

CITY OF TREASURE ISLAND
BOARD OF COMMISSIONERS CAUSEWAY BRIDGE WORKSHOP NO. 2
AUGUST 4, 2003
7:00 p.m.

A. ROLL CALL:

Mayor Mary Maloof	Present
Commissioner Phil Collins	Present
Commissioner Irving S. Ellsworth	Present
Commissioner Richard Kraus	Present
Commissioner Barbara Blush	Vice-Mayor Present

B. DISCUSSION:

1. Mayor Maloof called the Causeway Bridge Workshop No. 2 to order at 6:00 p.m. and asked City Manager Chuck Coward to proceed with the program.
2. The City Manager explained that the program's focus would be on the key issues and financing options for replacement of the drawbridge.
3. Public Works Director Don Hambidge updated the Commission on the construction progress of the two fixed bridges. He pointed out what the engineers had learned about the structural design of the existing bridge during the recent demolition process.
4. Mr. Jim Phillips, the Bridge Design Engineer with E.C. Driver, reviewed the final design of the drawbridge and the timeline for the bridge replacement project. He stated that the current poor condition of the bridge is worsening at an accelerated rate. Mr. Phillips voiced concern that temporary closures may be necessary to effect repairs before the new bridge can be constructed. He also advised that the longer it takes to construct the new bridge, the more likely it will be that temporary closures will be necessary for repairs to the existing bridge.
5. The City Manager reviewed the initial funding plan as set forth in the 1998 feasibility study and pointed out changes that had occurred from outside influences since that time. He noted that a country-wide economic downturn has resulted in state and federal budget crises and a reduction of available grant resources.
6. The Public Works Director discussed pending grant applications with the federal and state governments. Mr. Ed Stultz of First Southwest (financial advisors) discussed state and federal loan programs. Mr. Louis Rotundo, the City's lobbyist, explained to the Commission the political factors which come

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to bear on the City's grant applications and he encouraged the Commissioners to stay in contact with key federal and state elected officials.

7. Mayor Maloof put forth the concept of philanthropy and encouraged interested parties to contact her regarding this financing vehicle. She pointed out that this option certainly has precedence in the U.S. and she expressed her hope that it could be beneficial to this project as well.
8. The Commission took a break at 6:57 p.m. and reconvened at 7:10 p.m.
9. After the break, the City Manager explained that the program would focus on local resources or controls that the community and the Commission have available for the drawbridge replacement project.
 - a. Mr. Phillips explained that the cost of the bridge could be reduced if the width of the main trail was reduced from ten feet to five feet (\$2 million), the architectural features were eliminated (\$1.8 million) and/or the toll plaza design was reduced from six lanes to four lanes (\$1.3 million). Together these items total \$5.1 million and represent about 10 % of the total project cost.
 - b. Mr. John Smolley and Mr. Ray Richard of Wilbur Smith Associates explained how the toll rates could be increased to both optimize and maximize the revenue from this source. They presented a \$60/\$1 option and a \$100/\$1 option using the existing toll collection system and also a \$1/\$0.37 option if we switch to a "per transaction" system. They explained that these three scenarios (and associated variables) would support a toll revenue bond issue ranging from \$22 million to \$28 million.
 - c. The City Manager addressed the LOISS fund and advised that as much as \$500,000 could be made available in each of the next five years.
 - d. The City Manager continued by presenting the possibility of a General Obligation (G.O.) bond issue that would involve the City pledging its full faith and credit (essentially its property taxes). He explained that this revenue source could be used to cover any costs of the bridge replacement project that are not covered by some other source, i.e.: toll revenues, grants, loans or philanthropy. The City Manager outlined Treasure Island's excellent financial position and pointed out that a \$25 million G.O. bond issue would require approximately 1.4 mills of property taxes. He stated that such an increase would still

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leave Treasure Island well below the average total mill levy in Pinellas County.


10. Mr. John Stokes, Bond Legal Counsel, addressed the Commission on matters associated with the issuance of municipal bonds and the requirements of the City Charter and state statutes. He advised that all bond issues must have the four-fifths approval of the City Commission and all G.O. bonds must be approved by the electorate.
11. Mr. John White, First Southwest (financial advisors) spoke on the underwriting requirements of the proposed bond issues and on the amount of bonds that might be issued given the various revenue sources. He specifically advised that the bond insurance and rating agencies have advised that they would like to see six months of actual revenue from any new toll rates before they determine their rating for our issue.
12. The City Manager summarized the meeting by reminding the Commission that if they desire to keep the drawbridge replacement project on the fast track that they must act by November 1, 2003 to raise toll rates and call for a G.O. bond election. Delays beyond that point will expand our opportunities for outside funding but will increase the possibilities of temporary (and possibly permanent) bridge closures.
13. After a question and answer period, between the City Commission and the assembled team of staff and consultants, the meeting was adjourned at 8:45 p.m.

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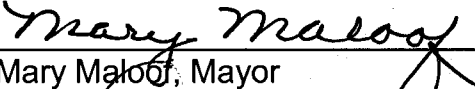
C. ADJOURNMENT:



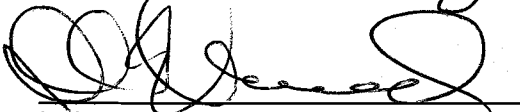
Phil Collins - District 1



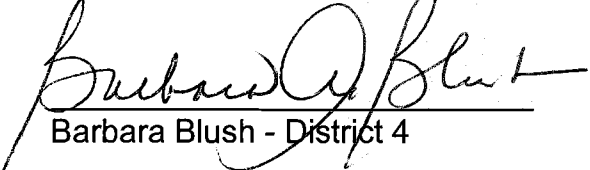
Richard Kraus - District 3



Mary Maloof, Mayor

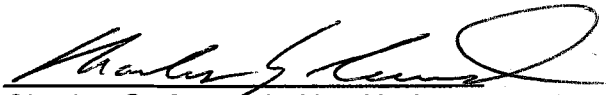


Irving S. Ellsworth - District 2



Barbara Blush - District 4

ATTEST:



Charles S. Coward, City Clerk