

**CITY OF RIVIERA BEACH  
PALM BEACH COUNTY, FLORIDA  
CITY COUNCIL WORKSHOP MINUTES  
MONDAY, JUNE 25, 2012 AT 5:00 P.M.  
MUNICIPAL COMPLEX CITY COUNCIL CHAMBERS**

(The following may contain inaudible or misunderstood words due to the recording quality.)

CHAIRPERSON BROOKS: Officer, would you close the door for us, please? Oh, good evening, ladies and gentlemen, and welcome to our budget workshop. We need you to turn down your cell phones or turn them off if you have them on, please. Madam Clerk, may we have the roll call?

CITY CLERK WARD: Yes, ma'am. Mayor Thomas Masters? Chairperson Billie Brooks?

CHAIRPERSON BROOKS: Yes.

CITY CLERK WARD: Chair Pro –

CHAIRPERSON BROOKS: Present.

CITY CLERK WARD: Chair Pro Tem Dawn Pardo?

CHAIR PRO-TEM PARDO: Present.

CITY CLERK WARD: Councilperson Cedric Thomas.

COUNCILPERSON THOMAS: Present.

CITY CLERK WARD: Councilperson Judy Davis?

COUNCILPERSON DAVIS: Here.

CITY CLERK WARD: Councilperson Shelby Lowe.

COUNCILPERSON LOWE: Here.

CITY CLERK WARD: City Manager Ruth Jones?

CITY MANAGER JONES: Present.

CITY CLERK WARD: City Clerk Carrie Ward is present. City Attorney -- Attorney Pamala Ryan?

CHAIRPERSON BROOKS: Is she coming?

CHAIR PRO-TEM PARDO: Yeah, I think she -- yeah, she was just downstairs. I think she was grabbing some books.

CITY CLERK WARD: You may proceed, Madam Chair.

CHAIRPERSON BROOKS: Okay. We will now stand for the invocation and pledge by -- done by Miss Pardo, please?

Everyone stood for the Invocation and Pledge of Allegiance being led by Chair Pro Tem Pardo).

CHAIRPERSON BROOKS: If there are any comment cards that need to be brought forth, please do so. We have one. And Miss Ryan is present. Miss Jones, would you please give us the purpose of the workshop?

CITY MANAGER JONES: Yes, Madam Chair. Um, members of Council, let me say thank you for, um, attending our monthly workshop as it relates to the budget and the budget preparation. Um, what we will present to you tonight is the preliminary, um, budget. Uh, we will give you an overview of the estimates of the revenue and expenditures. Um, at this point there is no recommendation for a millage change. Um, so we're not looking to increase the millage at all, um, but we will talk about the general fund, the enter -- and the enterprise funds.

You are -- you will receive from me by the established date by statute the final preliminary budget, a proposed budget, by July the 30<sup>th</sup>. We have two other workshops in the month of August; August -- I believe it's the 6<sup>th</sup> and the 13<sup>th</sup>.

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: In addition, we will have the two public hearings in September, prior to your approval of the budget. Things are not great, but they're not as bad as they've been.

CHAIRPERSON BROOKS: That's very --

CITY MANAGER JONES: They're getting better.

CHAIRPERSON BROOKS: Good, good.

CITY MANAGER JONES: And so I would like now to ask Karen Hoskins, our Interim Finance Director, to take you through, uh, the presentation. Um, we do have, uh, one public comment card, but I would just like to reiterate, if there are members of the public present that would like to speak, please fill out a public comment card.

CHAIR PRO-TEM PARDO: Um, Madam Chair?

CHAIRPERSON BROOKS: Yes, Miss Pardo?

CHAIR PRO-TEM PARDO: All right. I'd like to make a comment, and give everyone something to think about. Every year -- every year we have a retreat, a one or two day retreat where we plan our strategy for the following year. And I was thinking since we're having two workshops in July, could we use --

CITY MANAGER JONES: August.

CHAIR PRO-TEM PARDO: I'm sorry. In August. Could we use one of those workshops as a retreat, so -- or maybe do a, you know, have a retreat in toward the end of July, um, just so we're all on the same page where we think the City should be moving next year? And then maybe incorporate that into the budget, instead of having a retreat after the budget --

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO-TEM PARDO: -- is already fixed.

CHAIRPERSON BROOKS: Which would then give us an opportunity to --

CHAIR PRO-TEM PARDO: Right.

CHAIRPERSON BROOKS: -- fully discuss --

CHAIR PRO-TEM PARDO: To discuss and --

CHAIRPERSON BROOKS: -- and share ideas.

CHAIR PRO-TEM PARDO: Exactly. And then if we needed to -- you know, if we came up with a priority, then maybe, you know, manipulate the budget in a certain way where, you know, we'd be able to either fund or get rid of something. So, um, I -- you know, I'd just like everyone to think about that and -- and then, you know, maybe at the end of the meeting we can discuss it again.

CHAIRPERSON BROOKS: Oh, okay. Very good idea.

CHAIR PRO-TEM PARDO: Okay. All right. Thank you.

CHAIRPERSON BROOKS: We -- we can look at our calendars then.

CHAIR PRO-TEM PARDO: Perfect. Thank you.

CHAIRPERSON BROOKS: And Miss Hoskins, you gave another copy. Is this the one with the revised fee schedule?

FINANCE DIRECTOR HOSKINS: Correct.

CHAIRPERSON BROOKS: Okay. So what we have in our books just ignore that and we will use this as –

FINANCE DIRECTOR HOSKINS: Yes, yes.

CHAIRPERSON BROOKS: -- our document for this workshop.

FINANCE DIRECTOR HOSKINS: Correct.

CHAIRPERSON BROOKS: Okay. So everyone should have, uh, a copy that was just sent to you. So what you have in your book, you know, just ignore that. We're gonna use this as our, um –

UNIDENTIFIED SPEAKER: Are there many changes from the book?

INTERIM FINANCE DIRECTOR HOSKINS: No, just the –

UNIDENTIFIED SPEAKER: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- uh, added revised (inaudible).

UNIDENTIFIED SPEAKER: Oh, just the fee schedule stuff.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Good evening.

CHAIR PRO-TEM PARDO: Good evening.

CHAIRPERSON BROOKS: Good evening.

INTERIM FINANCE DIRECTOR HOSKINS: Karen Hoskins, Interim Director of Finance. What you have before you, um, you have the, um, information that was given out last Monday with the detail information, and then you also have a PowerPoint presentation. And the PowerPoint presentation just gives you a summary, uh, format of what you have of detail.

So I'll start out with the, uh, millage, the, um, PowerPoint presentation, which the first page shows the, um, assessed property values and -- and, um, millage rates. And it gives you a history back to 2007. On June 1, we received our estimated, um, preliminary taxable value from the Property Appraiser, and they've estimated that our property taxes, property values, will be \$2,964,000,000. That's down 1.97 percent from current year. So our assessed values are projected to be down from current year by 1.97 percent. Our current year final taxable value was \$3,024,000,000. And this, uh, assumes the same millage rate of 8.998 mills.

On July 1, we will -- we will receive the, uh, preliminary value from the Property Appraiser, and I don't expect that number to change. But on July 1 we will receive the preliminary value from the Property Appraiser. July 1 starts the TRIM process, where we'll start, uh, going into our TRIM process where we have to have the -- have to set the maximum millage, which that will be a special meeting in July, and I believe you all set that day for July 23<sup>rd</sup>, where --

CHAIRPERSON BROOKS: Right.

FINANCE DIRECTOR HOSKINS: -- where we'll be setting the maximum millage, the, um, first date of the public hearings in September, and we are responsible for calculating the roll-back rate. So at that meeting you will be setting the first public hearing, um, in July.

Preliminary general fund revenues for fiscal year 2012/2013. For fiscal year 2013, our ad valorem taxes, we're projecting our ad valorem taxes to be \$25,636,805, and this is based on using the same millage rate of 8.998 mills, and this figure includes the CRA. Um, of that 26 million -- um, 25 million -- I'm sorry -- 636, we're projecting 25,336,805 in property, um, tax revenues and, um, we're projecting approximately \$300,000 in delinquent taxes. So that gives us a number of 25,636,805, and that's a percentage of 2.19 percent down from, um, current year of \$26,211,191.

For other taxes we're projecting other taxes total -- and this is summary; you have the detail, um, back in your notebook or the, um, additional handout -- to be up by 2.23 percent. So we're projecting other taxes which make up, um, the local option fuel tax, utility tax for electric, um, water, utility, gas, sales tax, simplified communications -- we're projecting that to be up slightly by 2.23 percent. That's 7,838,320 above the current budget of 7,667,196.

For franchise fees we're projecting, um, a flat number for that, um, category. Our current budget is \$2,540,000. We're projecting that, uh, revenue -- um, those revenue items to be flat of \$2,540,000. So no increase compared --

CHAIRPERSON BROOKS: Let me just --

INTERIM FINANCE DIRECTOR HOSKINS: -- to current year.

CHAIRPERSON BROOKS: -- interrupt you. If -- if you're following along with, um, the earlier handout, she would be on page five as we're going through other taxes, if that will help you in following along where she is right now.

INTERIM FINANCE DIRECTOR HOSKINS: Thank you.

CHAIRPERSON BROOKS: Okay. Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: And again, these numbers are very preliminary. They will be updated as we get closer to, um, September and October, uh, from the State and as revenues continue to, um, come in.

For franchise fees -- um, I'm sorry. Moving to other fees, permits, and licenses, which is the, um, fourth line item, we're projecting for next year \$3,142,819, compared to

our current year budget of \$3,569,822, and that's down over current year of -- down by approximately 12 percent. The other -- other revenues make up, uh, building permits.

Um, we have quite a few contracts that we've got notification, police services contracts that we've got notification, will not be renewed for, um, Sonoma Bay, um, the CRA. They're revising their, um, agreement with the police department, so that, uh, number has been taken out and, uh, Marsh Harbor, that number has been taken out. So that's why that particular category is down for --

CHAIRPERSON BROOKS: So they will --

INTERIM FINANCE DIRECTOR HOSKINS: -- next year.

CHAIRPERSON BROOKS: -- not be renegotiating an agreement with us any longer? Is that what you're suggesting? Or it just hasn't been done?

INTERIM FINANCE DIRECTOR HOSKINS: Well, for the CRA and the police department, um, it has not been done.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: But for, uh, Sonoma Bay, they will not be, um, having an agreement, a police services agreement with us for next year.

CHAIRPERSON BROOKS: Okay. Thank you.

COUNCILPERSON: What about Marsh Harbor?

INTERIM FINANCE DIRECTOR HOSKINS: Marsh Harbor, no, not for next year.

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON BROOKS: Yes, uh-huh.

COUNCILPERSON DAVIS: Did -- did you just say, uh, in total, other fees, there was a decrease of 12 percent?

INTERIM FINANCE DIRECTOR HOSKINS: Yes. Other fees, uh, permits, and licenses.

COUNCILPERSON DAVIS: Oh, okay. So you combined the three. Okay. But that -- okay. So is that figure included in the 3,142,819? I mean, the permits and licenses? Is that included --

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON DAVIS: -- in this? And so you -- it's 12 percent from the 33.5 million?

INTERIM FINANCE DIRECTOR HOSKINS: 30 -- the three million five sixty-nine is, um, we're projecting for next year three million one forty-two.

COUNCILPERSON DAVIS: Okay. And that does --

INTERIM FINANCE DIRECTOR HOSKINS: So that's approximately 12 percent down.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON DAVIS: All right.

INTERIM FINANCE DIRECTOR HOSKINS: Grants and other shared revenue, um, that includes State revenue sharing, um -- let's see -- um, the, um, highway light reimbursement and State sharing for, um, gas tax refund, we're projecting that to be, uh, 1,237,114, compared to budget for current year of 1,462,104. And that's down approximately 15 percent. And that's --

CHAIR PRO-TEM PARDO: Madam Chair?

FINANCE DIRECTOR HOSKINS: -- due to --

CHAIRPERSON BROOKS: Yes, Miss, uh --

FINANCE DIRECTOR HOSKINS: -- um --

CHAIRPERSON BROOKS: Miss Hoskins, just one minute.

FINANCE DIRECTOR HOSKINS: -- the --

CHAIRPERSON BROOKS: Oh.

CHAIR PRO-TEM PARDO: All right. No. That's fine. That's what I wanted to know.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. That's due to -- this includes the, um, CRA Clean & Safe program. We originally had \$225,000 budgeted. We budgeted zero for next year.

For fines, the next category, uh, we're projecting a budget of \$231,500, compared to a budget, current year budget of \$521,500. That's down 55 percent, and that's due to, um, the red light cameras are being zeroed out for next year. The, uh, fines for Code Enforcement, we reduced that from 100,000 to 70,000. So that revenue, we're projecting a reduction of, uh, approximately 55 percent.

For rent and leases we're projecting a budget of a hundred -- \$151,100, compared to \$101,100 of current year. So that figure is up, and that's due to, um, renegotiation of the, uh, police tower lease contract that we have with, um, AT&T. And that's up by about 50 percent.

Other revenues, we're projecting for fiscal year 2013 a total of 1,487,737 compared to a current year budget of \$895,248. That budget is up by about 66 percent, and that's due to -- let's see -- duh, duh, duh, duh --

UNIDENTIFIED SPEAKER: CRA revision (inaudible).

INTERIM FINANCE DIRECTOR HOSKINS: Right. The CRA, um, BAN repayment of 624,594, and that's just a -- a reclassification of revenues.

CHAIRPERSON BROOKS: What is the CRA-BAN payment, repayment?

UNIDENTIFIED SPEAKER: (Inaudible).

INTERIM FINANCE DIRECTOR HOSKINS: That's the, um -- a loan that we're paying on behalf of the CRA, and they're reimbursing us.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON THOMAS: Madam Chair?

CHAIRPERSON BROOKS: Yes, uh, Mr. Thomas?

COUNCILPERSON THOMAS: And what specifically is that loan for?

INTERIM FINANCE DIRECTOR HOSKINS: Um, it was for a bond anticipation notes that they got back in 2005/06 of \$7,000,000, um, that they borrowed, and the City ended up taking on the loan, um, to repay those -- that debt for them, and they're reimbursing us as we pay it back.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON LOWE: How much longer do we have service on that debt?

INTERIM FINANCE DIRECTOR HOSKINS: Um, approximately 15 more years.

CHAIRPERSON BROOKS: Um.

COUNCILPERSON LOWE: 15 more years?

INTERIM FINANCE DIRECTOR HOSKINS: Yes, sir.

COUNCILPERSON LOWE: Do you happen to know the balance of that?

INTERIM FINANCE DIRECTOR HOSKINS: No, but I can get that for you. Um, moving on to Inter-fund Transfers, we're projecting a, um, budget of 4,128,194, compared to a current year budget of \$4,084,168, and that's up due to, um -- up by 1.08 percent. That's

the up due to the Admin fee for trash and garbage, um, which I believe it's -- it includes, like, a, um, 3 percent increase from, um, current year trash and garbage, um, Admin fee is 1,467,544, compared to next year 1,511,570. So that's, um, up by 3 percent.

So our projected budget for fiscal year, um, 2013, is 46,343,589, compared to our current year budget of \$47,072,329. And that's a -- that's down by a total of 1.44 percent. Are there any questions on the, um, revenue projections for next year? And again, these are very preliminary.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: As I said, they'll continue to change, uh, the closer we get to October. Uh, we'll get the State -- um, State numbers in soon, and as these revenues continue to come in, we'll make adjustments.

CHAIRPERSON BROOKS: Um, Miss Hoskins --

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: -- we are -- okay. We are being very conservative, I hope, in this.

INTERIM FINANCE DIRECTOR HOSKINS: Yes, ma'am.

CHAIRPERSON BROOKS: So that -- okay. Uh-huh. Okay. Mr. -- Mr. Lowe?

COUNCILPERSON LOWE: Yeah, I was gonna make that point out that we are being very conservative. Um, just doing some rough numbers here, just looking at, uh, the projections from the State and, you know, the money that we realized from overpaying the insurance, the 1.75 million and, um, I think it's a grant over at -- well, it's a, uh, a bond over at the marina that's due to expire this year, as well. Right? How much --

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: -- is that for?

INTERIM FINANCE DIRECTOR HOSKINS: Approximately \$550,000.

COUNCILPERSON LOWE: Right. So that puts us about 2 million in the -- in the plus, if I'm thinking correctly. Is that yes or no?

INTERIM FINANCE DIRECTOR HOSKINS: Um, you're -- you're right on the \$1.1 million for the, um, police pension credit. The, um, marina, the \$500,000 -- \$550,000, yes, and that's paid by the marina. So, uh, we only, um, fund the marina as if they have a deficit at the end of the year and, um, we're projecting not to have a deficit, so, um --

COUNCILPERSON LOWE: But it does make a difference --

INTERIM FINANCE DIRECTOR HOSKINS: Correct, it does.

COUNCILPERSON LOWE: -- this (inaudible) --

INTERIM FINANCE DIRECTOR HOSKINS: It does.

COUNCILPERSON LOWE: And then we, um -- I was looking over your numbers here in terms of property value increase of 9 million. It's, uh --

CHAIRPERSON BROOKS: What page (inaudible)?

COUNCILPERSON LOWE: It's in the, uh, booklet, I think. Yeah, estimate -- estimate of net new construction is 9 million.

INTERIM FINANCE DIRECTOR HOSKINS: Yes. That --

COUNCILPERSON LOWE: Is that your estimate or the, uh --

INTERIM FINANCE DIRECTOR HOSKINS: The Property Appraiser's estimate.

COUNCILPERSON LOWE: Okay. So that's about roughly another \$950,000 --

INTERIM FINANCE DIRECTOR HOSKINS: And --

COUNCILPERSON LOWE: -- that we realize, right?

INTERIM FINANCE DIRECTOR HOSKINS: Correct. And that number is already included in these numbers, in the ad valorem tax calculation.

COUNCILPERSON LOWE: So that's already included in it.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: Okay. How much -- what -- what, uh -- how big a difference do you think the July numbers will be? You don't anticipate --

INTERIM FINANCE DIRECTOR HOSKINS: I don't --

COUNCILPERSON LOWE: -- them going down?

INTERIM FINANCE DIRECTOR HOSKINS: No.

COUNCILPERSON LOWE: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: No. I pray that they stay right the same.

COUNCILPERSON LOWE: Okay. If they stay right where they are everything's manageable.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: Okay. Thank you.

CHAIRPERSON BROOKS: Any other questions? Okay, Miss Hoskins.

CHAIR PRO-TEM PARDO: I'm -- I'm sorry.

CHAIRPERSON BROOKS: Oh.

CHAIR PRO-TEM PARDO: I have a question. Palm Beach Shores, we provide Fire-Rescue -- not Fire-Rescue. We provide Rescue services to them.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CHAIR PRO-TEM PARDO: Uh, when is that contract up?

INTERIM FINANCE DIRECTOR HOSKINS: It's, um a three -- two-year contract?

CHAIR PRO-TEM PARDO: And, well --

CHAIRPERSON BROOKS: I knew that was just (inaudible).

CHAIR PRO-TEM PARDO: -- when is it up, and when can we start --

COUNCILPERSON: (Inaudible) just stay there.

FIRE CHIEF LEDUC: (Inaudible) 2010.

CHAIR PRO-TEM PARDO: When can we renegotiate that?

FIRE CHIEF LEDUC: Fire Chief Peter LeDuc. We just renewed that 2010 for five years.

CHAIR PRO-TEM PARDO: For five years?

FIRE CHIEF LEDUC: That's correct.

CHAIR PRO-TEM PARDO: And we're getting, like, 3 percent increase --

FIRE CHIEF LEDUC: That's correct.

CHAIR PRO-TEM PARDO: -- per year?

FIRE CHIEF LEDUC: That's correct.

CHAIR PRO-TEM PARDO: Okay.

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON BROOKS: Yes, Miss Davis?

COUNCILPERSON DAVIS: Just to piggyback on that. Um, um, Miss Jones, the conversation I had with you, um, do we -- do you know yet whether or not that is based on the actual costs per, you know, um, call to, um, Palm Beach Shores; whether we have calculated the cost of, uh, Rescue, the cost of the gas, cost of, you know, all those components, um, um, to provide that service?

CITY MANAGER JONES: We have looked at -- and Chief LeDuc can respond to this. We've looked at the number of calls --

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: -- um, that they receive. Um, most of them are of the, um, EMS nature. Um, and took all of that into consideration in the fee that -- that is charged to them. I can't say it covers all of the costs. Can you say that?

UNIDENTIFIED SPEAKER: No, that's (inaudible) -- I mean, can you elaborate?

FIRE CHIEF LEDUC: I'm -- I'm just thinking for a minute. Um, for the -- for the amount of calls that we do go to and the EMS transport that we provide, and the service that we provide, um, if you were to break it down hour for hour, I don't have those figures for you, but I would say that it does cover the actual cost of a per hour, or -- or the itemization of the vehicles and maintenance fees, those kind of things, I think it would cover that amount of time that we spend in --

COUNCILPERSON DAVIS: Well, I mean --

FIRE CHIEF LEDUC: -- Palm Beach Shores.

COUNCILPERSON DAVIS: -- you know, all I'm saying is it's one thing -- one thing to think it, but you know, if -- if we get through this five years, um, I would just like to see us do a bit more than just, you know -- um, I'd like to see the actual breakdowns of what -- um, you know, what it costs the City of Riviera Beach to actually go out on a call to provide this service and -- and use those figures to, uh, calculate, you know, what the contract should be.

FIRE CHIEF LEDUC: I understand.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Any other questions? Okay, Miss Hoskins

INTERIM FINANCE DIRECTOR HOSKINS: Madam -- Madam Chair, for the CRA note, that note, um, will be, uh, completed, um, fiscal year 2022, and we have approximately \$5,000,000, um, left on that note, 5 and some change, 5.2 million.

COUNCILPERSON THOMAS: Thank you, Madam Chair. And what's the, uh, what's the actual -- do we pay annually, or --

INTERIM FINANCE DIRECTOR HOSKINS: Semi-annually.

COUNCILPERSON THOMAS: What's the semi-annual payment?

UNIDENTIFIED SPEAKER: 650.

INTERIM FINANCE DIRECTOR HOSKINS: 650?

UNIDENTIFIED SPEAKER: 650 (inaudible).

INTERIM FINANCE DIRECTOR HOSKINS: 650.

COUNCILPERSON THOMAS: Is that combined, or is that twice a year?

INTERIM FINANCE DIRECTOR HOSKINS: We pay, um, interest in April and then we pay, um, the principal portion in, um, September.

COUNCILPERSON THOMAS: How much interest are we paying?

UNIDENTIFIED SPEAKER: I believe it's, um, (inaudible).

CHAIR PRO-TEM PARDO: Ask what rate (inaudible).

UNIDENTIFIED SPEAKER: (Inaudible) 116,5.

INTERIM FINANCE DIRECTOR HOSKINS: Um, 116,000 interest, and then the principal portion is --

UNIDENTIFIED SPEAKER: Oh, that's gonna be our next interest payment, the -- the interest rate is 4.19, and that's the amortizing. The interest portion goes to 4.1.

CHAIRPERSON BROOKS: Okay. And the interest payment --

INTERIM FINANCE DIRECTOR HOSKINS: 4.9.

CHAIRPERSON BROOKS: -- is 4.1 -- 19? Okay.

COUNCILPERSON THOMAS: Okay. Does the CRA actually pay back the entire –

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON THOMAS: So they pay back the interest, as well as the –

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON THOMAS: And at what -- do they -- so they pay the 650 in an annual sum to the City, or how does that work?

INTERIM FINANCE DIRECTOR HOSKINS: No, they pay it, um, semi-annually. In April when we pay it, we send them a bill, and then in September, when we pay the principal, we send them a bill, and they, um, reimburse us.

COUNCILPERSON THOMAS: Okay.

CHAIRPERSON BROOKS: Any other questions? (Inaudible). Well, that's okay. Miss Hoskins? We're here to learn.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Moving on to the, um, next slide, and this is the projected, um, increased operating costs for fiscal year 2013. We're projecting our liability insurance to increase by approximately 10 percent, and that impact to the general fund is approximately \$302,356.

Um, pension increases to the general fund, and these are all impacts to the general fund, for the general employees, the general fund impact of their pension increase is \$291,890; for police it's \$150,000; for Fire, \$55,900.

Uh, projected increased water utility costs for current and new projects coming on line, \$188,993. Um, and we've talked about -- I believe Miss Jones have, um, mentioned this to you individually -- um, adjusting the furlough days from going from 12 days to approximately eight days –

CHAIRPERSON BROOKS: Uh-huh.

FINANCE DIRECTOR HOSKINS: -- um, that additional cost would be \$307,280. So total projected increased operating costs for next year is \$1,296,419. Moving on to the next slide –

COUNCILPERSON DAVIS: Um, Madam Chair?

CHAIRPERSON BROOKS: Yes, Miss Davis?

COUNCILPERSON DAVIS: So are we going -- are -- we've been talking about the general employees' pension fund. How are we addressing that, going forward? I mean, why is it –

CHAIRPERSON BROOKS: Well, let me see if I can answer that a bit. I -- I met -- I --

COUNCILPERSON DAVIS: What? Well --

CHAIRPERSON BROOKS: I attended one of their meetings, and so did Miss Hoskins.

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

CHAIRPERSON BROOKS: And inquired, uh, about how is it that they can continue, uh, to employ the services of an investment manager who is doing so poorly for several quarters. And the consultant, um, replied that, you know, this is something that's happening all over. And I looked at the report and saw that where they were in the universe of things, they were quite low.

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

CHAIRPERSON BROOKS: And so I told them I can't accept that, and that I would be expecting them to come to our Board -- and I guess it would have to be in August now -- to explain to us why they are continuing, uh, to, uh, employ these people. And Miss Jones and Legal, we're just trying to look at what are our options here. If this Board continues to -- I don't want to use the term -- well, I won't use the term at all. But if this Board is not really capable of handling this fund, then we need to -- to take some action and take some action right away. When the Fire and Police are pretty -- doing pretty good, there is no excuse to me that, uh -- that's acceptable for it, that they can't improve. So we're -- we're looking at what we can do.

CITY MANAGER JONES: We, uh --

CHAIRPERSON BROOKS: Okay.

CITY MANAGER JONES: Madam -- Madam Chair?

CHAIRPERSON BROOKS: Go ahead.

CITY MANAGER JONES: We also, um, wrote to the general employees pension board, um, and we asked them to look at their assumptions, because they were building their, um, actuarial table based on assumption of payroll increases. The payroll isn't increasing.

COUNCILPERSON DAVIS: Yeah, right.

CITY MANAGER JONES: And so we've asked them to go back and we, um, have agreed, if necessary, to even pay for it.

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: For them to rework those assumptions –

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: -- for the -- so that they're a more accurate to reflect what is actually really happening.

COUNCILPERSON DAVIS: And what is the usually -- usual cost for an assumption book to be done?

CITY MANAGER JONES: The actuarial –

COUNCILPERSON DAVIS: Yeah, recalculation, yeah, and –

CITY MANAGER JONES: -- recalculation?

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: About \$3,000.

COUNCILPERSON DAVIS: Okay. And also, um, I think that's a step in the right direction. And, um, looking at, uh, in your letter you say you didn't have the information from police at this time. When do you expect to have their information?

CITY MANAGER JONES: It's a –

COUNCILPERSON DAVIS: That's a guesstimate, isn't it?

CITY MANAGER JONES: That's an estimate. That's an estimate.

INTERIM FINANCE DIRECTOR HOSKINS: They said it would be about two weeks.

CITY MANAGER JONES: Two weeks.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: Yeah.

COUNCILPERSON DAVIS: All right. Thank you.

CHAIRPERSON BROOKS: And I believe all the pension boards are doing that, reviewing their –

CITY MANAGER JONES: Right.

CHAIRPERSON BROOKS: -- assumptions, so that they can be more conservative and factual.

CITY MANAGER JONES: Uh-huh.

CHAIRPERSON BROOKS: Okay. Any other questions?

INTERIM FINANCE DIRECTOR HOSKINS: So our projected additional costs for next fiscal year is 1,296,419. So you'll see this number carried over right here, uh, 1,296,419. This is our current year adopted budget, \$47,052,329. Um, Miss Jones mentioned in her memo to you all, cover memo, about the, uh, police pension overpayment or credit. We have a credit with the police pension of approximately \$1,175,000. Um, so we would -- we, um, intend to use this number for next fiscal year as part of one of the assumptions, and reduce contingency by 246,831. So --

CITY MANAGER JONES: Let -- let -- can -- let me go back --

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

CITY MANAGER JONES: -- to the police pension for a moment. Um, we did communicate with them. Um, they asked us to put the request in writing to apply the credit.

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

CITY MANAGER JONES: Um, the pension board, police pension board has been very cooperative and they got back with us, and so, uh, they've worked with him with us on this issue.

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON BROOKS: Yes, Miss Davis.

COUNCILPERSON DAVIS: Um, and also I -- I remember the previous finance director used to always pay a little bit more toward the, uh, pension costs, so that's a reflection of why we're getting this --

CITY MANAGER JONES: Uh-huh.

COUNCILPERSON DAVIS: -- these -- these dollars back now. Did he also do the same, or do we also do the same thing with the others?

INTERIM FINANCE DIRECTOR HOSKINS: No.

COUNCILPERSON DAVIS: So we're paying the actual --

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: Okay. Thank you.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: Why was he doing that, anyway?

INTERIM FINANCE DIRECTOR HOSKINS: Well, this started back in 2006, 2007. Those were the good years –

COUNCILPERSON DAVIS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: When we had, um –

COUNCILPERSON DAVIS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- money available.

CHAIRPERSON BROOKS: Understand.

COUNCILPERSON DAVIS: Gotcha.

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

COUNCILPERSON LOWE: Thank God he did it.

COUNCILPERSON DAVIS: Yeah.

CHAIRPERSON BROOKS: Yeah, it made a difference for us.

INTERIM FINANCE DIRECTOR HOSKINS: So our projected expenditures for next year are, um, \$47,926,917. Our projected revenue, um, \$46,393,584. A net budget deficit of \$533,333 if everything stays the same.

CHAIRPERSON BROOKS: Uh-huh. That's better than last year.

INTERIM FINANCE DIRECTOR HOSKINS: So this would be the impact on the, um, general fund departments next year if, um, everything pretty much stays the same. The current year adopted budget for each department, um, is in the, um, second column, right here, which totals 47,052,329. These are the projected reductions that they -- those larger departments would have to take, um, a total of \$533,333, and this would be their proposed budget for next fiscal year.

CHAIR PRO-TEM PARDO: Madam Chair?

CHAIRPERSON BROOKS: Any questions? Yes, uh-huh.

CHAIR PRO-TEM PARDO: Yes. Okay. So can you tell us how, or have you guys figured out how you are going to reduce this? Like, we take police, 170,000. What are you going to do? Eliminate two positions?

CITY MANAGER JONES: They have until July 9<sup>th</sup> to get us back their reduction plans.

CHAIR PRO-TEM PARDO: So -- all right. So how did you get these numbers?

UNIDENTIFIED SPEAKER: The percentage --

CITY MANAGER JONES: Their percentage of -- you take what we're short, the 533,000, and then you take what percentage of the budget those departments are, and that's how you come up with the calculation of the number.

CHAIR PRO-TEM PARDO: Okay. So you're not asking all the departments for --

CITY MANAGER JONES: No.

CHAIR PRO-TEM PARDO: -- a reduction?

CITY MANAGER JONES: What we did was on the smaller departments, the dollar values that they had, with the percentage of the budget, came to something like \$25,000, and I elected to take that \$25,000 out of general admin.

CHAIR PRO-TEM PARDO: All right.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Uh, yes, Mr. Lowe?

COUNCILPERSON LOWE: Okay. Why did -- why did you choose this method? And I over -- I -- I heard -- I wasn't -- I guess I was in the restroom -- that the police department lost a contract. What was the value of that contract for Sonoma Bay and all -- all of these --

CITY MANAGER JONES: (Inaudible) --

COUNCILPERSON LOWE: Everything that they lost, what's the value of that?

UNIDENTIFIED SPEAKER: Did you look --

INTERIM FINANCE DIRECTOR HOSKINS: And the --

UNIDENTIFIED SPEAKER: Yeah, I looked at (inaudible).

INTERIM FINANCE DIRECTOR HOSKINS: Just to let you know, those, um, contracts that they lost were related to positions.

COUNCILPERSON LOWE: I -- I know that.

INTERIM FINANCE DIRECTOR HOSKINS: So they're moving -- they have vacancies, so they're moving those positions up into the vacant, um, spots, and they're gonna lose those positions that those contracts valued -- um, equal to.

COUNCILPERSON LOWE: Okay. I understand.

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

COUNCILPERSON LOWE: That's what they want to do. I understand that.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. All right.

COUNCILPERSON LOWE: But how much did it cost --

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Let me give you the numbers.

COUNCILPERSON LOWE: -- when they lost these contracts?

UNIDENTIFIED SPEAKER: \$270,000.

INTERIM FINANCE DIRECTOR HOSKINS: For CRA, um, Clean & Safe, is 225,000; and then for Sonoma Bay, 90,000.

CITY MANAGER JONES: Was it 90?

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

COUNCILPERSON DAVIS: 90? I'm sorry. Repeat that number again?

CITY MANAGER JONES: Sonoma Bay is 40.

CHAIRPERSON BROOKS: Is it 40?

UNIDENTIFIED SPEAKER: Sonoma Bay --

INTERIM FINANCE DIRECTOR HOSKINS: We have --

UNIDENTIFIED SPEAKER: -- is 40.

CHAIRPERSON BROOKS: Sonoma Bay is 40.

INTERIM FINANCE DIRECTOR HOSKINS: Yeah, we have budgeted 90. And then for, um, Marsh Harbor, 150.

COUNCILPERSON LOWE: Can you add that up?

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

CHAIR PRO-TEM PARDO: It's a lot.

INTERIM FINANCE DIRECTOR HOSKINS: So 150.

CHAIR PRO-TEM PARDO: That's (inaudible) –

CHAIRPERSON BROOKS: And Sonoma Bay was what?

INTERIM FINANCE DIRECTOR HOSKINS: 150,000.

CHAIRPERSON BROOKS: I thought that was Marsh Harbor.

INTERIM FINANCE DIRECTOR HOSKINS: I'm sorry. Sonoma Bay is 90,000.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: Marsh Harbor is 150,000.

CHAIRPERSON BROOKS: And the CRA?

INTERIM FINANCE DIRECTOR HOSKINS: The CRA was 225. 460, 460,000.

COUNCILPERSON LOWE: How much is it?

INTERIM FINANCE DIRECTOR HOSKINS: 460,000.

COUNCILPERSON LOWE: Okay. Subtract that from 533,000.

INTERIM FINANCE DIRECTOR HOSKINS: 68, 63, 68.

COUNCILPERSON LOWE: Now, my point is the police department is not bringing in an estimate close to a half a million dollars, but you're gonna take it out on everybody else.

INTERIM FINANCE DIRECTOR HOSKINS: No.

COUNCILPERSON THOMAS: No.

COUNCILPERSON LOWE: Hold on. Hold on now. If you lost these contracts, you counted them in as part of your revenue.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: Right? So that's lost revenue. That's lost revenue that we're having, that we had last year, that we don't have this year.

INTERIM FINANCE DIRECTOR HOSKINS: Correct. But police -- we -- we met with police, and they know that this, um, 170,000 is just the difference between the projected revenues and expenditures. They still have to go back and, um, reduce those vacant positions by that \$460,000.

COUNCILPERSON LOWE: On last year's budget or this year's budget?

INTERIM FINANCE DIRECTOR HOSKINS: Last year's budget.

COUNCILPERSON LOWE: So they didn't meet last year's budget.

INTERIM FINANCE DIRECTOR HOSKINS: What will be -- we're already in this year's --

UNIDENTIFIED SPEAKER: We're in --

INTERIM FINANCE DIRECTOR HOSKINS: -- last year's budget, so it would be for '13 that they have to reduce those vacant positions by.

COUNCILPERSON LOWE: Okay. So the contract expires. All these contracts expire this year?

INTERIM FINANCE DIRECTOR HOSKINS: Correct. September 30<sup>th</sup>.

COUNCILPERSON LOWE: Okay. So the -- the personnel that they hired for those positions, that those positions we're paying for, will still stay on with the police department, right?

INTERIM FINANCE DIRECTOR HOSKINS: They'll move up into the vacancies. They'll take away the vacancies, correct.

COUNCILPERSON LOWE: Right. Which we have to pay for because we're no longer getting it from Sonoma Bay and all the --

INTERIM FINANCE DIRECTOR HOSKINS: And those other ones.

COUNCILPERSON LOWE: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: That's what I'm saying.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: All right. And how many officers is that?

INTERIM FINANCE DIRECTOR HOSKINS: Um, I think it's about five -- let's see. CRA is  
—

CITY MANAGER JONES: Two -- CRA is one. That's probably five.

COUNCILPERSON DAVIS: Well, what about Thousand Oaks? We -- I didn't hear that one.

CITY MANAGER JONES: That one they -- with, uh -- Miss Davis asked about, uh, Thousand Oaks, and they, so far, have not communicated to us that they were terminating the contract.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: So that's okay. So -- all right. Thank you.

CHAIRPERSON BROOKS: And they were given in their -- in their contract, um, they're required to give us advance notice within so many weeks or days.

COUNCILPERSON LOWE: Let me ask you -- oh, sorry.

CHAIRPERSON BROOKS: In other words, they -- we're past that period where they would have given notice that they would not continue with --

CITY MANAGER JONES: You have 90 days out, so by the end of this month you're probably there.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: So had those contracts been into effect, then we wouldn't have the \$533 -- thousand dollar deficit that we're anticipating this year. Am I true in saying that or am I totally off course?

INTERIM FINANCE DIRECTOR HOSKINS: Um --

COUNCILPERSON LOWE: Because those would have been factored in as revenue.

INTERIM FINANCE DIRECTOR HOSKINS: Right. But we have those other, um, expenditure increases --

COUNCILPERSON LOWE: I understand the other ones.

INTERIM FINANCE DIRECTOR HOSKINS: -- on the expense side. So --

COUNCILPERSON LOWE: Yeah.

INTERIM FINANCE DIRECTOR HOSKINS: -- right.

COUNCILPERSON LOWE: Yeah.

INTERIM FINANCE DIRECTOR HOSKINS: So you're --

COUNCILPERSON LOWE: I'm just talking about the police part of all of this, which amounts to \$460,000 of revenue that we -- we're not gonna have this year --

CHAIRPERSON BROOKS: Next year.

COUNCILPERSON LOWE: -- next year, that we had this year.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: And that's -- it's in -- that is --

INTERIM FINANCE DIRECTOR HOSKINS: So which they're going to --

COUNCILPERSON LOWE: -- indicated in that \$533,000 deficit.

UNIDENTIFIED SPEAKER: No.

COUNCILPERSON LOWE: Is that --

INTERIM FINANCE DIRECTOR HOSKINS: No, no. That --

COUNCILPERSON LOWE: Okay. Then you gotta --

INTERIM FINANCE DIRECTOR HOSKINS: -- 530 -- let me --

COUNCILPERSON LOWE: -- explain to me.

INTERIM FINANCE DIRECTOR HOSKINS: Let me go back. Let's see.

COUNCILPERSON THOMAS: It's explained here.

INTERIM FINANCE DIRECTOR HOSKINS: This right here makes up the one million two ninety-six. So these are the expenses that are increasing for next year. The one million

two ninety-six is calculated up here at the top. These are our projected expenditures for next year, 46926. We've already spoke with police. They know they have to eliminate, um, any vacant positions that they have to total the reduction of those contracts, so that's already been taken into consideration. So the -- the net deficit, we're here.

COUNCILPERSON DAVIS: So with that statement, are you -- are you saying that they're going to move those officers who were in those positions into the vacant positions --

INTERIM FINANCE DIRECTOR HOSKINS: To the vacant positions.

COUNCILPERSON DAVIS: -- and then eliminate any other vacancies that they have?

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: Yes.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: Okay. That's what I thought.

COUNCILPERSON LOWE: How many vacancies do they have?

INTERIM FINANCE DIRECTOR HOSKINS: Approximately, what, seven?

UNIDENTIFIED SPEAKER: Seven?

INTERIM FINANCE DIRECTOR HOSKINS: Seven.

COUNCILPERSON LOWE: How many did they have at the beginning of the budget?

UNIDENTIFIED SPEAKER: They had around at least --

INTERIM FINANCE DIRECTOR HOSKINS: Um, I can't --

UNIDENTIFIED SPEAKER: -- maybe seven.

COUNCILPERSON LOWE: How long they been carrying those vacancies?

UNIDENTIFIED SPEAKER: All year.

INTERIM FINANCE DIRECTOR HOSKINS: All year.

COUNCILPERSON: You know, (inaudible) all year.

COUNCILPERSON LOWE: Okay. Thank you.

CHAIRPERSON BROOKS: Any other questions? Miss Hoskins

INTERIM FINANCE DIRECTOR HOSKINS: Okay. So that's where we are on the expenditure side. So moving on to enterprise funds, um, utility special district revenue projections. For fiscal year 2013, for utility, water utility revenue, we're projecting, um, \$10,712,000, compared to \$10,400,000; water, uh, meter connection fee, current budget, \$15,000. We're projection a reduction of, um, to \$10,000. For hydrant rental, fire lines, current budget is \$150,000. We're projecting a -- for, uh, 2013, a budget of \$170,000. Water and sewer utility revenue, the current budget is \$5,600,000. We're projecting a budget for next year, \$5,800,000. Penalties, current budget is \$150,000. We're projecting next year for 2013 --

COUNCILPERSON THOMAS: Madam Chair?

INTERIM FINANCE DIRECTOR HOSKINS: -- a budget --

CHAIRPERSON BROOKS: Yes. Um, hold on a minute, Miss Hoskins.

COUNCILPERSON THOMAS: Miss Hoskins, you, uh, you -- you -- you skipped over the, uh, sewer connection fees.

INTERIM FINANCE DIRECTOR HOSKINS: Oh, the \$500?

COUNCILPERSON THOMAS: I -- I'm just -- with a budget that large, a \$500 number just draws some attention to me. Why -- why's that -- what does that mean, "sewer connection fees"?

CHAIRPERSON BROOKS: Water meter --

INTERIM FINANCE DIRECTOR HOSKINS: That's, uh, people connecting into, um, the sewer.

CHAIRPERSON BROOKS: The sewer line, yes.

INTERIM FINANCE DIRECTOR HOSKINS: Um, yeah, for new construction. So you're talking about \$500 --

COUNCILPERSON THOMAS: Okay. So it's just --

INTERIM INANCE DIRECTOR HOSKINS: -- for --

COUNCILPERSON THOMAS: -- new construction.

INTERIM FINANCE DIRECTOR HOSKINS: Correct. Correct.

COUNCILPERSON THOMAS: And what just happens to be the -- the fee for that? Why's -- why's that so low?

INTERIM FINANCE DIRECTOR HOSKINS: I'm not sure. I would have to get back with you on that.

CITY MANAGER JONES: And some of that, um, Councilman Thomas, is probably based on the fact if you look at the actual for 2011, we only got in \$185.

CHAIRPERSON BROOKS: Sewer connection.

CITY MANAGER JONES: Um, and so we were trying to -- because we do not anticipate until probably late '13, early '14, larger new construction, we kept the number within that \$200 range.

COUNCILPERSON THOMAS: So -- uh, so just let me understand this. The sewer connection fees only indicate for new destruction -- new construction.

CITY MANAGER JONES: Or if a resident -- you know, we had a resident that came to Council member meeting the other week --

COUNCILPERSON THOMAS: Uh-huh.

CITY MANAGER JONES: -- that needed -- that would go into that figure if they paid to hook into our system.

CHAIR PRO-TEM PARDO: So how much is it?

COUNCILPERSON THOMAS: Well, why -- why is that so -- that -- that number's just really --

CITY MANAGER JONES: 'Cause most people are already hooked in.

CHAIRPERSON BROOKS: Most people are already --

CITY MANAGER JONES: Everybody's hooked into the line.

COUNCILPERSON THOMAS: Okay. So this is the revenue that we'll get for -- right. So we in --

CITY MANAGER JONES: Projected revenue, right.

COUNCILPERSON THOMAS: I mean, I can see being, um, a little conservative, but that - that just seems real, you know, low to me. So you saying, like, if someone comes in and rents a building that the sewer's already hooked up --

CHAIRPERSON BROOKS: They don't hook up

COUNCILPERSON THOMAS: -- they just -- they don't just -- they don't pay it.

CHAIRPERSON BROOKS: Right.

COUNCILPERSON THOMAS: So if a family has the well, and they wanna --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: -- switch over, they'll -- they'll pay that fee.

CITY MANAGER JONES: Yes, sir.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: And we're only expecting --

INTERIM FINANCE DIRECTOR HOSKINS: Yes, there is --

COUNCILPERSON THOMAS: -- one to -- to --

UNIDENTIFIED SPEAKER: Right.

COUNCILPERSON THOMAS: -- do that?

UNIDENTIFIED SPEAKER: The lady with the well.

INTERIM FINANCE DIRECTOR HOSKINS: Sewer is very low as -- as you see, compared to, uh, the water.

CHAIRPERSON BROOKS: Yeah, the sewer part is a lot lower than the water connection.

COUNCILPERSON THOMAS: The --

INTERIM FINANCE DIRECTOR HOSKINS: See the water, um, connection fee?

COUNCILPERSON THOMAS: Right. Right. I -- I -- yeah, I understood that.

INTERIM FINANCE DIRECTOR HOSKINS: Compared to sewer.

COUNCILPERSON THOMAS: I just was --

INTERIM FINANCE DIRECTOR HOSKINS: Yeah.

COUNCILPERSON THOMAS: Okay. So if you have a water meter connection, when they hook those up they don't hook up sewer at the same time? Or explain to me what's the difference in those two, other than new construction.

INTERIM FINANCE DIRECTOR HOSKINS: Where's Mario? He's the engineer.

CHAIRPERSON BROOKS: (Inaudible).

UTILITY DISTRICT ENGINEER LOAIZA: Uh, Mario Loaiza, Utility District Engineer. The reason that number's low, typically -- and Mr. Thomas, you're exactly correct -- usually if there's a new construction, brand new, you do them both at the same time.

COUNCILPERSON THOMAS: Right.

UTILITY DISTRICT ENGINEER LOAIZA: Uh, typically the water connection fee, there's an impact fee that goes with it that would -- would cover that. Uh, in the case of a sewer connection fee, that would be in the rare occurrence where somebody's connected to the water system already, and maybe they have a septic system.

CHAIRPERSON BROOKS: Uh-huh.

UTILITY DISTRICT ENGINEER LOAIZA: And then they want to retroactively connect to the sewer. It's not real common, so it just doesn't --

COUNCILPERSON THOMAS: Okay.

UTILITY DISTRICT ENGINEER LOAIZA: -- happen that often. So that's -- it's really kind of a technicality.

COUNCILPERSON THOMAS: All right. That's a better explanation for me. I -- I think I can understand it a little bit better. Okay.

CHAIRPERSON BROOKS: Miss Hoskins?

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Um --

COUNCILPERSON THOMAS: Miss Hoskins? I'm sorry.

INTERIM FINANCE DIRECTOR HOSKINS: Yes, sir.

COUNCILPERSON THOMAS: One more -- one more thing.

INTERIM FINANCE DIRECTOR HOSKINS: Yes, sir.

COUNCILPERSON THOMAS: The hydrant rental and fire lines, um, other than the obvious meaning of what it's saying, could you tell me what -- what that exactly constitute?

INTERIM FINANCE DIRECTOR HOSKINS: Hydrant rental, the, um –

COUNCILPERSON THOMAS: So all of the hydrants –

INTERIM FINANCE DIRECTOR HOSKINS: -- fire –

COUNCILPERSON THOMAS: -- we rent

INTERIM FINANCE DIRECTOR HOSKINS: -- fire -- yes.

UNIDENTIFIED SPEAKER: Hydrant (inaudible) –

INTERIM FINANCE DIRECTOR HOSKINS: Hydrant -- hydrant -- hydrants. Fire hydrants?

COUNCILPERSON THOMAS: Yeah, the little things that –

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

COUNCILPERSON THOMAS: -- we hook up to if there's a fire.

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

CHAIR PRO-TEM DAVIS: The doggie (inaudible).

COUNCIL MEMBER: Where does the rental come in?

COUNCILPERSON THOMAS: Yeah. Why -- why are we renting them? What's the -- what's the issue with that?

UNIDENTIFIED SPEAKER: Training (inaudible) for dogs.

UTILITY DISTRICT ENGINEER LOAIZA: I was in the back with the troublemakers bunch. Uh, hydrant meter rentals. Not the hydrant itself. They just saddle up a meter to it, and then so when, uh, for example, if they're gonna do a construction project and they need construction water, they don't necessarily have an account with the City, but a contractor comes in, is doing work, so they need to pay their fair share. So in order for them to not get free water and just use our water haphazardly, we -- they issue them a -- they have to pay a deposit. They get –

COUNCILPERSON THOMAS: Uh-huh.

UTILITY DISTRICT ENGINEER LOAIZA: -- a hydrant meter. They saddle up to a hydrant and that revenue's listed in that category.

COUNCILPERSON THOMAS: Okay. Understand that. So this is what -- we rent our hydrants to individuals --

UTILITY DISTRICT ENGINEER LOAIZA: People --

COUNCILPERSON THOMAS: -- who are trying to do construction or whatever.

UTILITY DISTRICT ENGINEER LOAIZA: We -- we, uh -- we rent out the hydrant meter itself so that they can have access to water for their construction requirements, but then we bill them through that meter, so that's really water billing through hydrant meters.

COUNCILPERSON THOMAS: Okay. And the fire lines -- it says "hydrant rental," so maybe it should say hydrant meter --

UTILITY DISTRICT ENGINEER LOAIZA: Probably --

COUNCILPERSON THOMAS: -- rental.

UTILITY DISTRICT ENGINEER LOAIZA: -- "meter rental."

COUNCILPERSON THOMAS: Right.

UTILITY DISTRICT ENGINEER LOAIZA: Yeah.

COUNCILPERSON THOMAS: That would probably have cleared up that question. But what about fire lines?

UTILITY DISTRICT ENGINEER LOAIZA: Uh, that's the -- once again, that's a category where there's, um, uh -- we don't -- we -- the -- the fire lines themselves are, uh, not -- they're not metered, uh, separately, but the, um -- they -- once it --

COUNCILPERSON THOMAS: What is a fire line?

UTILITY DISTRICT ENGINEER LOAIZA: Fire line's when you have a larger building, um, where there's -- uh, uh, there's a source, a water line that feeds in for domestic use, for you can drink the water and it's available, and then there's a separate, usually a larger line that comes in that feeds, like, the -- in case of an emergency, if there's a sprinkler system, that water gets fed through the fire line. They're not connected to each other. So if --

COUNCILPERSON THOMAS: So, like --

UTILITY DISTRICT ENGINEER LOAIZA: -- you have a fire, then there's enough suppression --

COUNCILPERSON THOMAS: So in --

UTILITY DISTRICT ENGINEER LOAIZA: -- (inaudible).

COUNCILPERSON THOMAS: -- restaurants or condos or something that have a sprinkler system --

UTILITY DISTRICT ENGINEER LOAIZA: It -- condos, yep.

COUNCILPERSON THOMAS: -- that is what that fee will --

UTILITY DISTRICT ENGINEER LOAIZA: And there's a fee for, you know, per year they charge, and that's where the revenue goes.

COUNCILPERSON THOMAS: In --

UTILITY DISTRICT ENGINEER LOAIZA: For inspection, for -- up -- you know, keeping it up to date.

COUNCILPERSON THOMAS: Well, I'm just trying to figure out how we coming up with that budgeted number, how -- how we -- how we doing it. Is this just an annual fee that --

UTILITY DISTRICT ENGINEER LOAIZA: Yeah.

COUNCILPERSON THOMAS: -- they get the same fee, or --

UTILITY DISTRICT ENGINEER LOAIZA: Well, if you look at 11, you got -- we assumed 148, and we ended up getting 168. I guess it's -- you know, with some of the newer, uh, construction, the Marriott on the island, some of these larger buildings --

COUNCILPERSON THOMAS: Uh-huh.

UTILITY DISTRICT ENGINEER LOAIZA: -- you know, there's more of them. Um, some of the renovations that have happened, and where the occupancy rate being up higher a little bit, you start having -- you know, they just -- it's just historical projection as what we think might happen next year.

COUNCILPERSON THOMAS: The occupancy rate, meaning the --

UTILITY DISTRICT ENGINEER LOAIZA: Well, as far as the, uh, hydrant rentals, there's been a lot of construction, uh, with some newer construction going on, so there's more hydrant rentals happening. It's more the hydrant -- it's more the hydrant meter rental is what's drives that line item more than the fire lines. It's -- it's grouped together, but the -- the revenue generation's more from the hydrant meter rental.

COUNCILPERSON THOMAS: Okay. Do we -- are we escalating these fees or --

UTILITY DISTRICT ENGINEER LOAIZA: Yes, the fees are on a -- on the same scale. They've gone up slightly from last year.

COUNCILPERSON THOMAS: Okay. I mean, because I -- I just -- I know that our -- our normal water bills are escalating.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: I'm trying to see if these fees are escalating, as well.

UTILITY DISTRICT ENGINEER LOAIZA: They are. They have.

COUNCILPERSON THOMAS: Do we have a number? Do we know what process is being used --

UTILITY DISTRICT ENGINEER LOAIZA: Yeah, it's --

COUNCILPERSON THOMAS: -- for that?

UTILITY DISTRICT ENGINEER LOAIZA: -- in the -- Utility Billing has the actual rate scale, and it shows all commercial meters, all residential. Everything's all planned out.

COUNCILPERSON THOMAS: I understand we have a schedule, but do we know how they're being escalated? Do we know how --

UTILITY DISTRICT ENGINEER LOAIZA: It's based on usage. So once you get past certain, um -- certain gallons, there's a rate -- there's a weighted scale, so the -- the more water you use, it actually becomes more expensive if you use a lot of water. So, uh, the commercial side does -- does sort of, uh, bear the brunt of the escalated rates.

COUNCILPERSON THOMAS: And do -- uh, what -- which one of those fees do we have to monitor to make sure that we're staying on top of this and we're getting the actual amount of revenue that we should? What -- what are we -- which one of those fees are in there to -- to make sure that it's -- it's monitored properly and we're getting the correct amount of, um, income that we should from that?

UTILITY DISTRICT ENGINEER LOAIZA: Well, I don't know which -- I don't know if I understand the question. Uh, but --

COUNCILPERSON THOMAS: I'm sorry.

UTILITY DISTRICT ENGINEER LOAIZA: -- I know that --

COUNCILPERSON THOMAS: Let -- uh, I'm -- I'm trying to figure out how are we, uh, making sure that we're getting the accurate revenue that we should.

UTILITY DISTRICT ENGINEER LOAIZA: Okay.

COUNCILPERSON THOMAS: Uh, is that meter read by radio, as well, or -- I mean, how

UTILITY DISTRICT ENGINEER LOAIZA: Okay.

COUNCILPERSON THOMAS: You know, what are we doing to --

UTILITY DISTRICT ENGINEER LOAIZA: I understand.

COUNCILPERSON THOMAS: -- make sure that we're getting the accurate --

UTILITY DISTRICT ENGINEER LOAIZA: For -- from hydrant meters, yes, sir. The, um -- they're read, uh, by our in-house (inaudible) technician. He's in charge of, um -- they -- the Utility Billing Department issues a work order, so we can track them. The only way you can get a hydrant meter is if, um, whoever the party is concerned, whether it's a contractor or an individual, the -- they come to Utility Billing here, uh, in this -- in this, uh, office, downstairs. They pay a deposit. They get their name, you know, certain information we need, and then the Utility Billing office issues the Utility District a work order. So we won't even do it unless they've gone through the proper channels and what have you to set up the account. It's a temporary account. And then we, uh, we will actually take the meter ourselves, our in-house, uh, staff will do that; go to the location, uh, install the hydrant meter, and then lock the meter to the hydrant, so it can't be moved elsewhere unless we allow it to -- to be moved, typically.

COUNCILPERSON THOMAS: Okay.

CHAIRPERSON BROOKS: Any other questions or comments? Miss Hoskins? Thank you.

INTERIM FINANCE DIRECTOR HOSKINS: So overall, for a, um, Utilities Special District, um, projected revenues have been increased by 3.13 percent over current year. Uh, projected revenues for marina and, um, the marina director will give a, um, additional numbers, but, um, these are the projected revenues --

COUNCILPERSON DAVIS: Um --

INTERIM FINANCE DIRECTOR HOSKINS: -- um, for the marina.

COUNCILPERSON DAVIS: Where -- where are you? We were --

INTERIM FINANCE DIRECTOR HOSKINS: We were at --

COUNCILPERSON DAVIS: -- talking about the sewer, um --

INTERIM FINANCE DIRECTOR HOSKINS: Oh, I'm sorry. Did --

COUNCILPERSON DAVIS: -- and going down the list.

INTERIM FINANCE DIRECTOR HOSKINS: Pardon me?

COUNCILPERSON DAVIS: You were going down the list, um, um, because I had a question on -- on the investment earnings. You were gonna -- you were gonna give me back some information today. Um, so are we skipping all of this now and moving on?

INTERIM FINANCE DIRECTOR HOSKINS: No, I can -- I can go back.

COUNCILPERSON DAVIS: Okay. Okay. So my question is, on the investment earnings, and -- and this is just for the, um, utility district. Um, in budget year 2011, um, we know how much we had invested, and it seems that we should have known how much interest we were going to earn. But in 2011 we invested -- or we budgeted only 500, and the actual was 2,475, and in '12 we budgeted 500 and we're up to 3,500. Um, and the question that I posed for you today was, what was the 2010 figures? And I believe you told me what was budgeted was 1,600, or 600?

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON THOMAS: All right. Which one did I write down? And we only got, um, in earnings \$140

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON THOMAS: And you were gonna look at that?

INTERIM FINANCE DIRECTOR HOSKINS: Right. And these, um, the investment earnings are based on cash available for investments. So if, um, you know -- if their cash is down available for investments, then -- and based on the interest rates, then of course they would, um, not earn as much, um, in interest on --

COUNCILPERSON DAVIS: But don't we --

INTERIM FINANCE DIRECTOR HOSKINS: -- investment earnings.

COUNCILPERSON DAVIS: -- know what that is --

INTERIM FINANCE DIRECTOR HOSKINS: It --

COUNCILPERSON DAVIS: -- when we set the budget? We don't know what --

INTERIM FINANCE DIRECTOR HOSKINS: No, cash varies. So at the end of the year we could have, um, you know, 3 or 4 million dollars available for investing, but we have to make payroll, depending on –

COUNCILPERSON DAVIS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: -- what kind of projects that they have going on.

COUNCILPERSON DAVIS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: You know, if they're making large expenditures at the beginning of the year, at the end of the year, and –

COUNCILPERSON DAVIS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- you know, all of that depends on, um, you know, the payments that are being made.

COUNCILPERSON DAVIS: Okay. So based on –

INTERIM FINANCE DIRECTOR HOSKINS: There is a lot of variables.

COUNCILPERSON DAVIS: -- that -- that information, then, for budget year 2013, I guess, you are pretty comfortable in, you know, this cash and -- and you're budgeting \$5,500 –

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: -- with the expectation of making that at least, and -- and more, or more.

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON DAVIS: Okay. And my last question is, in the, um, uh -- what is, uh, the Account 412 and 13?

INTERIM FINANCE DIRECTOR HOSKINS: Um, 412 is the utility construction account, and one is the, uh, renewal and replacement fund. One is, um, construction fund, and one is renewal and replacement. And then they also have a debt service fund.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Miss -- okay. Miss Hoskins, give me an idea about, uh, miscellaneous revenues, just a couple of items that might fall under that?

INTERIM FINANCE DIRECTOR HOSKINS: Um, now, I have to pull up the detail. That would be --

UNIDENTIFIED SPEAKER: (Inaudible).

INTERIM FINANCE DIRECTOR HOSKINS: -- um, anything that does not fall in those -- the categories at the top. Um, it could be -- excuse me -- NSF checks related to, um, utility payments, those charges. Um, what else could it be? Um, just --

COUNCILPERSON DAVIS: Public records requests

INTERIM FINANCE DIRECTOR HOSKINS: -- anything, right, anything miscellaneous that may come through; public records requests --

CHAIRPERSON BROOKS: Through that, um --

INTERIM FINANCE DIRECTOR HOSKINS: -- um --

CHAIRPERSON BROOKS: -- enterprise. Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Right.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Right.

CHAIRPERSON BROOKS: Okay. Okay.

COUNCILPERSON DAVIS: Oh, and one last question. Excuse me. The penalty and interest on accounts receivable, I know usually every year we have dollars that -- I mean, um, some receivables that we write off.

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

COUNCILPERSON DAVIS: Um, is -- is this part of that?

INTERIM FINANCE DIRECTOR HOSKINS: Uh, no, no. These are penalties for, um, people that are paying -- that have paid their bill late, um, that are charged --

COUNCILPERSON DAVIS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- a penalty. Um --

COUNCILPERSON DAVIS: I gotcha. Thank you.

CHAIRPERSON BROOKS: Okay. You may continue.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. And moving on to the marina, and I believe the marina director does have an updated, um, pro forma, and -- that he will present, um, now or -- now? Ed, you ready?

MARINA DIRECTOR LEGUE: I'm ready.

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

MARINA DIRECTOR LEGUE: Let me, uh, (inaudible).

INTERIM FINANCE DIRECTOR HOSKINS: Sure.

MARINA DIRECTOR LEGUE: Good evening, Council Ed Legue, uh, Marina Director. Give me just a second to -- oh, I forgot where I was. Uh, two things I'd like to discuss this evening, if I -- if I can, um, which some of my numbers are going to differ a little bit from -- from, uh, Miss Hoskins's, um, is the rate increase that, um, I -- I will bring before you in a -- in a -- probably in September or late August, early September.

CHAIRPERSON BROOKS: Do you have a handout for us, so we -- or we just have to follow you.

MARINA DIRECTOR LEGUE: Uh, uh, no. I -- I just have it on -- on here.

CHAIRPERSON BROOKS: Okay.

MARINA DIRECTOR LEGUE: I'll certainly provide you with a copy of this. And, um, what I've give -- uh, given the, uh, the Manager today is a -- is a recommendation for rate increases. We still have a little bit of work to do on it, um, but I wanted to give you an idea of where we are and where we'd kinda like to be, let's say, in 2014, and kinda back into that. Uh, if you look at this, um, this -- this graph shows you a typical 50 foot, uh, slip, which you know, there's -- there's -- we have a lot of different size slips, so I just had to pick one. So I did a, um, a comparison around the -- around the area, uh, with these four other different marinas.

Uh, the first -- uh, the first, uh, graph there, uh, the first, uh, the first category, is where we are now. And that's -- quite frankly, it's at 17.70. We have no other real seasonal rates, or any other rates. Uh, and if you look at the bottom, that gives you the, uh, gives you what the rates are between annual, seasonal, and monthly.

CITY MANAGER JONES: What color stands for which one of them?

MARINA DIRECTOR LEGUE: Okay. The -- well, the purple, uh --

COUNCILPERSON DAVIS: And --

MARINA DIRECTOR LEGUE: -- stands -- stands for the annual rate. The red, or the maroon, stands for a seasonal rate, the yellow stands for a monthly, um -- um, seasonal monthly; in other words, a monthly rate during the -- the high season, which is, uh, November to April; and then the green, uh, represents the summer monthly rate. So it's a little bit complex, and I apologize for that, but it's the nature of the beast.

Um, the proposed rate -- and -- and really, all I want you to kinda do is look at the lines here. If you -- if you look at the first and you look across, you can see that we're basically the lowest priced marina of all of them. And -- and quite frankly, um, while we're under construction and while, uh, you know, we -- we're -- we're kinda a bit on the -- on the, uh, run-down side, if you will, um, not too surprising. But, uh, I -- I believe we're turning this corner now and -- and I believe it's important that -- that, uh -- that we be prepared to turn that corner and to -- and to price ourselves and to take advantage of the opportunities that are before us.

So my -- my proposal, uh, which I'll give you the numbers on here in a second, um, give us a little bit of an evenness, if you will. Uh, we're basically slightly higher than Lake Park Municipal, which I believe we should be, because we have a far better location.

COUNCILPERSON DAVIS: Absolutely.

MARINA DIRECTOR LEGUE: Um, we're not -- we're not out of this world. Um, we're -- we're not gonna catch up with North Palm Beach for a while, and we're not gonna probably catch up with -- with Sailfish for a while. But it -- it puts us in the competitive zone of -- of pricing.

Um, the recommendations I'm gonna make to the Manager at this point is -- is pretty widespread, but, uh, and -- it -- it -- it -- in -- in -- in terms of annual rates, uh, we're gonna go from 17.70 to 20.50 as of January, uh, 14<sup>th</sup>, or January, 2014, and I'll explain that in a minute. These are all rates that will be in effect January, 2014. Uh, seasonal rate will go to 29.50. Uh, monthly summer rate, which I explained earlier, was a little different, May to October, is 22.50. And the winter some -- or I'm sorry, winter monthly rate will be 31.50. Premium slips, which we used to charge for before were the promenades, uh, they're, uh, 200 additional dollars a month.

What we haven't had was any kind of alongside, uh, dockage rate, and as we're working this, uh -- this marina to accept larger vessels, the larger the vessel, the more money they pay. Um, so annual vessels right now, um, or -- or all vessels that -- that have our marginal or alongside docking, pay the same as anybody else, regardless of the size.

COUNCILPERSON DAVIS: Uh-huh.

MARINA DIRECTOR LEGUE: Uh, I'm gonna change that to, uh, less than a hundred foot will pay 20.50, and then as we go up, uh, in both size and season, uh, it will change. So that a hundred -- a -- a vessel greater than 160 feet will pay, uh, an annual rate of 32.50 per foot per month. Um, so --

COUNCILPERSON DAVIS: And you're saying -- you're saying these rates won't go into effect until 2014?

MARINA DIRECTOR LEGUE: Yes, ma'am, and I'll explain that --

COUNCILPERSON DAVIS: Well --

MARINA DIRECTOR LEGUE: -- in that a second.

COUNCILPERSON DAVIS: Okay. Thank you.

MARINA DIRECTOR LEGUE: Um, the other thing we have to -- yeah, and I --

CHAIRPERSON BROOKS: Go back. Go back a minute.

MARINA DIRECTOR LEGUE: It's complicated. Daily --

CHAIRPERSON BROOKS: Mr. Legue?

MARINA DIRECTOR LEGUE: -- utility rates --

CHAIRPERSON BROOKS: Mr. Legue?

MARINA DIRECTOR LEGUE: I'm sorry.

CHAIRPERSON BROOKS: Would you go back --

MARINA DIRECTOR LEGUE: Oh, sure.

CHAIRPERSON BROOKS: -- to the rates, please?

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIRPERSON BROOKS: And see if there are any questions.

COUNCILPERSON DAVIS: Oh, I can wait.

CHAIRPERSON BROOKS: I do have one.

MARINA DIRECTOR LEGUE: My apology.

COUNCILPERSON DAVIS: Well, I -- my question was, why, if -- if we're -- if whatever size boat up to 100 feet --

MARINA DIRECTOR LEGUE: Uh-huh.

COUNCILPERSON DAVIS: -- why would a 100-foot boat pay the same as, um -- and see, I don't -- my -- my thought process --

MARINA DIRECTOR LEGUE: Well, they don't, really, because –

COUNCILPERSON DAVIS: -- is not rooted in –

MARINA DIRECTOR LEGUE: -- they're charged –

COUNCILPERSON DAVIS: -- all that –

MARINA DIRECTOR LEGUE: -- per foot. They're not being the same.

COUNCILPERSON DAVIS: Okay. So it's charged –

MARINA DIRECTOR LEGUE: They're charged per foot.

COUNCILPERSON DAVIS: -- per foot.

MARINA DIRECTOR LEGUE: It's just the rate per foot, uh –

COUNCILPERSON DAVIS: Okay.

MARINA DIRECTOR LEGUE: -- doesn't change until it goes over a 100 feet.

COUNCILPERSON DAVIS: Okay.

MARINA DIRECTOR LEGUE: And generally, that's when they take up more electric and more space and –

COUNCILPERSON DAVIS: Gotcha.

MARINA DIRECTOR LEGUE: -- so forth.

COUNCILPERSON DAVIS: Okay. I understand now. Thank you.

CHAIRPERSON BROOKS: Go ahead, Miss Pardo, and I'll ask a question after you.

CHAIR PRO-TEM PARDO: All right. I have a question. So where are you getting these from? Like, the daily rate for anything –

CHAIRPERSON BROOKS: 1.75.

CHAIR PRO-TEM PARDO: -- the daily rate at 1.75 per foot. Where are you coming up with that?

MARINA DIRECTOR LEGUE: Well, we're at 1.50 right now.

CHAIR PRO-TEM PARDO: Right.

MARINA DIRECTOR LEGUE: Uh, and most marinas in the area are in between -- somewhere between \$1.50 and \$2.00 a foot.

CHAIR PRO-TEM PARDO: Okay. But even for, you know, if you're looking to get a 300-foot boat in here --

MARINA DIRECTOR LEGUE: No, I haven't -- I haven't got that one yet.

CHAIR PRO-TEM PARDO: Okay.

MARINA DIRECTOR LEGUE: There's -- there's gonna be -- there will have to be --

CHAIR PRO-TEM PARDO: Exactly.

MARINA DIRECTOR LEGUE: -- a larger --

CHAIR PRO-TEM PARDO: Right.

MARINA DIRECTOR LEGUE: -- fee for those. Yes, ma'am.

CHAIR PRO-TEM PARDO: Absolutely.

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIR PRO-TEM PARDO: Okay. All right.

CHAIRPERSON BROOKS: Mr. Legue, my question is on line number two we have seasonal rate, November 1, April 30<sup>th</sup>. And then line three you have summer, and then winter again -- you have winter, November through April.

MARINA DIRECTOR LEGUE: Okay.

CHAIRPERSON BROOKS: But different rates for the same period of time.

COUNCILPERSON DAVIS: For that one month, yeah.

CHAIRPERSON BROOKS: You have -- you see where I'm looking, seasonal rates?

MARINA DIRECTOR LEGUE: Yes, ma'am. Yeah.

CHAIRPERSON BROOKS: You have, uh --

MARINA DIRECTOR LEGUE: And -- and -- and the difference --

CHAIRPERSON BROOKS: -- 29.50 --

MARINA DIRECTOR LEGUE: -- there is --

CHAIRPERSON BROOKS: -- and then you have winter, November, April, which is the same season, 31.50.

MARINA DIRECTOR LEGUE: One is a monthly rate and one is a seasonal rate, meaning that if they're a seasonal boat, they'll come in and they'll give us a minimum of X amount of months. In other words, we'll have a contract for the season.

CHAIRPERSON BROOKS: Oh, this has to do with occupancy.

CITY MANAGER JONES: Yes.

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIRPERSON BROOKS: In other words --

MARINA DIRECTOR LEGUE: Yeah.

CHAIRPERSON BROOKS: -- you are long term.

MARINA DIRECTOR LEGUE: Well, it -- it -- absolutely.

CHAIRPERSON BROOKS: Okay.

MARINA DIRECTOR LEGUE: That's exactly it.

CHAIRPERSON BROOKS: Got that. Okay.

MARINA DIRECTOR LEGUE: If you want to rent a hotel room for a week --

CHAIRPERSON BROOKS: I got you.

MARINA DIRECTOR LEGUE: -- it's gonna be --

CHAIRPERSON BROOKS: Okay.

MARINA DIRECTOR LEGUE: -- more expensive than for a month or, uh --

CHAIRPERSON BROOKS: I got you.

MARINA DIRECTOR LEGUE: -- six months.

CHAIRPERSON BROOKS: Okay. I understand now.

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIRPERSON BROOKS: All right.

MARINA DIRECTOR LEGUE: Good?

CHAIRPERSON BROOKS: Yes. Good to go.

CHAIR PRO-TEM PARDO: Well, one more thing. All right. So we're just talking preliminary numbers right here.

MARINA DIRECTOR LEGUE: Yes, ma'am. Yes, ma'am. I still --

CHAIR PRO-TEM PARDO: This is preliminary and --

MARINA DIRECTOR LEGUE: I still -- there's --

CHAIR PRO-TEM PARDO: -- then --

MARINA DIRECTOR LEGUE: There's still some work to be done. I want to check on a -- a few other things and --

CHAIR PRO-TEM PARDO: Right. Okay. All right.

MARINA DIRECTOR LEGUE: -- and I've got John Sprague working on a couple of things, so --

CHAIR PRO-TEM PARDO: All right. That's fine. Thank you.

MARINA DIRECTOR LEGUE: Uh, daily utility rate is another thing that needs to change a little bit. Um, not -- not terribly, but -- but ours is just too low. Uh, new monthly utility charges; right now they pay, um, some pretty ridiculous charges, but, uh, we're gonna go to a metered system, so we will charge each boat a flat rate of about \$35 a month, and then the electricity will be metered. Now, you have to bear in mind then when we meter electricity we do not make a profit on that, but we just pay for it.

Um, so actually, the monthly -- I say it again here -- will be plus metered electric. Uh, daily rates will be 15 for 30 amp, 19.50 for 50 amp and, uh, \$30 for 100 amp per day. 100 amp's gonna be pretty rare at the beginning of this. Flat charge will cover the water, sewer, cable and wi-fi.

Uh, implementation; and this goes to Miss Davis', um, question. I -- I believe that -- that a lot of our current customers have -- have endured quite a bit, uh, with the construction, being moved around. Uh, they've -- they've -- they've had some -- some, uh -- some business loss and so forth, so I believe an idea for this was as we finish phases, we should -- we should go incrementally into this, uh, uh, into this rate increase, so that, uh, it doesn't hit them all in one fell swoop and, you know, we -- we -- we give a little consideration to our customers.

So as of October, 2012, I want to adopt that rate or -- or the one we settle on, the final rate, um, but I want to do it incrementally. Um, I also want to introduce for this first season, um, for the '12-'13 season, a, uh -- an introductory rate, if you will, for seasonal boats, which we don't have one now. We need one, uh, of 24.50 per foot. Uh, it's a little less than the 29 that will be in '14, but again, we're giving the thing. I want to increase the daily per foot rate, uh, for -- for transient dockage to 1.75, and increase the utility rates and, uh, pretty well everything else will stay the same until we move into Phase 1 and Phase 1 is complete.

Uh, as of December, 2012, or when the boats move to the new docks, and upon completion of Phase 1, or upon -- whichever happens first -- uh, existing customers with a valid dock agreement -- and that, when I say "valid dock agreement," that means, um, payments have been made and they -- they're up to speed and -- and they're in good standing -- uh, all regular contract customers, non-commercial, will be charged, uh, 19.10 per foot until January, 2014. So that gives them a small incremental increase. Uh, all commercial vessels and live-aboard vessels, uh, which have a current contract will be charged 20.10 per foot until January 2014.

COUNCILPERSON DAVIS: Question.

MARINA DIRECTOR LEGUE: Yes, ma'am.

COUNCILPERSON DAVIS: How -- how long do we allow persons to live aboard?

MARINA DIRECTOR LEGUE: Well, I think it's a six month -- six --

COUNCILPERSON DAVIS: No longer than six months?

MARINA DIRECTOR LEGUE: But there's -- there's nothing that says they can't go out for a day and come back.

COUNCILPERSON DAVIS: Okay.

MARINA DIRECTOR LEGUE: So, uh --

COUNCILPERSON DAVIS: All right.

MARINA DIRECTOR LEGUE: -- any time they take their boat out their six months start over again.

COUNCILPERSON DAVIS: Okay.

MARINA DIRECTOR LEGUE: We have, uh, I think, eight live-aboards right now.

CHAIRPERSON BROOKS: Miss Pardo, do you have a question?

CHAIR PRO-TEM PARDO: No, I just said, uh -- I was talking to Miss Ryan. I think there needs to be some policy on that. You know?

MARINA DIRECTOR LEGUE: We've -- we've discussed that --

CHAIR PRO-TEM PARDO: That kind of issue has taken us all the way to the United States --

MARINA DIRECTOR LEGUE: -- a little.

CHAIR PRO-TEM PARDO: -- Supreme Court.

CITY ATTORNEY RYAN: Yeah, the Supreme Court, yeah.

MARINA DIRECTOR LEGUE: I -- I get that. I mean, the --

CITY ATTORNEY RYAN: I will recommend to that.

MARINA DIRECTOR LEGUE: The -- there's certain -- well, go ahead.

CITY ATTORNEY RYAN: I will recommend before we enter into --

COUNCILPERSON THOMAS: Could you speak into the mic?

CITY ATTORNEY RYAN: Sorry. I will recommend -- can you hear me?

COUNCILPERSON DAVIS: Uh-huh. I can hear you now.

CITY ATTORNEY RYAN: I will recommend that we do a new dockage agreement before we enter into these new things.

COUNCILPERSON DAVIS: Okay.

CITY ATTORNEY RYAN: Only because whether we win or not at the Supreme Court, we need to make sure that we define vessel in a certain way --

CHAIRPERSON BROOKS: Uh-huh.

CITY ATTORNEY RYAN: -- and we don't allow --

COUNCILPERSON DAVIS: Uh-huh.

CITY ATTORNEY RYAN: -- people to, um, have their homestead at our marina. That is --

COUNCILPERSON DAVIS: We will not allow --

MARINA DIRECTOR LEGUE: Yeah. I still –

COUNCILPERSON DAVIS: -- homestead.

CITY ATTORNEY RYAN: And we don't have to allow that, but I want us to –

MARINA DIRECTOR LEGUE: Yeah, I agree.

CITY ATTORNEY RYAN: -- make sure that it is in a definitive –

CHAIRPERSON BROOKS: Absolutely.

CITY ATTORNEY RYAN: -- dockage agreement.

COUNCILPERSON DAVIS: Okay.

CITY ATTORNEY RYAN: Which will come back to City Council for adoption before we implement any of this.

CHAIRPERSON BROOKS: Perfect.

CITY ATTORNEY RYAN: It will be very, very tight. Yes, sir.

MARINA DIRECTOR LEGUE: And I'll -- I'll -- as a part of my due diligence, I'm -- I'm checking with Fort Pierce and a few other places, see what their policies are. So far, most people allow live-aboards. Um, and there's benefits to them and there's problems with them. Most -- uh, trust me. From a security standpoint, a guy that's at your marina every day, lives there, can see a boat and says, "Hey, that boat's taking on water." I mean, it's a benefit. Um, but unfortunately, it seems of late that the -- the problems outweigh the benefits. So I'm -- I'm have open to that, and I understand.

COUNCILPERSON DAVIS: And -- and –

CITY ATTORNEY RYAN: And we may not have to completely shut them out, but let's just make it clear that this cannot be your permanent –

CHAIRPERSON BROOKS: Right.

CITY ATTORNEY RYAN: -- homestead place to live.

COUNCILPERSON DAVIS: Yeah. And -- and, uh, and I think it probably deserves some discussion as to whether or not we even want to entertain, uh, uh, a -- a live-aboard all year long.

CHAIR PRO-TEM PARDO: Right. In -- in six months.

COUNCILPERSON DAVIS: You -- you know what I'm saying? I -- I -- I just think that's an important discussion to have. And also, as a part of that agreement that we're gonna be redoing --

CITY ATTORNEY RYAN: Yes.

COUNCILPERSON DAVIS: -- um, I think it's very important that, um, people, um, be able to move in the event of a hurricane.

CITY ATTORNEY RYAN: Yes.

COUNCILPERSON DAVIS: You know? Um, we all saw --

MARINA DIRECTOR LEGUE: Well, there's a State -- there's a State law on that.

COUNCILPERSON DAVIS: What -- what does that law say?

MARINA DIRECTOR LEGUE: The law -- the law basically says that if we tell them to move, and it's in our contract --

CITY ATTORNEY RYAN: We -- we add it to our contract.

MARINA DIRECTOR LEGUE: Prior -- prior to -- prior to a warning or watch -- I forget which it is -- uh, being issued, then -- then it's up to them to move. Now, we --

COUNCILPERSON DAVIS: But -- but if they don't --

MARINA DIRECTOR LEGUE: -- we can't force them to move. Uh, we do have the option to move it on our own at their expense. Um --

COUNCILPERSON DAVIS: But we're making sure that they have, uh, proper insurance coverage to cover our --

MARINA DIRECTOR LEGUE: Yes, ma'am.

COUNCILPERSON DAVIS: -- property and anybody --

MARINA DIRECTOR LEGUE: Yes, ma'am.

COUNCILPERSON DAVIS: -- else's property?

MARINA DIRECTOR LEGUE: And -- and again, we do need to revisit --

COUNCILPERSON DAVIS: Okay. Yeah.

MARINA DIRECTOR LEGUE: -- the whole -- the whole, um, contract --

COUNCILPERSON DAVIS: Yeah.

MARINA DIRECTOR LEGUE: -- thing because now we do not have a dry stack and our

--

CHAIRPERSON BROOKS: Right, correct.

MARINA DIRECTOR LEGUE: -- our contract still has that.

CHAIRPERSON BROOKS: That's --

MARINA DIRECTOR LEGUE: So that's -- that's in the works, also.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe?

COUNCILPERSON LOWE: We've never -- we've never allowed -- we've always had a -- a month-to-month lease, though --

CITY ATTORNEY RYAN: No.

COUNCILPERSON LOWE: -- on the --

MARINA DIRECTOR LEGUE: What we do --

COUNCILPERSON LOWE: The contract has always --

CITY ATTORNEY RYAN: And that is -- that is what we call it.

COUNCILPERSON LOWE: -- been month-to-month.

CITY ATTORNEY RYAN: Right.

COUNCILPERSON LOWE: We just allow people to stay longer than a month.

CITY ATTORNEY RYAN: That's correct.

COUNCILPERSON LOWE: Okay.

CITY ATTORNEY RYAN: But they --

COUNCILPERSON LOWE: I thought so.

CITY ATTORNEY RYAN: Yeah, that's –

MARINA DIRECTOR LEGUE: Well, if –

COUNCILPERSON LOWE: Because he homesteaded on his own.

CITY ATTORNEY RYAN: And –

COUNCILPERSON LOWE: You know?

CITY ATTORNEY RYAN: And that's a whole 'nother issue, but they –

COUNCILPERSON LOWE: Yeah, absolutely.

CITY ATTORNEY RYAN: -- never accepted that.

COUNCILPERSON LOWE: But another -- my other question is, uh, when -- when you -- when this new rate goes into effect, will they be on the -- the improved side of the marina?

MARINA DIRECTOR LEGUE: Yes, sir.

COUNCILPERSON LOWE: Okay.

MARINA DIRECTOR LEGUE: Yes, sir. The first incremental part will be when we finish Phase 1, and then the higher rate will be when we phase -- we have Phase 1 and 2 complete. So it won't be until January, 2014, that they'll go to the -- the -- the higher rate.

COUNCILPERSON LOWE: Okay. I just wanted to ensure when they go to a higher rate they're in a better place.

MARINA DIRECTOR LEGUE: Yes. Yes, sir.

COUNCILPERSON LOWE: Okay.

MARINA DIRECTOR LEGUE: Yes, sir. Good plan.

COUNCILPERSON LOWE: All right.

MARINA DIRECTOR LEGUE: Yes, sir.

COUNCILPERSON LOWE: All right. No problem.

CHAIRPERSON BROOKS: Mr. Legue?

MARINA DIRECTOR LEGUE: Yes.

CHAIRPERSON BROOKS: Now, will there -- and also addressed to Miss Hoskins -- given what you have proposed here, will there be an increase then in the fees as presented?

MARINA DIRECTOR LEGUE: Yes. Yes, ma'am.

CHAIRPERSON BROOKS: There will -- okay.

MARINA DIRECTOR LEGUE: There will be. Yes, ma'am. I -- I actually have some preliminary numbers for you here in a second.

CHAIRPERSON BROOKS: Okay. That's gonna be a part of your presentation?

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIRPERSON BROOKS: Okay. Thanks.

MARINA DIRECTOR LEGUE: Uh --

CHAIRPERSON BROOKS: Continue.

MARINA DIRECTOR LEGUE: Go ahead?

CHAIRPERSON BROOKS: Yes, please.

MARINA DIRECTOR LEGUE: Oh, I'm sorry. Okay. All right. That's, um -- let me show you just a -- a quick gross profit. Um, this is -- and -- and I did not compare Miss Hoskins' numbers to mine. This doesn't exactly, uh, go line by line with hers. Um, this is another spreadsheet I use to calculate. But, uh, dockage fees, uh, from -- from '12 to '13 will increase, um, oh, what's that? About 50 and 110, is that 110,000 a year?

UNIDENTIFIED SPEAKER: 120-something.

MARINA DIRECTOR LEGUE: 120? Yeah, roughly. Again, preliminary numbers, so don't -- don't take these to the bank yet. But --

CHAIRPERSON BROOKS: Okay.

MARINA DIRECTOR LEGUE: -- the -- the thing we have to remember is, because we're gonna go into construction on Phase 2, that's gonna affect my fuel and my retail sales. So my fuel will be out for at least -- I'm -- I'm saying about six months, and my retail sales are gonna be the same amount of time, because they're in the same spot. So I've had to reduce those, uh, accordingly. Uh, parking fees probably will stay the same. Laundry and so forth, uh, all about the same. Uh, rents, uh, I didn't make any moves on that. Uh, miscellaneous revenue will stay about the same.

Now, the difference here is -- is as you can see there, um, it's about 300,000 or so less, 350,000, 340,000. Um, but as we go down, if I use the right mouse, we have the cost of goods section, which shows your cost of goods for fuel, cost of goods for retail inventory, uh, and then under that you're gonna have gross profit, uh, which, uh, in this year should be around a million forty-nine. Uh, next year will be less. We'll be about a million five. Uh, but the great thing is -- and, uh, and what I really like, is that while this year we have -- there's a total of debt and R&R payment of 616,840, uh, next year we'll only have R&R. We'll only have money set aside, uh, for repairs and so forth.

COUNCILPERSON DAVIS: Wonderful.

MARINA DIRECTOR LEGUE: And so the net -- the net result is that this year our adjusted gross profit would be 400,000. Next year it will be 930,000, if all goes right.

CHAIRPERSON BROOKS: Miss -- Miss Pardo has a question.

COUNCILPERSON LOWE: So we're no longer subsidizing the boaters.

MARINA DIRECTOR LEGUE: My -- my goal on expenses is that my expenses will not exceed my revenue, period, full stop.

COUNCILPERSON LOWE: All right.

CHAIRPERSON BROOKS: Miss Pardo has a question.

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIR PRO-TEM PARDO: Well, I have a comment. I think --

CHAIRPERSON BROOKS: Comment.

CHAIR PRO-TEM PARDO: -- we need to remember, we've been taking millions of dollars from FIND and they are requiring that we set money aside to maintain the marina, and we never had to do that before, so please --

MARINA DIRECTOR LEGUE: We -- and -- and I just --

CHAIR PRO-TEM PARDO: -- you know, keep that in mind.

MARINA DIRECTOR LEGUE: I just, uh --

CHAIR PRO-TEM PARDO: We're gonna have to set --

MARINA DIRECTOR LEGUE: I used 75,000 as a -- just a starting place. I don't -- I don't know what the --

CHAIR PRO-TEM PARDO: Okay.

MARINA DIRECTOR LEGUE: -- real number is yet.

CHAIR PRO-TEM PARDO: Okay. And, uh, so anyway, uh, it's -- it's kinda good news. I feel like we're -- we're -- we're finally turning a corner on this thing.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON DAVIS: Yes.

MARINA DIRECTOR LEGUE: Uh, praise God. Um, it's been a while.

CHAIRPERSON BROOKS: Yes, yes.

MARINA DIRECTOR LEGUE: And, uh, and then I'll start paying, uh, Miss Hoskins back for all the money she's loaned me.

COUNCILPERSON: That's it. Bill you (inaudible) dollars.

CHAIR PRO-TEM PARDO: Okay. Miss --

CHAIRPERSON BROOKS: How many -- how many million, three?

COUNCILPERSON: Three.

CHAIRPERSON BROOKS: Three. That's (inaudible) --

MARINA DIRECTOR LEGUE: Well, I -- I -- I -- I tend to disagree with her numbers, but that's just me, so we'll --

CHAIRPERSON BROOKS: Don't fight the ladies, now.

MARINA DIRECTOR LEGUE: No, no, ma'am. Been married 35 years.

CHAIRPERSON BROOKS: You won't win.

CHAIR PRO-TEM PARDO: Yeah. I think Mr. Legue learned that a while ago, not to fight the ladies up here.

CHAIRPERSON BROOKS: No. You just won't win.

COUNCILPERSON: Is that all?

CHAIR PRO-TEM PARDO: Mr. Legue, can you please send me a copy of the presentation that you made to us? I have these numbers --

COUNCILPERSON DAVIS: All of us, please.

CHAIR PRO-TEM PARDO: -- but the --

CITY MANAGER JONES: Uh, we're having those made right now.

CHAIR PRO-TEM PARDO: Okay.

MARINA DIRECTOR LEGUE: Okay.

CHAIR PRO-TEM PARDO: Perfect. Thank you.

CHAIRPERSON BROOKS: Well, is it better for us to wait until you get all -- you make an adjustment, also, to this, or --

MARINA DIRECTOR LEGUE: Well --

CHAIRPERSON BROOKS: We -- so that we can see -- are y'all going to somehow discuss this and --

MARINA DIRECTOR LEGUE: Yeah, Karen -- Karen and I will, uh --

CHAIRPERSON BROOKS: -- come up with -- so you -- we really need to have this sheet adjusted, so that --

MARINA DIRECTOR LEGUE: Yes, ma'am.

CHAIRPERSON BROOKS: -- we will have the full picture.

MARINA DIRECTOR LEGUE: Correct.

CHAIRPERSON BROOKS: I mean, you can still get Mr. Legue as a back-up, but we need to have this adjusted, please. All right. Any other questions?

COUNCILPERSON DAVIS: No.

CHAIRPERSON BROOKS: It's good news. Thank you.

INTERIM FINANCE DIRECTOR HOSKINS: Now we're moving on to, uh, storm water. The current budget for storm water, uh, management is, um, 1,700,000 for fiscal year 2012. That's the current budget. And for next year we're projecting a budget of \$1,626,000. For, um -- so in, um, service fee for Mangonia Park, um, the same, investment earnings, uh, 5,000 to, um, \$7,000, and --

COUNCILPERSON DAVIS: Would you -- I'm sorry. Miss -- Madam Chair?

CHAIRPERSON BROOKS: Okay. Miss Davis? Uh-huh.

COUNCILPERSON DAVIS: Please explain. I -- I know -- I remember when we did it, but please explain the Mangonia service charge. What is -- what exactly is it -- it is?

INTERIM FINANCE DIRECTOR HOSKINS: I'll let the, um, Public Works Director come up and explain that.

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: Good evening. Brynt Johnson, Director of Public Works.

CHAIR PRO-TEM PARDO: Good evening.

CHAIRPERSON BROOKS: Good evening.

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: Uh, that is a fee because Mangonia Park has a discharge line into our canal system, into our RC-2 system. We charge them for their share of the maintenance of that area --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON DAVIS: Okay. So --

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: -- is what it is. So we don't charge them for the discharge, but for the maintenance

COUNCILPERSON DAVIS: Oh, and, um, the dollars are decreasing simply from '11 to this year simply because, um -- but we're -- we've -- we're not doing too much there now? I mean, it went from 9,000 to 6.

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: I'm not sure where you're looking.

CHAIRPERSON BROOKS: Didn't they owe us some money? Didn't they owe us some money?

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: They -- they may owe us some money (inaudible) because --

CHAIRPERSON BROOKS: They owed us some money, if I recall the history.

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: -- it increases, actually.

CITY MANAGER JONES: They owed us. They owed us some back money.

CHAIRPERSON BROOKS: Back money.

CITY MANAGER JONES: So that's (inaudible) --

COUNCILPERSON DAVIS: Oh, so that's where the --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON DAVIS: Okay. I got you.

CITY MANAGER JONES: (Inaudible) that went higher than --

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: -- the 62.

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: Uh-huh.

COUNCILPERSON DAVIS: All right. And -- and actually, there -- and I'm going back to the same thing that I talked about with -- with, um, Fire-Rescue. So there's really no, um, components that are used to say what the actual cost -- this is just a fee that we're charging.

DIRECTOR OF PUBLIC WORKS BRYNT JOHNSON: Correct.

COUNCILPERSON DAVIS: Gotcha. Okay.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Um, that completes the revenue projections. We'll move on to the proposed fee increases, if you'll give me a moment so I can open up that, um, presentation.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe

INTERIM FINANCE DIRECTOR HOSKINS: May I have your attention, please?

COUNCILPERSON LOWE: We're doing this, uh, fee increases based on -- based on, uh, what, our \$533,000 deficit or just -- what's the basis for these increases?

CITY MANAGER JONES: I asked, uh, Councilman Lowe, all department heads to look at what we were charging for fees to compare what we were charging with what the surrounding cities are charging, so that we can make sure that we are competitive and in the market with the neighboring cities.

COUNCILPERSON DAVIS: I think it's high time.

COUNCILPERSON LOWE: Depends on what it is.

COUNCILPERSON: While she is doing that do you want to (inaudible) the comment cards, 'cause (inaudible).

CHAIRPERSON BROOKS: Okay. Can we -- while you're doing that, let me allow Mr. Cross to make his comments while they're putting something together. Mr. Cross?

DAVID CROSS: You really put me on a ledge now.

CHAIRPERSON BROOKS: Oh, you came ready, Mr. Cross. I know that. And if there's information that is presented that you still wish to address after all of this, I'll give you that privilege --

DAVID CROSS: Okay.

CHAIRPERSON BROOKS: -- as well. Okay.

DAVID CROSS: Okay. Uh, David Cross, uh, 1030 Sugar Sands. Uh, before I, uh, start, uh, I'd just like to say that I'm not standing here as a, um, disgruntled, uh, East Riviera Beach, uh, taxpayer. Um, as you probably -- most of you know, I spend a lot of my volunteer life with the City in one way or another, and my desire at all times is that the City succeed. So I want you to take these remarks that I'm gonna make in the context of being, uh, constructive and not, uh, critical in any way.

So with regards to the budget, here we go again. We wait for the Tax Collector's Office to submit their best guess at our potential tax revenues, so that Miss Jones can massage the numbers, 10,000 here, 50,000 there, so that hopefully we can keep the millage rate the same. But are we looking at the big picture?

My gut feeling, and some local research, tells me that our city of eight square miles and 32,000 residents, doesn't require \$46,000,000 to provide the necessary services to residents and business. We have the third highest millage rate of the 49 municipalities in the county, after Mangonia Park and Briney Breezes. We spend about 7 percent more per resident than Palm Beach Gardens, 21 percent more than North Palm Beach, 36 percent more than Lake Park. At 390-plus general fund positions our ratio of employees to residents is the highest of the local municipalities. Ratio of police officers to population is 22 percent higher, for example, than that of West Palm Beach, and so on.

Going back 10 years -- and this is a number that we can all dispute -- if I factored in an inflation rate of 3 percent, the budget should be somewhere in the region of \$40,000,000, or 13 percent lower than it is. Why are we in this position? We're the backbone of Palm Beach County industry. We have the Singer Island cash cow. We have our enterprise funds. We have our franchise fees, and so on and so forth. I could go on. I don't have the answer.

But I feel we should we asking ourselves, are we on the right road? Are we looking at the big picture? Are we fulfilling our mission to the residents in a fiscally efficient way? Are we electronically in the 21<sup>st</sup> century or are we still buried in paperwork? Hence, the

need for a larger number of employees than necessary. Are our employee benefits reasonable for the world of 2012?

I'm suggesting that we get back to basics. Every organization has a tendency to get stale over many years, especially if there is -- oh. Can I have a minute?

CHAIRPERSON BROOKS: Go ahead. Yes.

DAVID CROSS: Especially if there's an entrenched, um, management structure such as, um, our departmental managers. The status quo is very comfortable. Are we doing our best job for the clients and the residents? Ask yourselves in terms of our obligations to our residents, is the status quo acceptable or can we do better, and what should we be doing about it if the answer to that question is yes? Thank you for your time. I appreciate the opportunity.

CHAIRPERSON BROOKS: And thank you so much, Mr. Cross, for your comments. Thank you very much. Miss Hoskins?

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe?

COUNCILPERSON LOWE: Can I ask how much, uh, additional revenue these increases are going to generate?

CHAIRPERSON BROOKS: Is that to --

COUNCILPERSON LOWE: Because if it's -- if it's not 533,000, or close to it, I -- I just want to find out how close to it --

CHAIRPERSON BROOKS: You mean from the marina?

COUNCILPERSON LOWE: No, from --

CHAIRPERSON BROOKS: Councilman Lowe --

COUNCILPERSON LOWE: She -- she's getting ready to go through fee increases for several different departments, right?

CITY MANAGER JONES: Yes.

COUNCILPERSON LOWE: And what's -- what's the, uh -- what's the value of those increases?

COUNCILPERSON DAVIS: 33 percent.

CHAIRPERSON BROOKS: Well, let's see after the presentation if that answers --

COUNCILPERSON LOWE: I'm trying to determine if I want to stay for this.

CHAIRPERSON BROOKS: Oh, I see.

CITY MANAGER JONES: And some of that, Councilman Lowe, will depend on the usage. Uh, when you're increasing the fee for an activity, you can't say how many people are going to participate, and so for definitive numbers, it's very difficult to say –

COUNCILPERSON LOWE: You got last year's numbers, though, right?

CITY MANAGER JONES: You have last year's numbers.

COUNCILPERSON LOWE: And you apply the increase to last year's numbers, and then you have a number.

CITY MANAGER JONES: Oh, so that's what you –

COUNCILPERSON LOWE: Yeah.

CITY MANAGER JONES: Yeah, but that's not what we have done. But we can do that. Um, we were just trying to get in line with what other cities are charging for the same or similar services –

COUNCILPERSON DAVIS: That's right, and we still (inaudible) –

CITY MANAGER JONES: -- um, so that we can be competitive with the other cities. We need to stay competitive with the other cities.

UNIDENTIFIED SPEAKER: That's the key.

COUNCILPERSON LOWE: Why? What -- what does that benefit us, staying competitive with other cities? We're our own city. If our rates differ from theirs, if it's for a reason, then that's just it. We don't have to stay with the other cities just because, you know -- what's -- what's -- I mean, what's the purpose behind that? If we just direct –

COUNCILPERSON DAVIS: Can we -- can we just hear those presentations first, Mr. Lowe, before you comment? I mean, I understand that discussion, but can we just hear the presentation?

CHAIRPERSON BROOKS: Well, it's a -- it's a workshop, and if -- if you really feel that you need to go, we can get -- get the tape for you and, you know –

COUNCILPERSON LOWE: I'm just trying to -- I'm just trying to figure out the relevance of all this and how it -- and how it relates to the -- the big picture.

CHAIRPERSON BROOKS: Well, and this –

COUNCILPERSON LOWE: That's -- that's it.

CHAIRPERSON BROOKS: -- and this is what we're here for.

COUNCILPERSON LOWE: If the increases doesn't –

CHAIRPERSON BROOKS: It's information.

COUNCILPERSON LOWE: If the increases doesn't have a significant impact on the revenues, then, you know, what's the –

CHAIRPERSON BROOKS: Well, you know, any -- any -- any little bit we can get is better. It's better than what? You know, it's more than what we had, and I hope that's -- that would be our way of looking at all of this. Whatever we can find, a penny -- it might be a penny -- but pick up a penny, it might increase.

COUNCILPERSON DAVIS: I don't know if we –

CHAIRPERSON BROOKS: So we –

COUNCILPERSON DAVIS: -- we -- we need to stay competitive. I mean, you know, um, I -- I -- I'm right there with you. I -- my -- you know, I -- my salary doesn't increase and, um  
–

COUNCILPERSON LOWE: Yes, I understand that.

COUNCILPERSON DAVIS: And -- and, uh, I still –

COUNCILPERSON LOWE: But our -- our immediate –

COUNCILPERSON DAVIS: -- have to pay, uh, all the increases for telephone, all the increases for lights.

CHAIRPERSON BROOKS: Well, let me just make a suggestion. Let's, uh –

COUNCILPERSON LOWE: Yeah, but our median income is not the same as Palm Beach Gardens. We don't make the same salaries in Riviera Beach as you make in Palm Beach Gardens. You don't have the same lifestyle in Palm Beach Gardens –

COUNCILPERSON DAVIS: We don't know.

COUNCILPERSON LOWE: I -- you don't know that?

COUNCILPERSON DAVIS: I -- uh, well, I -- I don't know where people works. I mean, I know that (inaudible) --

CHAIRPERSON BROOKS: Okay. Let's stay on point.

COUNCILPERSON DAVIS: Yeah.

CHAIRPERSON BROOKS: It -- yeah, I'm -- I'm gonna ask her to start the presentation, and Mr. Lowe, if you feel, hey, it's not worth it, I can certainly -- certainly understand that you don't want to stay through it.

COUNCILPERSON LOWE: No, that's not the issue.

CHAIRPERSON BROOKS: But let her -- let her get --

COUNCILPERSON LOWE: I'm just trying to determine the relevance (inaudible) --

CHAIRPERSON BROOKS: Well, once we see it, I think that will be a big help in determining --

COUNCILPERSON LOWE: Because I don't want to increase it --

COUNCILPERSON DAVIS: Well, that's -- okay.

COUNCILPERSON LOWE: -- unless I have to.

COUNCIL MEMBER: Well, that's fine. That's fine. Let's move on.

CHAIRPERSON BROOKS: Well, this is a workshop --

CITY MANAGER JONES: As well as --

CHAIRPERSON BROOKS: -- and we're just -- you know, we're just taking --

COUNCILPERSON LOWE: That's --

CHAIRPERSON BROOKS: -- these ideas. Nothing --

COUNCILPERSON LOWE: Absolutely.

CHAIRPERSON BROOKS: -- is concrete.

COUNCILPERSON LOWE: We're having a workshop, and I'm inputting.

CHAIRPERSON BROOKS: That's right.

COUNCILPERSON LOWE: Okay. That's all I –

CHAIRPERSON BROOKS: And you have the right.

COUNCILPERSON LOWE: -- did.

CHAIRPERSON BROOKS: That's right. That's right.

COUNCILPERSON LOWE: So I'm guilty of that.

CHAIRPERSON BROOKS: Well, no. You're being involved. So, you're doing your job.

COUNCILPERSON LOWE: Okay. Well, I'm guilty of being involved.

CHAIRPERSON BROOKS: You're doing your job.

COUNCILPERSON LOWE: Which, you know, I'm one person.

CHAIRPERSON BROOKS: Okay. Let's come to order.

CITY MANAGER JONES: As well as –

CHAIRPERSON BROOKS: Miss -- Miss -- Miss Hoskins, please.

CITY MANAGER JONES: Yeah, one last thing. Uh –

CHAIRPERSON BROOKS: Yes.

CITY MANAGER JONES: -- Councilman Lowe, it has been my desire to get us back up to our resolution for fund balance, and we are millions off. The more money we can raise and not spend it, it increases our fund balance. And so that was one of the reasons why I asked to be competitive and in order to increase the fund balance.

COUNCILPERSON LOWE: Yeah, but my objective is not to be competitive to increase the fund balance. To be competitive to –

CHAIRPERSON BROOKS: One –

COUNCILPERSON LOWE: -- to decrease the millage.

CHAIRPERSON BROOKS: One more –

COUNCILPERSON LOWE: You're thinking fund balance. I'm thinking –

CHAIRPERSON BROOKS: I'm sorry.

COUNCILPERSON LOWE: -- lowering the people's taxes here in Riviera Beach.

CITY MANAGER JONES: And those are different.

COUNCILPERSON LOWE: Those are different.

CITY MANAGER JONES: Those are different.

COUNCILPERSON LOWE: Those are different.

CITY MANAGER JONES: Okay. Thank you

INTERIM FINANCE DIRECTOR HOSKINS: And -- and one more reason. Um, we are dependent -- um, as you know, the general fund makes up 50 percent of property taxes. So we are dependent on property taxes. If property taxes go down, it just throws us way overboard.

CHAIRPERSON BROOKS: Uh-huh

INTERIM FINANCE DIRECTOR HOSKINS: So we're trying to get to the point where we're not so dependent --

CHAIRPERSON BROOKS: Dependent.

INTERIM FINANCE DIRECTOR HOSKINS: -- on property taxes.

COUNCILPERSON LOWE: I understand.

INTERIM FINANCE DIRECTOR HOSKINS: To lower that percentage, that 50 percent, the 50 percent --

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- dependent on property taxes.

CHAIRPERSON BROOKS: Okay, Miss Hoskins. Please continue.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Um, I'm gonna let each department present their own --

CHAIRPERSON BROOKS: Okay. Great.

INTERIM FINANCE DIRECTOR HOSKINS: So, um, Chief LeDuc?

FIRE CHIEF LEDUC: Good evening, again.

CHAIRPERSON BROOKS: Good evening, Chief.

FIRE CHIEF LEDUC: Peter Leduc, Fire Chief. Uh, the Fire Department's looking in two areas to increase, uh, fees. Uh, one area is in, uh, inspection fees and plan review. The other is in EMS transport fees.

CHAIRPERSON BROOKS: Okay.

FIRE CHIEF LEDUC: So, uh, at this point on the screen we're looking at the, uh -- the proposed, uh, inspection fees. Uh, the different columns show the old rate, uh, with the new rate. But the first item I do see is the old rate there for the plan review is 225. Actually, that was the original rate. I think it's 250 now, so it's only going up, um, uh, uh, 50 cents. Uh --

CHAIRPERSON BROOKS: Uh-huh.

FIRE CHIEF LEDUC: So that's -- that's just a typo there, and I apologize for that. Um, a survey was done of all the area local fire departments and their fire and plan use fee. Some are similar. Some are not. But as you go down in this, there's many categories of fees, uh, based on the occupancy type. And some of these, uh, fees are being addressed to increase based on, uh, where we're at and also for the amount of work that we do when we go into these areas.

Um, what I did notice on our fee schedules, most of the time we were low on the -- the upper part here where I'm showing on the screen. We were low in this area in the old rate, but as we got into these areas of the larger occupancies and numbers, uh, we were low. Um, so most of our increases are on the -- the bottom end of these categories.

And, um, the implementation of these fees, uh, does not put us at the high end. It puts us, uh, about in the middle, um, of all the agencies in, uh, the county. And based on previous numbers, we're looking about a 8 to \$10,000 increase in collection of -- of revenue with the increase in these fees, just in this section here. Um, this section of plan review --

CITY MANAGER JONES: Say what that section is, because the public doesn't know what this section means. You need to (inaudible) --

FIRE CHIEF LEDUC: Well, what I'm talking about, the fee, the fire inspection fees, is 8 to 10,000, uh, would be generate, uh, an increase in fees. In the plan review part, it's contingent on the amount of building, um, permit fees that are applied for. And, um, so it's really hard to predict what this amount would be, um, if there were an increase. The more permits, uh, the -- the greater amount of revenue generated. I think last year we were in the area of about 100,000. Um, the year before that we were at, like, 50,000. So it's -- it's a -- uh, it's a big difference in change. So that really depended on the economy and, uh, construction starts or remodels, those kinds of things. So it's very difficult to get that increase. Um, but typically on a 10,000 square foot building that's going to be remodeled, it's -- it's a difference of about \$5, um, that particular amount. Ma'am?

CHAIR PRO-TEM PARDO: Okay. Uh --

CHAIRPERSON BROOKS: Question, right.

CHAIR PRO-TEM PARDO: Yeah. Chief, I have a question. So how long does it take you guys to do an inspection? Say you have a 3,000 -- a 30,000 health care, um, institution.

FIRE CHIEF LEDUC: Okay. So you're looking in --

CHAIR PRO-TEM PARDO: And you're gonna do an inspection.

FIRE CHIEF LEDUC: -- you're looking in -- in this area here, looking at the screen, down there --

CHAIR PRO-TEM PARDO: Yeah, yeah, yeah.

FIRE CHIEF LEDUC: -- towards the bottom.

CHAIR PRO-TEM PARDO: Right.

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO-TEM PARDO: So it would be 200 bucks. How long does it take you -- well, that's the old fee.

FIRE CHIEF LEDUC: That's a very good question, and it could take a full day. It could take two days. Um --

CHAIR PRO-TEM PARDO: Okay. And then you said if we raised it to 250, um, a \$50 increase, we would be in the median, in the -- in the middle compared to the other 38 municipalities.

FIRE CHIEF LEDUC: Um, approximately, yes, ma'am.

CHAIR PRO-TEM PARDO: Okay.

FIRE CHIEF LEDUC: And I have that fee schedule, and we could take a closer look on it if you wanted to compare, so I can -- I can speak exactly on that.

CHAIR PRO-TEM PARDO: Yeah. Well, maybe that's something that we should look at. If we're gonna be in the middle maybe that then gives us room to go up a little more.

FIRE CHIEF LEDUC: Well --

CHAIR PRO-TEM PARDO: And then --

FIRE CHIEF LEDUC: I understand.

CHAIR PRO-TEM PARDO: No, seriously. And then, you know, because, you know, 8 to \$10,000, it's something.

CHAIRPERSON BROOKS: It sure is.

CHAIR PRO-TEM PARDO: But, um, and then, um, my other question is, do we provide inspection service to Palm Beach Shores, or do they have their own person?

FIRE CHIEF LEDUC: Uh, no, they have their own. We -- we do not.

CHAIR PRO-TEM PARDO: They have their own?

FIRE CHIEF LEDUC: That's correct; yes, ma'am.

CHAIR PRO-TEM PARDO: Okay. All right. Thank you.

FIRE CHIEF LEDUC: Yes, ma'am.

CHAIRPERSON BROOKS: Uh, Chief, a question. Under Educational, I see that it is a very significant increase, uh, for the "all others." Well, what institutions or educational, um  
—

COUNCILPERSON: Schools?

CHAIRPERSON BROOKS: -- might come in? Would that be a —

COUNCILPERSON: It's a (inaudible).

CHAIRPERSON BROOKS: -- our regular schools? Okay.

FIRE CHIEF LEDUC: Correct.

CHAIRPERSON BROOKS: So that perhaps wouldn't be a big problem with them, anyway, because they would have this money, uh, budgeted. Okay.

FIRE CHIEF LEDUC: Correct. There's not a large -- a large —

CHAIRPERSON BROOKS: That -- that was the largest increase --

FIRE CHIEF LEDUC: -- impact in that area.

CHAIRPERSON BROOKS: -- I believe.

FIRE CHIEF LEDUC: Correct.

CHAIRPERSON BROOKS: Um –

FIRE CHIEF LEDUC: And those take us a considerable amount of time, uh, to inspect, as well, and another reason for that particular increase.

CHAIRPERSON BROOKS: Okay.

CHAIR PRO-TEM PARDO: One other thing. Do any -- do you know if any of the municipalities charge on a per hour basis, instead of a flat fee?

FIRE CHIEF LEDUC: I would have to review, uh, the Boca Raton's. I think there's -- theirs is a -- quite a bit different than any other municipality. I think that may fall in -- they have a different rate structure, but I don't know if it's per hour, but I think it's set up completely different than ours.

CHAIR PRO-TEM PARDO: Okay.

CHAIRPERSON BROOKS: Okay.

FIRE CHIEF LEDUC: Just gonna –

CHAIRPERSON BROOKS: You may continue.

FIRE CHIEF LEDUC: -- uh, scroll down, look at it, some of these other rates. Looking at some of the other services that we do provide, uh, we have, uh, re-inspections if they happen to have fail their first inspection.

CHAIRPERSON BROOKS: Where is that?

FIRE CHIEF LEDUC: Um, we charged a \$25 fee.

CHAIR PRO-TEM PARDO: It's in there.

FIRE CHIEF LEDUC: We've upped that to try to have them do a better job in the beginning, before we re-inspect, but if we do have to go out there, um, it is a rescheduling and, um, we're unable to do others if we've got to reschedule, so we want to make that a little bit more, um, of a -- of an increase.

Burn permit fees, um, basically what this covers is, um, bonfires, typically, uh, on the beachfront. We really don't do too much, um, fires anywhere else because of the -- the smoke and, um, the other areas. But there are, um, not in turtle season, uh, some businesses on the island that like to do bonfires for their get-togethers or businesses that they do. And, uh, we've been charging \$100. Well, what we do is we schedule it. Um, we have some parameters that they have to comply with, and then we send out an engine crew, uh, to review it before we allow it to, um -- to -- to take place, and make -- make sure that they're doing -- complying with it, and also it's not too windy, and, um, and that they

have the proper extinguishment and things in place. So it does take us a bit of time, and so this offsets a little bit more of that time for us when we go out there.

Uh, a firework transfer fee, well, what that is, is because of our marina, um, some fireworks companies like to use our marina to load onto their barges and then send them off to the Intercoastal. What we do is, we provide, uh, an engine crew on an overtime basis to make sure that they -- um, they have a box of fireworks that they take off the transport vehicle, that they put onto the barge, and then they have to get it away from our City and out into the middle of the Intercoastal. And we have an engine crew that we provide to oversee that, to make sure that they comply with it, and that's for an hour. And if they go over that hour, they have to pay a -- an additional amount, but that's -- this is the base fee for that. And there is an increase in that because of the cost of, uh, just doing business.

CHAIRPERSON BROOKS: Okay. Are there any -- is that it?

FIRE CHIEF LEDUC: Um, going down here, um --

CHAIRPERSON BROOKS: Oh, other services. Okay.

UNIDENTIFIED SPEAKER: Do I have any --

CHAIRPERSON BROOKS: That's it?

CHAIR PRO-TEM PARDO: Wait.

CHAIRPERSON BROOKS: Okay.

UNIDENTIFIED SPEAKER: -- transport vehicle?

CHAIR PRO-TEM PARDO: Yeah. What about transport?

FIRE CHIEF LEDUC: Okay. I -- but I do have one -- we are proposing an ambulance transport fee increase, as well, and if you'll give me a second I can pull, um, this up.

CHAIR PRO-TEM PARDO: Now, does that include Palm Beach Shores?

FIRE CHIEF LEDUC: No, ma'am. Well, we -- we --

CHAIR PRO-TEM PARDO: If we pick someone up from a hotel and transport them to the Gardens, do they have to pay that fee?

FIRE CHIEF LEDUC: It's not a separate fee. We -- we bill the patient for that, or the patient's insurance company. We don't bill Palm Beach Shores for that. We -- we just treat them like a transport for the City. It makes no difference.

CHAIR PRO-TEM PARDO: Okay.

FIRE CHIEF LEDUC: It's not a separate fee. It's just part of –

CHAIR PRO-TEM PARDO: Have you looked at that? You know, with the transients? Are they paying? Have you guys looked at that, you know, these out of –

FIRE CHIEF LEDUC: Transients?

CHAIR PRO-TEM PARDO: Right. Well, the out-of-towners, like, in Palm Beach Shores, I know you guys go over to the -- what is it, the Palm Beach Resort and also the Marriott a lot. And then the hotels on the island. You know? Someone gets sick. You transport them –

FIRE CHIEF LEDUC: Right. That -- that -- that –

CHAIR PRO-TEM PARDO: -- to wherever. Right. Have you looked at your billing to see if -- you know, what -- what percentage of the transients are not paying?

FIRE CHIEF LEDUC: Uh –

CHAIR PRO-TEM PARDO: I'm just curious.

FIRE CHIEF LEDUC: -- no, not -- not specifically. No, but we do look at ours of -- of -- of people who don't pay or are unable to pay.

CHAIR PRO-TEM PARDO: Right.

FIRE CHIEF LEDUC: But we don't look at, like, um, separate –

CHAIR PRO-TEM PARDO: So it's not –

FIRE CHIEF LEDUC: -- from Palm Beach Shores or anyplace else.

CHAIR PRO-TEM PARDO: It's not separated?

FIRE CHIEF LEDUC: Their collection rate is basically the same as the rest of the City. We've looked at that before to see if we had any higher collection rate increase in there, and it's about the same.

CHAIR PRO-TEM PARDO: And what is -- what percentage is that, do you know?

FIRE CHIEF LEDUC: We're looking at a 40 to 42 percent.

CHAIRPERSON BROOKS: Oh, that's a lot, isn't it?

CHAIR PRO-TEM PARDO: Wow, that's a lot.

FIRE CHIEF LEDUC: Not as much as we'd like.

CHAIR PRO-TEM PARDO: Wow.

CHAIRPERSON BROOKS: Well, question. Did you finish?

CHAIR PRO-TEM PARDO: Yeah, I'm done. Thank you.

CHAIRPERSON BROOKS: Um, the persons that you are not able to collect from, who are these persons, usually? I mean, are they vacationers and don't have insurance, or homeless people, or the uninsured?

FIRE CHIEF LEDUC: Excuse me. I missed the first part of your question, ma'am.

CHAIRPERSON BROOKS: I'm saying -- you're saying that 42 percent of the persons that you transport, you're not able to collect. And I'm asking, are these persons who are vacationers? Are they residents without insurance?

FIRE CHIEF LEDUC: Uh, the largest portion of that would be local.

CHAIRPERSON BROOKS: What about Medicaid, because --

FIRE CHIEF LEDUC: And I wouldn't just say specifically for the City. I'd just say locally in Palm Beach County.

CHAIRPERSON BROOKS: What about Medicaid? Are we not eligible to, um --

FIRE CHIEF LEDUC: No, we have those rates. I mean, we -- we -- yes, we get that, as well.

CHAIRPERSON BROOKS: Okay.

FIRE CHIEF LEDUC: They're just the portion that, um, is either -- either uninsured or they are insured and that they don't finish paying the amount that they owe. And so there might be a balance, uh, due on it.

CHAIRPERSON BROOKS: And that can be a real problem.

FIRE CHIEF LEDUC: Yeah, it --

CHAIRPERSON BROOKS: We'll talk about that later.

FIRE CHIEF LEDUC: -- can be a problem. Yes, and --

CHAIRPERSON BROOKS: I'll talk with you --

FIRE CHIEF LEDUC: -- and -- yes, and we're working --

CHAIRPERSON BROOKS: -- one-on-one about that, because --

FIRE CHIEF LEDUC: -- with purchasing right now to work on a new billing vendor, as well, but this doesn't have anything to do with that. This is just adjusting with our current rates. We'll come back with -- with some -- uh, an agenda item and resolution based on --

CHAIRPERSON BROOKS: Because 42 percent is a lot. It's quite a lot. And if they're local people, then there ought to be some way that we can get them access into the, uh, health care district or some place and have billing --

FIRE CHIEF LEDUC: Well, we have -- we have several ideas for that, right. It will be presented.

CHAIRPERSON BROOKS: Yeah, okay.

FIRE CHIEF LEDUC: You're correct, yes, ma'am.

CHAIRPERSON BROOKS: Yes. All right.

FIRE CHIEF LEDUC: You make a very good point.

CHAIRPERSON BROOKS: Thank you.

FIRE CHIEF LEDUC: What I have on the screen here is a, um -- this is an Excel file spreadsheet of -- of actually the State of Florida EMS transport, um, uh, data on their -- their transport fees. And -- and the -- the start at the top of 'em here is, um, the ones here in Palm Beach County. And I'm just gonna go up here a little bit. And it's Delray, Boca, as you go down, West Palm, and then I've highlighted Riviera Beach.

CHAIRPERSON BROOKS: Uh-huh.

FIRE CHIEF LEDUC: You can see we're down here around 450. There's different categories of transport, and I'll get to the top here. Uh, we have BLS, uh, non-emergency, ALS, and this is just the type of care that you would render, and it's based on, um, some specifications of the federal government, Medicaid, what those things mean, and how insurance company reimburses them. The more you do, the higher reimbursement. And as you can see, Riviera Beach is, um, pretty much on the lower side. So if you go down all the way to the bottom -- excuse me for going so fast -- you just see there's a lot of Broward County --

CHAIRPERSON BROOKS: Wow.

FIRE CHIEF LEDUC: -- uh, down here, and then there's the middle of the state, and some other areas. Now, I've highlighted down here a little bit for you, and this yellow line

represents, uh, our, uh, fee proposed increase. Um, this is, um -- is a -- uh, went too far. Excuse me for a second. Here it is. This is the median, or the high, the median, the low, and the average. That's what these numbers represent for the entire state represented here.

Um, we're looking at the average to compare what we maybe should be at, and so that is what we're proposing to just be at, just above or right at the -- the average in all these categories. Um, and it's a -- it's considered a fair value and it is a significant increase, but based on, uh, the numbers, it's, um -- it's within line and, uh, that is our recommended proposal.

Based on our current numbers, um, there's a lot of changes going on with Medicaid and Medicare right now. We are a little bit down from last year, um, but I think once the reimbursements get caught up with some of these new rules we should be doing better. We'll probably be matching about 850 to 900, a thousand this year. With these proposed increases, could go as high as, um, 80 to 85,000 with these increases, based on previous numbers.

So overall, Fire-Rescue might be looking at about a \$100,000 increase in revenues if -- if we -- if all goes well; a whole lot higher if we do better on our permits, uh, in the Building Department. But we -- we can't count those. That's -- that's something we can't control. What we can control is, um, what we've been doing on the average transports over the years, and our inspection, um, um, rates that we do with our inspections.

CHAIRPERSON BROOKS: Uh-huh.

FIRE CHIEF LEDUC: So that's what --

COUNCILPERSON DAVIS: Um, a question.

CHAIRPERSON BROOKS: Yes, Miss Davis.

COUNCILPERSON DAVIS: Um, Mr. Cross in his, um, um, comments, uh, made an interesting, um, point. Um, and he talked about the ratio of police officers to, you know, our eight square miles, so do you happen to know what the ratio is for our firefighter-paramedics to our population?

FIRE CHIEF LEDUC: Uh, no, ma'am, I do not.

COUNCILPERSON DAVIS: Okay. Can we get that information?

FIRE CHIEF LEDUC: Yes, ma'am.

COUNCILPERSON DAVIS: Okay. Thank you.

CHAIRPERSON BROOKS: Well, you have how many? Because we have 32,000 residents, right?

COUNCILPERSON DAVIS: Um, it -- I'll wait for him to get it back.

CHAIRPERSON BROOKS: Yeah. Okay. All right.

FIRE CHIEF LEDUC: 74. 74, um, firefighters in the budget with two --

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Okay. That gives us --

FIRE CHIEF LEDUC: -- two administrative staff.

CHAIRPERSON BROOKS: -- an idea. Uh-huh. Okay.

FIRE CHIEF LEDUC: So whatever that would, uh, work out. But I don't -- I don't know what that compares to --

COUNCILPERSON DAVIS: I understand.

FIRE CHIEF LEDUC: -- within the County or other agencies.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Right. Is that it? Any other questions? Comments?

FIRE CHIEF LEDUC: Thank you.

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO-TEM PARDO: Thanks, Chief.

CHAIRPERSON BROOKS: Is the next Parks & Recreation?

CITY MANAGER JONES: The next department is Parks & Recreation, so I'd like to ask, um, John Williams to come up and talk about his proposed increases. And each one of these will individually be brought back to you for your action and as we move through the budget process.

CHAIRPERSON BROOKS: Okay.

DIRECTOR JOHN WILLIAMS: Madam Chair?

CHAIRPERSON BROOKS: Yes.

DIRECTOR JOHN WILLIAMS: John Williams, Director of Parks & Recreation. Staff went out and did a comparison survey with other municipalities to see where we were with our fees, and basically, uh, our fees are somewhat in line with most of the municipalities with a

few differences. Um, we did -- we haven't done a fee increase since, uh, 2006, so it -- it is time for us to implement an increase. And we tried to do it incrementally. We understand the dynamics of what we're dealing with, so we didn't, uh -- we didn't go overboard with the fees, but we tried to bring them in line.

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: What (inaudible)?

DIRECTOR JOHN WILLIAMS: Well, we -- we -- we kinda like touched on all of them, but the -- the -- the ones that are -- are -- are -- that has, um, a significance is the, um, sand volleyball. That wasn't something that we were normally doing, because with the beach, you know, it's a new area, and it's getting a lot of activities.

CHAIRPERSON BROOKS: I guess we could look at the ones that are 50 percent or above.

DIRECTOR JOHN WILLIAMS: 50 percent or better, 75 percent.

CHAIRPERSON BROOKS: Like the flag football was 75 percent. Uh --

COUNCILPERSON DAVIS: Basketball, 150 percent increase? Wow.

CHAIRPERSON BROOKS: I see the sand was the largest. But Mr. Williams, you said that you -- you consider -- in comparing with other municipalities --

DIRECTOR JOHN WILLIAMS: The other -- that's correct.

CHAIRPERSON BROOKS: -- that we are pretty much in line.

DIRECTOR JOHN WILLIAMS: Well, we're still low. We're still lower than most of them, yes.

CHAIRPERSON BROOKS: We're still low. Okay.

DIRECTOR JOHN WILLIAMS: Yes.

CHAIRPERSON BROOKS: Okay. You want to stress that. We're still low, even --

DIRECTOR JOHN WILLIAMS: We're still low.

CHAIRPERSON BROOKS: -- with our major increases.

DIRECTOR JOHN WILLIAMS: That's correct.

CHAIRPERSON BROOKS: We're still low. Okay. Let me ask you something since you're here, Mr. Williams. At our various parks -- and this doesn't have anything -- maybe it does have something to do with the budget -- I note that the light poles, the, um, outlets don't work at any of -- at any of the parks, at least at Calloway Park and the park that's on 36<sup>th</sup> Street.

DIRECTOR JOHN WILLIAMS: The electrical outlets?

CHAIRPERSON BROOKS: Right. You know, and the poles.

DIRECTOR JOHN WILLIAMS: We -- we -- that -- they were done for a reason 'cause people used those, charge a cell phone, play the boom boxes.

CHAIRPERSON BROOKS: Oh.

DIRECTOR JOHN WILLIAMS: So we deliberately took the power out of them.

CHAIRPERSON BROOKS: Okay. So we don't have the power to turn it on --

DIRECTOR JOHN WILLIAMS: Yes --

CHAIRPERSON BROOKS: -- for events?

DIRECTOR JOHN WILLIAMS: -- we do. Yes, we do.

CHAIRPERSON BROOKS: Okay. I was trying to make homemade ice cream.

DIRECTOR JOHN WILLIAMS: No, we just turn it on.

CHAIRPERSON BROOKS: I couldn't make my homemade ice cream.

DIRECTOR JOHN WILLIAMS: Just let us know. We'll turn the switch on.

CHAIRPERSON BROOKS: I have to let you know the next time --

DIRECTOR JOHN WILLIAMS: Okay.

CHAIRPERSON BROOKS: -- so you can turn the switch on. Okay. Well, thank you. Okay. Any other questions or comments?

COUNCILPERSON LOWE: Yeah, I have a question.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: How much, uh -- how much of your budget is -- is covered by revenues?

DIRECTOR JOHN WILLIAMS: I'm not understanding your question.

COUNCILPERSON LOWE: If you have expenses, how much -- how much of your expenses is covered by fees? What's the percentage? Because if we subsidize -- say --

DIRECTOR JOHN WILLIAMS: I don't understand the question.

COUNCILPERSON LOWE: Say if we subsidize --

DIRECTOR JOHN WILLIAMS: Let's -- let's just take football, for example.

COUNCILPERSON LOWE: Okay. All right.

DIRECTOR JOHN WILLIAMS: Football probably cost us somewhere in the neighborhood of 15 to \$20,000 to operate. We probably generate anywhere from 12, 10 to \$12,000 in revenue.

COUNCILPERSON LOWE: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Madam --

CHAIRPERSON BROOKS: Yes?

INTERIM FINANCE DIRECTOR HOSKINS: I'm sorry. Madam Chair, Recreation Parks', uh, budget for current fiscal year is \$2.9 million, and in revenues, they generate approximately \$50,000 -- \$60,000 overall. So you're talking --

CHAIRPERSON BROOKS: Can you repeat that now?

INTERIM FINANCE DIRECTOR HOSKINS: Huh?

CHAIRPERSON BROOKS: Am I hearing you correct?

COUNCILPERSON THOMAS: \$60,000, right.

CHAIRPERSON BROOKS: Is what we get in revenue, and the budget is --

INTERIM FINANCE DIRECTOR HOSKINS: Actually, I'm sorry. 140 -- 145, um, projected --

CHAIRPERSON BROOKS: Okay. Let's start over.

INTERIM FINANCE DIRECTOR HOSKINS: Projected budget. Their budget for Recreation & Parks, which includes recreation activities, the beach, uh, Barracuda Bay, Lindsey Davis --

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: -- um, their budget is \$2.9 million. The budget for fiscal year 2013 is projected at \$145,000 in fees.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Fees.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: So that --

CHAIRPERSON BROOKS: Well, it's not an enterprise, so I guess we're not looking at them --

INTERIM FINANCE DIRECTOR HOSKINS: No, it's all in the --

CHAIRPERSON BROOKS: to be self-sustaining --

INTERIM FINANCE DIRECTOR HOSKINS: -- general fund.

CHAIRPERSON BROOKS: -- in -- in revenues, but it's just good to know --

UNIDENTIFIED SPEAKER: So any points (inaudible) --

COUNCILPERSON LOWE: The whole (inaudible) --

COUNCILPERSON DAVIS: Huh?

COUNCILPERSON LOWE: It's less than 10 percent?

CHAIRPERSON BROOKS: Five percent, .05 percent.

UNIDENTIFIED SPEAKER: Yeah, .05 percent. Okay.

COUNCILPERSON LOWE: Yeah, about five percent.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON LOWE: Okay. That's all I wanted to know.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: Thank you.

CHAIRPERSON BROOKS: Those are my questions and comments.

DIRECTOR JOHN WILLIAMS: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. –

DIRECTOR JOHN WILLIAMS: Just want to throw this one thing in there. Please keep in mind or consider when you have individuals that wants to come in, have those fees waived, and we do a lot of fee waivers.

CHAIRPERSON BROOKS: Uh-huh. Especially for non-profits.

DIRECTOR JOHN WILLIAMS: Yes, we do a lot of fee waivers.

CHAIRPERSON BROOKS: Okay.

CITY MANAGER JONES: A lot of fee waivers.

CHAIRPERSON BROOKS: Right. We know.

CHAIR PRO-TEM PARDO: And do other cities do that, too?

CITY MANAGER JONES: No.

DIRECTOR JOHN WILLIAMS: No.

COUNCILPERSON DAVIS: Do we have a policy on that?

CHAIRPERSON BROOKS: No.

CHAIR PRO-TEM PARDO: Do we have a policy on that?

COUNCILPERSON DAVIS: We should have.

CITY MANAGER JONES: We have, and we will be, um, revising that policy. Um, for some reason people think the City ought to be able to provide them something free, and the day of free is over.

CHAIR PRO-TEM PARDO: We're not a social service agency.

CHAIRPERSON BROOKS: I know that question has come to me about the parks -- the parks, the community parks. Are we supposed to be charging fees to residents to use the park?

CITY MANAGER JONES: I believe if they reserve a shelter –

CHAIRPERSON BROOKS: Okay.

CITY MANAGER JONES: -- they pay to reserve the shelter.

DIRECTOR JOHN WILLIAMS: Not just for open recreation. If they just going out to the park, no. But any time -- any time there's an organized activity, yes, there's a fee.

CHAIRPERSON BROOKS: Okay. And that is because -- because -- people need to hear it -- and the fee is charged because with an organized activity, what occurs that justifies the fees?

DIRECTOR JOHN WILLIAMS: We have to have staff out there.

CHAIRPERSON BROOKS: Okay.

DIRECTOR JOHN WILLIAMS: We have to open the bathrooms. Staff has to clean up after the park -- after a particular, um, program.

CHAIRPERSON BROOKS: I'm asking that for a reason, so people will understand --

DIRECTOR JOHN WILLIAMS: Right.

CHAIRPERSON BROOKS: -- why it is.

DIRECTOR JOHN WILLIAMS: For open -- open -- open sports, open recreation, there's no charge for it.

CHAIRPERSON BROOKS: Okay.

DIRECTOR JOHN WILLIAMS: You can go out to the park with your kid and play basketball. There's no charge for that.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe?

COUNCILPERSON LOWE: Do you, uh, document how many fees you waive?

DIRECTOR JOHN WILLIAMS: Yes.

COUNCILPERSON LOWE: Do you have that number?

DIRECTOR JOHN WILLIAMS: I don't have that number, but we do have it documented.

COUNCILPERSON DAVIS: Please bring it back.

COUNCILPERSON LOWE: Yeah, bring that back. Because I know I paid for one or two events that I did –

DIRECTOR JOHN WILLIAMS: Uh-huh.

COUNCILPERSON LOWE: -- as an elected official, you know. I paid for events, and I understand –

DIRECTOR JOHN WILLIAMS: Well, we appreciate that.

COUNCILPERSON LOWE: -- I understand the concept of -- you know.

CHAIRPERSON BROOKS: Yes, okay.

COUNCILPERSON LOWE: But, you know, I try not to ask for -- only reason I ask for a waiver if, you know -- depending on the situation.

DIRECTOR JOHN WILLIAMS: All right.

COUNCILPERSON LOWE: But, uh –

CHAIRPERSON BROOKS: Okay. Thank you, Mr. Williams.

COUNCILPERSON LOWE: -- I'd like to know that.

DIRECTOR JOHN WILLIAMS: You're welcome

INTERIM FINANCE DIRECTOR HOSKINS: Next I would like to ask, uh, Jeff Gagnon to come up and to talk about the proposed fee increases for Community Development.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe?

COUNCILPERSON LOWE: Now, didn't you guys have an increase last year, Community Development? We, uh –

CHAIRPERSON BROOKS: Yeah, they did.

COUNCILPERSON LOWE: -- went through the whole department and did increases.

ADMINISTRATOR GAGNON: Um, this fee specifically deals with, um, building permit fees, and the last increase was in 2009.

COUNCILPERSON LOWE: We didn't have any building increases in -- building fee increases last year?

ADMINISTRATOR GAGNON: Not -- not as far as building permit fees go. No, sir.

UNIDENTIFIED SPEAKER: Licenses and permits.

CHAIRPERSON BROOKS: It was licenses and permits, yeah.

COUNCILPERSON LOWE: Oh, it was just licenses?

UNIDENTIFIED SPEAKER: Yeah, licenses and permits.

COUNCILPERSON LOWE: Oh, okay.

CHAIRPERSON BROOKS: Yes, Mr. Jeff.

ADMINISTRATOR GAGNON: Well, good evening. My name is Jeff Gagnon, Planning & Zoning Administrator. Um, also here tonight is Peter Ringle, Building Official, um, to answer any questions that may arise. Um, what staff did so much of the other departments is we did a comparison of our current Building Department fees to neighboring municipalities.

CHAIRPERSON BROOKS: Uh-huh.

ADMINISTRATOR GAGNON: Um, I'll bring this up now. I also passed out a hard copy to the dais. I'll try to zoom in here so everyone can read it. So on the left it's just a comparison for a minimum fee for a building permit. Um, this first column that says "current," this would be the current Building Department fee. Um, under the new proposed fee schedule, this dollar amount would represent the new proposed fee. Um, and then to the right, uh, we have Lake Park, Mangonia Park, and other neighboring municipalities, and how their fee schedules are, um, basically stacked up in comparison to this, um, amendment proposal.

Um, unfortunately, the furthest -- furthest to the right is the most important fee. Um, West Palm Beach is actually the fee schedule that we were mirroring in creating our fee schedule, um, so these fees to the far right will mirror the column that says "proposed" for the City's fees.

Regionally, as you -- as you compare the numbers, um, currently we would be considered on the very low end of the spectrum. Um, the last time we had a building fee increase was in 2009, and I believe that was through Ordinance 30-63. Um, so June of 2009. Um, it -- excuse me -- um, at that time we did also do a comparison to local municipalities to make sure that the fees we were proposing were, um, accurate and comparable to the neighboring municipalities. Um, so over time over the past three years they've increased fees, uh, um, in order to provide, uh, the adequate level of service that we need to -- to the public and be able to process the fees, um, we feel that it's appropriate in order to, um, increase these fees to this level.

CHAIRPERSON BROOKS: Well, this is quite a jump.

COUNCILPERSON LOWE: May I ask you a question?

CHAIRPERSON BROOKS: Oh, yes, Mr. Lowe. Mr. Lowe?

COUNCILPERSON LOWE: We've said several times, just through meetings and, uh, conversation, that we wanted to be business friendly.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON LOWE: So how do we -- how do we live up to that and then try to be in line with other municipalities? You know? How do you --

ADMINISTRATOR GAGNON: Right.

COUNCILPERSON LOWE: Because if I'm -- if I want to start a business, I'm looking at permit fees. Obviously, I want to go to the place where I can get the better fees.

ADMINISTRATOR GAGNON: Absolutely.

COUNCILPERSON LOWE: So did you -- did -- was all of this taken into account when we were going through these fee increases, the fact that, you know, unlike West Palm Beach, you know, they generate a little bit more business than we do. And in keeping with trying to, uh, stay business friendly, is it -- is it ideal that we increase it or we try to structure it where we, you know, just make it more attractive, as opposed to being -- being, uh, competitive to other municipalities who may be doing far better than we are in terms of development and building?

ADMINISTRATOR GAGNON: Right. I -- I definitely understand that. I think that the -- the current proposal, it's -- it's still a proposal. Um, you know, we used West Palm Beach as, you know, a -- a tool to measure, and we found that regionally that was an appropriate level. Um, now, as far as being business friendly, we definitely, um, come forward a long way, I feel. Um, we created an easier application process for new businesses coming in, um, and the actual business fees and business license, even though if you did have a new business coming in, and you want to do renovations, that would be directly associated with the Building Department fees, but the actual license fees are, I guess, a separate -- a separate, uh, structure.

COUNCILPERSON LOWE: All right. I just wanted to know how all this fits in with, you know, our philosophy and our -- you know, because we said this several times up here, that we want to be business friendly.

ADMINISTRATOR GAGNON: Right. Yes, staff -- staff definitely is on the same page.

COUNCILPERSON LOWE: All right.

ADMINISTRATOR GAGNON: Um, and like I said, this is -- it's a proposal, um, so we just feel like this was the best starting point.

CHAIRPERSON BROOKS: Mr. Gagnon, we are privileged to come up with a recommendation ourselves. I mean, if we -- for instance, um, the fee at the \$4,200, I mean, we could say, Well, why not compromise and have a fee that South Palm Beach has, 3,000, or -- I mean, we -- we're free to come back with our own recommendation to you, correct?

ADMINISTRATOR GAGNON: Right.

COUNCILPERSON THOMAS: Yes.

CHAIR PRO-TEM PARDO: Yeah.

CHAIRPERSON BROOKS: I mean, this is -- and that's what I'm thinking, you know, because I -- I'm like Mr. Lowe. I -- I -- I definitely want us to be business friendly, and I don't want the Riviera Beach to be seen as a deterrent. Uh, you know, these fees is a deterrent to coming into our city, uh, to build, um --

COUNCILPERSON DAVIS: But Madam Chair --

CHAIR PRO-TEM PARDO: Yeah.

CHAIRPERSON BROOKS: So it's just, you know, we -- we -- again, we're -- you know, these are preliminary and we can give our input and nobody's right and nobody's wrong. You can just say what you feel. Miss, um -- Miss Davis?

COUNCILPERSON DAVIS: Yeah, Madam Chair. I thought it was really basically, uh, um, the process that businesses were having an issue with. You know, it was very convoluted and it took them a long time to get, uh, through the permitting process. It wasn't a matter of, you know, what it cost so -- so much, but just the process in and of itself. And I think we've -- we've, uh, addressed that issue, um, I think a -- a year or so ago, so --

CHAIR PRO-TEM PARDO: Madam Chair?

CHAIRPERSON BROOKS: Well, it was passed on to the homeowner, or the -- yes?

CHAIR PRO-TEM PARDO: Yeah. And also, we passed an ordinance where this City now has expedited permitting.

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO-TEM PARDO: And that has helped us. But taking a look at this sheet that you gave us, um, what I would prefer to see is, you know, I like the fact that you have Palm

Beach Gardens on here, West Palm Beach, but I think we should also survey Boynton Beach and, um, Boca Raton.

CHAIRPERSON BROOKS: Boca.

CHAIR PRO-TEM PARDO: Because, you know, Lake Park really doesn't have a lot of space left to build. Same with Mangonia Park.

CHAIRPERSON BROOKS: (Inaudible).

CHAIR PRO-TEM PARDO: Palm Beach Shores, they're built out.

CHAIRPERSON BROOKS: Delray.

CHAIR PRO-TEM PARDO: And South Palm Beach, the only thing they can build there is a condo.

CHAIRPERSON BROOKS: Yeah.

CHAIR PRO-TEM PARDO: There's nothing –

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO-TEM PARDO: -- left there. Um, and, um, I'd also like to see Delray Beach. So maybe –

CHAIRPERSON BROOKS: Yeah, they have –

CHAIR PRO-TEM PARDO: -- Boynton Beach, Delray –

CHAIRPERSON BROOKS: Boynton would be all right.

CHAIR PRO-TEM PARDO: -- Boca.

CHAIRPERSON BROOKS: So you got those, Boynton, Delray, and Boca.

CITY MANAGER JONES: Boynton, Boca, and Delray.

CHAIRPERSON BROOKS: Yeah, that would give us a better –

COUNCILPERSON DAVIS: (Inaudible) Lake Worth.

CHAIR PRO-TEM PARDO: Yeah, throw Lake Worth in there, too.

COUNCILPERSON DAVIS: Yeah, definitely Lake Worth.

CHAIRPERSON BROOKS: Lake Worth Beach.

CHAIR PRO-TEM PARDO: Oh.

CHAIRPERSON BROOKS: Yes, sir?

BUILDING OFFICIAL RINGLE: My name is Peter Ringle. I'm the new Building Official with the City of Riviera Beach.

COUNCILPERSON DAVIS: Welcome, Mr. Ringle.

CHAIRPERSON BROOKS: Welcome.

BUILDING OFFICIAL RINGLE: Thank you for the opportunity to work here. Uh, Lake Worth is in the middle of revising their fee structure, as well. Um, when I surveyed the municipalities, I just took neighboring municipalities, uh, that I know of, and I also worked in some of these, uh, municipalities as a private provider. Um, so we can, you know, survey those other places, but one thing to consider, okay, is, um, South Palm Beach, Lake Park, uh, Palm Beach Shores, they all have private providers for their building department. It's not the same level of service that you would get here at Riviera Beach.

COUNCILPERSON DAVIS: Is it the County?

BUILDING OFFICIAL RINGLE: Um --

COUNCILPERSON DAVIS: Do they go through the County?

BUILDING OFFICIAL RINGLE: No, it's through --

COUNCILPERSON DAVIS: Oh, okay.

BUILDING OFFICIAL RINGLE: -- a private firm --

COUNCILPERSON DAVIS: Private? Okay.

BUILDING OFFICIAL RINGLE: -- that I used to work for.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Uh-huh.

BUILDING OFFICIAL RINGLE: So, um, it's not the same level of service. Um, something that the Building Department here in Riviera Beach, we're trying to work on, is getting through permits in a faster manner and, um, expediting what's happening. And business friendly is very important.

I came from the private sector, even though we were working for municipalities. If people were not happy with the service, the Council was the first people to hear it. And so

I think it's very important to work with the contractors, and that's something that I'd like to bring to the Building Department is business friendly is extremely important. But at the same time, permit fees are not a driving factor –

CHAIR PRO-TEM PARDO: Right.

CHAIRPERSON BROOKS: Okay.

BUILDING OFFICIAL RINGLE: -- from what I've seen –

CHAIRPERSON BROOKS: Uh-huh. Okay.

BUILDING OFFICIAL RINGLE: -- other places.

CHAIRPERSON BROOKS: Uh-huh.

BUILDING OFFICIAL RINGLE: If it takes you three months to get a permit, I'd be infuriated.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON DAVIS: Exactly. That's what I hear.

BUILDING OFFICIAL RINGLE: Doesn't matter what the fee is.

CHAIRPERSON BROOKS: Uh-huh.

BUILDING OFFICIAL RINGLE: If -- you -- and you were talking about expedited services. We provide at the City \$400 expedited service, and they get the permit in a much faster manner. I'd like to discourage that because I don't think that people should have to pay extra to get faster service, but they should be able to come in, apply for a permit, not walk out with it the same day, but –

COUNCILPERSON THOMAS: Uh-huh.

BUILDING OFFICIAL RINGLE: -- walk out with it within a reasonable time. I think anything over 30 days for a permit is unreasonable.

COUNCILPERSON DAVIS: Right.

CHAIRPERSON BROOKS: Oh, good. I like –

COUNCILPERSON LOWE: What's the average –

CHAIRPERSON BROOKS: -- your attitude.

COUNCILPERSON LOWE: Madam Chair, what's the –

CHAIRPERSON BROOKS: Yes.

COUNCILPERSON LOWE: -- average –

BUILDING OFFICIAL RINGLE: Right now, the –

COUNCILPERSON LOWE: -- out the door, in -- in and out the door? Do we have those –

BUILDING OFFICIAL RINGLE: The –

COUNCILPERSON LOWE: -- figures?

BUILDING OFFICIAL RINGLE: -- average in and out the door depends upon the type of permit, the complexity of the permit. Um, for example, you cannot compare the Healey Center, which is a –

COUNCILPERSON LOWE: Let's -- let's take -- let's take the project on, uh, Old Dixie, right across from Life Liquor. Do they have their permit yet? It's been about –

BUILDING OFFICIAL RINGLE: I'm sorry. Which project?

COUNCILPERSON LOWE: -- three months. The new –

CITY MANAGER JONES: On the corner of Old Dixie and –

COUNCILPERSON LOWE: Uh-huh. 26<sup>th</sup> Street?

CHAIRPERSON BROOKS: Pleasant Plaza.

UNIDENTIFIED SPEAKER: Pleasant Plaza.

CHAIRPERSON BROOKS: Pleasant Plaza.

COUNCILPERSON LOWE: And that place has been built and they're still -- according to rumor, they're still waiting on a permit.

COUNCILPERSON DAVIS: It's not a permit. It's a Certificate of Occupancy.

COUNCILPERSON LOWE: All right. C.O. or –

UNIDENTIFIED SPEAKER: C.O. (inaudible) –

COUNCILPERSON LOWE: That's what I said. In or out the door -- in and out the door, a project.

BUILDING OFFICIAL RINGLE: If you would like to talk to me after about a specific project and what's happening there, I would be happy to discuss that with you.

COUNCILPERSON LOWE: Well, I -- I don't care about that project. I was just giving you an example.

UNIDENTIFIED SPEAKER: Yeah, but they're looking for a C.O.

CHAIRPERSON BROOKS: That's different, though, C.O.

BUILDING OFFICIAL RINGLE: They're asking for their Certificate of Occupancy, and when they have completed the, um, final inspection of building, which I had, and they did not pass, on, uh, I believe it was Tuesday, um, it's -- I'm sorry, Monday. But as soon as the necessary information and the project is complete, they will get that.

CHAIRPERSON BROOKS: Thank you. All right.

CITY MANAGER JONES: That ends our, um, presentation of proposed fee increases. We will finalize the survey of -- the additional cities and get the additional information so that when we bring this information back for action we'll have all that information there for you.

CHAIRPERSON BROOKS: And I certainly would encourage my colleagues where we have questions about, um, budgets, a specific department, that we can discuss them with you or with your permission we can go to the department head and just get clarity on any matters that we don't understand, but we don't want to bypass you.

CITY MANAGER JONES: Right.

CHAIRPERSON BROOKS: If it's okay, just to go directly and ask questions. Not to give directives, but just to ask questions.

CITY MANAGER JONES: The questions -- to get the answers to your questions, yes.

CHAIRPERSON BROOKS: Correct.

CITY MANAGER JONES: By all means.

CHAIRPERSON BROOKS: Correct, correct.

CITY MANAGER JONES: Uh, let me say thank you, uh, to each of you for your attention, uh, this evening. Um, as I mentioned earlier, we will have another budget workshop on August the 6<sup>th</sup>, and one on August the 13<sup>th</sup>. So we have two opportunities in the month of August to, uh, continue to refine the budget, um, and then we will be ready for our public

hearings during the month of September. Um, I don't know about you, but I feel as though we might be at the bottom, and so we're gonna –

COUNCILPERSON DAVIS: Might be at the what?

CITY MANAGER JONES: Bottom, as –

COUNCILPERSON DAVIS: Bottom what?

CITY MANAGER JONES: -- it relates to the, um, uh, taxable values, and what we're anticipating –

COUNCILPERSON DAVIS: Oh, you mean not going any further.

CHAIRPERSON BROOKS: We bottomed out, yeah.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: And so –

CHAIRPERSON BROOKS: Not going any lower.

CITY MANAGER JONES: -- so we're hoping we're as low as we're going to go and that we will start easing back up, uh, but as Miss Hoskins mentioned, uh, in addition to the property taxes, we have to find other, uh, means of revenue. And I thank you for your attention of entertaining fee increases.

COUNCILPERSON DAVIS: Is that it?

CHAIRPERSON BROOKS: Uh, yeah. Miss, um, Pardo did mention -- and we need to talk about it, since we won't be having another meeting -- uh, that we might consider a retreat, which would have to be in August, uh –

COUNCILPERSON DAVIS: You know, we always set them and nobody come anyway, so –

CHAIRPERSON BROOKS: Well, I did.

CHAIR PRO-TEM PARDO: Well, I was ill, if everyone remembers. I was very ill during our last retreat. Um, I believe I made every other one.

CITY MANAGER JONES: What I will do is, working with the Chair, poll Council and see whether the latter part of July, if people have completed their travels –

CHAIRPERSON BROOKS: Their travel, yeah.

CITY MANAGER JONES: -- if they'd like to look at that as a time for a retreat.

CHAIR PRO-TEM PARDO: Okay.

CHAIRPERSON BROOKS: That's a great idea. And you can look at your calendars and see what --

CHAIR PRO-TEM PARDO: I'm good. I'm not going anywhere. I'll be around. (Inaudible) make sense.

COUNCIL MEMBER: (Inaudible) done? (Inaudible) adjourn. Are we done?

CHAIRPERSON BROOKS: Yes, yes, we're done.

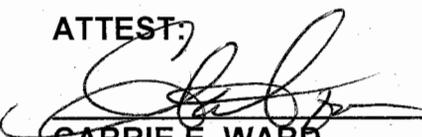
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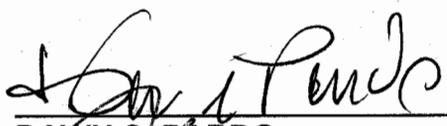
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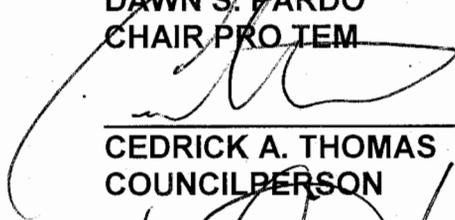
  
THOMAS A. MASTERS  
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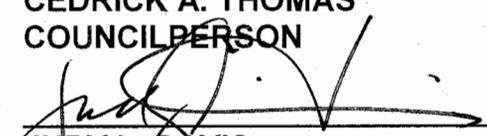
  
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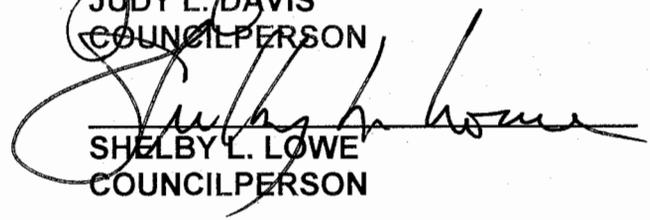
ATTEST:

  
CARRIE E. WARD  
MASTER MUNICIPAL CLERK  
CITY CLERK

  
DAWN S. PARDO  
CHAIR PRO TEM

  
CEDRICK A. THOMAS  
COUNCILPERSON

  
JUDY L. DAVIS  
COUNCILPERSON

  
SHELBY L. LOWE  
COUNCILPERSON

MOTIONED BY: D. PARDO

SECONDED BY: J. DAVIS

B. BROOKS AYE

D. PARDO AYE

C. THOMAS AYE

J. DAVIS AYE

S. LOWE AYE

DATE APPROVED: 08/15/2012