

**HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS**

**BILL #:** HB 1747                      Canaveral Port District/ Brevard Co.  
**SPONSOR(S):** Representative Allen  
**TIED BILLS:** None.                      **IDEN./SIM. BILLS:** None.

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Local Government & Veterans' Affairs		Morris	Cutchins
2)			
3)			
4)			
5)			

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**SUMMARY ANALYSIS**

The Canaveral Port District (CPD) in Brevard County is an independent special district, which is governed by the Canaveral Port Authority (CPA). The CPA represents the five port regions within the county and has jurisdiction over all fiscal and regulatory policies and operations of the port.

The bill increases the amount of money the authority may use to lease lands, personal properties, and facilities, or encumber personal properties and facilities from \$10,000 to \$1 million, for a period not to exceed five years in order to secure the note or notes of the authority. The CPA must publish notice in a newspaper of general circulation if it is planning on leasing a property or encumbering personal property for more than \$1 million.

The CPA's charter provides a method of petition and referendum by qualified electors if the authority exceeds the specified limitations for leases or encumbrances.

This bill increases the CPA's authority to issue contracts for construction, improvement, repair, building, goods, supplies, and materials contracts from \$15,000 to \$50,000, before the need to advertise in a newspaper of general circulation.

This bill also increases the reasonable expectation cost range for construction, improvements, and supplies in which the port manager is required to follow certain bidding procedures. The current range is between \$5,000 and \$15,000. This bill changes the range to \$10,000 to \$50,000.

According to the economic impact statement, there will be no impact on individuals, businesses, or governments.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

The Canaveral Port District (CPD) in Brevard County is an independent special district pursuant to s. 189.429, F.S., which is governed by the Canaveral Port Authority (CPA) comprised of five elected commissioners. The CPA represents the five port regions within the county and has jurisdiction over all fiscal and regulatory policies and operations of the port.

The CPA has the power and authority, by majority vote, to lease lands, personal properties, and facilities. The bill increases the amount of money the authority may use to lease lands, personal properties, and facilities, or encumber personal properties and facilities from \$10,000 to \$1 million, for a period not to exceed five years in order to secure the note or notes of the authority. The CPA must also advertise in a newspaper of general circulation, published within the district, stating the terms and amount to be paid when it plans on spending more than the new \$1 million cap and will be unable to secure the note or notes of the district for a period of more than five years. The charter provides a method of petition and referendum by qualified electors if the authority exceeds the specified limitation.

Currently, the authority may issue construction, improvement, repair, building, goods, supplies, and materials contracts for projects that do not exceed \$15,000 without public notice. This bill increases the CPA's authority to issue a contract for said contracts from \$15,000 to \$50,000, before the need to advertise in a newspaper of general circulation.

Currently, if there is reasonable expectation that the cost(s), under section 1 of article XVII of the CPA's charter relating to contracts and competition, for any construction, improvement, repair, building, goods, supplies, and materials cost between \$5,000 and \$15,000, then the port manager or a designee shall:

- Obtain at least three telephonic bid offers to perform such work or furnish such property from at least three independent persons or business entities responsible in the subject business endeavor under consideration.
- Make a record of the offers.
- After obtaining and recording such offers, award the contract to the lowest responsible bidder of those solicited as provided in this article.

This bill increases the reasonable expectation cost range to \$10,000 to \$50,000. Therefore, the port manager will not be required to issue bids for said projects under \$10,000.

#### C. SECTION DIRECTORY:

**Section 1** amends section 16 of Article IV, sections 1 and 2 of Article XVII, and section 1 of Article XVIII of section 3 of ch. 2003-335, L.O.F., relating to the CPD.

Section 16 of Article IV increases the amount of money the authority may use to lease lands, personal properties, and facilities, or encumber personal properties and facilities from \$10,000 to \$1 million, for a period not to exceed five years in order to secure the note or notes of the authority. The CPA must also advertise in a newspaper of general circulation when it plans on spending more than the new \$1 million cap and not securing the note or notes of the authority for a period of more than five years.

Section 1 of Article XVII increases the CPA's authority to issue a contract for construction, improvement, repair, building, goods, supplies, and materials from \$15,000 to \$50,000.

Section 2 of Article XVII amends the reasonable expectation cost range of \$5,000 to \$15,000, to \$10,000 to \$50,000.

Section 1 of Article XVIII, restates earlier provisions relating to leases and encumbrances, by authorizing qualified electors to petition for a referendum pursuant to Article IV, section 16, subsection (c) of this act, if the authority plans an encumbrance of more than \$1 million for a period exceeding five years for land, personal properties, or facilities.

**Section 2** provides that this act shall take effect upon becoming a law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN?

January 30, 2004.

WHERE?

The *Florida Today*, published in Brevard County, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

According to the economic impact statement, there will be no impact on individuals, businesses, or governments.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

There does not appear to be constitutional issues in this bill.

B. RULE-MAKING AUTHORITY:

This bill does not appear to effect rule making authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Articles IV and XVIII both address the limits on the amount of money the authority may spend on leases and provide petition and referendum procedures for qualified electors. Article IV requires a petition signed by ten percent of the qualified electors but Article XVIII requires a petition signed by one percent of the qualified electors. The CPA attorney supports an amendment to correct what was originally intended in the district's charter, by requiring a ten percent petition signed by the electors.

**IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES**