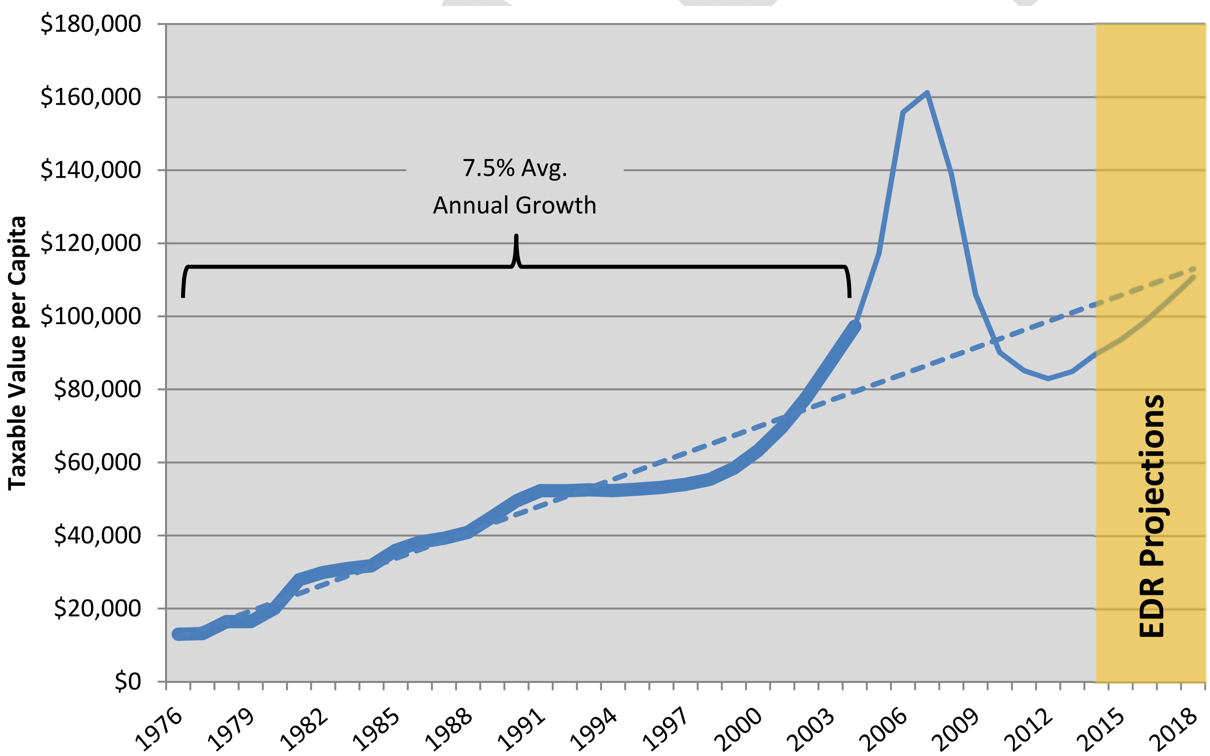
Note: -0.5% average annual growth through 2025 and -1.0% average annual growth in fuel tax per capita from 2025 to 2040 and 1.9% average annual population growth

Ad Valorem (Property) Tax:

Currently, Lee County imposes a countywide millage of 4.1506 mils. In 2013, this millage accounted for approximately $226 million in tax revenue. To project future revenues, a review of historical and projected growth in the countywide taxable value was conducted.

Figure 11 illustrates the trend in historical taxable values per capita for in Lee County as well as the projected increase in taxable value through 2018 (provided by the Florida Legislature's Office of Economic and Demographic Research). As shown, the taxable value per capita has increased by an annual average of 5.2 percent since 1976. Due to the economic boom and recession in the mid-2000s, there was significant volatility in taxable values. Given this volatility, the annual index for total taxable value during a more stable time period (1976 to 2004) was also reviewed. Between 1976 and 2004, the taxable value per capita in Lee County increased at an average annual rate of 7.5 percent. Over the same time period (1976 to 2004), the taxable value per capita for all of Florida averaged 6.4 percent annual growth.

Figure 11
Lee County – Taxable Value Per-Capita Trend



Source: *Florida Property Valuations and Tax Databook (historical) & The Florida Legislature's Department of Economic and Demographic Research's Ad Valorem Revenue Estimating Conference Report (projections)*

Table 6 provides the projected ad valorem revenues for 1-mil in Lee County through 2040. Based on the trends observed in Figure 10, it was estimated that the taxable value per capita levels will continue to increase through 2040. The projections in Table 6 reflect an average annual increase on 5.2 percent in the taxable value per capita, based on the historical trend previously discussed. This growth rate is consistent with the 5-yr projections provided by the Economic and Demographic Research Department. Additionally, the projected revenues reflect an increase due to expected population growth in Lee County of approximately 1.9 percent annually through 2040.

Table 6
Lee County
Ad Valorem Tax (1 mil) Revenue Projections

Year	Projected Revenues	Annual Growth
2014	$58,390,661	-
2015	$61,955,248	6.10%
2016	$65,750,478	6.13%
2017	$69,812,779	6.18%
2018	$74,170,129	6.24%
2019	$78,908,681	6.39%
2020	$84,107,690	6.59%
2021	$89,923,535	6.91%
2022	$96,444,250	7.25%
2023	$103,650,873	7.47%
2024	$111,494,134	7.57%
2025	$119,989,541	7.62%
2026	$129,144,887	7.63%
2027	$139,012,383	7.64%
2028	$149,635,282	7.64%
2029	$161,052,633	7.63%
2030	$173,324,200	7.62%
2031	$186,512,577	7.61%
2032	$200,684,847	7.60%
2033	$215,912,893	7.59%
2034	$232,273,736	7.58%
2035	$249,849,889	7.57%
2036	$268,729,746	7.56%
2037	$289,007,985	7.55%
2038	$310,786,009	7.54%
2039	$334,172,407	7.52%
2040	$359,283,459	7.51%

Note: 5.2% average annual growth in taxable value per capita and 1.9% average annual population growth

Comparative Analysis

This section provides a comparison of sales, fuel, and ad valorem taxes, including trade-off scenarios and pros and cons related to these scenarios.

Sales Tax vs. Ad Valorem Tax

As mentioned previously, Lee County is eligible to adopt a local discretionary sales surtax. Typically, counties pursue local government infrastructure surtax if not eligible for the small county surtax, for which Lee is not eligible. The local government infrastructure surtax offers flexible spending options that can extend outside of transportation, unlike the charter county and transportation system surtax. The local government infrastructure surtax will be used for comparison purposes in the following analysis.

Since Lee County does not currently collect a local option sales tax, the 2013 revenues were based on the estimated potential revenues provided in the Local Government Financial Information Handbook. Based on these estimates and Lee County's ad valorem tax levied per mil, the countywide millage could be reduced by approximately 1.16 mils if a 1.0 percent sales tax was adopted. As shown in Table 7, the individual cities in Lee County could further reduce their millage rates with their individual sales tax revenue allocations. In addition to the countywide millage reduction, the cities millage reductions range from 0.19 mils to 1.96 mils. The variation in millage reductions results from population-based distribution of sales tax revenues. Cities with high taxable values and low population (Sanibel and Ft. Myers Beach) do recognize the benefits of the revenue trade-off as much as cities with lower property values and higher populations (Cape Coral and Ft. Myers).

Table 7
Sales Tax Adoption vs. Millage Reduction

Tax	Taxable Value (2013)(1)	Taxes Levied per mil(2)	Sales Tax Revenue (1.0%)(3)	Millage Reduction(4)
Lee County	$54,631,753,411	$54,631,753	$63,558,443	**1.16**
Bonita Springs	$7,017,575,509	$7,017,576	$5,285,716	**0.75**
Cape Coral	$9,520,558,825	$9,520,559	$18,653,502	**1.96**
Ft Myers	$4,206,426,920	$4,206,427	$7,586,680	**1.80**
Ft Myers Beach	$2,502,999,103	$2,502,999	$747,142	**0.30**
Sanibel	$4,103,369,213	$4,103,369	$771,960	**0.19**
Countywide	-	$81,982,683	$96,603,443	**1.18**

(1) Source: Florida Legislature's Department of Economic and Demographic Research
(2) Taxable value (Item 1) divided by 1,000 (millage is assessed per 1,000 resident)
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by the taxes levied per mil (Item 2)

Sales Tax vs. Fuel Tax

Sales tax revenues are based on a percentage of the purchase price and, therefore, are automatically adjusted for inflation/deflation. Compared to fuel taxes, sales tax revenues are a much more reliable and consistent source of revenue, as well as being more lucrative.

Since Lee County does not currently collect a local option sales tax, the 2013 revenues were based on the estimated potential revenues provided in the Local Government Financial Information Handbook. Based on these estimates, Lee County could eliminate all 12 pennies of fuel tax if a 1.0 percent sales tax was adopted. As shown in Table 8, a sales tax would generate significantly more revenue than the adopted 12 pennies of fuel tax currently do. With the adoption of a sales tax and elimination of all local option fuel taxes, the county and all of the cities, with the exception of Sanibel, would receive more revenue than they each receive currently. As fuel tax revenues per capita continue to decline and sales tax revenues per capita continue to increase, Sanibel would begin to experience the benefits of a sales tax (in terms of revenue generated) after approximately 15 years.

Table 8
Sales Tax Adoption vs. Fuel Tax Reduction

Tax	Fuel Tax Revenue (11/12 Pennies)(1)	LOFT per Penny(2)	Sales Tax Revenue (1.0%)(3)	Fuel Tax Reduction (Pennies)(4)
Lee County	$17,426,256	$1,452,188	$63,558,443	**43.77**
Bonita Springs	$1,303,439	$118,494	$5,285,716	**44.61**
Cape Coral	$7,163,175	$651,198	$18,653,502	**28.64**
Ft Myers	$4,019,417	$365,402	$7,586,680	**20.76**
Ft Myers Beach	$292,843	$26,622	$747,142	**28.06**
Sanibel	$1,435,506	$130,501	$771,960	**5.92**
Countywide	-	$2,744,405	$96,603,443	**35.20**

(1) Source: Local Government Financial Information Handbook
(2) Fuel tax revenue (Item 1) divided by 12 pennies for Lee County and 11 pennies for each city
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by local option fuel tax per penny (Item 2)

Florida Case Studies

This section provides as review of peer jurisdictions in Florida and their current local option sales tax programs.

Charter County and Regional Transportation System Surtax:

As previously mentioned, only three counties have currently this local option sales tax in place, and all three have adopted it at a rate of 0.5%. In most cases, adoption has been tied to a specific project or transportation-related issue.

- Duval (Jacksonville) County: The Charter County sales tax was adopted by voters in 1988 in exchange for the Jacksonville Transit Authority (JTA) removing all toll booths on the JTA roadway and bridge improvements. This sales tax has been used to build roads and bridges in Duval County, to fund mass transit, and to plan and design future transportation facilities to ease people and freight movement through Duval and the surrounding counties. This sales tax will continue to be collected until repealed.

- Hillsborough County: Currently, Hillsborough County does not collect the charter county surtax. In 2010, the County sought to add a 1.0% surtax to help fund the county's roadway system and for an expansion of a light rail system. Hillsborough County elected to let the adoption to be decided upon by the voters. This measure was defeated with 58% of voting "no". Major opponents argued that the actual light rail routes to be funded had not even been decided upon at the time of the vote and that light rail in general would be a wasteful use of tax money that could be utilized for better projects.

- Miami-Dade County: This sales tax was adopted by voters in 2002 to support the People's Transportation Plan (PTP). The PTP is a publicly supported transportation program established to develop an integrated mass transportation network. A portion of this sales tax is also used for roadway improvements in the County and its municipalities. This sales tax will continue to be collected until repealed.

- Pinellas County: Currently, Pinellas County does not collect the charter county surtax. Later this year, in November, the adoption of this sales tax will go to referendum. Pinellas County is looking to adopt the charter county surtax as part of the "Greenlight Pinellas Plan" that will increase bus service, increase frequency, increase coverage, and increase hours of operation. Additionally, if adopted, the Pinellas Suncoast Transit Authority (PSTA) millage of 0.7305 mils will be eliminated.

- Polk County: Currently, Polk County does not collect the charter county surtax. In 2010, the County sought to add a 0.5% transit surtax to help fund the mass transit system throughout the county. The goal was to unify the existing transit systems into a single county-wide transit system under one authority to help ensure services and funding. This measure was defeated with 62% of voting "no".

- Walton County: This sales tax was adopted by voters in 2012 for the specific purpose of funding the expansion of the Clyde B. Wells Bridge on Highway 331 and the 4-laning of the road up to I-10. This sales tax is supposed to sunset once enough revenue has been generated for these improvements. The entire project is estimated to be completed by 2017.

Local Government Infrastructure Surtax:

This section details the current local option sales tax programs for select peer counties that have adopted the local government infrastructure surtax.

- Charlotte County: This sales tax (1.0%) was originally implemented in 1995 and was renewed in 1999, 2003, and 2009 with the current levy set to expire at the end of 2014. Over the past few years, approximately 90 percent of the sales tax revenues have been used for transportation-related expenditures in the County, but if re-adopted in 2015, this allocation for transportation would likely to be cut in half.

- Hillsborough County: This sales tax (0.5%) was originally implemented in 1996 with the current levy set to expire in 2026. Referred to as the "community Investment Tax" (CIT), revenues are designated for construction of new public school facilities, public safety, transportation, water, wastewater, reclaimed water, stormwater, community stadiums, parks, libraries, museums, and government facilities.

- Indian River County: This sales tax (1.0%) was originally implemented in 1989 and renewed in 2004 with the current levy set to expire at the end of 2019. Currently, local option sales tax revenues are allocated to emergency services, facilities management, law enforcement, parks & recreation, stormwater management, and transportation capital improvements. However, if the sales tax is renewed in 2019, it is possible that a significant portion of the revenues will be dedicated to the Indian River Lagoon rehabilitation project, resulting in a more limited amount of funding for other program services..

- Pasco County: This sales tax (1.0%) was originally implemented in 2005 and was extended in 2013 with the current levy set to expire at the end of 2024. Commonly referred to as the "Penny for Pasco", renewal in 2012 was supported by 70% of the voters in Pasco County to provide business incentives for qualified industries that create high-paying jobs, to fund the purchase of law enforcement, fire, and rescue vehicles, to construct transportation projects (including intersection improvements, sidewalks and pedestrian safety projects, new bicycle/pedestrian trails, and several public transportation projects), to retrofit and equip schools with new technology (as well as repairs), and to protect water resources through the purchase of environmental lands.

- Pinellas County: This sales tax (1.0%) was originally implemented in 1990 and has been extended twice (10 more years each time). Commonly referred to as the "Penny for Pinellas", the current levy is set to expire at the end of 2019. Revenues from this tax are dedicated to capital improvement projects such as facilities, stormwater improvements, preservation land purchases, roads, bridges, public safety, parks and community centers.

Millage Reduction Analysis:

This section presents the ad valorem vs. sales tax "trade-off" analysis for each peer county, similar to the analysis previously provided for Lee County (Table 7).

Table 9
Charlotte County: Sales Tax Adoption vs. Millage Reduction

Jurisdiction	Taxable Value (2013)(1)	Taxes Levied per mil(2)	Sales Tax Revenue (1.0%)(3)	Millage Reduction(4)
Charlotte County	$12,033,676,513	$12,033,677	$18,386,653	1.53
Punta Gorda	$2,312,248,641	$2,312,249	$1,995,291	0.86
Countywide	-	$14,345,926	$20,381,944	1.42

(1) Source: Florida Legislature's Department of Economic and Demographic Research
(2) Taxable value (Item 1) divided by 1,000 (millage is assessed per 1,000 resident)
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by the taxes levied per mil (Item 2)

Table 10
Hillsborough County: Sales Tax Adoption vs. Millage Reduction

Jurisdiction	Taxable Value (2013)(1)	Taxes Levied per mil(2)	Sales Tax Revenue (1.0%)(3)	Millage Reduction(4)
Hillsborough County	$63,953,297,744	$63,953,298	$141,531,377	2.21
Plant City	$1,521,738,343	$1,521,738	$4,447,312	2.92
Tampa	$22,483,231,302	$22,483,231	$43,098,837	1.92
Temple Terrace	$1,164,371,768	$1,164,372	$3,128,452	2.69
Countywide	-	$89,122,639	$192,205,978	2.16

(1) Source: Florida Legislature's Department of Economic and Demographic Research
(2) Taxable value (Item 1) divided by 1,000 (millage is assessed per 1,000 resident)
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by the taxes levied per mil (Item 2)

Table 11
Indian River County: Sales Tax Adoption vs. Millage Reduction

Jurisdiction	Taxable Value (2013)(1)	Taxes Levied per mil(2)	Sales Tax Revenue (1.0%)(3)	Millage Reduction(4)
Indian River County	$12,860,457,144	$12,860,457	$13,701,891	1.07
Fellsmere	$88,367,863	$88,368	$583,356	6.60
Indian River Shores	$2,392,161,099	$2,392,161	$436,734	0.18
Orchid	$378,008,979	$378,009	$46,490	0.12
Sebastian	$827,296,184	$827,296	$2,458,028	2.97
Vero Beach	$2,126,491,259	$2,126,491	$1,704,918	0.80
Countywide	-	$18,672,782	$18,931,417	1.01

(1) Source: Florida Legislature's Department of Economic and Demographic Research
(2) Taxable value (Item 1) divided by 1,000 (millage is assessed per 1,000 resident)
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by the taxes levied per mil (Item 2)

Table 12
Pasco County: Sales Tax Adoption vs. Millage Reduction

Jurisdiction	Taxable Value (2013)(1)	Taxes Levied per mil(2)	Sales Tax Revenue (1.0%)(3)	Millage Reduction(4)
Pasco County	$19,410,535,830	$19,410,536	$40,699,819	2.10
Dade City	$253,237,700	$253,238	$583,388	2.30
New Port Richey	$485,001,111	$485,001	$1,345,706	2.77
Port Richey	$243,914,025	$243,914	$238,573	0.98
St. Leo	$38,000,899	$38,001	$123,964	3.26
San Antonio	$47,286,946	$47,287	$102,374	2.16
Zephyrhills	$587,456,961	$587,457	$1,197,992	2.04
Countywide	-	$21,065,434	$44,291,816	2.10

(1) Source: Florida Legislature's Department of Economic and Demographic Research
(2) Taxable value (Item 1) divided by 1,000 (millage is assessed per 1,000 resident)
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by the taxes levied per mil (Item 2)

REVIEW AND APPROVAL OF A REQUEST FOR PROPOSAL FOR ACCOUNTING SERVICES

RECOMMENDED ACTION: Review and approval of a Request for Proposal (RFP) to provide accounting services for the Lee County MPO

The Lee MPO currently receives accounting services through Goodwill but due to expanding needs, length of the current contract and ongoing reporting needs we are seeking a certified public accountant or firm to provide those services. Attached is a draft RFP for the Committee's review and approval and are recommending that the Executive Committee be the selection committee for this proposal (similar to the legal services selection process).

REQUEST FOR PROPOSALS FOR FINANCIAL ACCOUNTING SERVICES
Lee County Metropolitan Planning Organization

I.

A. ***Purpose***

This Request for Proposal (RFP) is to contract for financial accounting services from licensed Certified Public Accountants *(herein referred to as Contractors*) for the Lee County MPO on an ongoing basis.

B. ***Who May Respond***

Only licensed Certified Public Accounting Firms or Certified Public Accountants may respond to this RFP.

C. ***Instructions on Proposal Submission***

1. Closing Submission Date: Proposals must be submitted no later than ____ on ____.

2. Inquiries: Inquiries concerning this RFP should be directed to Donald Scott at (239) 330-2241 or email request at dscott@leempo.com . The deadline for inquires is ____ on _____.

3. Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Contractor and will not be reimbursed by the Lee County MPO.

4. Instructions to Prospective Contractors: Failure to do so may result in premature disclosure of your proposal. It is the responsibility of the Contractor to insure that the proposal is received by the Lee County MPO buy the date and time specified above. Late proposals will not be considered.

5. Right to Reject: The Lee MPO reserves the right to reject any and all proposals received in response to the RFP. A contract for the accepted proposal will be based upon the factors described in this RFP.

6. Small and/or Minority-Owned Businesses: Efforts will be made by the Lee MPO to utilize small businesses and minority-owned businesses.

7. Notification of Award: It is expected that a decision selecting the successful Accounting Firm/CPA will be made by the MPO Executive Committee at the next scheduled meeting following the submittals. Upon conclusion of final negotiations with the successful accounting firm, all Contractors submitting proposals in response to this Request for Proposal will be informed of the selected firm and ranking of the firms on the MPO's website. It is expected that the contract shall be a for a two year period with an opportunity for a one year extension. The selected contractor should be prepared to initiate Accounting Services by July 1, 2016.

D. ***Background of the Lee County MPO***

The Lee County MPO is an independent entity formed by Interlocal agreement made up of the following local jurisdictions: Lee County, City of Fort Myers, Bonita Springs, Sanibel, Cape Coral, Town of Fort Myers Beach, and Village of Estero. The Lee County MPO is responsible for transportation planning for the area promoting a comprehensive intermodal surface transportation system that provides regional mobility, supports economic development and fosters a sustainable community. The MPO responsibilities include the development of plans, policies and priorities that guide decisions on regional transportation issues. The MPO is required to develop a 20 year long range transportation plan, a five year Transportation Improvement Program, federal and state project priorities and related transportation planning studies and projects. The MPO is governed by an eighteen member board of elected officials representing the municipal governments and the Lee County Board of County Commissioners.

The Lee County MPO was originally formed back in 1977 but was attached to other organizations under staff services agreements until 2012. The MPO became fully independent on February 1, 2012 and now provides or contracts for all of the services necessary to conduct its operations. The MPO is authorized pursuant to Florida Statutes, section 339.175. The MPO has four full time employees with an annual budget of $1.4 million per year (changes depending on successful grant opportunities). The MPO is primarily responsible for transportation planning but is currently conducting a design build project that is designing and building sidewalks, pathways and bicycle facilities along several corridors in Lee County. The MPO receives funding from the Federal Highway Administration, the Florida Department of Transportation, the Federal Transit Administration and the local governments. The MPO uses a general fund to account for all activities of the MPO. The MPO works from a budget, the Unified Planning Work Program that is adopted every two years by the MPO Board and operates on a reimbursement basis.

II

A. *Services to be Performed*

The MPO is seeking accounting and payroll services in accordance with GAAS as applied to governmental units. The MPO is seeking a firm to provide the following services:

Tasks

- Maintain Accounting Software
- Develop financial statements
- Process payroll and all associated reporting requirements
- Process FRS payments and reporting requirements
- Process invoice payments at least twice a month
- Ensure that reimbursement invoices are put together on a monthly basis for submittal for the various funding sources
- Ensure that bank reconciliations are completed on a monthly and year end basis
- Provide year end trial balance

- Maintain an orderly accounting filing system
- Follow the system of controls over accounting transactions currently in place
- Maintain accounts payable and accounts receivable ledgers, reconciling monthly to the general ledger.
- Complete journal entries for all accruals including those related to payroll, prepaid expenses, leases, etc.
- Issue timely and complete financial statements
- Coordinate the provision of information to external auditors for the annual audit
- Comply with local, state, and federal government reporting requirements

B. ***Organization, Size, and Structure***

The Contractor should describe its organization, size and structure. The Contractor should include a copy of the most recent Peer Review, if the Contractor has had a Peer Review.

C. *Staff Qualifications*

The Contractor should describe the qualifications of staff to be assigned to complete the services. The descriptions should include:

1. Overall supervision to be exercised
2. Prior experience of the individual accountant(s) working with organizations like the Lee MPO. Information should include education, position in firm, years and types of experience, continuing professional education, licensed as a CPA in Florida etc.

D. *Understanding of Work to be Performed*

The Contractor should describe its understanding of work to be performed, including procedures, estimated hours per month and other pertinent information.

E. *Certifications*

The Contractor must sign and include as an attachment to its proposal the Certifications enclosed with this RFP.

F. *Contract and Grant Requirements*

The Offeror will be required to familiarize themselves with the MPO agreements, contracts and grant requirements. Such agreements, contracts and grants include but are not limited to:

- FTA 5305 funding
- TIGER Grant
- Federal Planning Funding Agreement
- Transportation Disadvantaged funding

- FDOT Local Agency Program Agreements

III.

A. Proposal Evaluation

a. Submission of Proposals

All proposals shall include

b. Nonresponsive Proposals

Proposals may be judged nonresponsive and removed from further consideration if any of the following occur:

1. The proposal is not received timely in accordance with the terms of this RFP
2. The proposal does not follow the specified format
3. The proposal does not include the signed Certifications and Assurances

c. Evaluation

Evaluation of each proposal will be scored on the following five factors:

1. Prior experience providing accounting services for like agencies: 0-25
2. Understanding of the Services to be provided and approach: 0-30
3. Qualifications of staff to be assigned to the financial services to be performed: 0-20
4. Time Requirements and Fees: 15
5. References: 10

Maximum Points 100

Table 13
Pinellas County: Sales Tax Adoption vs. Millage Reduction

Jurisdiction	Taxable Value (2013)[(1)]	Taxes Levied per mil[(2)]	Sales Tax Revenue (1.0%)[(3)]	Millage Reduction[(4)]
Pinellas County	$56,132,296,777	$56,132,297	$67,668,906	1.21
Belleair	$583,745,723	$583,746	$374,083	0.64
Belleair Beach	$396,523,197	$396,523	$150,810	0.38
Belleair Bluffs	$163,344,488	$163,344	$197,607	1.21
Belleair Shore	$102,804,596	$102,805	$10,517	0.10
Clearwater	$7,744,499,832	$7,744,500	$10,406,487	1.34
Dunedin	$1,761,446,375	$1,761,446	$3,406,487	1.93
Gulfport	$655,254,633	$655,255	$1,159,975	1.77
Indian Rocks Beach	$777,942,194	$777,942	$395,792	0.51
Indian Shores	$647,647,628	$647,648	$137,109	0.21
Kenneth City	$116,886,454	$116,886	$481,377	4.12
Largo	$3,291,266,711	$3,291,267	$7,494,199	2.28
Madeira Beach	$861,696,005	$861,696	$414,415	0.48
North Redington Beach	$383,305,077	$383,305	$137,688	0.36
Oldsmar	$1,048,013,097	$1,048,013	$1,312,715	1.25
Pinellas Park	$2,595,873,248	$2,595,873	$4,756,168	1.83
Redington Beach	$331,867,790	$331,868	$137,398	0.41
Redington Shores	$492,360,661	$492,361	$205,326	0.42
Safety Harbor	$966,743,858	$966,744	$1,628,519	1.68
St. Petersburg	$12,568,336,804	$12,568,337	$23,723,524	1.89
St. Pete Beach	$2,063,714,343	$2,063,714	$900,616	0.44
Seminole	$976,236,263	$976,236	$1,661,711	1.70
South Pasadena	$434,856,383	$434,856	$480,605	1.11
Tarpon Springs	$1,316,566,478	$1,316,566	$2,264,084	1.72
Treasure Island	$1,300,698,703	$1,300,699	$647,915	0.50
Countywide	-	$97,713,927	$130,154,033	1.33

(1) Source: Florida Legislature's Department of Economic and Demographic Research
(2) Taxable value (Item 1) divided by 1,000 (millage is assessed per 1,000 resident)
(3) Source: Local Government Financial Information Handbook
(4) Sales Tax Revenue (Item 3) divided by the taxes levied per mil (Item 2)

**PROVIDE INPUT ON LANGUAGE IN THE MPO BYLAWS
REGARDING THE EXECUTIVE COMMITTEE**

RECOMMENDED ACTION: Provide input on the language in the MPO bylaws regarding the executive committee.

The MPO staff is currently updating all of the MPO bylaws to reflect the addition of the Village of Estero and the new voting members, and as such, is seeking the Committee's input on the Executive Committee language that is included in the current bylaws (see **attached** section).

(2) Whenever a special meeting is scheduled the Metropolitan Planning Organization shall follow the same notification requirements as a regular meeting in accordance to section 2.01.

2.05 **EXECUTIVE COMMITTEE MEETINGS AND DUTIES**

(1) The Executive Committee shall be comprised of the Chair, Vice-Chair and the Treasurer along with one (1) representative from each jurisdiction that is not covered by the officers listed above (to ensure that we have one member from each jurisdiction).

(2) The Executive Committee will meet on an as needed basis to address administrative and budget items, to address items that are not feasible to be heard by the full Board based on timing or to hear items referred to the Executive Committee by the Board.

CHAPTER 3
AMENDMENTS

3.01 **PUBLIC NOTICE** These bylaws may be amended at any non-emergency meeting providing notice of the meeting has been given in accordance with section 2.01, the consideration of a bylaws amendment has been included on the agenda made available in accordance with section 2.02, and the text of the proposed amendment(s) has been provided with the agenda to each Metropolitan Planning Organization member and made available to the public.

3.02 **SUPERMAJORITY REQUIRED** The affirmative vote of two-thirds of the voting membership of the, or their alternates, shall be required to amend these bylaws.

PROVIDE INPUT ON THE FORMAT AND ITEMS TO BE PRESENTED FOR THE MPO ROLES AND RESPONSIBILTIES DISCUSSION AT THE FEBRUARY BOARD MEETING

RECOMMENDED ACTION: Provide input on the format and items to be presented for the MPO roles and responsibilities discussion at the February Board meeting.

At the November MPO Board meeting there was a request to have a future MPO Board discussion item on the roles and responsibilities of the MPO. The agenda item is planned for the February MPO Board meeting and we wanted to provide the Executive Committee members an opportunity to provide input on the discussion items to be presented and discussed, any research that we need to conduct before the meeting, documents or information that should be provided prior to the meeting and the format for presenting these items.

MPO PROJECT UPDATE

DISCUSSION ITEM:

The MPO staff will give an update on the ongoing MPO projects that include the following:

- TIGER Design Build project
- Round-a-bout Study
- Cape Coral Bicycle Pedestrian Master Plan

Agenda Item 9
MEC 2/10/16

INFORMATION AND DISTRIBUTION

a. Information on the new Federal Transportation Bill (FAST ï Fixing Americas Surface Transportation) that was approved on December 4, 2015

★★★ SUMMARY ★★★

FAST ACT

The Fixing America's Surface Transportation (FAST) Act is five-year legislation to improve the Nation's surface transportation infrastructure, including our roads, bridges, transit systems, and rail transportation network. The bill reforms and strengthens transportation programs, refocuses on national priorities, provides long-term certainty and more flexibility for states and local governments, streamlines project approval processes, and maintains a strong commitment to safety.

ROADS & BRIDGES

- Facilitates commerce and the movement of goods by refocusing existing funding for a National Highway Freight Program and a Nationally Significant Freight and Highway Projects Program
- Expands funding available for bridges off the National Highway System
- Streamlines the environmental review and permitting process to accelerate project approvals, without sacrificing environmental protections
- Eliminates or consolidates at least six separate offices within the Department of Transportation and establishes a National Surface Transportation and Innovative Finance Bureau to help states, local governments, and the private sector with project delivery
- Increases transparency by requiring the Department of Transportation to provide project-level information to Congress and the public
- Promotes private investment in our surface transportation system
- Promotes the deployment of transportation technologies and congestion management tools
- Encourages installation of vehicle-to-infrastructure equipment to improve congestion and safety
- Updates research and transportation standards development to reflect the growth of technology

PUBLIC TRANSPORTATION

- Increases dedicated bus funding by 89% over the life of the bill
- Provides both stable formula funding and a competitive grant program to address bus and bus facility needs
- Reforms public transportation procurement to make federal investment more cost effective and competitive
- Consolidates and refocuses transit research activities to increase efficiency and accountability
- Establishes a pilot program for communities to expand transit through the use of public-private partnerships
- Eliminates the set aside for allocated transit improvements
- Provides flexibility for recipients to use federal funds to meet their state of good repair needs
- Provides for the coordination of public transportation services with other federally assisted transportation services to aid in the mobility of seniors and individuals with disabilities
- Requires a review of safety standards and protocols to evaluate the need to establish federal minimum safety standards in public transportation and requires the results to be made public

HIGHWAY & MOTOR VEHICLE SAFETY

- Focuses funding for roadway safety critical needs
- Increases percentage of National Priority Safety Program states can spend on traditional safety programs
- Ensures more states are eligible for safety incentive grant funds and encourages states to adopt additional safety improvements
- Encourages states to increase safety awareness of commercial motor vehicles
- Increases National Highway Traffic Safety Administration civil penalties cap

- Increases funding for highway-railway grade crossings
- Requires a feasibility study for an impairment standard for drivers under the influence of marijuana
- Improves the auto safety recall process to better inform and protect consumers
- Increases accountability in the automobile industry for safety-related issues
- Prevents the rental of cars with safety defects

TRUCK & BUS SAFETY

- Overhauls the rulemaking process for truck and bus safety to improve transparency
- Consolidates truck and bus safety grant programs and provides state flexibility on safety priorities
- Incentivizes the adoption of innovative truck and bus safety technologies
- Requires changes to the Compliance, Safety, Accountability program to improve transparency in the FMCSA's oversight activity
- Improves truck and bus safety by accelerating the introduction of new transportation technologies

HAZARDOUS MATERIALS

- Grants states more power to decide how to spend training and planning funds for first responders
- Requires Class I railroads to provide crude oil movement information to emergency responders
- Reforms an underutilized grant program for state and Indian tribe emergency response efforts
- Better leverages training funding for hazmat employees and those enforcing hazmat regulations
- Requires real-world testing and a data-driven approach to braking technology
- Enhances safety for both new tank cars and legacy tank cars
- Speeds up administrative processes for hazmat special permits and approvals
- Cuts red tape to allow a more nimble federal response during national emergencies

RAILROADS

- Provides robust reforms for Amtrak, including reorganizing the way Amtrak operates into business lines
- Gives states greater control over their routes, by creating a State-Supported Route Committee
- Speeds up the environmental review process for rail projects, without sacrificing environmental protections
- Creates opportunities for the private sector through station and right-of-way development
- Consolidates rail grant programs for passenger, freight, and other rail activities
- Establishes a Federal-State Partnership for State of Good Repair grant program
- Strengthens Northeast Corridor planning to make Amtrak more accountable and states equal partners
- Allows competitors to operate up to three Amtrak long-distance lines, if at less cost to the taxpayer
- Strengthens passenger and commuter rail safety, and track and bridge safety
- Preserves historic sites for rail while ensuring that safety improvements can move forward
- Unlocks and reforms the Railroad Rehabilitation and Improvement Financing (RRIF) loan program
- Includes reforms to get RRIF loans approved more quickly with enhanced transparency
- Provides commuter railroads with competitive grants and loans to spur timely Positive Train Control implementation
- Provides competitive opportunities for the enhancement and restoration of rail service
- Increases the rail liability cap

ADDITIONAL PROVISIONS

- Includes strongly bipartisan measures to simplify rules and regulations, aid consumers, enhance our capital markets, assist low-income housing residents, and help build a healthier economy
- Includes bipartisan provisions to provide energy infrastructure and security upgrades
- Streamlines the review process for infrastructure, energy, and other construction projects

FINANCING PROVISIONS

- Includes fiscally responsible provisions to ensure the bill is fully paid for
- Ensures the Highway Trust Fund is authorized to meet its obligations through FY 2020
- Directs offsets from the FAST Act into the Highway Trust Fund to ensure fund solvency
- Reauthorizes the dedicated revenue sources to the Highway Trust Fund, which periodically expire

NARC
Building Regional Communities

FAST Act Reauthorization Proposal

<table>
<tr><th>Priorities</th><th>Existing Law (MAP-21)</th><th>Final FAST Act</th></tr>
<tr><td>Long-term, well-funded bill</td><td>Two-year reauthorization
MAP-21 had $105 billion in funding
$52.5 billion/year average
Became law in July 2012</td><td>Five-year reauthorization, fully paid for (though not with user fees)
DRIVE Act has $281 billion in new contract authority for the core surface transportation program; the total bill is approximately $305 million
$56.2 billion/year average
Uses a variety of pay-fors, including selling oil from SPR and using Federal Reserve surplus funds
Leaves a bigger funding cliff when the next reauthorization is debated</td></tr>
<tr><td>Surface Transportation Program/Surface Transportation Block Grant Program

NARC's position: NARC advocated for an increase in base funding for STP and an increase in the STP local share. Both of these are achieved in the FAST Act. Local funding under STP will increase by nearly $3.4 billion over five years compared to existing funding.</td><td>MAP-21 provided $20.1B for STP
Suballocation by population for 50% of the funds; other 50% "anywhere in the state"</td><td>Renamed Surface Transportation Block Grant Program (STBGP). This is not expected to result in any changes in how the program operates or funds are distributed.
FAST Act STBGPP Funding (after SPR and TAP are removed)
FY15: $9.9 billion (current year)
FY16: $10.0 billion
FY17: $10.2 billion
FY18: $10.4 billion
FY19: $10.7 billion
FY20: $10.9 billion
Five-year total: $52.2 billion (+6% compared to flat funding; +10% comparing FY20 to FY15)
Increases suballocation by population by 1% per year to 55% by 2020
FAST Act STBGP suballocation by year
FY15: $4.9 billion (current year)
FY16: $5.2 billion
FY17: $5.4 billion
FY18: $5.6 billion
FY19: $5.8 billion
FY20: $6.1 billion
Five-year total: $28.1 billion (+14% compared to flat funding; +23% comparing FY20 to FY15)
Bridge funding does <u>not</u> come off the top of STBGP
Maintains all existing eligibilities
Adds several new eligible project categories:</td></tr>
</table>

		o Safe routes to school; o Boulevards and other roadways largely in the right-of-way of former Interstate routes or other divided highways; o Workforce development, training, and education; o Projects that facilitate direct intermodal interchange, transfer, and access into and out of a port terminal; o Costs associated with providing Federal credit assistance (TIFIA); and o Public-private partnerships
Transportation Alternatives Program **NARC's position:** NARC *advocated to preserve TAP and increasing funding for the program, which the FAST Act accomplishes.* *We also supported 100% local share and obligation authority for TAP funds which the bill does not contain.*	• MAP-21 provided $1.6 billion for TAP (2% takedown of core programs) • Established that a competitive process is required to distribute funds • Set suballocation by population at 50%; remaining 50% anywhere in the state	• No longer called TAP. Now referred to as "STP set-aside" (we will continue to refer to it as TAP for the time being) • FAST Act TAP Funding o FY15: $820 million (current year) o FYs 16-17: $835 million per year o FYs 18-20: $850 million per year o No longer a takedown of core programs o Recreational Trails set-aside maintained as a portion of these funds • All core elements of the program and existing eligibilities are maintained • 50/50 suballocation is preserved (not the 100% local suballocation that the Senate bill contained) • Must continue to use a "competitive process" to distribute funds • MPOs over 200,000 population may flex 50% of TAP funds for use on any STP-eligible project • Adds requirement that MPOs must distribute funds "in consultation with the relevant state."
Metropolitan Planning Funding and Policy **NARC position:** *NARC advocated for a PL funding increase, and for a fix of the transit representation issue (see below), both of which are achieved in the FAST Act.* *We will continue to advocate for additional PL funds, but in the FAST Act PL grew in pace with the rest of the bill.*	• MAP-21 provided $625M for metropolitan planning	• FAST Act PL Funding o FY15: $313.6 million (current year) o FY16: $329.3 million o FY17: $335.9 million o FY18: $343.0 million o FY19: $350.4 million o FY20: $358.5 million o Five-year total: $1.7 billion (+10% compared to flat funding; +14% comparing FY20 to FY15) • Distribution of Metropolitan Planning (PL) funding continues to be based on the amount of PL a state received in 2009. • Intercity buses and bus facilities added to list of facilities that MPO plans and TIPs should consider (States too) • "Tourism" and "natural disaster risk reduction" are added to the list of issues on which MPOs are encouraged to consult • Adds to the list of issues that shall be considered as part of the planning process:

		o "Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater impacts of surface transportation;" and o "Enhance travel and tourism" • Adds "intercity bus facilities" to list of transportation facilities that must be identified in a transportation plan; adds to the requirements for capital investment a provision mandating consideration of ways to "reduce the vulnerability of the existing transportation infrastructure to natural disasters;" and adds to a section regarding transportation and transit enhancement a requirement that the plan include "consideration of the role that intercity buses may play in reducing congestion, pollution, and energy consumption in a cost-effective manner and strategies and investments that preserve and enhance intercity bus systems, including systems that are privately owned an operated." • Adds "public ports", "intercity bus operators", and "employer-based commuting programs" as interested parties that should be given reasonable opportunity to comment on the transportation plan. • Lists "intercity bus operators;" "employer-based commuting programs such as a carpool program, vanpool program, transit benefit program, parking cash-out program, shuttle program, or telework program;" and "job access projects" as examples of projects under the congestion management process. • Makes permissible the development of a Congestion Management Plan that "includes projects and strategies that will be considered in the TIP." Outlines a number of requirements that such a plan will contain and outlines which entities an MPO must consult with. • Does <u>not</u> strike the congestion management process (as the Senate bill had).
Transit Representation	• MAP-21 added a requirement that providers of public transportation be represented on the policy board of MPOs representing TMAs • Interpreted by DOT (in draft planning rule) to require a change to the enabling statute or MPO bylaws; and that it was impermissible for an elected official to represent their constituents while also serving as the transit representative	• Designation or selection of officials shall be determined by an MPO according to the its bylaws or enabling statute • Subject to the bylaws or enabling statute, a transit representative may also serve as a representative of a local municipality
Bridges **NARC position:** *NARC advocated for additional funding for locally owned bridges without harming suballocation levels under STP, which the FAST Act achieved.*	• MAP-21 eliminated the bridge program, leaving certain types of bridges without a funding source. • Off-system bridge set-aside was preserved, funded with approximately 7.5% of the STP "anywhere in the state" funds	• On-system, non-NHS bridges are now eligible under NHPP • Off-system bridge set-aside is preserved as in current law

Congestion Mitigation and Air Quality (CMAQ) **NARC position:** *NARC advocated for additional funding for CMAQ and for obligation authority of CMAQ. FAST Act grows CMAQ funding at a slower rate than the rest of the bill and does not include obligation authority.*	• MAP-21 provided $4.4 billion for CMAQ	• FAST Act CMAQ Funding o FY15: $2.2 billion (current year) o FY16: $2.3 billion o FY17: $2.3 billion o FY18: $2.4 billion o FY19: $2.4 billion o FY20: $2.4 billion o Five-year total: $11.8 billion (+6% compared to flat funding; +10% comparing FY20 to FY15) • Makes “vehicle-to-infrastructure communication equipment” and “port-related freight operations” eligible under CMAQ • Does <u>not</u> include language that would have potentially restricted how funds could be spent in nonattainment areas for PM2.5 • Provides that “priority consideration” of PM2.5 funding does not apply in states with a density of less than 80 persons per square mile under certain circumstances • Allows for the obligations of PM2.5 funds for port-related equipment and vehicles.