



City of Tarpon Springs, Florida

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MARK G. LECOURIS
CITY MANAGER

MEMORANDUM

TO: Honorable Mayor and Board of Commissioners

FROM: Mark G. LeCouris, City Manager

DATE: November 7, 2011

SUBJECT: Purchase of Linger Longer Property

After receiving the interim assessment from Cardno TBE, I believe enough information has been received to give you my recommendation on this project. While it may seem premature with all the information not being in, I want to give enough time to all involved to evaluate my decision.

When asked on November 15th whether to continue this project and send it to voter referendum, the overwhelming factual evidence convinces me that you should not proceed and void the agreement for purchase of this property.

At this time, I only want to comment on the information in the preliminary report that is available to the City Commission and public. First, some facts from the Cardno TBE interim assessment that would warrant you abandoning this project:

1. Dredging under Boat Ramp Permittability (Page 2). The report states that the “bathymetric indicates insufficient water depths”. Dredging would definitely be mandatory and a minimum depth of 4.0’mean low water would be required for federal permits. The report goes on to state the additional requirements that dredging triggers. It is not “a little bit” of dredging as some people have stated, in fact, the report indicated on the bottom of Page 4 that “substantial dredging would appear to be required”. The estimate is that up to 4000 cubic yards may have to be dredged out of this area.

By comparison, our previous dredging of all the bayous netted just over 5000 cubic yards of material. These facts allow Henry Ross or any other citizen to contest the dredging and the expectation of legal challenges could tie up this project for years at great legal expenses to the City.

2. Environmental Site Assessment. There are many concerns in this area that are potential problems concerning this site. This preliminary report finds four (4) Recognized Environmental Conditions (REC) that warrant additional investigation. Those four are the on-site domestic wastewater treatment facility, nearby petroleum storage facility, potential impacts related to on-site pavement (slag potential), and potential impacts of on-site debris. It is clear from this that the Commission or the voters could not make an informed decision without a Phase II Environmental Assessment. This would necessitate a large expenditure of additional money and time to complete. I certainly can't recommend this additional expenditure at a further cost to the taxpayers.
3. Boat Ramp Costs. The estimated costs for the boat ramp facility alone are approximately one and a half million dollars (\$1,516,007.50). This is the cost for only the boat ramp, not any site work on the other 16 acres. There are also three exclusions that could add additional cost; (a) any work with handling and removal of unsuitable contaminated and hazardous materials; (b) any work associated with removal and/or relocation of endangered species; and, (c) any work associated with biological, ecological or environmental and traffic studies.
4. Size of Boat Launch. While the initial hope was to have a four lane boat ramp, the diagram shows the ability to have two lanes of availability. Some may be satisfied with at least having the two docks on each end. An additional concern with this configuration is a statement on Page 3 that the "Boat Ramp" must be set back 25' from riparian lines unless a waiver is obtained from the adjoining property owner. Could this be an issue on the dock closest to the property line? This factor would have to be further investigated.

These are the issues of concern from the Cardno TBE Report. I now want to focus on my original Staff Report from September 6, 2011 dealing with the issue of price and how this report confirms my doubt of the financial feasibility of this project.

The four million dollar price tag with additional costs to be stated later in this memo is too large in these challenging economic times. It is very telling to look at the Penny for Pinellas projection if this project continues. Where is the money going to come from for the boat ramp or any other property improvements? I don't believe it can come from the Penny as there will be other needs over the next several years.

In these economic times with all the uncertainty, look at the facts on the cost:

Land Purchasing and Financing	\$4,550,000.00 approx.
Boat Ramp Construction	\$1,516,000.00 approx.
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	\$6,066,000.00

We are presently preparing estimates of the cost to just make the rest of the land a park with limited amenities. Preliminary estimates indicate that cost could be between \$700,000 and \$1,000,000. This added to the above numbers brings the financial commitment to approximately \$7,000,000. Remember, only the four million five hundred and sixty thousand has been accounted for in the Penny for Pinellas projections. This would mean to pay for those costs, you would have to subtract approximately \$2,500,000 from the ending working capitol projections. In addition, if you added one ball field (senior league baseball dimensions) the cost would be approximately \$400,000 to \$500,000 with an additional \$100,000 to add lights. With the field including lights, the total additional costs would be approximately \$3,100,000.

The realization is that there will be additional projects and equipment that will have to be added from FY2013 to FY2016 on the CIP list. There are also many projects that have been talked about to better the City. Additional costs which could be added to the CIP includes:

1. Additional police cars.
2. Craig Park renovations.
3. Court Street improvement project.
4. Phase Two Sponge Docks improvements.
5. Additional seawall work
6. Additional sidewalk, street, playground projects.
7. Additional City Hall building improvements.
8. Additional storm water projects.
9. Historical landmark improvements.
10. Livable walk-able community projects.
11. "Green projects".
12. Others that may come up in the next 3-4 years.

To close, my recommendation does not consider the information on revenue generation which we will be receiving later this week. Whether it's an RV park, restaurant, bait shop, boat storage facility or any other business, I do not believe the City should be delving in private enterprise, especially in these uncertain economic times.

I fully understand the Board of Commissioners must consider this in their decision making process. There will also be more information being received that will be immediately forwarded to you for your consideration. My recommendation is to not proceed with the purchase and referendum, instructing the City Attorney to take necessary steps to void the purchase contract.