

City of Fort Lauderdale

*City Hall
100 North Andrews Avenue
Fort Lauderdale, FL 33301
www.fortlauderdale.gov*



Meeting Minutes

Wednesday, April 25, 2018

1:30 PM

Joint Workshop with Budget Advisory Board

City Commission Conference Room

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

***DEAN J. TRANTALIS Mayor - Commissioner
BEN SORENSEN Vice Mayor - Commissioner - District IV
HEATHER MORAITIS Commissioner - District I
STEVEN GLASSMAN Commissioner - District II
ROBERT L. McKINZIE Commissioner - District III***

***LEE R. FELDMAN, City Manager
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, City Clerk
ALAIN E. BOILEAU, Interim City Attorney***

CALL TO ORDER

Mayor Trantalis called the Commission Workshop with the Budget Advisory Board to order at 1:35 p.m.

ROLL CALL

Commissioner Heather Moraitis, Commissioner Steven Glassman, Commissioner Robert L. McKinzie, Vice Mayor Ben Sorensen and Mayor Dean J. Trantalis

QUORUM ESTABLISHED

Also Present: City Manager Lee R. Feldman, City Clerk Jeffrey A. Modarelli, Interim City Attorney Alain Boileau, City Auditor John Herbst

Budget Advisory Board (BAB) Members Present: Chair June Page, Vice Chair Drew Saito, Gregg McKee, James McMullen, Frederick H. Nesbitt, David Orshefsky, Wesley Parker

BAB Member Not Present: Johnnie Smith

No e-comments were submitted for this Workshop.

Overview of Budget Advisory Board's Historic Role

[18-0465](#)

Overview of Budget Advisory Board's Historic Role

Mayor Trantalis explained the purpose and procedures for the Joint Workshop with the Budget Advisory Board (BAB), giving an overview of the BAB's work and contributions.

City Commission Input Regarding the Role of Budget Advisory Board and Thoughts on Fiscal Year 2019 Budget Process

Mayor Trantalis recognized BAB Chair June Page. Ms. Page gave a brief overview of her background and financial expertise, commenting on the qualifications and business background of professionals serving as BAB members.

BAB members discussed their experience, background and duration of service as a BAB member. Ms. Page noted the background and experience of BAB Member Johnnie Smith who was unable to attend.

She commented on the BAB's balanced team of talent, positive working relationship with Staff, meeting schedule, periodic reviews of municipal projects and responsibilities, and meetings with department heads to review annual departmental budget requests. The goal of the BAB is to ensure the budget is balanced and meets the needs of residents. Chair Page reviewed work to address the upcoming fiscal year and matrix of recommendations since the last Commission Joint Workshop.

Mayor Trantalis introduced the new Commission members.

City Manager Feldman explained that the purpose of this Joint Workshop is for the BAB to interact with the Commission and ensure that the BAB's work plan is consistent with the direction of the new Commission, while addressing Commission questions and comments.

Mayor Trantalis reviewed the current work plan, recommending discussion on the BAB's view of priorities and sources of funding.

Chair Page reviewed BAB's spending priorities. She confirmed that priorities are infrastructure improvements and setting aside funds for ongoing maintenance. Chair Page expounded on immediate infrastructure needs to meet state requirements, the associated \$200,000,000 Municipal Bond for funding and future funding. Vice Chair Saito concurred with Chair Page's comments, confirming the need to re-energize capital infrastructure for City owned properties. He requested input from the Commission to allow the BAB to determine appropriate funding mechanisms.

Mayor Trantalis discussed the process to be followed: identify all needed infrastructure improvements and associated costs; prioritize those projects; and present project improvements to the community. The Commission requires a complete understanding of all infrastructure obligations, costs and funding options.

Mr. Orshefsky noted the BAB Communication to the Commission dated August 25, 2014 (page 5 of 6, Exhibit 3).

Commissioner McKinzie said that he had a prior speaking engagement and was excused from the Workshop. Prior to departing, he commented on the importance of the BAB's input and his perspective on infrastructure needs and prioritization.

City Manager Feldman addressed the funding and actions taken on items listed in the August 24, 2014 BAB Communication to the Commission, including walkability projects and the Bridge Master Plan.

In response to Mayor Trantalis' question regarding walkability, City Manager Feldman explained walkability is designing the downtown environment in such a way that cars are not required and ensuring pedestrian safety. He confirmed Staff has compiled a matrix of walkability line items for downtown areas that currently require assistance. This will be provided to the BAB and the Commission.

In response to Vice Mayor Sorensen's question, City Manager confirmed the matrix recommendations are prescriptive and identified specific locations and projects.

Discussions ensued on addressing critical priorities, a review of the 2014 BAB recommendations that have not been addressed and infrastructure funding. Chair Page commented on her concern over plans to develop downtown neighborhoods, commenting on the importance of addressing suburban needs. Mayor Trantalis noted that walkability in the downtown attracts development.

City Manager Feldman expounded on the Bridge Master Plan adopted by the previous Commission. The first five years of repair work has been completed and funded. Three bridges are under construction.

City Manager Feldman reviewed the assessment and funding for sidewalk repairs that are the responsibility of the City. The Commission has not addressed how repairs would be funded for sidewalks next to private property. He explained that the current Ordinance notifies private owners of their responsibility to address sidewalk repairs that abut their property.

City Manager Feldman reviewed and expounded on the Wastewater and Stormwater Master Plan, also referred to as the Reiss Report. This work will take place over the next 30 years. He reviewed items which will be funded by the recent bond issuance. In response to Mayor Trantalis' question, City Manager Feldman confirmed that over the next five years, the bond will fund only immediate repairs and those mandated at the Fiveash Water Treatment Plant, Peele Dixie Water Treatment Plant and George T. Lohmeyer Wastewater Treatment Plant.

BAB Member David Orshefsky said that the cost to address all items in the Reiss Report and the 30 Year Infrastructure Master Plan totals \$1,200,000,000 for water and sewer infrastructure. It did not include Stormwater funding. The \$200,000,000 bond issued is the first installment over this 30 year period. In the past, the BAB has suggested an approach committing itself on an ongoing percentage or cash flow to

allow the programming of some of these capital facilities.

City Manager Feldman expounded on the Stormwater Master Plan (SMP) for seven specific neighborhoods, stating that the price is \$200,000,000 and is the cornerstone of the SMP. Seawalls are addressed under the overall SMP. The Cordova Road and Isle of Palms seawall projects have been funded in the current budget from the sale of the City's compost site. The closing for this sale is scheduled for May 22, 2018. These projects are designed and are awaiting permitting from the City, state and federal levels. Once permitting is achieved, the projects will be put out to bid. City Manager Feldman said that in year four, stormwater planning for the remainder of the neighborhoods will be addressed at an approximate cost of \$200,000,000 - \$400,000,000. Further comments ensued on the projected costs to address stormwater infrastructure requirements. City Manager Feldman confirmed that there is no rate structure to fund stormwater needs. This needs to be addressed and will be brought before the BAB in the early summer.

In response to Vice Mayor Sorensen, City Manager Feldman confirmed that addressing stormwater issues is part of the City's Resiliency Plan, expounding on ongoing projects that comport to the City's Resiliency Plan Standards (CRPS). Comments ensued on current infrastructure that does not meet CRPS.

City Manager Feldman discussed the assessment of City owned buildings and facilities (Facilities) to determine their useful life. The Police Station and City Hall have reached their maximum useful life. Currently, there is "band aid" work being done on these buildings. City Manager Feldman expounded on ongoing work at Facilities that have not reached their maximum useful life.

City Manager Feldman noted that final results of Forty-Year Inspections (FYI) for Facilities are expected soon and will include an outline of necessary work. In response to Commissioner Glassman, City Manager Feldman confirmed he has a list of the Facilities requiring a FYI and will send this list to the BAB and the Commission. City Manager Feldman said that funding to address these Facilities has been increased annually. He also discussed renting space for Staff due to growth.

Mayor Trantalis noted the ongoing discussions with Broward County (County) about pursuing the opportunity to have a joint City/County Government Center. He confirmed his participation on the Committee addressing this issue which also includes County Commissioner Chip LaMarca, Assistant City Manager Chris Lagerbloom and Assistant County Administrator Alan Cohen.

Chair Page commented on her recommendation to lease space in order to accommodate all Staff work requirements. Mayor Trantalis confirmed that the County does not have an interest in leasing facilities for its Staff, noting that discussions with the County are in the preliminary stage.

City Manager Feldman expounded on the needs of the Police Department Building (Project), stating it was designed for a Police Force of 100, including civilians. Currently the number of Police and civilian staff is approximately 800. He commented on efforts to address this issue, recommending that the Commission act on this matter. It will involve a \$100,000,000 General Obligation Bond (GEO Bond). It was confirmed that June 18, 2018 is the deadline to send a ballot initiative on this matter to the Supervisor of Elections for the November 2018 election. Mayor Trantalis stated his concern about the fluctuating costs for this Project due to lack of a design. Comments and discussions ensued regarding a holistic approach and the need to know the scope of the entire plan associated with this Project.

Board Member Frederick Nesbitt commented on a potential funding source for this Project. He confirmed discussions with Boyd Watterson Asset Management, LLC (Boyd Watterson), General Manager of the Pension Asset Management Firm, and their willingness to build this Project. Mr. Nesbitt recommended reexamining this Project as a Public Private Partnership (P3) project. Boyd Watterson would build the Project, own it and lease it to the City for thirty years with purchase by the City after one year (sale, lease back).

Board Member Orshefsky commented on Mr. Nesbitt's recommendation and needing additional details regarding the scope of the Project and a cost analysis. Vice Chair Saito confirmed this was an example of the essence of this meeting, the need for the Commission to give BAB direction. This will allow the BAB to work with City Manager Feldman and Staff to discuss and pursue available options for the Project.

In response to Mayor Trantalis' request for an update on the Fire Stations, City Manager Feldman stated that Fire Station 54 is under construction and on schedule. Fire Station 8 should be out to bid in several weeks. Staff is addressing County permitting issues. Fire Station 13 is still being negotiated with the state regarding its location at Birch State Park. City Manager Feldman confirmed that the funding for the Emergency Medical Service (EMS) Station is contingent upon the sale of the compost site. Architect services have been secured for design and programming. Discussions ensued on its location, currently north of the river and east of Federal Highway, and the need to identify a

specific location.

City Manager Feldman discussed allocation of gas taxes among four Districts. He said that scoring road segments to determine allocation was approved by the previous Commission. Things have moved forward and the expiration of the initial five-year pavement plan has been reached. Another scoring assessment will be done to determine the next five-year pavement plan. Further discussions ensued on the methods used for road improvements and increased annual funding.

Mayor Trantalis commented that some neighborhoods are willing to be assessed for road improvements. He requested that City Manager Feldman work with District Commissioners and Staff to address this opportunity.

City Manager Feldman reviewed the Parks Master Plan needs over the next 20 years. The Parks and Recreation Department is working with the Parks, Recreation and Beaches Advisory Board to identify approximately \$100,000,000 in projects that can be funded through a GEO Bond. It includes rehabilitation of existing facilities and acquiring additional open spaces.

Mayor Trantalis requested City Manager Feldman share all plans discussed today with each member of the new Commission. City Manager Feldman confirmed. City Manager Feldman confirmed that all plans are being reviewed by the Infrastructure Task Force (ITF) to assist in prioritizing and identifying funding sources.

Mr. Orshefsky confirmed the need for the BAB to be kept current on the scope and timeframes of identified infrastructure projects. He reiterated Vice Chair Saito's comments on the need for direction and willingness to fund these projects. Mr. Orshefsky said that overall capital requirements need to be totaled and direction given to move forward. He commented that in the past, there has been little Commission support for additional sources of funding. Mayor Trantalis concurred with Mr. Orshefsky's comments, reiterating the need to engage the community for support. He confirmed that Vice Mayor Sorensen has an upcoming Town Hall Meeting to engage the community on these matters of concern.

Commissioner Glassman discussed the opportunity for BAB to recommend ways for Staff to operate more efficiently with current resources to be more effective. Mayor Trantalis confirmed this is not within the scope of the BAB. Vice Chair Saito confirmed BAB's request from Staff for measurable outcomes (metrics) for Departmental Budget Funding Requests and recommendations to outsource various projects.

In response to Commissioner Glassman's comments about identifying funding sources, Mayor Trantalis stated that the first year of the new Commission is dedicated to that challenge. He also discussed the need to determine ways to balance the City's budget without tapping into Enterprise Funds.

Chair Page commented on the importance of BAB knowing the Commission's priorities, allowing them to determine appropriate funding sources. She noted the need for the Commission's willingness to do what is necessary to raise revenues for infrastructure project improvements. Mayor Trantalis confirmed the hard costs needed for each project and timeline, allowing the Commission to engage the community with solid information and presenting options on how to proceed.

Commissioner Glassman raised the topic of Return on Investment (ROI). Chair Page commented on issues relating to the ROI and the BAB's position. The ROI must be used, along with raising additional revenue, to accomplish infrastructure projects. She discussed cutting expenditures. Further discussions ensued on employment and achieving efficiency. Mayor Trantalis requested the BAB address the employment and levels of service issues during the Departmental Budget Request Meetings.

Board Member Nesbitt noted past budget deficit issues that have since been rectified. Mayor Trantalis requested BAB determine where increased revenues received over the past several years have been spent.

Board Member Orshefsky cautioned not to consider all classes of infrastructure projects in the same manner, stating that they are funded differently. Further comments and discussion ensued on having community feedback.

Commissioner Glassman discussed the opportunity to phase funding over more than one year and other possible funding options.

Vice Mayor Sorensen asked what the Commission can do prior to the next Joint Workshop with the BAB. Chair Page confirmed the Department Budget Request Meetings will be discussed at the next Joint Workshop.

Vice Chair Saito commented on the various topics of discussion during BAB Meetings. He requested Commission direction on the budget, recurring expenses, and capital investment priorities. In response to

Vice Mayor Sorensen, Board Member Orshefsky commented that additional revenue funding will require political lift, i.e., Ad valorem taxes or GEO Bonds, and needing to know what the Commission endorses.

Commissioner Moraitis requested that the BAB prepare a thirty-year spreadsheet addressing upcoming capital improvement infrastructure expenses, the available options for funding and a timetable. Chair Page confirmed this will be made available to the Commission.

ADJOURNMENT

Mayor Trantalis adjourned the Commission Joint Workshop with the Budget Advisory Board at 2:54 p.m.