

City of Delray Beach

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Minutes - Final

Tuesday, September 8, 2020

2:00 PM

Workshop Meeting at 2:00 PM

Virtual Meeting

City Commission

*Mayor Shelly Petrolia
Vice Mayor Ryan Boylston
Deputy Vice Mayor Shirley Ervin Johnson
Commissioner Adam Frankel
Commissioner Juli Casale*

Pursuant to Executive Order 20-69 as has been subsequently extended, City Commission meetings may be held virtually. Members of the public wishing to view City Commission meetings should log into the City website, <https://www.delraybeachfl.gov/i-want-to/watch/city-meetings>, where the meeting will be live-streamed for the public.

Pursuant to Section 3.12 of the Charter of the City of Delray Beach the Mayor has instructed me to announce a Workshop Meeting of the City Commission to be held for the following purposes:

WS.1. Budget Workshop Discussion

The Workshop Meeting was called to order at 2:00 p.m.

The roll call was taken by Katerri Johnson City Clerk: The following were present:

Present: 4 - Mayor Shelly Petrolia, Deputy Vice Mayor Shirley Ervin Johnson, Vice-Mayor Ryan Boylston, and Commissioner Juli Casale

Absent: 1 - Commissioner Adam Frankel

Others present:

Jennifer Alvarez, Interim City Manager

Lynn Gelin, City Attorney

Katerri Johnson, City Clerk

Interim City Manager Alvarez notified the Commissioners they would review staff recommendations to reduce expenditures to \$3.47 million.

Finance Director Marie Kalka presented the 2020-2021 proposed budget. She detailed the following:

- Proposed Millage Rate - 6.8497 with a 0.22% reduction
- Total Operating Budget - \$233 million
- General Fund - proposed budget \$151 million

Interim City Manager Alvarez explained that the budget increased due to necessary obligations and services required for the City; the below services are required and cannot be decreased.

- Transfer to General Constructions - \$4.2 million
- CRA - \$1.6 million
- Health Insurance - \$1.3 million
- Police Retirement - \$1.1 million
- Fire Retirement - \$804,789
- Regular Wages - \$709,710
- Transportation Services - \$500,000
- Overtime for Fire Inspections - \$415,000
- COVID-19 Expenses - \$242,400

- General Liability Chargeback - \$217,049
- Disparity Study - \$200,000
- Term Pay - \$199,256
- Economic Development Marketing - \$100,000

Finance Director Marie Kalka detailed the proposed budget amendment changes:

- Public Records position transferred - \$64,220 (City Attorney's Office)
- City Clerk Administrative Assistant position reinstated - \$62,907
- City Commission Salaries - increased by \$41,984
- Local Option Gas Tax - increased by \$24,533
- Communication Services Tax - decreased by \$235,383
- State Revenue Sharing - increased by \$205,450
- Sales Tax - increased to \$511,970
- Fire Safety Inspection Fee - \$936,000
- SAFER Grant Firefighter positions - decreased by \$114,520 (Removal of Four SAFER Grant positions from the City of Highland Beach)
- Fire Operations - \$825,171 (New location of four SAFER Grant positions)
- SPIRIT BBQ reinstated - \$32,775 (Includes staff awards and diversity training)
- Insurance General Liability - increased by \$23,800 (Based on FLOC estimate)
- Insurance Policy Premium - increased \$45,600 (Based on FLOC estimate)

Deputy Vice Mayor Johnson questioned her colleagues if they would reconsider their decision to raise Commission salaries.

Vice Mayor Boylston felt that it was too late to reconsider because they already voted 3-2 to raise the salaries.

Mayor Petrolia inquired about the \$415,000 Fire Department increase.

Finance Director Marie Kalka clarified that the increase was due to the demand for fire safety inspections and \$242,400 is for COVID-19 expenses. She informed the Commissioners that any unused funds from the previous general fund would roll into the fund balance. Ms. Kalka predicted that the City would use \$2.2 million in fund balance this year.

Commissioner Casale questioned if police and fire vehicles were included

in the budget.

Interim City Manager Alvarez commented that a special operations vehicle was approved to be funded in 2021.

Fire Chief Tomey informed the Commissioners that the old vehicle would be held in reserve status until the new vehicle arrived.

Interim City Manager Alvarez provided a list of potential items that could be cut or reduced to reach the City's goal of \$3.47 million. She asked for the Commission's input as she went through each line.

Savings Plan Summary:

- Trolley freebee services elimination - decreased by \$500,000
- Revenue projections - increased to \$253,600
- Contractual lines in various departments - decreased by \$116,472
- IT Contractual changes - decreased by \$164,725
- Public Works remove engineering vehicle half funded by CRA - decreased by \$29,500
- Parks program changes - decreased by \$250,075
- Police Overtime reduction - decreased by \$421,411
- Purchasing unfunded manager position for six months - decreased by \$28,340
- Development Services reduction in planning consultants - decreased by \$40,000
- City Attorney reduction in outside counsel contractual line - decreased by \$45,000
- Commission would not submit for All America City Award - decreased by \$6,000
- Commission eliminate goal-setting workshop - decreased by \$9,000
- City Manager reduction of contractual lines - decreased by \$102,798
- Public Works Reduction in various contractual lines - decreased by \$82,000
- Finance personnel changes - decreased by \$40,823
- HR personnel changes - decreased by \$26,785
- Defer Development Services software implementation - decreased by \$1 million
- Total General Fund Cost Savings Ideas - decreased by \$2.9 million
- Total General Fund Amendments - decreased by \$121,666
- Total General Fund Savings - decreased by \$2.7 million

Mayor Petrolia questioned why the goal-setting workshop was budgeted at \$9,000.

Interim City Manager Alvarez explained the goal-setting workshop included expenses for the venue, travel, presenters, and food.

Mayor Petrolia believed that the Commission could hold the workshop internally without the considerable cost.

Deputy Vice Mayor Johnson asked how much the City spent in the past two years for the goal-setting workshop.

Interim City Manager Alvarez further explained how the workshop was budgeted in previous years.

Deputy Vice Mayor Johnson suggested cutting legislative session travel due to COVID-19. She also recommended deferring memberships for a year to save funds.

Mayor Petrolia agreed with Deputy Vice Mayor Johnson and suggested reviewing the list of memberships to decide which ones the City could live without renewing for the year.

Commissioner Casale questioned the Parks and Recreation reductions.

Samuel Metott, Director of Parks and Recreation explained the budget reductions reflected a COVID-19 environment. He continued by saying due to reduced camp attendance, the department would combine services in Pompey Park; they would not utilize other facilities as in previous years. Mr. Metott informed the Commission that the department would also reduce part-time employee hours.

Interim City Manager Alvarez reminded the Commission they approved a \$1 million capital purchase for the Development Services Department's new software on August 11, 2020. She notified the Commissioners that the City could not continue with the purchase due to its current software provider contract. Therefore, the \$1 million would be reallocated in the savings plan.

Interim City Manager Alvarez provided additional items that could be reduced or deferred:

- Defer disparity study - \$200,000
- Furlough all employees for 64 hours - \$1.5 million
- Freeze salaries of non-union personnel - \$330,000
- Defer the holiday tree in 2020 - \$167,000

Vice Mayor Boylston favored staff's recommendations to cut all items in the savings plan summary. He expressed that he did not want to furlough staff

or freeze salaries.

Deputy Vice Mayor Johnson thanked Ms. Kalka and Ms. Alvarez for their diligence. She agreed with Vice Mayor Boylston and stated that she did not want to see staff lose their jobs. Additionally, she asked to keep the disparity study in the budget.

Further discussion ensued about whether to keep the holiday tree in the budget. The Commission agreed to save the line item in case the pandemic ended before the holidays.

There was consensus to not furlough or freeze salaries and keep the disparity study in the budget.

There was consensus to approve the reductions proposed in the savings plan summary except for the goal-setting workshop. The Commission agreed that having the workshop was essential and asked to reduce the item to \$5,000.

The Commissioners discussed the trolley and freebee service. Vice Mayor Boylston stated for the record that he fought hard for the Community Redevelopment Agency to keep it. He would be willing to support the trolley and freebee service if it was possible to supplement the funds.

Mayor Petrolia favored creating a transportation/hotel tax to pay for the service. The Commission decided that it was not the right time to save the line item and they would revisit the issue during a future meeting.

Commissioner Casale asked when the City would receive money from FEMA.

Finance Director Marie Kalka informed the Commission that the City is still waiting for \$800,000 from FEMA.

Interim City Manager Alvarez continued the presentation and compared the City's fund balance to other municipalities in the area. She showed the Commission that surrounding cities had experienced similar circumstances during the pandemic.

Finance Director Marie Kalka provided an overview of the approved capital improvement projects (CIP):

- CIP Parking and In Lieu Fund Projects:
- Bicycle and Pedestrian Master Plan - \$197,600
- OSS Garage Planning - \$250,000

- OSS Garage Concrete Repair - \$50,000

CIP Rec Impact Fund:

- Barwick Playground Replacement - \$400,000
- Anchor Park Playground Replacement - \$150,000

CIP Beach Restoration Fund:

- Beach Renourishment - \$200,000
- Beach Renourishment Monitoring - \$80,000
- Dune Management - \$150,000
- Sea Turtle Monitoring \$100,000

CIP General Construction Fund:

- SCBA - \$183,572
- Police/Fire System - \$400,000
- Osceola Park Neighborhood Improvements - \$6.9 million (funded by CRA)
- NE 3rd Street Improvements - \$1.6 million (funded by CRA)
- Homewood Blvd Reconstruction - \$953,605
- Brandt Bridge Replacement - \$85,000
- George Bush Blvd Reconstruction - \$40,945
- IT Generator - \$150,000
- Trolleys - \$860,000 (funded by federal government)
- Fire Station No. 113 - \$6 million (funded by bonds)
- Pompey Park Improvements - \$2.5 million (funded by CRA)
- Alleyway Maintenance - \$100,000 (funded by CRA)
- Station No. 122 Firepoles - \$52,000
- Lawson Blvd Reconstruction - \$7.6 million (partially funded by FDOT)

CIP Surtax Fund:

- Catherine Dr. & Linton Blvd Roadway Improvement - \$450,000
- Golf Course Renovation and Raw Water Main Piping Replacement - \$700,000
- ADA Self-Evaluation and Transition Plan 1 - \$1 million
- Tropic Isle Neighborhood Improvements: \$1.2 million
- Atlantic Dunes Park development West - \$885,000
- ADA Self-Evaluation and Transition Plan 2 - \$200,000
- Fire Station No. 113 - \$6 million
- FS111 Cat 5 Storm Resistance Upgrade - \$110,000
- Roadway Reconstruction - \$2.5 million
- Island Drive Bridge Maintenance - \$1.1 million
- Swinton Avenue Improvement - \$800,000
- Seacrest - \$200,000

Deputy Vice Mayor Johnson and Mayor Petrolia questioned why Fire Station No. 113 was allocated \$12 million.

Finance Director Marie Kalka explained that the project was funded by \$6 million in bonds and \$6 million in surtax. She recommended any remaining funds could be utilized within the surtax fund for future projects.

CIP Water and Sewer Fund:

- NE 3rd St Streetscape Improvements - \$90,572
- Tropic Isle Neighborhood Improvements - \$490,460
- Lawson Blvd Reconstruction - \$150,025
- Reclaimed Water System Area 15 Expansion - \$200,000
- Reclaimed Water System Area 10 Expansion - \$2.5 million
- Island Drive Bridge Maintenance - \$350,000
- SCR Water Treatment Plant - \$750,000
- Portable Generator/ Storage Facility - \$125,000
- George Bush Blvd Reconstruction - \$336,000

Finance Director Marie Kalka displayed a list of water and sewer projects that the City is interested in funding next year.

CIP Stormwater Utility Fund:

- NE 3rd Streetscape Improvements - \$62,820
- SE 8th Court Drainage System - \$377,000
- Stormwater Utility Rate Study - \$150,000

CIP Cemetery Fund:

- Backhoe - \$78,194
- Lifting Device - \$15,985

Mayor Petrolia expressed her concern about the worksite on 4th street. She believed that the area should be cleaned up instead of covered up. Additionally, she asked if there was a bond that could be utilized to upgrade the golf course.

Parks and Recreation Director Samuel Metott stated he was not aware of any bonds related to the golf course.

Director of Public Works Missie Barletto informed the Commission that the City planned to work on the golf course. They are consulting with a reputable company to establish the appropriate design to maintain the course's Donald Ross designation. The contract would be brought to the Commission for approval.

Deputy Vice Mayor Johnson requested to be aware of all studies and

contracts conducted by the City.

WS.2.**Phase 2 Opening Discussion**

Interim City Manager Alvarez asked the Commission if the City was ready to reactivate the parking meters.

Mayor Petrolia favored turning on the parking meters after 6:00 p.m.

Vice Mayor Boylston suggested reviewing the parking meters often.

Deputy Vice Mayor Johnson and Commissioner Casale agreed.

Director of Public Works Missie Barletto explained to the Commission that it would take seven days to reprogram the parking meters.

During the pandemic, a new program was formed to allow businesses to operate as sidewalk cafes on a temporary basis. COVID-19 had lasted longer than anticipated, so Finance Director Marie Kalka requested direction regarding the possibility of charging restaurants to become sidewalk cafes. This model mirrors the Neighborhood and Community Services summer program.

Mayor Petrolia was hesitant about charging businesses during the pandemic.

Interim Director of Neighborhood and Community Services, David Weatherspoon confirmed Florida Department of Transportation (FDOT) billed ten businesses within their jurisdiction, participating in the sidewalk cafe program. He verified the restaurants were located on East Atlantic Avenue and South Ocean Blvd. Collectively they owe FDOT \$19,000. Mr. Weatherspoon had received multiple calls from businesses located in FDOT territory questioning the fairness of restaurants within that area being charged and restaurants under the City's jurisdiction not being charged.

There was consensus that while there might be a fairness factor, the City cannot control what other government agencies charge.

The Commission and staff discussed the increase of unpaid utility bills. Finance Director Marie Kalka confirmed that utilities had not been shut off during the pandemic.

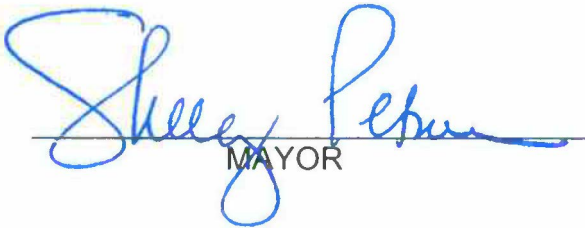
Finance Director Marie Kalka stated that she would work with Ms. Alvarez to create an assistance plan.

With no further business to discuss, the meeting was adjourned at 4:23 p.m.



City Clerk

ATTEST:



MAYOR

The undersigned is the City Clerk of the City of Delray Beach, Florida, and the information provided herein is the Minutes of the September 8, 2020 City Commission Workshop Meeting held on September 8, 2020, which Minutes were formally approved and adopted by the City Commission on December 8, 2020.



City Clerk

NOTE TO READER:

If the Minutes you have received are not completed as indicated above, this means they are not the official Minutes of the City Commission. They will become the official Minutes only after review and approval which may involve some amendments, additions or deletions as set forth above.