

EXECUTIVE SUMMARY

Recommendation that the Board approve staff's advertisement of an Ordinance amending Collier County Ordinance No. 2003-34 providing for the reimposition of the Ninth-Cent Local Option Fuel Tax upon its termination on December 31, 2025, effective January 1, 2026, and continuing through December 31, 2055.

OBJECTIVE: To obtain Board approval of staff's advertisement of an Ordinance providing for the reimposition of the Ninth-Cent Local Option Fuel Tax as provided for in Section 336.021, Florida Statutes, upon its termination on December 31, 2025, through and including the year 2055.

CONSIDERATIONS: Section 336.021, Florida Statutes, provides for the levy of a Ninth-Cent local option fuel tax upon every gallon of motor fuel and special fuel sold in the County and taxed under the provisions of Chapter 206, Florida Statutes. The levy of the Ninth Cent Fuel Tax was originally approved by the voters through a referendum election held March 11, 1980, as authorized by Section 336.021, Florida Statutes. On June 3, 1980, Collier County enacted Ordinance 80-50 providing for the levy of the Ninth-Cent Fuel Tax with a 30-year expiration set forth in the referendum. Ordinance 2003-34 was adopted on June 24, 2003 approving an extension through December 31, 2025.

The current Transportation five-year Capital Improvement Element ("CIE") has a projected shortfall in excess of \$200 million. Pursuant to strategy outlined in the Board-approved FY 2023 Budget Policy, it is recommended that the Ninth-Cent Local Option Fuel Tax be reimposed an additional 30 years to December 31, 2055, to provide the organization with financing flexibility. Reimposing the Ninth-Cent Local Option Fuel Tax upon expiration on December 31, 2025, positions the County to capitalize on low interest rates; greater coverage ratios; and an extended repayment horizon which increases funding capacity. Bond proceeds would fund identified transportation system assets deemed "poor" in the inventory, transportation system capacity improvements, and expansion of the eastern Collier County transportation grid. Projects identified in the five-year CIE that could be financed include Collier Boulevard (Green Boulevard to Main Golden Gate Canal), Vanderbilt Beach Road Extension, Goodlette Road (Vanderbilt Beach Road to Immokalee Road), Wilson Boulevard (Golden Gate Boulevard to Immokalee Road), and Randall Boulevard (8th Street to Everglades Boulevard).

Section 336.021, Florida Statutes, provides that extensions and reimpositions of the Ninth-Cent Local Option Fuel Tax may only be extended by a super-majority vote of the members of the Board.

Staff had previously expressed its intent to seek to amend the Ninth-Cent Local Option Fuel Tax by reimposing that tax at the Board's May 24, 2022 meeting (Agenda Item 11.B). In order to ensure that this item would be timely legally advertised, staff presented the advertisement to the Naples Daily News in advance of this item coming to the Board. Staff reached out to the Naples Daily News on Monday June 20, 2022, to confirm that publication would take place on June 29th subject to the Board's approval, only to learn that the newspaper had already scheduled it for publication on June 22nd and that it could not withdraw that publication date.

Staff requests that the Board approve staff's legal advertisement of a proposed Ordinance amendment that would be brought back for the Board's consideration at its July 12, 2022 meeting, along with proposed Ordinance Amendments reimposing the Five-Cent and Six Cent Local Option Fuel Taxes, as previously authorized by the Board.

06/28/2022

FISCAL IMPACT: Revenues generated from the Ninth-Cent Local Option Fuel Tax total approximately \$1.8 million annually. The reimposition of the Ninth-Cent Local Option Fuel Tax will provide for funding flexibility and allow for debt service payments related to future transportation related financing, excess funding would be programmed annually for pay as you go transportation network capital and maintenance consistent with statutory guidelines. Fuel tax revenues are deposited within Gas Tax Fund (313).

GROWTH MANAGEMENT IMPACT: The additional Ninth-Cent Local Option Fuel Tax is a principal revenue source of the Transportation Element in the Collier County Growth Management Plan.

LEGAL CONSIDERATIONS: This item is approved as to form and legality, and requires majority vote for Board approval.-SRT

RECOMMENDATION: That the Board approve staff's legal advertisement of an Ordinance amending Collier County Ordinance No. 2003-34 providing for the reimposition of the Ninth-Cent Local Option Fuel Tax upon its termination on December 31, 2025, effective January 1, 2026, and continuing through December 31, 2055, to be brought back for approval at the Board's July 12, 2022 meeting.

Prepared by: Ed Finn, Director, Office of Management and Budget

COLLIER COUNTY
Board of County Commissioners

Item Number: 16.F.7

Doc ID: 22612

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Meeting Date: 06/28/2022

Prepared by:

Title: – Office of Management and Budget
Name: Debra Windsor
06/20/2022 3:25 PM

Submitted by:

Title: Director - Facilities Management – Facilities Management
Name: Ed Finn
06/20/2022 3:25 PM

Approved By:

Review:

County Attorney's Office	Scott Teach	Level 2 Attorney Review	Completed	06/21/2022 11:08 AM
Office of Management and Budget	Debra Windsor	Level 3 OMB Gatekeeper Review	Completed	06/21/2022 11:14 AM
County Attorney's Office	Jeffrey A. Klatzkow	Level 3 County Attorney's Office Review	Completed	06/21/2022 11:50 AM
Growth Management Operations Support		Christopher Johnson	Additional Reviewer	Completed
Facilities Management	Ed Finn	Additional Reviewer	Completed	06/21/2022 6:05 PM
County Manager's Office	Dan Rodriguez	Level 4 County Manager Review	Completed	06/22/2022 12:45 PM
Board of County Commissioners	Geoffrey Willig	Meeting Pending		06/28/2022 9:00 AM