

## SPECIAL/WORKSHOP MEETING

May 12, 2009

A Special/Workshop Meeting of the City Commission of the City of Delray Beach, Florida, was called to order by Mayor Nelson S. McDuffie in the First Floor Conference Room at City Hall at 6:00 p.m., on Tuesday, May 12, 2009.

Roll call showed:

Present - Commissioner Gary P. Eliopoulos  
Commissioner Fred B. Fetzer  
Commissioner Mackenson Bernard  
Commissioner Adam Frankel  
Mayor Nelson S. McDuffie

Absent - David T. Harden, City Manager

Also present were - Doug Smith, Assistant City Manager  
Susan A. Ruby, City Attorney  
Chevelle D. Nubin, City Clerk

Mayor Nelson S. McDuffie called the special meeting to order and announced that it had been called for the purpose of considering the following Item:

### SPECIAL MEETING AGENDA

- 1. BASELINE BUDGET SUBMISSION/CHILDREN'S SERVICES COUNCIL (CSC)/BEACON CENTER AT VILLAGE ACADEMY:** Approve authorizing staff to submit the baseline budget funding request for Fiscal Year 2009/2010 to the Children's Services Council of Palm Beach County in the amount of \$792,852.00 for the program and services associated with the Beacon Center at Village Academy.

Mrs. Lula Butler, Director of Community Improvement, presented this item. She stated that she would like to submit the budget to the Children's Services Council of Palm Beach County which is about a 2% increase in the amount of funding to be received by the City.

Mr. Fetzer moved to approve submission of the Children's Services Council (CSC) baseline budget funding for Fiscal Year 2009/2010, seconded by Mr. Eliopoulos. Upon roll call, the Commission voted as follows: Mr. Fetzer – Yes; Mr. Frankel – Yes; Mr. Bernard – Yes; Mayor McDuffie – Yes; Mr. Eliopoulos – Yes. Said motion passed 5-0

Mayor McDuffie adjourned the Special Meeting at 6:02 p.m.

05/12/2009

## **WORKSHOP AGENDA**

### **1. Presentation of Comprehensive Annual Financial Report Fiscal Year ending September 30, 2008**

Mr. Scott Porter of Caler, Donten, Levine, Druker, Porter & Veil, P. A., provided a financial overview of the City of Delray Beach, Florida Comprehensive Annual Financial Report for the fiscal year ended September 30, 2008.

It was the consensus of the Commission that the Comprehensive Annual Financial Report for fiscal year ending September 30, 2008 was an excellent report.

### **2. Delray Beach Housing Authority Update**

Mrs. Dorothy Ellington, President and Chief Executive Officer of the Delray Beach Housing Authority (DBHA) presented this item. She introduced the board members present at the meeting. She discussed the history of the DBHA and provided an overview of staff functions, various programs, funding and new projects. She advised that the redevelopment of Carver Estates is at a standstill because of unresolved issues with the developer but mediation is scheduled. Mrs. Ellington discussed the goals of the organization.

Mr. Eliopoulos asked if DBHA served 1,100 families currently or if this is their goal and would the number change.

Mrs. Ellington advised that 1,100 is the number of families currently served; the number could change if more federal money becomes available. She discussed the voucher program and the initial poor construction of Carver Estates.

Mr. Fetzer inquired about the status of the Hope VI Funding. Mrs. Ellington stated they were informed that they do still qualify for the Hope VI funding. However, applying for the funding will still have to be discussed with the DBHA board.

Mr. Bernard asked if the office space on 5<sup>th</sup> Avenue would also include residential units and would the units be market rate. He also asked if the units would be green and sustainable.

Mrs. Ellington advised there would be three (3) two-bedroom units on top.

Mr. Frankel asked where the mediation with Auburn Group will be held.

Mayor McDuffie inquired about the money on hold for the Replacement Housing Factor Fund.

Commission thanked Mrs. Ellington for her presentation.

### **3. Presentation of Utility Rate Study**

Mr. Richard Hasko, Director of Environmental Services, introduced this item. Also present from CH2M Hill was Dave Green and Luis Munoz. Mr. Hasko discussed the financial plan for water/sewer, water/sewer rates, rate restructuring, bill distribution, impact fees and reclaimed water rates. He discussed possibly doing a block rate structure. He stated there is a legitimate reason to revisit water sewer impact fees which have not been increased since 1992.

Mr. Green gave an overview of the utility rate study.

Mr. Fetzer advised it is necessary to have a proactive approach and look at all of these things.

Mr. Eliopoulos concurs with Mr. Fetzer and stated we should also look at reclaim use.

Mr. Bernard asked if there is a different phase for reclaimed water.

Mayor McDuffie stated that he liked the direction the City is heading towards with water rates and water consumption.

Commission thanked Mr. Greene for his presentation

### **4. Discussion regarding Charges to the Town of Gulfstream for Fire-Rescue Services**

Mr. Douglas Smith, Assistant City Manager, introduced this item and discussed Mr. Harden's reasons for the change in charges. Mr. Smith introduced Bill Thrasher, City Manager, Town of Gulf Stream, to the Commission.

Mr. Fetzer asked if the final comments of David T. Harden, City Manager, were in the backup information.

Mr. Smith advised the comments are in the back-up material.

Fire-Rescue Chief David James read an initial statement into record. He discussed some of the priorities and the resources needed both human and fiscal to address years of operational growth.

Mr. Eliopoulos asked Mr. Smith if the rates for Gulf Stream would be the same as Delray Beach in the new proposal. He would like to make sure that all recommendations and comments are reviewed.

Mr. Smith explained how the different charges were calculated and projected.

Mr. Frankel advised that Lieutenant James Tabeek did a great job providing information. He inquired on the cost to fully staff Fire Station No. 2 and expressed his wish to have this station fully staffed. He also asked about the upgrades and the estimated cost. He questioned when the contract with Highland Beach was negotiated.

Assistant Fire Chief Charles Stravino advised the cost to staff Fire Station No. 2 would be approximately \$400,000.00 which includes benefits. Assistant Chief John Tomaszewski stated the contract was negotiated with Highland Beach in 1993 initially as a 10-year agreement and was re-negotiated in 2003.

Mayor McDuffie asked if Fire-Rescue dispatches out of Highland Beach.

Assistant Fire Chief Tomaszewski stated that Mr. Harden's proposal did not address the Fire-Rescue Capital Improvement Program.

Mr. Bill Thrasher, City Manager of Gulf Stream, commented on proposed contract for the Town of Gulf Stream.

Mr. Eliopoulos stated he respects the Town of Gulf Stream and Mr. Thrasher, however; the City of Delray Beach should have looked at the contract first.

Mr. Fetzer commented on the sequence of how the contract was reviewed and approved. He would support using the Highland Beach rate contingent on fully staffing Fire Station No. 2.

Mr. Bernard advised the Commission was supposed to meet before the proposed contract was presented to Gulf Stream. He also stated he agreed with Mr. Frankel that Fire Station No. 2 needs to be funded immediately.

Mr. Frankel advised that Fire Station No. 2 should be funded prior to September 30, 2009.

Mr. McDuffie expressed how unfortunate that the process was done backwards and that the contract was not reviewed prior to going to Gulf Stream.

Mr. Fetzer asked if there is a timeframe in mind when Commission can get a budget proposal and be aware of the impact of the additional Fire Station No. 2 cost before the agreement is finalized with Gulf Stream.

Mayor McDuffie discussed the DR-420 to be received from the Palm Beach County Property Appraiser on June 1, 2009. After the millage rates are reviewed, the City would have a better idea of what could be funded. He proposed holding off on telling what the number would be for Gulf Stream.

Mr. Thrasher commented regarding a possible one (1) year contract with Gulf Stream.

Mr. Bernard recommended the City get a one (1) year contract with the terms as suggested by the Fire-Rescue Department and fully staff Fire Station No. 2.

Mr. Fetzer stated he does not have enough information to determine if we will be able to staff Fire Station No. 2.

Mr. Eliopoulos mentioned that he would rather have an extended contract with Gulf Stream for a little lower amount instead of losing them after one year.

Mr. Smith stated once the numbers are received in June and the City Manager can look at the budget staff can come back to Commission.

Mayor McDuffie recommended that this item not be brought back to Commission at the next meeting and wait until we receive the numbers in June. He also explained that Fire Station No. 2 needs to be fully staffed immediately from the current budget if possible.

It is the consensus of the Commission to wait until the City receives the numbers from the Palm Beach County Property Appraiser in June.

##### **5. Procedures for Securing Professional Services for Issuance of Bonds**

Mr. Joseph Safford, Finance Director presented this item. He gave an overview of staff recommendations which are in compliance with the Government Finance Officers Association (GFOA) best practices.

Mr. Frankel asked how perception problems would be addressed.

Mrs. Susan Ruby, City Attorney, discussed the GFOA recommended practices, Request for Proposals (RFPs) and Request for Quotes (RFQs).

Mr. Fetzer stated he is satisfied with the outline provided by Mr. Safford, recommended by Usher L. Brown and GFOA.

Mr. Eliopoulos stated he concurred with Mr. Fetzer.

Mr. Bernard inquired if the Palm Beach County Clerk's recommendations were incorporated with the City's report or was it compared.

Mrs. Ruby advised that the County has a large government with many different bonds issued.

Mr. Bernard suggested that the City take a look at the County's recommendations and compare and contrast.

Mr. Smith suggested staff bring back a formal written policy to commission and any changes will be incorporated.

It is the consensus of the Commission for this to be brought back to the Commission at a future meeting.

## **6. Possible interim use of Old School Square Garage Retail Space**

Mr. Smith introduced this item. He advised that staff would like to do some temporary uses of Old School Square Retail Space rather than sell with current market conditions.

Mr. Smith discussed some of the ideas proposed by staff for the space.

Mrs. Ruby advised that the property is still on the market under contract and interest is expressed from time to time for office use.

Ms. Diane Colonna, Executive Director of Community Redevelopment Agency, discussed her concerns with the property.

Mr. Hasko, Director of Environmental Services, talked about some of the improvements that would have to be done to the building, but he does not know what the cost will be.

Mr. Bernard stated that staff needs to figure what the cost will be so that Commission can make an informed decision.

Mr. Fetzter concurs.

Mr. Eliopoulos asked how long is the City legally obligated on the contract for the sale of Old School Square Retail Space through Ms. Ingrid Kennemer. He also inquired how the City decides usage of the space.

Mrs. Ruby advised that Ms. Kennemer was just renewed for six (6) months.

Mayor McDuffie advised that Pineapple Grove will appreciate the space being temporarily used to help drive business in the area. He questioned how long it would be before Phase I of Old School Square Park is kicked off.

Mr. Franciso Perez-Azua, Director of Economic Development, discussed bathrooms and proper codes and advised that the project has to be done right.

Mr. Rich McGloin, Public Arts Advisory Board, asked about the options to restrain the use. He suggested it is not practical to go into a project like this and still have the property on the market.

Mayor McDuffie discussed options for the space. He explained that the City could lose the value of selling the space.

Mr. Frankel stated he is conflicted due to the fact that the cost of doing a market could be used for Fire Station No. 2.

Mr. Eliopoulos advised the City to seize the opportunity.

Mr. Fetzter suggested the City come up with a Plan B because of the economy. He supports moving ahead with this and doing a feasibility study.

Ms. Colonna discussed using only a portion of the space.

Lori Nolan, Green Market Manager, discussed market possibilities. She advised that the people in Pineapple Grove have expressed an interest in this. She stated it would have to be sustainable all year long.

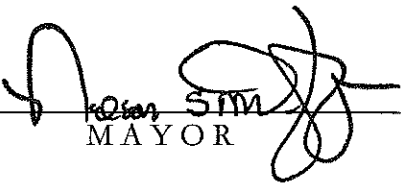
Mr. Eliopoulos suggested only a portion of the 10,000 square feet space be used.

It was the consensus of the Commission for something to be brought back at a future date; possibly at the July 14, 2009 Workshop.

Mayor McDuffie adjourned the Special/Workshop Meeting at 10:02 p.m.

  
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City Clerk

ATTEST:

  
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MAYOR

The undersigned is the City Clerk of the City of Delray Beach, Florida, and the information provided herein is the Minutes of the Special/Workshop Meeting of the City Commission held on Tuesday, May 12, 2009, which Minutes were formally approved and adopted by the City Commission on May 19, 2009.

  
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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 amendments, additions or deletions to the Minutes as set forth above.