

Palmetto City Commission
Budget Workshop
June 23, 2008 5:15 p.m.

Elected Officials Present:

Larry Bustle, Mayor
Tambra Varnadore, Vice Mayor
Eric Ball, Commissioner
Tamara Cornwell, Commissioner
Mary Lancaster, Commissioner
Brian Williams, Commissioner

Staff and Others Present:

James R. Freeman, City Clerk
Chris Lukowiak, Public Works Director
Chief Garry Lowe
Karen Simpson, Deputy Clerk-Finance
Deanna Roberts, Administrative Assistant

Mayor Bustle called the meeting to order at 6:12 p.m. The scheduled meeting began late due to a Shade Meeting. The meeting began with the Pledge of Allegiance.

Prior to the meeting, Chris Lukowiak passed out four documents to Commission. They included a Summary of Palmetto Elementary School Discussion (Updated June 23, 2008); a letter to Glenn Hartmann, Verizon; a letter to Dan Schlandt, Deputy County Administrator; and, a letter to Ray D'Aiuto, Veolia. All are attached to these minutes.

1. AGENDA APPROVAL

MOTION: Commissioner Williams moved, Commissioner Varnadore seconded and motion passed unanimously to approve the June 23, 2008, 5:15 p.m. agenda.

The workshop began with a review of the "Assumptions for 2009 Budget" page. Mr. Freeman pointed out that item 9 on page 1 of the assumptions had been corrected to reflect that just one position has been removed from the budget, that being Project Manager (Engineering), and that a total of six vacant positions remain in the budget.

Mr. Freeman informed Commission that health insurance is projected to go up from \$6,300 to \$8,400 per employee, which will be an estimated increase of \$288,000 citywide. He said the insurance increase with a 3 percent COLA and STEP increase in payroll would be an increase of approximately \$630,000 to the City above last year in just those two items alone.

Page 2 of the assumptions includes a comparison of costs in different scenarios/combinations of COLA and STEP increases. Mr. Freeman also showed a chart of payroll costs citywide and how they have increased year to year since 1999 and projected into 2009. The chart is attached to these minutes.

Mr. Freeman and staff looked at a voluntary buyout provision for employees with at least ten years of service and included it for discussion and feedback. There are a total of forty-one employees on the chart qualifying under that criterion. Staff looked at the savings to the City under two different buyout scenarios. The analysis is included on page 3 of the assumptions.

Commissioner Cornwell commented that some negatives are, based on her previous experience with such a program, that some of the staff was rehired at a certain level that made the program of no use to the organization and some were too young and could not take it. Mr. Lukowiak said his intention is to rehire at entry-level salaries if he does any rehiring; some of the positions may remain unfilled. Eliminating top salary range positions with entry-level employees would be an automatic savings to the

City. Mrs. Cornwell asked for more information on the eligible employees which might give a more accurate percentage of those who might be willing to accept a buyout.

Commissioner Williams asked that the years of service be added to the buyout analysis chart.

Commissioner Cornwell wanted it made clear to any employee who took the buyout that, if rehired, it would absolutely be at an entry-level salary. Mr. Lukowiak concurred and added there would be no guarantee that there would be any position available.

Mrs. Lancaster asked if all eligible employees were on the list. Mr. Lukowiak said he had not included his key personnel because they would have to be replaced, but he thinks that legally he could not exclude them. Commission agreed that the buyout would have to be offered to all employees who met the criteria.

Commissioner Ball commented that another downside is the people most likely to take the buyout are the best people who would have the least trouble finding another job.

Mayor Bustle asked Commission to share any ideas they might have to balance the budget. For example, the City of Bradenton is looking at a four-day workweek, and the School Board is looking at an across the board pay cut. He asked Commission to explore all options.

Commissioner Cornwell pointed out some of the options that the School Board is currently either implementing or proposing. No one has a cell phone any longer except emergency personnel, including Dr. Dearing; no take home cars; the uniform allowance is cut; it is proposed that everyone take a 1 per cent pay cut with no steps (this includes management down); no travel; limited training; no extra college classes; bus transportation is being limited; and, not filling positions.

Commissioner Ball suggested taking a look at health costs and having employees pay a portion of the premium, or increase the copay.

Commissioner Lancaster expressed concern over the level of service if employees were lost though the buyout. Mr. Lukowiak said that ultimately we will have to do more with less because of the impact of Amendment 1. Mrs. Lancaster said fees will be going up, and the level of service will be going down and he said the harsh reality is we may not be able to provide the level of service we've been providing to our residents.

Commissioner Williams was in favor of a hiring freeze. He added that historically small trucks have been used, and he would like to go back to small trucks and get rid of the gas guzzlers. He recommended adjusting the air and lights in the buildings over the weekend. Also, he is concerned with reducing employees pay and then increasing insurance. He would like to find another option; although, he said he would be open to increasing copays for office visits. He does not want to lose long-term, highly-skilled personnel. Mayor Bustle interjected that Mike Towns could work the health insurance options for the City.

Regarding adjusting the air and lights for savings, Commissioner Cornwell added that the School Board is unplugging everything at night to save on electricity. Computer monitors pull a lot of power even sitting unused.

Mayor Bustle asked staff to project millage at the same rate, look at the implications of Amendment 1 and the reductions in revenue to the City in order to see the target to hit to balance the budget. Mr. Freeman directed the Commission to page 4 which shows the projected deficits/surplus for each of the funds; General Fund, Road and Bridge, etc. These are based on the assumptions discussed today. Page 4 includes the fund balance policy which insures adequate reserves set aside in each of the funds. The projected reserves are spread out over five years.

Commissioner Williams asked staff to come back with some new figures using some of the suggestions for savings discussed in this meeting; no cell phones, no take home vehicles, etc. Mrs. Simpson will make

some of those figures available at the next meeting on June 24th. Commissioner Williams asked to see how much could be saved through the end of this year implementing some of the ideas.

Commissioner Varnadore suggested looking at ways other than personnel costs to cut the budget. Commissioner Williams agreed and asked where in the rest of the budget could they choose to cut from?

The meeting adjourned at 7:15 p.m.

Minutes approved:

James R. Freeman, City Clerk

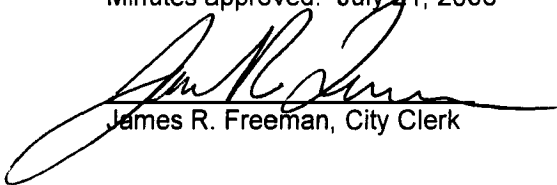
Palmetto City Commission
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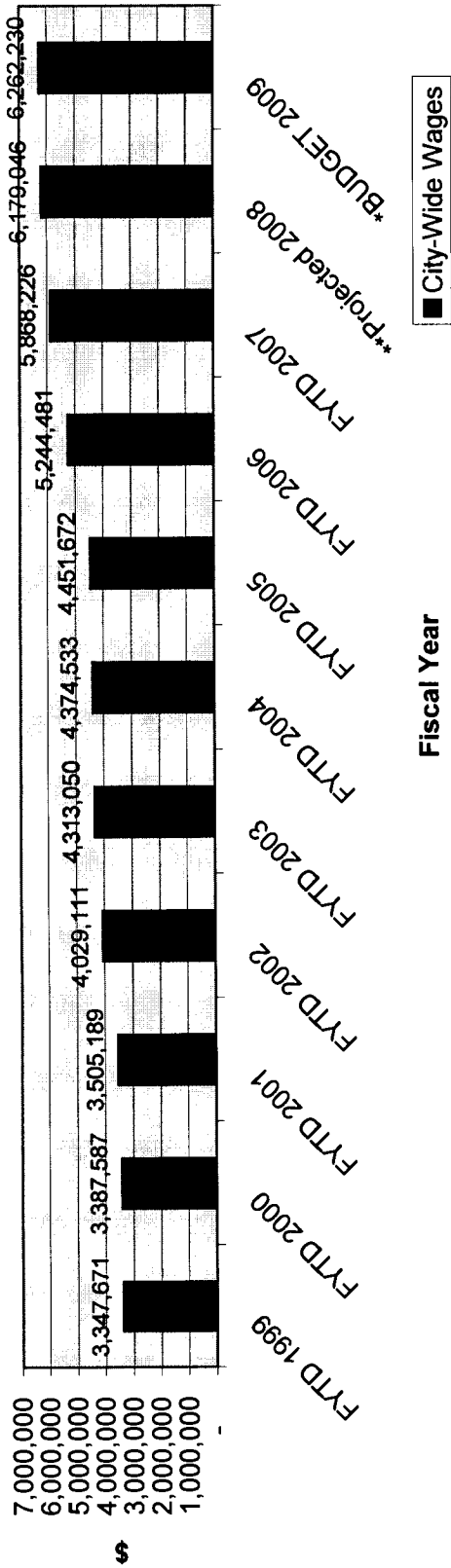
The meeting adjourned at 7:15 p.m.

Minutes approved: July 21, 2008



James R. Freeman, City Clerk

City-Wide Wages FY 1999-2009



SUMMARY OF PALMETTO ELEMENTARY SCHOOL DISCUSSION

Updated June 23, 2008

Mayor Bustle and Chris Lukowiak met with School Board and Boys & Girls Club representatives. Discussion included:

- Appraisals – The School Board paid Bass & Associates to perform an appraisal of approximately 9 acres, which was completed on May 19, 2008. The appraised value of 9 acres was reported to be \$783,000. This is equivalent to \$87,000 per acre. Staff was provided a copy of the appraisal report.
- Buy vs. Lease for Boys and Girls Club - \$783,000 is not sufficient funding to adequately construct the proposed little league complex, so an alternative to bring more money to the project would be the Boys and Girls Club purchasing their land from the City (approximately 1.6 acres, valued at approximately \$139,200, which could be discounted to the amount necessary to complete the construction of the complex). The Boys and Girls Club representatives will take the discussion to their Board, and will draft appropriate agreements.
- Purchase Agreement – The School Board is drafting a purchase agreement.
- Retention Pond – The School Board is paying the engineer and has been in contact with SWFWMD to ensure that the pond at Hidden Lake Park has the capacity to withstand the addition of the School property's stormwater.

Chris Lukowiak had discussion with Little League representatives, and provided them with a preliminary design for comments. Early indications are that they are happy with the design. They would like the opportunity to, at the appropriate time, to come before City Commission to explain their desire for five (5) fields.

Chris Lukowiak had discussion with Whiting Preston, who has committed to providing the real estate to the City with an engineer's certification, as approved by the FDEP, that the site is environmentally suitable for athletic fields. Until studies are complete, an exact location will not be identified.

No further discussions have been held with Just for Girls.

The School Board remains committed to buying the property the CRA purchased, and to paying for the demolition of properties on 9th Ave. W.

See attached Little League Design and updated spreadsheet.

Participation Requirements for construction of PES on 10th Street West

<u>Boys and Girls Club</u>	<u>Just for Girls</u>	<u>School Board</u>	<u>City of Palmetto</u>	<u>Manatee Fruit</u>	<u>North River Little League</u>	<u>Manatee County</u>
Consider purchase of approx. 1.6 acres in lieu of lease Would like to retain ability to remain in current bldg while constructing new facility	Extend current lease a minimum of 30 years Assistance with grant funding opportunities	Purchase 9 acres of the land on 10th St. from City at appraised value (\$783K) Provide land needed for 10th Ave. W. extension	Sell land on 10th St. to School Board, approve CRA land transactions, accept land Renew leases for youth groups & allow Grants Coordinator to assist	Donate +/- 11 environmentally certified acres to City for Little League Complex on City-owned property Receive park impact fee credits for the acreage needed to build LL field.	Does not want ball fields at separate locations, would like to retain all fields on same campus/site Design a lease that specifies the future O&M responsibilities	Continue to accept O & M responsibility for North River Little League
Co-locate school facilities when possible during site plan creation	Co-locate school facilities when possible during site plan creation	Swap CRA .9 acres across from PES for .9 acres purchased	Construct little league complex (+/- \$775,000) on MFC property w/ \$ from sale to School Board.	Land provided gives City the needed ROW for the eventual extension of 10th Ave. W.		
Expedite the B&G Club construction schedule	Request that tennis courts stay in place	Buy remaining land in downtown from CRA	Give Manatee Fruit Company impact fee credits as appropriate Tennis courts remain in place			

NOTE: This is a draft proposal at the staff level. Commission will have to approve leases, impact fee credits, land sales, land acceptance etc... (all in red above)

POINT PAPER
PALMETTO ELEMENTARY SCHOOL
APRIL 7, 2008

Issue: There are a variety of actions required by all involved participants in order to move forward with the conceptual plan for the construction of a new Palmetto Elementary School on 10th Street West. City Commission's approval of the general plan will allow for appropriate negotiation and advancement of the project. Of course, City Commission will review and approve all actual agreements that are generated as part of these negotiations.

Background: For several years, the School Board has been attempting to locate an appropriate site for the development of a new elementary school in Palmetto. The City Commission authorized the City staff and CRA to assist as possible, but there were a variety of obstacles that slowed the process. Together, the staffs of the School Board and the City have identified a site that appears to, finally, meet all of the required criteria. The development of this site, however, will require the cooperation and partnership of a variety of partners.

The chosen site (identified on the attached map) currently is owned by the City of Palmetto, and is home to the Boys and Girls Club, Just for Girls, the public tennis courts, and the North River Little League Fields. Attached, the spreadsheet delineates the specific participation requirements and desires of all parties, for Commission consideration.

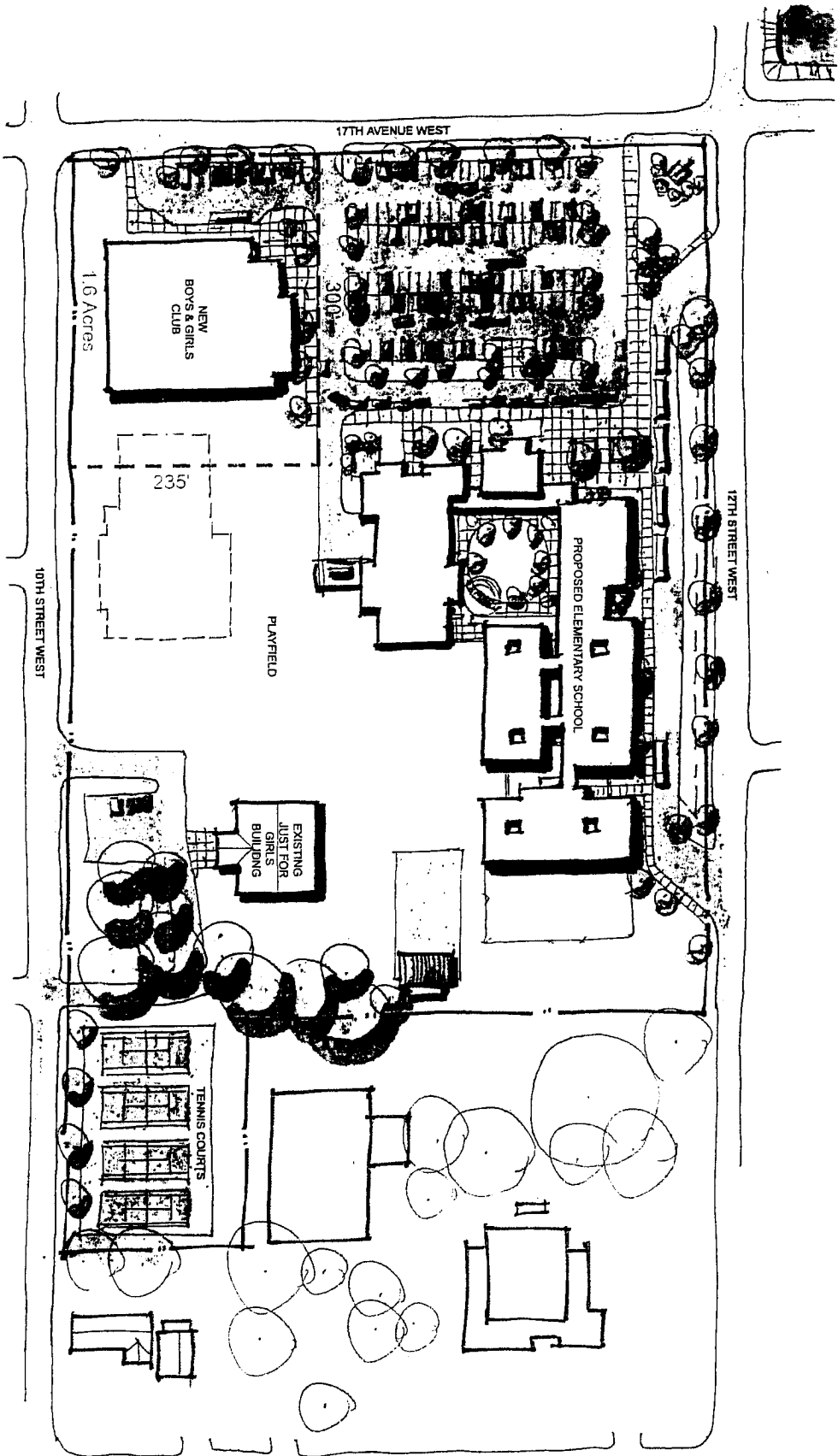
It appears that this may be a win-win:

- youth serving organizations will get improved facilities, co-located with the elementary school;
- the City and CRA will recover funds expended in land assembly efforts in the downtown;
- the City will get a new school for its students in the near future, and still get a high-quality school in the downtown;
- the school board will obtain land in a central location for no more than appraised value;
- the Little League will have a new complex with all levels of play in close proximity; and
- the City will have the ROW needed for the eventual extension of 10th Avenue West.

Alternatives: 1 - Approve conceptual participation as described for staff negotiation
2 - Approve alternate participation for staff negotiation
3 - Deny participation

Recommendation: 1 – Approve conceptual participation for staff negotiation

Budget Impact: Expected to be minimal.



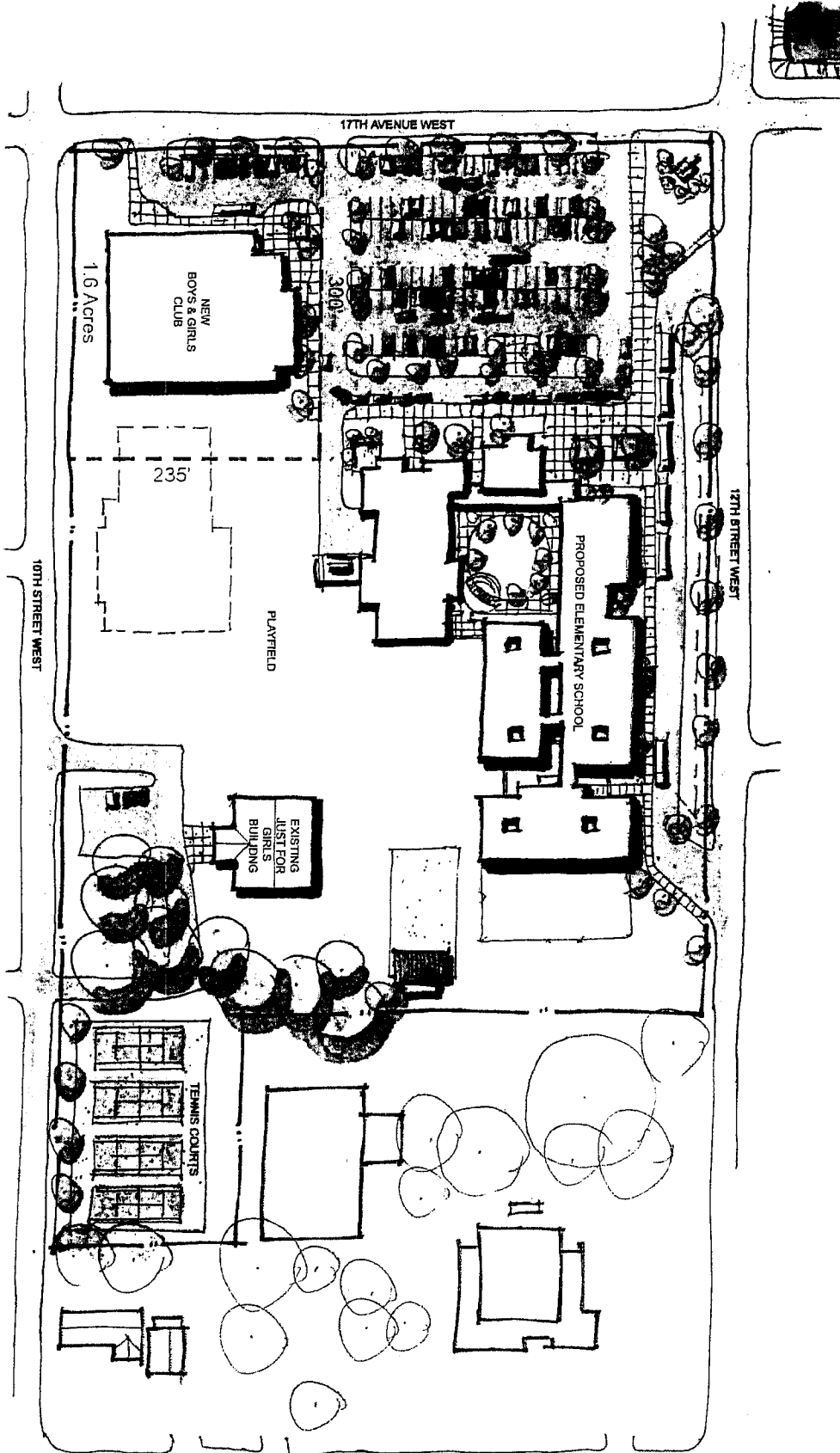
PALMETTO ELEMENTARY SCHOOL
 PROPOSED SITE PLAN FOR BOYS & GIRLS CLUB SITE
 SCALE: 1" = 30'-0"



HOFFMAN
 ARCHITECTS, P.A.

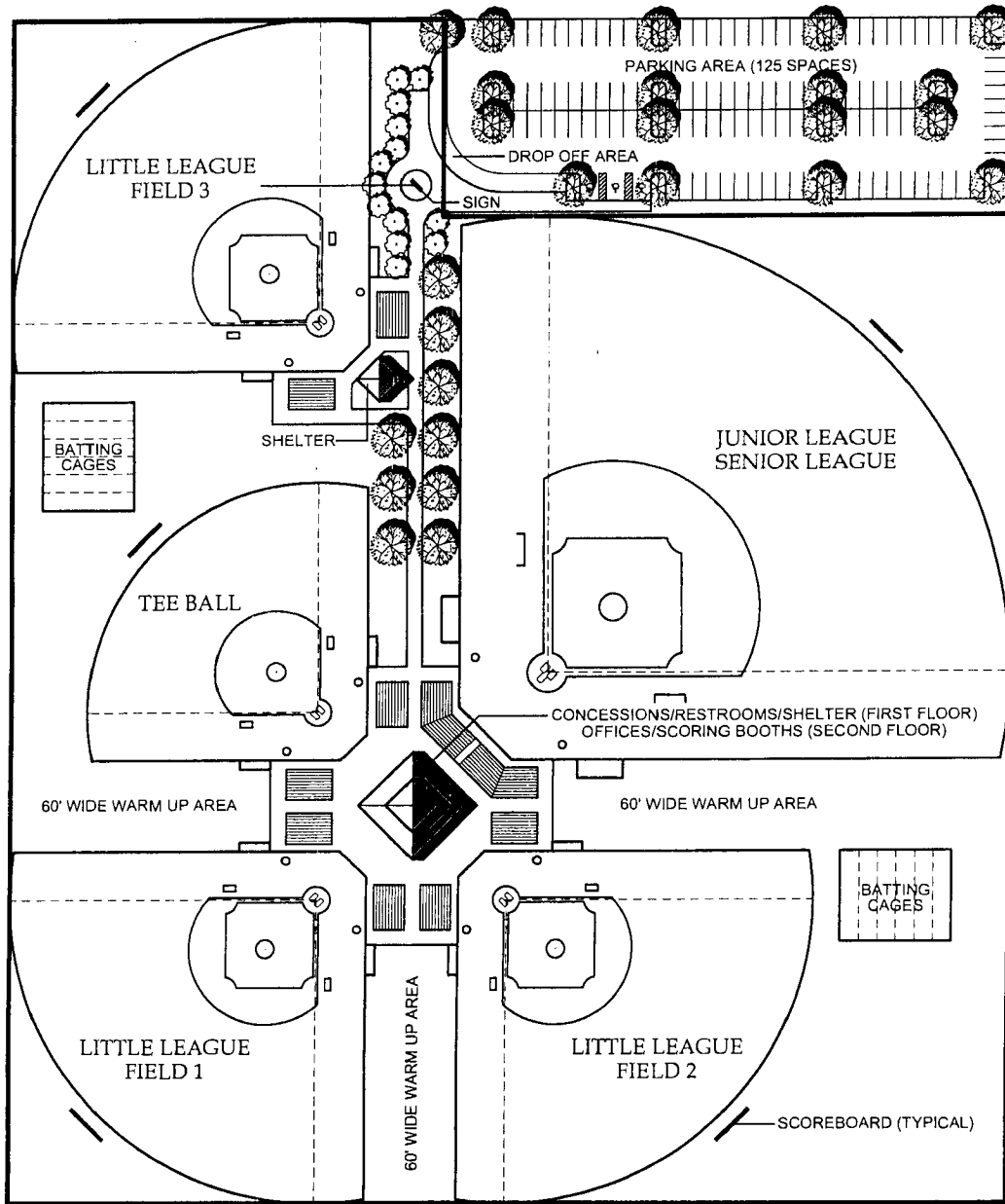
PALMETTO ELEMENTARY SCHOOL
PROPOSED SITE PLAN FOR BOYS & GIRLS CLUB SITE

SCALE: 1" = 50'-0"



HOFFMAN
ARCHITECTS. P.A.

PALMETTO LITTLE LEAGUE

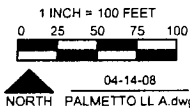


PALMETTO LITTLE LEAGUE
PALMETTO, FLORIDA

CONCEPT PLAN A



GEORGE J. EISSLER, Inc.
LAND DEVELOPMENT CONSULTANTS
3950 Elysian Woods Lane
Sarasota, Florida 34231
941-927-0806 FAX: 941-927-9369
gjeissler@verizon.net





Department of Public Works

600 17th Street West
Palmetto, Florida 34221
Phone (941) 723-4580 • FAX: (941) 723-4539
Suncom 599-4580

June 23, 2008

Mr. Glenn Hartmann
FTTP QA Specialist, Verizon
V8800 Adamo Drive
Tampa, FL 33619

Dear Mr. Hartmann:

Please be advised that I am prepared to recommend to the City Commission that the City of Palmetto accept the amount of \$8,404.17, as you have proposed, with the addition of appropriate costs and fees.

I will recommend that Verizon also reimburse the City of Palmetto for some of the time required to prepare and review damages and invoices, as follows:

- Four (4) hours – City Attorney @ \$175/hr = \$700.00;
- Four (4) hours – DPW Director @ \$ 39.83/hr = 159.32;
- Twenty (20) hours – Project Inspector @ \$18.45/hr = \$369.00; and
- An administrative fee of 6% of total costs listed above = \$577.95

For a total payable amount due of \$ 10,210.44.

Please note that this does not include your most recent intrusion located at 710 16th Avenue West.

We have reviewed your response and believe that, even with your additional information, there are still a variety of incidents which can be disputed. In fact, our revised calculations indicate over \$37,000 directly attributable to the contractors. However, as the City does not have the manpower or resources to continue in our attempts to be reimbursed for all intrusions, I feel that accepting your proposal will bring a quick resolution to the dispute, and allow us to continue with City business.

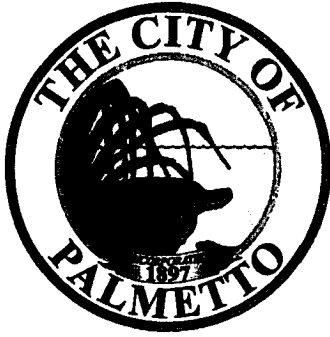
I intend to submit these terms to the City Commission at the next available meeting.

Thank you,

A handwritten signature in black ink, appearing to read "Chris Lukowiak".

Chris Lukowiak
Director

CL:gj



Department of Public Works

600 17th Street West
Palmetto, Florida 34221
Phone (941) 723-4580 • FAX: (941) 723-4539
Suncom 599-4580

June 23, 2008

Mr. Dan Schlandt
Deputy County Administrator
1112 Manatee Avenue West
Bradenton, FL 34205

Dear Mr. Schlandt:

I am writing to update the status of the existing City-County joint projects/issues, and request the scheduling of a meeting to follow our last joint meeting which was held on April 7, 2008.

- Erie Road Landfill - City and County Staff performed a walk-thru of the site, agreeing that all necessary improvements had been removed appropriately.
- 7th Street Extension - City and County Attorneys are now in agreement with regard to the language of the reverter clause and the project can move forward. The County's legal department is drafting the Inter-local agreement. There s a revised design that was submitted to County Engineering and DPW for final comment.
- Jackson Park – Construction is complete and we have had several rainstorms without flooding. City Attorney is completing the draft of the Inter-local Agreement, which will be considered by City Commission early in August, then forwarded to the County with an invoice as agreed.
- US 41 Median Maintenance – Still awaiting County comments.
- Blackstone Aquatic Facility – No longer being considered for the near future.

Please advise me if you believe that any issues require additional clarification, and let me know when we will be able to meet again.

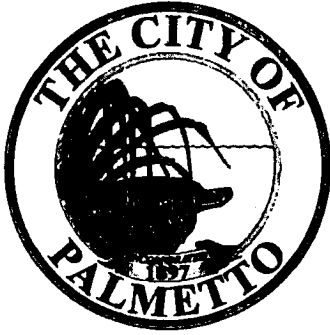
Sincerely,



Chris Lukowiak
Director

CL:gj

cc: Mayor Larry Bustle
Ed Hunzeker, County Administrator



Department of Public Works

600 17th Street West
Palmetto, Florida 34221
Phone (941) 723-4580 • FAX: (941) 723-4539
Suncom 599-4580

June 23, 2008

Mr. Ray D'Aiuto
Project Manager
Veolia Water North America Operating Services
1310 28th Avenue West
Palmetto, Florida 34221

Dear Mr. D'Aiuto:

Please be advised that it is my intention to propose that the City Commission approve the contract provision authorizing a two (2) year extension of the contract with Veolia Water for the operation of the Waste Water Treatment Plant.

If this is acceptable, please advise me so that I am able to schedule our presentation to the City Commission at the next available meeting.

I appreciate your prompt response.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Lukowiak".

Chris Lukowiak
Director

CL:tl:gj