

City of Fort Lauderdale

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



Meeting Minutes - APPROVED

Monday, August 29, 2016

6:30 PM

Joint Workshop with Budget Advisory Board

City Commission Conference Room

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

***JOHN P. "JACK" SEILER Mayor - Commissioner
DEAN J. TRANTALIS Vice Mayor - Commissioner - District II
BRUCE G. ROBERTS - Commissioner - District I
ROBERT L. McKINZIE - Commissioner - District III
ROMNEY ROGERS - Commissioner - District IV***

***LEE R. FELDMAN, City Manager
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, City Clerk
CYNTHIA A. EVERETT, City Attorney***

Chair Seiler called the meeting to order at 6:34 p.m.

ROLL CALL

Present: Mayor John P. "Jack" Seiler
Vice Mayor Dean J. Trantalis
Commissioner Bruce G. Roberts
Commissioner Robert L. McKinzie
Commissioner Romney Rogers
Chair June D. Page, Budget Advisory Board
Vice Chair Drew Saito, Budget Advisory Board
James McMullen, Budget Advisory Board
Frederick H. Nesbitt, Budget Advisory Board
Bob Oelke, Budget Advisory Board
David Orshefsky, Budget Advisory Board
Johnnie Smith, Budget Advisory Board
Bryson Michael Ridgway, Budget Advisory Board

Also Present: Lee R. Feldman, City Manager
John Herbst, City Auditor
Jeffrey A. Modarelli, City Clerk
Cynthia A. Everett, City Attorney

Quorum Established

Not Present: Charles Burpee, Budget Advisory Board
Josias N. Dewey, Esq., Budget Advisory Board

BUSINESS UPDATES

[16-1034](#)

Presented by June Page, Budget Advisory Board Chair

Budget Advisory Board Chair June Page thanked City Manager Lee Feldman, Assistant City Manager Stanley Hawthorne, Budget Director Laura Reese and her staff, Charmaine Crawford and Diane Lichenstein, for all of the cooperation and support they have given the Budget Advisory Board this year. Ms. Page emphasized the positive working relationship the Budget Advisory Board (BAB) has with these individuals. Ms. Page gave examples of improvements made this year including:

- the building of annual work plan for the BAB;
- monthly agenda building;
- notification of action oriented needs from the City Manager's Office before meetings;
- the dissemination of data before meetings;
- continued departmental input, and;
- the timely presentation of various studies that have an impact on the budget.

Ms. Page stated these efforts had enabled the streamlining of the BAB's process over the course of the year.

BUDGET ADVISORY BOARD COMMUNICATION TO CITY COMMISSION

16-1035

Motion 1 - Fire Assessment Fee (June 6, 2016)

Motion 2 - Sanitation Rate Increase (August 18, 2016)

**Motion 3 - Review of FY 2017 Proposed Budget and Community
Investment Plan (August 18, 2016)**

Chair Page raised for discussion the following three motions made by the BAB to the City Commission in the past few months:

Motion 1 - Fire Assessment Fee Increase Recommendation (June 6, 2016)

Chair Page stated the BAB recommends 100 percent cost recovery for the Fire Assessment Fee noting this was already discussed but the BAB wanted to reiterate it. City Manager Feldman stated the current funding is in the ninety percentile range. David Orshefsky stated increasing the Fire Assessment Fee to \$255.00 would yield 100 percent cost recovery. City Manager Feldman stated every three years there would be a true up noting this increase is the true up for the third year. Mayor Seiler stated the City Commission would accept this recommendation from the BAB.

Motion 2 –Sanitation Rate Increase Recommendation (August 18, 2016)

Chair Page stated the BAB recommended a review of the financial condition of the Sanitation Fund. Chair Page stated the BAB supports the City Manager's proposed Sanitation Rate Increase of \$1.74 per month, which is just less than 6 percent for the upcoming fiscal year. Vice Mayor Trantalis asked what this increase is for, and City Manager Feldman stated the Sanitation Fund operates as a separate fund. This increase provides the City with enough revenue to meet the expenses in the Sanitation Fund. City Manager Feldman stated he is still moving money from the City's General Fund into the sanitation fund due to a 20 percent franchise fee charged to commercial and multifamily accounts that go into the City's General Fund. As a result, the City transfers to the Sanitation Fund for this franchise fee.

David Orshefsky, a BAB member, stated the entire franchise fee does not get put into the sanitation fund, so sanitation is supporting the City's General Fund. City Manager Feldman stated the franchise fee is paid by the commercial sanitation haulers. Explanations and discussions ensued on this topic as well as the Recourse Recovery Fund Fees being split-up which City Manager Feldman

stated goes into the City's Sanitation Fund to balance shortfalls over the last several years. Vice Mayor Trantalis stated he did not think the Commission intended to use the Resource Recovery Fund to subsidize the City's garbage collection operation. City Auditor Herbst stated the Resource Recovery Fund was intended to stay within the Sanitation Fund. Further discussion ensued on the ongoing rate study to ensure that moving forward with a sustainable rate is necessary so as not to utilize this type of one time money (the Resource Recovery Fund). City Manager Feldman noted the City had not had a rate increase in sanitation during the past ten years though costs have been increasing. Further discussions ensued.

Mayor Seiler asked City Manager Feldman if the 5.97 recommended rate increase proposed by the BAB is built into the City's budget. City Manager Feldman stated yes it has been. David Orshefsky stated the BAB had seen some fees increases, i.e., fire assessment, sanitation, and stormwater which will be subject to review by the rate studies and feasibility studies. As such, Mr. Orshefsky suggested that the Commission monitor these increases over time as the Commission indicated there is a onetime funding spike for solid waste and stormwater which is still addressed. Mr. Orshefsky stated the sum of these fees would begin to become significant especially as stormwater fees are added. Therefore, he suggested the Commission begin, on an annual or biannual basis, paying attention to these fee increases and monitor the details over time. The Commission agreed with Mr. Orshefsky's recommendation.

Motion 3 - Review of FY 2017 Proposed Budget and Community Investment Plan (CIP) (August 18, 2016)

Chair Page stated the BAB recommended, after review of the FY 2017 Proposed Budget and Community Investment Plan as presented by City Manager Feldman, they support the FY 2017 Proposed Budget and Community Investment Plan (CIP) adoption by the Commission. Chair Page stated the caveat was the motion made before the City Auditor's Report noting the City Auditor was unable to complete his review before the BAB's last meeting and before this workshop. Chair Paige stated that as a result, the BAB worked with the information it had with the understanding that the BAB would receive the City Auditor's Report prior today. Chair Page stated now that the BAB has seen the City Auditor's Report and once the changes to the CRA's budget have been made and the general fund is rebalanced to reflect those changes, the BAB would still be in support of the adoption of the City's Budget.

City Auditor Herbst confirmed the City Auditor's Report was not completed in time for the BAB's midmonth meeting. He stated this would continue to be problematic because the review begins after the City Manager presents it to the Commission in mid-July, and a one month timeframe is not long enough for a thorough audit. City Auditor Herbst stated the audit would be done in time for this Workshop Meeting with the BAB. He also stated the audit's conclusion is the budget balance is reasonable, and the millage rate reflects what it should. The only item in the audit which needs to be resolved are items about certain CRA issues. One of these issues with the CRA is the classification of certain operating type expenditures for incentive programs being classified as capital projects. He stated these expenditures needed to be moved back into the CRA's operating budget. The other issue had to do with the new CRA authorized employees being hired as City employees. City Auditor Herbst stated he had recently concluded a meeting with the City Manager and City Attorney's office resulting in the need to shift funds from the CRA to the City's umbrella. City Auditor Herbst state it did not change the total amounts, it only changes the classification between the CRA and the City. He also said this would be corrected in time for the City's First Budget Hearing in September 2016. Further discussions ensued on this topic.

Commissioner McKinzie requested a copy of the audit to assist him in understanding the changes from past practices. Commissioner McKinzie asked the Mayor for the CRA Board to have a Workshop with the CRA to address issues that ensure the CRA is utilizing the latest available practices similar to the practices of the BAB. Mayor Seiler agreed that a Workshop with the CRA Board should be scheduled with the CRA.

Mayor Seiler confirmed that the BAB has unanimously recommended FY 2017 Proposed Budget and Community Investment Plan. Vice Mayor Trantalis addressed the issue of the BAB recommending ways the City can raise money but not recommending ways to spend money, i.e., whether the City should or should not be spending money as well as those areas that could be cut back and areas the City could increase expenditures. Vice Mayor Trantalis gave an example of increasing funds for homeless initiatives stating there was no funding in the FY 2017 Proposed Budget and Community Investment Plan for the homeless.

City Manager Feldman stated there is nothing specific in the FY 2017 Proposed Budget and Community Investment Plan other what the City is currently doing. Further discussions ensued on this issue including Vice Mayor Trantalis's questions on affordable housing, showers, storage, bathrooms, etc. not being included in this FY 2017 Proposed Budget and Community Investment Plan. Further discussions ensued on this topic including Vice Mayor Trantalis's desire for the City to have an outline of how to address the homeless issue in the City and how nonprofits in the City are addressing this issue.

City Manager Feldman discussed how the City is currently addressing the needs of the homeless. Mayor Seiler noted Broward County's \$10,000,000 budget to address homeless issues is not being allotted to the City's downtown urban area, and Vice Mayor Trantalis stated the County's funding for the homeless is being used though not in the City. City Manager Feldman requested the Commission give him a concept of the City's role in addressing this issue. Vice Mayor Trantalis stated it is the City Manager's and his staff's responsibility to provide the Commission with solutions for the homeless to take steps to address the homeless situation. Drew Saito, a BAB member, agreed with Vice Mayor Trantalis that it is a quality of life issue noting in many instances the homeless do not call 211 for assistance. Additionally, Mr. Saito noted this is a collaborative issue with nonprofits, and it requires experts to address the issues of the homeless that include mental illness and the chronically homeless. Mayor Seiler noted the need for a balanced, partnered approach to the homeless issue. Further discussions ensued.

Mayor Seiler stated he was comfortable with the third Motion of the Budget Advisory Board. Mr. Fred Nesbitt of the BAB gave an overview of the process for the FY 2017 Proposed Budget and Community Investment Plan which the BAB used. Mr. Nesbitt stated the BAB believes it is a good budget, supports it and recommends that the City Commission adopt this budget.

David Saito commented that the City is running "lean" and the BAB does look at expenses noting it addresses multiple departments' expenses focusing on costs savings. However, Mr. Saito commented that the BAB cannot run the departments.

On a separate topic, Vice Mayor Trantalis stated that sometime during the last fifteen months, there was an accounting adjustment required by the Commission to give additional money (approximately \$1,700,000) to the Police Pension Fund. This was due to an accounting adjustment as a result of the Police Pension Fund having different accounting procedures. Additionally, Vice Mayor Trantalis stated he recalled City Manager Feldman funding the Police Pension Fund which later needed to be

ratified by the City Commission. Vice Mayor Trantalis questioned an additional contribution of over \$4,000,000 to the Police Pension Fund asking if this will continue.

City Manager Feldman stated the City is required by Statute to make the Police Pension Fund actuarially sound which primarily depends on earnings established by the Police and Fire Pension Board. City Manager Feldman addressed Vice Mayor Trantalis's concerns explaining how the rate of return is determined by the Police and Fire Pension Board. Mr. Bob Oelke stated approximately three years ago, the actuary for the General Employees Retirement System (GERS) performed a review of the investment assumption and it said they did not have a good chance of meeting those goals. He further stated the GERS lowered it a small amount as forced to do so by the State of Florida. Further discussions ensued on this topic on how the rate of return on pension funds is determined and other issues relating to maintaining pension fund contributions.

Vice Mayor Trantalis requested City Manager Feldman explain what consists of the City's business development department. City Manager Feldman stated business development is a function within the Department of Sustainable Development with one full time Economic Development Manager who deals with the economic development environment outside of the CRA's, i.e., real estate development and working small and medium size businesses. City Manager Feldman stated the City works with the Greater Fort Lauderdale Alliance providing them with resources, and they in turn provide resources to the City, and it is a collaborative effort. Additionally, City Manager Feldman stated the City is partnering with the Fort Lauderdale Chamber of Commerce for the Business First Program. Further discussions ensued on this topic.

Vice Mayor Trantalis stated the Commission has made it clear it is looking to diversify the economic investment of the City and outside of real estate development, the City is desperate for economic development to draw diversified businesses such as high tech industries and clean manufacturing. Vice Mayor Trantalis asked City Manager Feldman what initiatives the City is taking to attract diversified businesses. Discussions ensued including space limitations within the City to attract diversified industries.

Commissioner Roberts recommended the City take a look at how it is approaching economic development for businesses particularly in the Uptown area of the City. He stated the City needs to better strategize these efforts to achieve its goals. Commissioner Roberts stated he would like to see the City have an Economic Development Chief in each of the City's economic development areas to direct and manage these initiatives at the airport, the South Andrews area corridor and working in partnership with the Greater Fort Lauderdale Alliance and the Workshop Group.

Vice Mayor Trantalis stated the City needs to develop a pictorial marketing pamphlet of the City illustrating its opportunities for economic development. He noted this currently does not exist and would be used by the Commission as a "calling card" to spur the attraction of the City for potential economic development and new businesses as well as on trips to Sister Cities to illustrate potential business relationships opportunities.

Commissioner Rogers commented that the City is almost back to its economic development levels of 2007 before the great recession. Commissioner Rogers thanked the BAB for all the hard work they have done in digging into the FY 2017 Proposed Budget and Community Investment Plan. Commissioner Rogers stated the BAB's work frees up each Commission member to prioritize where

the City needs to go from here regarding policy and future economic development, i.e., Riverland Road area issues, and homeless issues. Further discussions ensued on the fact that the City should already be moving forward trying to encourage ways to diversify the City's community noting the success of the City's boating community and real estate development market. Further comments ensued on developing economic diversification.

Discussions ensued on the Fire Rescue Bond. Commissioner Roberts confirmed the land swap for the Oakland Park Fire Rescue Station closed on August 18, 2016. Commissioner Roberts noted there are issues to be addressed with the Fire Rescue Bond. City Manager Feldman gave an update on the Oakland Park Fire Rescue Station stating construction should begin in early 2017. City Manager Feldman stated Fire Rescue Station 8, located south of Broward General is approximately 60 percent completed by the architect. City Manager Feldman stated there is a struggle with Fire Station 13 on Sunrise Boulevard because of land issues with the State due to Antioch College. Commissioner Roberts stated Fire Station 13 should not be refurbished but should be brand new. Further discussions ensued on the Fire Rescue Bond and associated issues.

Fred Nesbitt, BAB, stated he is also a member of the Fire Bond Committee noting the Committee's frustrations which have been sent to the City Commission. Mr. Nesbitt suggested the Fire Bond Committee and the City Commission sit down in a Workshop to air their concerns and issues. Mayor Seiler agreed with Mr. Nesbitt stating the holdup relates to Fire Station 13 on Sunrise Boulevard and land issues with the State due to Antioch College. Mayor Seiler asked City Manager Feldman what the City has asked its lobbying team to do at the State's Executive Branch and the Florida Department of Environment Protection (FDEP) to assist in resolving this issue. City Manager Feldman stated the issue is not with the FDEP as they have been supportive, and the issue relates to Antioch College. Mayor Seiler asked City Attorney Everett to look into the Reverter Clause and attempt to find a favorable legal opinion for the City. Fred Nesbitt stated the City needs to get an answer from Antioch College or move forward with a Plan "B." Mayor Seiler stated the thinking was the City would eventually be able to accomplish the goal with Antioch College and stated there is no other location up and down Sunrise Boulevard available for a new Fire Station. Further discussions ensued regarding having a Fire Station on the Intracoastal to serve the waterway with a fire boat as well as serving homes in the surrounding area. Mayor Seiler noted that the Water Taxi is in the process of obtaining a launch in this area. Further discussions ensued on this topic.

Mayor Seiler acknowledged the success of the Budget Advisory Board and the accolades received for their valuable work with the City Manager's Office, the City's Department Heads, and City Staff who consider the BAB as part of the team in developing a solid, comprehensive City Budget. Mayor Seiler thanked the entire BAB Committee and stated they are the model for all of the City's Advisory Boards.

Chair Page noted the departure of Bryson Michael Ridgway who has served on the BAB for approximately four years who is leaving the BAB due to family commitments. Chair Page thanked Mr. Ridgway on behalf of the BAB for all of the time and efforts he has given as a productive member of the BAB. Commissioner McKinzie echoed Chair Page's comments. On behalf of the City Commission and the Budget Advisory Board, Commissioner McKinzie presented Mr. Ridgway with a token of their appreciation and thanked Mr. Ridgway for his work and commitment to the City of Fort Lauderdale as a member of Budget Advisory Board. Commissioner McKinzie read the inscription on the glass plaque he presented to Mr. Ridgway.

Chair Page stated the BAB has three issues it is going to monitor going into the new fiscal year:

1. **Capital Expenditure Needs** – Chair Paige stated the BAB's support of the proposed infrastructure sales tax. However, if the infrastructure sales tax ballot measure is not passed by the voters in November, the City needs to address its funding of capital needs. She said the Commission must have a plan for the City's capital needs in the future. Mayor Seiler asked the BAB to look at the list the City Manager is assembling of the City's future capital needs. Mayor Seiler requested the City Manager's office get this list to the BAB for their review and recommendations. Discussions ensued on alternate funding methods such as revenue bonds. Vice Mayor Trantalis stated he read the alternative funding methods presented to the City Commission from the BAB and thought it was very thorough. Further discussions ensued on the alternative funding method the BAB gave to the City Commission. Mayor Seiler stated he would like the BAB's review of the City's capital needs list and provide assistance as necessary in support of Plan A. Further discussions ensued on all funding methods for capital improvements. David Orshefsky noted one of the biggest issues that remains an issue before the BAB is ongoing capital expenditures, particularly regarding efforts with renovating existing facilities.
2. **True Up Vacancies and Turnover** - Chair Paige stated the City has had a large rate of employee turnover and a large number of unfilled vacancies for an extensive period. Chair Seiler noted the City is beginning to make progress and the City Manager's goal of keeping the vacancy rate of between five and six percent. However, she stated that some departments like the Department of Sustainable Development and Public Works having been chronically understaffed and has a great deal of turnover. Ms. Paige stated these departments are critically important for the City's growth. Ms. Paige stated she had requested City Manager Feldman to include the BAB on his vacancies memo every month to monitor the vacancy issue on a monthly basis. Commissioner Roberts recommended the City better forecast the future of the City's vacancies to enable the City to prepare better for them and the make necessary modifications. Further discussions ensued on this topic and the BAB's ability to offer insightful advice in this area.
3. **Building Department** – Chair Paige stated the Building Department is a department the BAB has been concerned with due to the high vacancy rate and the amount of large feedback the BAB receives from the public regarding the slowness of the process, i.e., permitting. Chair Paige stated the BAB wants to watch the Building Department given its importance to the City's growth.

Mayor Seiler concurred with Chair Paige's comments and stated Assistant City Manager Chris Lagerbloom is now overseeing the Building Department, and progress has been made in leaps in bounds. Further discussions ensued on this topic including the staffing up of the Building Department and the addition of new technology. Mayor Seiler requested City Manager Feldman share with the BAB the monthly reports prepared regarding the Building Department. Mayor Seiler also stated Commissioner McKinzie's efforts to address these issues have greatly assisted in the department's improvements. Commissioner McKinzie noted that the City has not yet reached the goal line, but if the City stays on the track it is currently on, by the end of the year the Building Department will be where it needs to be. Commission McKinzie thanked the Human Resources Department for their efforts in moving forward with the hiring process needs of the Building Department. Further discussions ensued on this topic including addressing vacancy and retention issues in the Building Department.

OLD BUSINESS

16-1062

Discussion - Neighbor to Represent the City at the United Way of Broward County's 2016 Mayors' Gala

Mayor Seiler raised the nomination of a veteran who is a Fort Lauderdale resident to attend and represent the City at the United Way of Broward County's 2016 Mayors' Gala. Vice Mayor Trantalis suggested the Jennifer Kimey who resides in Flagler Village and served a tour of duty in Afghanistan.

Mayor Seiler acknowledged and thanked the hard work of the Budget Advisory Board (BAB)

ADJOURNMENT

There being no further business before the City Commission and the Budget Advisory Board, Mayor Seiler adjourned the Joint Workshop meeting at 8:10 p.m.