

## WORKSHOP MEETING

July 8, 2008

A Workshop Meeting of the City Commission of the City of Delray Beach, Florida, was called to order by Mayor Rita Ellis in the First Floor Conference Room at City Hall at 6:00 p.m., on Tuesday, July 8, 2008.

Roll call showed:

Present - Commissioner Gary P. Eliopoulos  
Commissioner Fred B. Fetzer  
Commissioner Woodie McDuffie  
Commissioner Brenda B. Montague  
Mayor Rita Ellis

Also present were - David T. Harden, City Manager  
Robert A. Barcinski, Assistant City Manager  
Douglas Smith, Assistant City Manager  
Brian Shutt, Assistant City Attorney  
Lanelda Gaskins, Acting Deputy City Clerk

Mayor Ellis called the meeting to order and announced that it had been called for the purpose of considering the following items:

### **WORKSHOP AGENDA**

#### 1. Presentation of Second Interim Report from the Budget Task Force

Joseph Safford, Director of Finance, presented this item. Mr. Safford discussed several decisions made by the previous Commission that locked the City into significant long-term costs that cannot be reversed in most cases. He noted employee suggestions for cutting expenses but advised they are not necessarily the recommendations of the Budget Task Force. Mr. Safford presented the current expenditures and services provided by the City and reviewed the recommendations made by the Budget Task Force to cut or reduce some of those expenditures.

Mrs. Montague asked if staff recommended firefighters wash the heavy-duty fire trucks.

Mr. Safford advised that since staff purchased the detailing supplies he assumed they detailed their own fleet.

Mrs. Montague commented on the incredible job of the Budget Task Force. She stated while she agreed with some things other items concerned her especially those that dealt with Fire and Police. She recommended that Commission go through each item carefully and play out both the long-term and short-term impact on the City. Mrs. Montague explained the competitions and the S.P.I.R.I.T program has to be more to avoid the job being just a paycheck; there has to be some type of motivation for employees. Mrs. Montague advised that she did not want to cut the S.P.I.R.I.T program in the face of difficult times because it was a strong conviction of the previous Commission, instead she would like to approach the recommendations made by the Budget Task Force slowly.

Mr. Fetzner discussed some of the tough challenges ahead. He thanked staff and encouraged the Budget Task Force to keep digging. He asked that everything suggested by the committee be considered.

Mr. McDuffie thanked the Committee and staff for their information. He suggested a possible goal-setting session to look at the numbers more closely. He discussed the first projection on the budget is about \$6 million below. He asked staff if the source of the study was the 2007/08 fiscal year budget. Mr. McDuffie stated he wanted to be fair and equitable to everyone in the City.

Mr. Eliopoulos thanked the Committee for their work. He stated he would like to have more employee and department suggestions. The Commission and staff needs to be more creative because of the current state of the economy. Mr. Eliopoulos stated that his goal is to save jobs and avoid layoffs, but he would also like to balance the budget and maintain the level of service.

Mayor Ellis stated the budget shortfall is about \$6 million. Even after positions and wages are frozen, vacancies are not filled, and there are some cuts in public service there would still be a shortfall of approximately \$2 million. Mayor Ellis explained that the City and Commission have to react based on the current situation.

Peter Arts, Budget Task Force Board member, commended staff for providing the committee with the data to review.

The Commission thanked the Budget Task Force for its presentation.

2. Presentation by AccessDelray regarding Wireless Initiative

Brad Bowman, Program Director of AccessDelray, presented this item. He advised that the representative of Airspan was not present because he is out of town.

Tolly Marcus, Wireless Guys, gave background information on his company. He stated the company as founded in 1988 and is based out of California. He explained that his company represents and plays a channel partner and premier role in some of top wireless manufacturers around the world.

Mr. Bowman discussed his presentation with Commission (no backup materials or handouts were distributed). He advised that his project would lead to self-sustaining communities. Mr. Bowman explained Airspan has been operating in Europe for the last number of years on a 3.5 GHz network, which has been successful. He explained the 3.5 GHz is generally reserved for military use only in the United States.

Mr. Marcus explained that Airspan customers are carrier networks such as Verizon, Sprint and AT&T that each service millions of customers.

Mr. Bowman discussed the projected map of the coverage area. He explained it is not set in stone and it will give a base area of what may need to be incorporated. He suggested a base station on Congress Avenue and Lake Ida Road. Mr. Bowman stated his fees would be minimal in comparison to Wi-Fi. He discussed some advantages of DelrayAccess in public safety, utility billing, building and permits. He explained some of the benefits to the City which would be to increase productivity of employees and offer informative sites for tourists and visitors and residents. He explained monies generated would flow back to the community, even though the City is not being asked to fund the project only to give a letter of support of the project from the City.

Mr. Eliopoulos asked Mr. Bowman what feedback he got from the Information Technology (IT) Department.

Mr. Bowman stated he had no direct dialogue with the IT Department yet, but he has attempted to contact Guy Buzzelli, Chief of Information Technology. Airspan is ready to put up the station and he would like to do some demonstrations, but his initial goal is to get the support of the City so he could get some funding.

Mr. Marcus stated for the exception of upgrades and maintenance, the network would be at no cost forever. He advised legally municipalities cannot be an Internet Server Providers (ISP).

Mr. Eliopoulos asked Brian Shutt, Assistant City Attorney, if any documents had been reviewed for legality.

Mayor Ellis advised that a document of due diligence would have to come from the City Attorney's office.

Mr. McDuffie questioned what support from the City is being sought. He asked what specifically is being asked of the Commission.

Mr. Bowman explained lenders asked if he had the support of the City while he attempted to seek funding for the project. He explained he would need the support of the City's assets, towers and anything that would help to expedite the building of the network.

Mayor Ellis asked if this project would ever cost the City anything.

Mr. Bowman explained it would not cost anything unless the City wants to buy the network.

Mr. Fetzer discussed the skepticism of a business plan or model that would work because of the many obstacles faced in the past experiences. He asked if staff had the resources to work with AccessDelray on the project to determine if this is something the City would want to invest resources and time.

David T. Harden, City Manager advised that staff can review and evaluate the business plan and provide the information that is being requested on tower locations.

Mrs. Montague asked if Mr. Bowman is looking for a letter of support or proof of partnership. She requested staff to follow-up with AccessDelray on their expected timeframe of the City.

It was the consensus of the Commission to have staff look at the business plan and bring this item back at a later date.

### 3. Alternatives regarding Historic District Boundary Adjustments

Commissioner Eliopoulos declared a conflict of interest and advised he would not be able to participate.

Terrill Pyburn, Assistant City Attorney, presented this item and asked for direction from Commission on which of the five (5) versions of the Ordinance to use. She briefly discussed the five (5) different versions of the ordinance. Ms. Pyburn explained that Version 1, 2 and 3 have all gone before the Boards including Community Redevelopment Agency (CRA), Downtown Development Authority (DDA), West Atlantic Redevelopment Coalition (WARC) and Pineapple Grove, which supported Version 2 of the Ordinance. She stated Version 2 is also supported by the Historical Preservation Board (HPB). Since Version 1, 2 and 3 had gone before the Boards the earliest these versions could come back to Commission for a vote would be the August 5, 2008 Regular Commission Meeting. Ms. Pyburn stated that Version 4 or 5 which is the more expanded version, had not gone before the Board so they would have to go before the Board for consideration prior to going before Commission for its vote which meant the earliest either of these versions could be presented would be the August 19, 2008 Regular Commission Meeting.

Mr. McDuffie asked in Version 2 the owner of the property had to be 500 feet within what.

Ms. Pyburn stated within 500 feet of the affected area that would like to be removed from the historical district.

Mr. Fetzer stated he was proud of the historical districts of the City, and thinks there should be a process but not an easy process. He also asked since the surveys had been completed for the Marina District what would be the impact. He stated that he preferred Version 5.

Paul Dorling, Director of Planning & Zoning, advised a process would be implemented regardless of the selected version.

Mrs. Montague stated she is swaying between Version 2 and 4. She asked what is the advantage or disadvantage of waiting until the surveys are completed.

Ms. Pyburn advised that a process would need to be established to redefine or define the boundaries. She asked for Commission to narrow down their decision to Version 2, 4 or 5 and explained the significance of each.

Mr. Dorling explained Version 4 and 5 would only need to go to the Boards since Version 1, 2 and 3 have been reviewed by them.

Mr. McDuffie expressed his concern that if the Commission did not narrow it down to which version they supported, there would never be closure.

Mayor Ellis stated she agreed that closure is needed.

David T. Harden, City Manager, requested the Board look at Version 4 and 5. He suggested they choose between them or make some type of modification.

Mayor Ellis also suggested Version 4 or 5.

Ms. Pyburn explained the difference between Version 4 and 5.

Mrs. Montague stated she supports 4 but would like the Boards to review Version 4 and 5.

Mr. McDuffie pointed out that the terminology is changed in Version 4 to "may" conduct a survey every five (5) years, it is an option. He stated his understanding of the different versions.

Mr. Dorling advised that he supported the language if that is the direction of the Commission, if it is mandated and the City runs into a budgetary issue then the five (5) years run into six (6) years.

Mr. McDuffie advised he is comfortable with Version 4 and 5.

It was the consensus of the Commission to have the Board review Version 4 and 5.

4. Discussion regarding Renewal of Management Agreements for Municipal Golf Courses and Tennis Facilities

Robert Barcinski, Assistant City Manager, presented this item. He asked for direction on the request received from Sharon Painter, CEO, JCD Sports Group, to renew management agreements for both Golf Courses and Tennis Facilities, which expires September 30, 2008, for another four (4) year term with a proposal of no increased fees.

Mayor Ellis advised that she appreciated that there was no increase.

Mr. Eliopoulos stated that he supports no increase for four (4) years.

It was the consensus of the Commission to prepare the Renewal of Management Agreement for the Municipal Golf Courses and Tennis Facilities for the next Regular Commission Meeting.

5. Overview of the Preliminary Budget for FY 2008/2009

David T. Harden, City Manager, presented this item. He distributed a handout to Commission to review. Mr. Harden discussed the millage rate (6.5393) and how it was calculated. He talked about the impact of the property owner taxes based on the different millage rates.

Mr. McDuffie advised that a DR-420 form that would have to go back to the Department of Revenue that would require two-thirds vote which would list everyone on the Commission and their vote.

Mr. Harden reviewed the "General Fund Summary by Department" worksheet. He explained the 25% decrease from the original approved budget in Planning & Zoning was because the Shuttle Bus Operation was moved to Public Works, which resulted in Public Works having a 33.55% increase. With the Amendment No. 1 adjustment, the total revenue at the adjusted rollback rate is \$98,683,760.00 which is approximately an approximate \$6 million gap. Mr. Harden discussed how he could cut about \$4 million without affecting services. Mr. Harden suggested freezing forty-three (43) vacant positions and salaries for the coming year, which would leave about a \$2 million shortfall.

Mr. Eliopoulos asked how negotiations would be affected with fire.

Mr. Harden advised that his suggestions included negotiations with fire. He also stated there is a contract with blue-collar so they would get their increase per contract which is about \$60,000.00. Mr. Harden stated the deadline is August 4, 2008 to set a proposed millage. Mr. Harden advised a proposed millage rate would have to be set at the July 15, 2008 Regular Meeting Commission Meeting. Commission could meet on July 22, 2008 and/or July 29, 2008 to discuss the millage rate.

Mayor Ellis advised she would prefer to discuss the proposed millage rate on both suggested dates in July.

Mr. Eliopoulos stated that once the rate is set the City can go down but it cannot go up.

Mr. Fetzner stated that Commission has a financial obligation to residences to look at no millage increase.

Mrs. Montague discussed her concerns with regards to the millage proposal. She stated her position has not changed from one (1) year ago, residents are in trouble but what would happen beyond 2009, and she would like to look ahead.

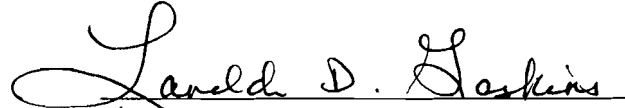
Mayor Ellis advised you cannot predict what will happen but Commission need to focus on the current year. She discussed the mid-year adjustments that had to be done because the revenues that were projected fell short.

Mr. McDuffie stated both options would have to be reviewed for the impact.

Mr. Eliopoulos stated that he could attend the July 29, 2008 meeting but he would be unavailable for the meeting on July 22, 2008. Mr. Eliopoulos concurred with Mr. Fetzer that he did not want to see the millage rate increase if at all possible.

It was the consensus of the Commission to have a Workshop Session on July 22, 2008 and a Special Meeting on July 29, 2008 to discuss the proposed millage rate.

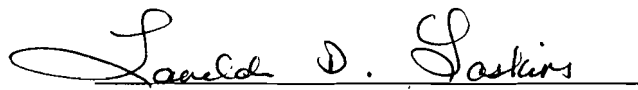
Mayor Ellis adjourned the Workshop Meeting at 8:44 p.m.

  
Acting Deputy 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 Workshop Meeting of the City Commission held on Tuesday, July 8, 2008 which Minutes were formally approved and adopted by the City Commission on July 15, 2008.

  
Acting Deputy 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.