

Officer William Dorr	Police	15 years
Patricia Johnson	Police	15 years
Brian Law	Landscape	15 years
Janet McLaughlin	City Clerk	15 years
Lucien Pierre	Public Works	15 years
Larry Sumpter	Public Works	15 years
Trish O'Toole	Parks & Recreation	10 years
*Nicole Harper	Public Works	5 years

*Unable to attend.

Congratulations were offered.

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Jim Romano, Director of Parks and Recreation, made the following announcements:

- The Annual Independence Day Celebration will be held on Thursday, July 4, 2013.
- Summer Camp begins on Monday, July 8, 2013 through Friday, August 2, 2013. Day camps are at Central Park, Volunteer Park and the Jim Ward Community Center. The two weeks Kids' Program will begin on August 5, 2013 through August 16, 2013 at Central Park.

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Mayor Bendekovic read a Proclamation designating the month of July 2013, as *Parks and Recreation Month* in the City of Plantation.

Jim Romano, Director of Parks and Recreation, accepted the proclamation.

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Mayor Bendekovic made the following announcements:

- Representatives will be available from the Broward County Property Appraiser's Office at the Community Outreach events to help with Homestead, seniors and other property tax exemption applications every Wednesday in July from 12:00 p.m. to 2:00 p.m. at One University Drive.
- The Plantation Farmer's Market is at Volunteer Park every Saturday between 8:00 a.m. and 2:00 p.m.

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Councilman Levy introduced a Scout in the audience.

James Hanson, with Boy Scout Troup 111, was present working on his Communications Merit Badge.

Mike Hanson, James' father, was also present.

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CONSENT AGENDA

As a Commissioner of the CRA, Mayor Bendekovic has a voting privilege on Item No. 17.

Item No.'s 7, 11, 12 and 13 were pulled from the Consent Agenda to be discussed separately.

Mr. Lunny read the Consent Agenda by title.

5. Special Permission for DHL to host an Employee Appreciation Picnic/Luncheon on their property on Friday, June 28, 2013 from 11:00 a.m. until 2:00 p.m.
6. Request to approve a purchase order for Florida Bearings in the amount of \$19,780 to replace two submersible pumps in lift station 67. (Budgeted – Utilities)
8. Approve purchase of infrastructure from Adcap Network Systems in the amount of \$187,926 for needed upgrades.
9. Approve three-year lease of 170 Panasonic Toughbooks for Police Department in the amount of \$758,833. (Budgeted – Police)
10. Approve four-year lease with Dell with 80 Dell Optiplex 7010 Small Form Standard PC's and monitors in the amount of \$19,023 per year.

Resolution No. 11703

14. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period June 6 – June 19, 2013 for the Plantation Gateway Development District.

Resolution No. 11704

15. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period June 6 – June 19, 2013 for the Plantation Midtown Development District.

Resolution No. 11705

16. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period June 6 – June 19, 2013.

Resolution No. 11706

17. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period June 6 – June 19, 2013 for the City of Plantation's Community Redevelopment Agency.

Motion by Councilman Fadgen, seconded by Councilperson Stoner, to approve tonight's Consent Agenda as printed. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Fadgen, Jacobs, Levy

Nays: None

NOTE: Mayor Bendekovic voted affirmatively on Item No. 17.

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Mayor Bendekovic advised that staff is requesting deferral of Item No. 19.

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Mr. Morgan read Item No. 7.

7. Continued request for authorization to retain Hansen Information Technologies, an Infor Company, for modifications and training services for the Hansen 8 utility billing software in the amount of \$99,000. (Budgeted – Utilities)

A memorandum dated June 7, 2013, to Mayor Bendekovic and the Members of City Council, from Chuck Flynn, Director of Utilities, follows:

The Hansen 8 utility billing software has been implemented and has produced our utility bills since March 10, 2012. The Infor/Hansen organization has provided full technical and operational support to the City for this start-up and the significant challenges that have been encountered.

As we continued to move forward with the Hansen 8 Billing product there is a need for additional modifications, program support and staff training.

Hansen and City staff agrees that an additional 600 hours will be required or such modifications and training. We contemplate that most programming work will be performed remotely. (Note: the first block of hours for post start-up was approved by City Council on June 13, 2012 on Consent Agenda Item #9).

This information is provided for your review and approval to retain an additional 600 hours of Hansen “AppCare” software consulting services at a rate of \$165 per hour with a total cost not to exceed \$99,000. This total does not include unforeseeable (T & E) if onsite is required.

Funding: 440-0100-533-4606 and 440-0200-535-4606 (maintenance contracts)

Councilperson Stoner indicated that Councilman Zimmerman previously pulled this because of some questions and was going to follow up. She wanted to confirm that Councilman Zimmerman is pleased.

Councilman Zimmerman advised that he is ready to move forward.

Motion by Councilperson Stoner, seconded by Councilman Zimmerman, to approve Item No. 7. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Fadgen, Jacobs, Levy
Nays: None

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Mr. Morgan read Item No. 11.

Ordinance No. 2484

11. **ORDINANCE** Second and Final Reading pertaining to the subject of City Utility Rates; adjusting the City water service rates, including customer billing charges, consumption charges, and base facility charges, adjusting the waste water utility rates, including customer billing charges, consumption cost charges, and base facility charges; providing a savings clause; providing an effective date; providing an implementation schedule; providing a conflicts clause; and providing for codification therefor.

Councilwoman Stoner apologized for pulling this item; she is all right with it.

Attorney Bill Laystrom commented that if the City were going to have a LEED credit for water consumption that we would ask to have a LEED policy. He distributed a policy after meeting with Mr. Lunny and requested that Council have a quick discussion about LEED Certification and the ability to encourage them through an incentive process by saying if you get LEED Certified, bring the project in, certify it by a separate independent person and then the ERC's will be adjusted to the actual water usage you have. They anticipate a 35% water consumption savings on new construction that meets LEED Certification. The policy they wrote has 35% and a few weeks ago when reviewing this it was discussed that after the building is open for a year you would come back to determine the savings and have an adjustment at that point. He requested that Council direct staff to work with them to come up with a possible incentive program as an amendment or addition to this over the next 60 to 90 days.

Councilman Jacobs stated that the purpose of an impact fee is for the capacity of the system. If the capacity has already been built in and we retroactively give a discount then potentially we have built something that we are not getting an impact fee for.

Mr. Laystrom indicated that the fees being charged are for the plans now to be built, rebuilt, etc. There should be a fee that matches what the usage is for a given use. He is talking about 60 to 90 days to a year to actually true that up. You would not plan for the projects today because you do not know what they are going to be.

Councilman Jacobs requested the Utilities Director to enlighten him on whether that would be good planning on the perspective of the City to offer this kind of discount.

Mr. Flynn explained that the standard we have established for ERC's is set at the County level. We can address this in an amendment form at a later date; we can review it and get back with Mr. Laystrom. Mr. Laystrom is correct in the fact that if we give a discount on our construction cost for our utility plants and if he gets a discount in the usage; the actual water and waste water; however, he does not believe it is correct to discount the capacity charges.

Councilman Jacobs commented that he has no problem asking staff to work on it.

Mayor Bendekovic advised that when a project comes in it is going to have to come in far ahead with the preplanning because we have to plan to see if that is going to impact any one of our services. She is in agreement with what was said. She would appreciate it if we can go ahead and pass this but we will work with Utilities and bring it back to see what we can do with LEED certified. She does not know if we have to do it by percentage.

Councilperson Stoner clarified that Mr. Laystrom wants LEED projects to qualify for different impact/development fees and then subsequently the usage rates.

Mr. Laystrom stated that the usage will be by the meter he has but the capacity charge is based on an estimated number of ERC's that he is going to use. He is suggesting keeping the window short between the time of planning of the project and the time of pulling a building permit. He was thinking that he would notify the City as part of the site plan approval process that he would be seeking LEED certification; they will then acknowledge that it is LEED certification and present Council with two calculations depending on how the ordinance is done. One calculation will be the ERC's that he owes because the normal project is so many units and there will be a difference in the LEED. Either the policy will be pay it all and then the LEED portion he could get back if he certifies. There will be an expiration for site plans that might linger on to where a planning issue does come up. He is requesting to buy the ERC's that he is actually going to use and the City will be selling 30% more than needed because you are guessing how many there are at the beginning of a project.

In response to Councilperson Stoner, Mr. Laystrom advised that he is not looking for the City to give a credit on the meter. The meter will be an actual charge. This is an incentive for people to seek the LEED certification. He will check capacity fees and see what other cities are doing as far as LEED.

Councilperson Stoner commented that any County buildings that are built must be LEED certified. Given the City's mantra of the "Grass is Greener"; she thinks it might behoove the City to develop its own internal LEEDS program for its own buildings and incorporate the additional developments that are going to come in. This might be a good time to develop a full blow LEEDS development type that encompasses everything, not just new builder projects. The last time she asked we did not have any LEED certified people on staff and she questioned if there are any yet. She thinks there are some benefits and it might be a good time for staff to explore everything without limits.

Councilman Zimmerman indicated that there are other cities that ask for a LEED checklist at site plan approval process. They do not require you to be LEED certified but there is a checklist as part of the standard site plan approval process because the cities want to track the projects that come through. He does not know if they have an incentive program but he does know it is out there. One City for sure is Coral Springs. There are different areas within the LEED program and one is water conservation. If we are going to do this then some of the criteria needs to be that the LEED project will meet those criteria and we need to determine if it is a certified LEED project, a GOLD project, SILVER project or PLATINUM project. For the verification program he would encourage us to require the enhanced commissioning credit. There is a credit within the LEED certification that requires the contractor or the owner to have an independent person. That certification requires them to check the systems and make sure those systems that are being put into the buildings work and are operational. He agrees with Councilperson Stoner, we need to look at this as a citywide whole.

Councilman Fadgen stated that during the first meeting he indicated that the project list as far as rejuvenating the system and restructuring the infrastructure needs to be done but as far as timing, he noted that today is not the time to do it and recommended it be deferred for two years. He is not going to vote for this ordinance.

Dennis Conklin, resident, was present. His comment was not specifically to this ordinance but what is being discussed, which is the LEED. He expressed his objections to this and other intrusions upon the City, County, State and the National Sovereignty through Agenda 21. LEED is nothing more than a cost that is added by an organization that has an agenda to remove sovereignty from all nations. LEED is what does this by a technique they use for advancing Agenda 21, which is they cannot get it to pass in the National Levels of Government so they move to the Local Governments and not for profit organizations to stimulate activity at the local level so it does not require any actions by the County, State and National Governments. He has two objections; the

soverignty is one but it is an added cost to every project that winds up with those letters for certification and qualifications. He would not want to see this ordinance passed.

Councilperson Stoner commented that she has also researched Agenda 21 and she believes it is a very real issue. She has not found the true link between Agenda 21 and trying to have a building LEED certified which upon its ultimate CO and the operation for the building which is to be energy efficient and provide cost savings to an owner and the surrounding community and people within the community to be the same thing. She is not finding the common factor between the two.

Mr. Conklin stated that the governments at local level is where this is being installed and it basically inhibits development; increases the cost of development and may or may not be questionable.

Councilperson Stoner indicated that we are not mandating when we look into having LEEDS projects that every project has to be LEEDS. She believes there is an opportunity to recognize developers that wish to pursue LEEDS type projects that have less of an impact on our infrastructure which ultimately saves everyone. A lot of times it is about numbers but it is also about philosophy.

Councilman Levy questioned that if this passes are we are also asking staff to look into Mr. Laystrom's proposal.

Mr. Morgan advised that is separate and he would not include it with the motion. There is no need for a vote for that.

Councilman Jacobs stated that he said we should go forward and ask staff to look into it. This is a voluntary program, we are not mandating it.

Councilman Levy clarified that Mr. Conklin is saying that he does not think it is necessary for us to have anyone who is LEEDS certified on the staff.

Councilman Fadgen indicated that the ordinance deals with water, waste water and utility rates and the increase of them. LEEDS is not going to be voted on tonight.

Councilman Levy commented that it is a consensus to look into it.

Motion by Councilperson Stoner, seconded by Councilman Jacobs, to approve Ordinance No. 2484. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Jacobs, Levy

Nays: Fadgen

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Mr. Morgan read Item No. 12.

Resolution No. 11707

12. **RESOLUTION** of the City of Plantation relating to Environmental Control; approving an Agreement with Sun Bergeron.

A Report and Recommendation dated June 26, 2013, to Mayor and Members of City Council, from Gary Shimun, Chief Administrative Officer, Edward Consaul, Public Works Director, and Priscilla Richards, Strategic Operations Administrator, as follows:

SUBJECT: Contract for solid waste services for residential and governmental recyclables.

REQUEST: Approval of a resolution of the City of Plantation relating to environmental control approving an agreement with Sun-Bergeron solid waste services for recyclables processing services; authorizing the Mayor or Chief Administrative Officer to finalize the contract agreement and execute same.

HISTORY: Broward County's current agreement with Waste Management, Inc. for processing residential and governmental recyclables and to provide net revenue from the same for municipalities within the Solid Waste Disposal District terminates on July 2, 2013.

Waste Management sent the City a Memorandum of Understanding dated March 22, 2013 outlining their offer to continue the processing of the City's single family, multi-family and governmental single stream recycling materials.

On May 16, 2013, staff was informed that Sun Bergeron was awarded a contract to provide processing of single stream recycling materials by the Town of Southwest Ranches. The contract includes a piggyback option for other cities and the financial terms are more beneficial for the City than the terms in the Memorandum of Understanding from Waste Management.

ANALYSIS: Waste Management, Inc. proposal for revenue sharing:
Average Market Value less \$68.40 processing fee times revenue share of 35%.

$$\$138.84 \text{ (Jan. 2013 AMV)} - \$68.40 = \$70.44 \times 35\% = \mathbf{\$24.65/ton}$$

Sun-Bergeron Solid Waste Services, JV proposal for revenue sharing:
Average Market Value less \$50 processing fee times revenue share of 40%
 $\$138.84 \text{ (Jan. 2013 AMV)} - \$50 - \$88.84 \times 40\% = \mathbf{\$35.54/ton}$

Recommendation: Approve the Resolution and Agreement with Sun-Bergeron Solid Waste Services, JV to provide processing services for City of Plantation residential and governmental recyclables.

Councilperson Stoner pulled this item because she wants to be sure that we provided a brief explanation to the public as to the whys and wherefores behind this.

Ms. Richards advised that the City of Plantation received two proposals for processing our recyclable materials for our residents and our governmental facilities. The first one was through Waste Management and the other was by Sun Bergeron. The difference in the two was approximately \$10.89 per ton and the way they come about their price is what they call an average market value. Both have a processing fee; Waste Management was \$68.40 per ton and Sun Bergeron was \$50 per ton. The City participates in the revenue once they process the recycling material and sell it in the open market. Waste Management offered us 35% of that revenue and Sun Bergeron offered us 40%; the difference is \$10.89 per ton. We have approximately 5,000 tons per year so on an annual basis the additional revenue offered by Sun Bergeron was approximately \$54,000. Staff is recommending that Council go with the Sun Bergeron proposal.

Councilperson Stoner wants to be sure that everyone understands the rationale for the decision; that it is a cost savings that staff has evaluated and review after the initial, which we are allowed to do. Our initial person that was awarded the contract was all right with the decision and there were no objections.

Councilman Levy questioned what exactly is being recycled.

Ed Consaul, Public Works Director, indicated that the recycling they take is bottles and cardboard; single stream recycling all goes to them; anything in the clear bags; not C and D.

In response to Councilman Jacobs, Mr. Consaul stated that no electronics are taken. That will be taken care of through the Wheelabrator contract.

Motion by Councilperson Stoner, seconded by Councilman Zimmerman, to approve Resolution No. 11707. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Fadgen, Jacobs, Levy
Nays: None

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Mr. Morgan read Item No. 13.

Resolution No. 11708

13. **RESOLUTION** of the City of Plantation, Florida adopted pursuant to Section 164.10141(2), Florida Statutes, relating to the expiration of the Interlocal Agreement for Solid Waste Disposal Services.

A Report and Recommendation dated June 26, 2013, to Mayor and Members of City Council, from Gary Shimun, Chief Administrative Officer and Priscilla Richards, Strategic Operations Administrator, follows:

SUBJECT Proposed lawsuit concerning Resource Recovery System Cash and Assets Beneficially Owned by Municipalities

REQUEST Approval of a Resolution of the City of Plantation relating to the expiration of the Interlocal Agreement for solid waste disposal services and the distribution of assets.

HISTORY The City of Plantation is one of twenty-six (26) Contract Communities that are parties to an Interlocal Agreement (ILA) for Solid Waste Disposal Services which expires on July 2, 2013. The ILA created a Broward Waste Disposal District, provided a supervising Board (Resource

Recovery Board) with respect thereto, provided for revenue that supported the District's acquisition of assets, and at the expiration of the ILA term, provides for the equitable distribution of the distributable assets and liabilities of the Contract communities, adjusted in consideration of the perpetual maintenance responsibilities of the County.

The Resource Recovery Board engaged in an ongoing discussion with Broward County Commissioners over the assets of the Resource Recovery System (RSS). The City of Ft. Lauderdale Auditor completed an interim audit report dated July 11, 2013 which included concerns regarding the understatement of assets, potential misallocation of costs and liabilities and the transfer of funds from the RRS to the County.

The Resource Recovery Board received certain conclusions from the law firm of Weiss Serota Helfman Pastoriza Cole and Boniske, P.L.(Jaimie Cole of such firm). Such firm has concluded that the revenue generating capabilities of the District made the County's acquisition, improvement and maintenance of the real property possible, that the District and its Contract Communities paid for the real property; and that the real property should be subject to equitable distribution. A copy of Mr. Cole's correspondence is attached.

On June 4, 2013, the Board of County Commissioners took action to direct that a Restrictive Covenant be placed on the District's real property which could impair the ability to sell the real property at its maximum price before distribution to the Contract Communities. Effective July 3, 2013, the County has announced its intention to have the Board of County Commissioners serve as the governing board of the District and the District may take other action at that time which affects the distribution of assets.

Other Cities have expressed support for forming a coalition of former Resource Recovery System Members to litigate issues with Broward County over the plan of distribution, to ensure that Member Cities receive a "fair share". These members are concerned that the County may not adequately protect their perceived legal rights and the rights of all of the Contract Communities will be compromised if a court proceeding against the County is not filed on or before July 2, 2013. Because of this danger, other cities are being asked to determine that no notice or public meeting or other proceeding as provided by Chapter 164, Florida Statutes, be required before a court proceeding. This section provides for an alternative dispute resolution process and court proceedings.

Chapter 164, Florida Statutes, requires a local government entity to follow a dispute resolution process unless the governmental entity by three-fourths vote of its governing body waives the provisions of Chapter 164 after determining that significant legal rights will be compromised if a court proceeding does not take place before the provisions of Chapter 164 are compiled.

As of this writing the cities of Weston and Sunrise have adopted Resolutions authorizing litigation. Staff will update the Council on the extent to which other cities have made decisions by the time this matter is considered by Council.

RECOMMENDATION: The Administration proposes to join the lawsuit and to limit the budget of such litigation, including all legal costs and fees, to \$25,000 such that once such sum is expended, further participation in the suit will require future approval by the Plantation City Council with respect to the status of this matter at that time. This expenditure will be paid for out of the distribution the City of Plantation will receive from the Resource Recovery Board assets.

Approve the Resolution to hire Weiss Serota Helfman Patoriza Cole and Boniske, P.L. to file a lawsuit against Broward County with regards to identification, valuation and distribution of the District's assets and to hire necessary experts.

Encourage other Contract Communities to join in the lawsuit bearing a prorated share of the legal fees and costs based on the participating Contract Communities' tonnage contribution of processable waste fiscal year 2012.

Councilperson Stoner commented that there has been quite a bit written about this over the last week. Prior to this, she had a conversation with Mr. Greenstein with the Broward County Resource Recovery Board on May 30, 2013. Mr. Greenstein initially said that the City has received a \$1 million recycling grant at the end of last year and that we should be receiving \$796,000 in the next 30 to 60 days. She questioned if those numbers could be relayed and ultimately what we should do.

Ms. Richards advised that the \$1 million recycling grant was for the single streaming. We gave the bins to all of the individuals that had bins, the clear bags, reduced the price of the clear bags in Publix and reduced the dollar charge that was on the water bill for all residents.

Councilperson Stoner stated that she probably got ten separate mailed notices about the \$1 reduction and she questioned what was accomplished on the mailing charges.

Ms. Richards indicated that it was an educational piece and it was really to encourage people to recycle.

Mayor Bendekovic advised that it was all paid through the grant. She thought it was \$769,000 not \$796,000. We have not received it but we did get notice that it should be in the mail within the next two to three weeks.

Ms. Richards indicated that we received the check this week.

Councilperson Stoner questioned whether that is a General Fund check.

Mayor Bendekovic stated that is a General Fund check; it went into the reserves.

Councilperson Stoner requested that the law suit be explained and what the City's impact is believed to be.

Mayor Bendekovic indicated that 26 cities participated in recovery resource and the Board sunsets on July 2, 2013. As a City, we decided to put a cap on our legal fees because we felt that we needed to see where this was going because it could go on for years. Jamie Cole, the attorney representing us, is present.

Mr. Shimun advised that as this comes to the end of its time period there is some real questions about the assets and how they get distributed amongst all of those who are participants over all of these years.

Mr. Cole explained that over the last 25 years the residents have been paying tipping fees, the fee you pay every time you tip garbage into the plant. The fees paid have been much higher than the market. We know this because now that we have done bids the tipping fee has gone from the 90's down to the 40's. The reason we have been paying a high tipping fee is because they have been building cash reserves and they have also been buying real property. Under the agreement, even though we had to pay extra for the 25 years, at the end of the 25 years whatever is left is supposed to be equitably distributed to all of the communities. The Resource Recovery Board decided to do that based on tonnage. We are 5.1% of the tonnage; therefore, we should get 5.1% of the money and 5.1% of the value of the real property. According to the audit that the County did in their Comprehensive Annual Financial Report, as of September 30, 2012 there was about \$54 million in cash unrestricted and another \$50 million in real property. That is based on historic value so there is no depreciation. We do not exactly know the numbers; we have been trying to get the information from the County. Fort Lauderdale was hired to have their internal auditors try to get the information and the County, rather than providing information, said they are going to treat this as public records requests. The auditors would request information and upon receiving documents would ask a question they were told it is public record and would not tell what it means. So far nine cities have joined the lawsuit. They are planning on filing on Friday and at that time there will be nine cities and with the City of Plantation it would be ten cities. The goal is to try to get the money back for the residents. The grant for the recycling and also the \$15.4 million was distributed and you should have received about 5.1%, which would be about \$768,000. That is a distribution and you have received distributions over the years; that is not the only one that is under the Eighth Amendment to the agreement. Under the agreement at the end it says everything is to be equitably distributed at the end and the County has taken all of the cash for themselves as well as all of the real property and left the cities with nothing.

In response to Mayor Bendekovic, Mr. Cole stated that the property kept all of the property titled in their name but it was paid for with your money.

Councilperson Stoner questioned if the agreement allowed everything to be titled that way.

Mr. Cole indicated that the agreement does not speak as to how it was going to be titled. It is in their name because the district is a district of the County; the money is in their bank accounts. The Resource Recovery Board voted to do the equitable distribution and it is their job to equitably distribute the assets. At the last meeting they said that the \$50 million that is left should be distributed based on last years tonnage and the real property, even though it is titled in the County's name, should be distributed on that same allocation and the County is ignoring what the Research Recovery Board voted to do.

Mayor Bendekovic questioned if it is true that the County Attorney stated that those assets belong to the municipalities.

Mr. Cole advised that it depends on the time frame. Five or six years ago the Deputy County Attorney came to the Resource Recovery Board and was asked that question and that is the answer he gave. He can assure you that the County Attorney today is not going to give that answer and when we go to Court they are obviously going to take the opposite approach to defend the lawsuit. There have been three opinions; the Deputy Attorney County; his law firm; and the Resource Recovery Board Attorney.

Mayor Bendekovic commented that she understands that even though they have money in reserves because of the landfill that they are now taking even more money to place into the reserves, which are not needed.

Mr. Cole stated that as of September 30, 2012, in the audited financial statements, there is \$23 million that is assets restricted for landfill closure. That is money they put aside and in 20 years when the landfill is ready to

be closed they will have that \$23 million. Under general accepted principals you are supposed to do a "Pay as you Go". As you use up more of the landfill you are supposed to be putting more and more money in. The \$768,000 is money that the taxpayers have paid in excess of what they should have paid that they are paying back to you.

Councilperson Stoner questioned the chances of them designating those properties as brownfields.

Mr. Cole indicated that a couple of weeks ago they passed something saying that they were going to deed restrict the properties to only be used for Solid Waste. Some of those properties are not being used right now so what that does is reduces the value of those properties. Even if they have to distribute it is not worth anything because it has to be used for Solid Waste. One of the reasons we are waiving the 164 process is because we want to go to the court relatively quickly and tell them that they should tell the County they cannot do anything else to take our money, property and value of the property.

Councilperson Stoner questioned if they are requesting a retainer. The charge is \$195 per hour, attorney time only, no paralegal or assistant billing. She also questioned what they are anticipating as to how they think this will go.

Mr. Cole commented that there has been a lot of discussion. The original time was drafting the complaint and doing the analysis and after that there will be a discovery phase; they are going to do depositions, etc. Most of the depositions are going to be of current and former County people. A Declaratory Judgment Action will then be done, as it is supposed to be expedited. It is hard to predict how much it would cost. When taking a discounted hourly fee of \$195 and distributing among all of the cities, the nine cities are half the tonnage. If we get all of the cities you are paying 5% so you are paying \$10 per hour. If we only get the cities we currently have you are paying less than \$20 per hour. It is a relatively small expenditure.

Councilperson Stoner questioned if he is going to come back and ask for a redistribution of his hourly rate if one of the other cities somehow does not pay.

Mr. Cole advised that if cities drop out that will change the percentages.

Mayor Bendekovic stated that she understands that he needs a contact person and he is suggesting that it be Legal Counsel because of the terminology and all of the legalities that are going to be happening. Most likely Don Lunny would be designated as the contact person that you would discuss the issues with.

Mr. Cole indicated that most of the cities are designating someone; it is a litigation liaison. The idea is if they end up having 15 cities before filing pleadings, etc., they will send it to the liaisons and get their input and that person will be the liaisons to the City and will talk to all of the other City people that need to be spoken to. For the cities they are not the City Attorney in, in general it has been the City Attorney. In the cities where they are the City Attorney it has been the City Manager. There are even some elected officials that may do it as well. It is completely up to you who you want your liaison to be but it has to be someone who can get to whoever else in the City if we need documents or information from the City.

Councilperson Stoner questioned how he will feel about having a potential of 21 backseat drivers.

Mr. Cole commented that he has done these joint litigations before. He represented the City of Plantation 10 or 12 years ago when we sued the County along with other counties to get money dealing with EMS. The joint coalition lawsuits are very hard to coordinate but they are also very important.

Councilman Jacobs questioned whether we formed a legal entity and we just dissolved it.

Mr. Cole stated we are not going to do a legal entity this time; there are no ongoing issues.

Councilperson Stoner mentioned that every time you talk to somebody else that goes on our bill and Mayor Ryan has sort of appointed himself as the leader of the pack. She assumes there will be a direct line with him, which ultimately the charges extend to everyone else. She appreciates strategy sessions, etc. but wonders how productive and realistic it is for everyone else to pay for that continual interface.

Mr. Cole stated that there have usually been one or two political leaders. On the legal side there is not necessarily more interface with that person than the other cities. If there is a pleading it will be sent to all 15 cities.

Mayor Bendekovic indicated that they would appreciate Council's support so we can move forward with this.

Mr. Morgan advised that the cap says if there is a need to continue on then it can be re-addressed.

Councilperson Stoner questioned whether the fee could be negotiated since all you are going to do is review. She also questioned why we should pay full fee for review when we have a lead attorney.

Mr. Morgan stated that they are not representing the City on this matter.

Councilperson Stoner commented that there will be a bill for every review or phone conference. She noted that if they are going to function strictly as a point of contact for review she does not believe the full hourly rate should be paid. She requested that Mr. Morgan have that conversation with his office and come back to Council with some kind of discussion after the fact.

Councilman Fadgen commented that he was surprised that this item was on the Consent Agenda rather than under Administrative Items. He questioned whether this type of thing is normally discussed on a Consent Agenda. The reason they are moving so rapidly with the lawsuit is stop the County from perhaps doing other damage. It was mentioned that a Declaratory Judgment is a faster process. He questioned whether there is another alternative other than to stop the County rather than going to Court or Mediation.

Mr. Cole advised that this is a last resort; it is not as if everyone has been sitting around for the last two years and all of a sudden noticed the deadline. There have been substantial negotiations between the Research Recovery Board and the County. Unfortunately the response to those negotiations was that they took the last \$9 million, deed restricted the property and passed an ordinance amending their district, saying that the governing Board of the district will no longer be the Resource Recovery Board, it will be the County Commission. The City of Plantation is still a member of the district because years ago an ordinance was passed joining this district with the idea that it was going to end and now it is going to continue. That will have to also be dealt with. Hopefully after the lawsuit is filed there will be more serious discussions to try to come to a resolution. We want to get the best result possible.

Councilman Levy questioned if they could file for an injunction to stop the County from passing anymore laws that devalue the property.

Mr. Cole stated they are going to be filing some type of motion for preliminary relief at the same time as the complaint. They are still debating the preliminary relief; it will be to stop them from putting more deed

restrictions on to stop them from selling the property, etc. Part of the property gets \$1 million per year in rent from Wheelabrator; it used to be \$100,000 year and once it went to \$1 million they have been taking it every year. We are going to try to get that money as well.

Motion by Councilman Jacobs, seconded by Councilperson Stoner, to approve Resolution No. 11708. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Fadgen, Jacobs, Levy

Nays: None

Councilperson Stoner requested that Mayor Bendekovic have a conference with Mr. Lunny's firm about a reduced rate for this specific project.

There was a consensus to have the conference.

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ADMINISTRATIVE ITEMS – None.

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LEGISLATIVE ITEMS

Mr. Morgan read Item No. 18.

18. CONTINUED PUBLIC HEARING AND FIRST READING OF AN ORDINANCE OF THE CITY OF PLANTATION, FLORIDA PERTAINING TO THE SUBJECT OF FINANCE; CREATING NEW IMPACT FEES FOR LIBRARY, FIRE, POLICE AND GENERAL GOVERNMENT SERVICES AND FACILITIES, REVISING IMPACT FEES FOR PARKS & RECREATION SERVICES AND FACILITIES; IDENTIFYING THE MOST RECENT AND LOCALIZED DATA ON WHICH SUCH IMPACT FEES ARE BASED AND THE STUDY CONDUCTED BY THE CITY.

A memorandum dated June 5, 2013, to Mayor Bendekovic and Members of Council, from Kristi Caravella, Finance Director and Don Lunny, City Attorney, follows:

At the May 8, 2013 meeting Council was presented with the impact fee study prepared by Duncan and Associates. At the direction of Council, the Ordinance to implement the impact fees has been drafted and is attached for first reading.

Under home rule powers of Article VIII of the Constitution of the State of Florida, the City of Plantation has the authority to adopt an ordinance creating and implementing impact fees. The proposed Ordinance includes impact fees for public safety (police and fire), parks, library and general government. The revenues generated from these fees are intended to assist in the provision of an adequate level of service in capital facilities so that development may occur in a manner consistent with the comprehensive plans of the City. This Ordinance also regulates the use and development of land which assures that development bears a proportionate share of the cost of capital improvements that will be necessary to provide capital facilities to adequately serve the future needs of the City.

Section 163.31801(3)(d), Florida Statutes, requires notice 90 days prior to the date the impact fees are to be effective. Staff will provide notice as outlined in Section 6 of the Ordinance. Fees will take affect October 1, 2013 pending Council's approval of the Ordinance. In addition, the Planning, Zoning and Economic Development Director will bring the proposed Ordinance to the Planning and Zoning Board for review before the second reading of the Ordinance.

In response to Councilman Levy, Mr. Morgan advised that these fees are going to be charged to developers of new projects.

Councilman Levy stated that those are impact fees.

Mr. Morgan indicated that there is an adjustment to Section 19-84, Subsection A, and read it into the record. This is to clarify that the projects that have not been fully permitted at the time this goes into effect will be subject to a fee.

Mr. Shimun stated that Council has already gone through the presentation. The only thing that held us up at the last meeting was some discussion about how much would be charged and Councilman Zimmerman came up with the 80%. The other topic was how it would be implemented when the fees go into effect. The question is if everyone is happy with the language.

Councilman Zimmerman commented that with the language we have it is still the original fees; they have not been reduced by the 80%.

Mr. Shimun noted that can be done through the motion.

Motion by Councilman Zimmerman, seconded by Councilperson Stoner, to approve Item No. 18, reducing the total fees to 80%. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Fadgen, Jacobs, Levy

Nays: None

In response to Councilman Fadgen, Councilman Zimmerman clarified that the motion was to reduce the total fees by 80%; a 20% reduction.

Mr. Laystrom wants to be sure that the intent is to apply this to projects that are in the pipeline. During discussion with Mr. Lunny their issue was making sure that they received a full credit. It is not a user fee; it is for the future infrastructure. He supports the impact fee because it will probably eliminate a lot of back and forth about what should or should not be included. He wants to refine the language put in that provides a credit because in a sense that credit is limited not by their dollars. Years ago there was a reimbursement policy. The challenge was how to do that when everything is built and his feeling was that he would not have to pay it back but he would not have to pay the impact fee. The way it is currently written the only credit he would receive would be against Engineering, not against the other impact fees he is paying.

Councilman Jacobs commented that there is an in depth rate study and when reviewing it he did not see any comparison to other cities.

Mayor Bendekovic advised that it does not have a page number. In some areas we are in the mid range and in other areas we are on the high side and that is probably why Councilman Zimmerman requested that it be reduced to 80%.

Councilman Zimmerman stated that is correct. As the totals came about we are the highest across the board.

Councilperson Stoner mentioned that the study does not reflect when they last raised their rates.

Councilman Zimmerman indicated that is why he asked for more discussion to see what the consensus was across the board other than what he thought.

Councilman Jacobs questioned whether an internal policy will be set up to review these rates on a regular schedule.

Mayor Bendekovic stated that one was since 1986; so periodically we will be looking at them.

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QUASI-JUDICIAL CONSENT AGENDA – None.

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QUASI-JUDICIAL ITEMS

19. REQUEST TO DEFER SOUTH FLORIDA LASER CENTER SITE PLAN MODIFICATION TO JULY 10, 2013.

Motion by Councilman Fadgen, seconded by Councilman Zimmerman, to Defer to July 10, 2013. Motion carried on the following roll call vote:

Ayes: Stoner, Zimmerman, Fadgen, Jacobs, Levy
Nays: None

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COUNCILMEMBERS' COMMENTS

Councilman Fadgen wished everyone a happy 4th of July.

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Councilman Zimmerman thanked James for coming to the meeting.

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Mayor Bendekovic made the following announcements:

- We are launching a new website; training for staff will be on Friday, June 28, 2013. The reason we are doing a new website is because last year one of the areas that we chose to eliminate was a webmaster. This website will be much friendlier and departments will be able to access it themselves and you will have the most up to date information on the website.
- She reminded everyone to do Plantation on Alert.

Mr. Castro advised that the Plantation on Alert link is on the front page of our home page. Once you click on that it will immediately put you onto that page or you can opt in with your name, address or telephone number and you will be texted on anything that comes up emergency wise or on a need to know basis.

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Councilman Levy referenced the IPMA Conference in New Orleans and they loved our logo, "The Grass Is Greener". They asked how we came up with that and he did not know.

Mayor Bendekovic indicated that when we were doing logos for Midtown Jeffrey Siegel was designing everything and being that we were the tree City that is where that came up.

Councilman Jacobs stated that we had a consultant who came up with the motto. Mr. Siegel coordinated it.

Mayor Bendekovic believed that Councilman Fadgen came up with the idea for the name Midtown.

Councilman Fadgen advised that the consultant was from Connecticut.

Mayor Bendekovic commented that from what she understood, the consultant knew we were the tree City.

In response to Councilman Levy, Councilman Jacobs indicated that the cost was around \$20,000.

Councilman Levy heard all good things about Plantation while at the conference and he was proud to say that is where he was from.

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PUBLIC REQUESTS OF THE COUNCIL CONCERNING MUNICIPAL AFFAIRS

Dennis Conklin, resident, mentioned Independence Day; the 4th of July, and stated that since our last Council meeting there was another important Independence Day; June 10th, which was the recognition of the Emancipation of the Slaves by Abraham Lincoln.

Currently the Catholic Church is under the heavy boot of the United States Government to abandon its precepts. We are in a one-year grace period from having to put our hospitals, schools and charities under Obama Care rules for abortion and birth control.

He referenced page 6 in the study for the Workshop mentions the ad valorem revenue. What we are facing in the current year is that the tax money we get from our properties exceeds the ad valorem revenue that the City

was taking in before the State imposed the rollback. The Cities were constantly taxing the homeowners. This year we are set to go another million more.

He also mentioned Reserves Used to Balance the Budget on page 6, and noted that it shows the years 2009 to 2012. In looking at the CAFERS for that same period, the City had expenditures more than revenues during those four years of \$28.3 million.

On page 8, there is a pension cost that mentions the General Employees payroll costs and 25.8% are for pension. Police Officers show payroll costs with 68.8% for pension.

Mr. Conklin referenced a page in the handout he distributed and noted that it is from the second or third largest employer in the City, who, a number of years ago had a defined benefit plan only and about 12 years ago they converted from defined benefit plan to a defined contribution plan. The chart shows that the maximum, if an employee chose to defer their compensation in the 401k, is 9%.

Accepted and approved course describes these types of plans in order to obtain certain State licenses.

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Councilman Levy mentioned the Wine, Food and Taste of Plantation Jazz Festival, is coming up and tickets are available at the Chamber of Commerce.

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SEALED COMPETITIVE SOLICITATIONS – None.

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Meeting adjourned at 9:20 p.m.

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The meeting reconvened at 9:21 p.m.

WORKSHOPS

20. BUDGET WORKSHOP #1 PRESENTATION.

Mayor Bendekovic advised that this is the first of two Workshops. During her tenure as Mayor her budget priority is and always has been to sustain and maintain the City of Plantation as we know it today. In order to achieve a balanced budget additional funding sources needed to be identified, also identifying expenditures where we could decrease them where possible. We also need to be cognizant of the much needed capital and the need to replenish our unassigned reserves. Difficult decisions had to be made but we are on the road to recovery. Team Plantation has worked to get us to this point; Administration, Council, City employees, businesses and the majority of our residents worked together to support these priorities. We are by no means completely out of the woods; recovery does not happen over night. There are still decisions to be made, which are critical to continue our recovery journey. The budget is a floor document but nothing is finalized until the final 2nd Public Hearing in September. Maybe some of the numbers shown this evening will be adjusted and

some of the recommendations will change. Administration is not recommending any General Bond Millage increase this year, no furloughs, no employee layoffs, but plans to refinance our Bonds for cost savings purposes, increase employee's health care contributions, and expand the Health and Wellness Center. Council members will be engaged in the policy making process, the Priority Based Budgeting, all which will contribute to the common role to sustain and maintain Plantation.

Mayor Bendekovic stated that the 2014 Budget session will be presented by Mr. Shimun and the expenditure options and revenue choices will be presented by Ms. Caravella. She indicated that she would then present a summary at which time Council members will be asked for their comments, suggestions and questions.

Mayor Bendekovic advised that last year we started with a \$9.3 million deficit. The following options were utilized to balance the 2013 budget:

- Council approved a 1 mill increase, which equaled \$6.9 million in revenue. We have only collected 94% of that revenue because some taxpayers do not pay their taxes.
- We also had taxable value increase. For the second year in a row we increased our property value to 2.2%. The first year it was 1%, the second year was 2.2% and this year we are at 3.51%.
- 25 full time positions were eliminated, eight of which were through attrition. Eight full time positions were eliminated and three part time positions were eliminated.

Minimal Capital Expenses:

- We only invested \$1.7 million in capital investments. We have had to defer many of the much needed capital improvements and it has been five years since we made a substantial investment back into our City. We are currently maintaining. It is important to have capital improvements due to the fact that it shows that we have that competence in our City to invest back into the City.
- Last year, for the third year, General Employees did not get a salary raise increase.
- It is not recommended to have a fourth year of salary increases.
- Furloughs were added to all employees except for the FOP and that was 24 hours or three days. This was a one time savings of \$315,000.
- Furloughs are not recommended this year; therefore, we have to find an additional \$315,000.
- Permitting fees were increased and we became compatible with surrounding cities.
- The storm water fee will impact this year's budget by \$585,000. That will transfer funds back into our Road and Traffic. We were using those funds to supplement the storm water.
- Public Safety Impact Fees were done this evening.
- We are working to sell off surplus land. We have not sold the surplus land yet; however, she wrote to interested communities; the Plantation Acres Homeowner's Association and the Plantation Acres Improvement District. No responses were received; therefore, we are proceeding to sell that property.
- FOP Collective Bargaining Agreements:
 - There were no raises, no steps, and no longevity.
 - We ended up with a balanced budget for this year.
 - The General Fund Budget overview was \$85,103,357.
 - Full time personnel were at \$583,000 and part time personnel were at \$223,000.
 - The City of Plantation millage rate was 5.6142.

- The Florida League of Cities put out a magazine through their municipal research and innovation. It was for populations over 60,000 and you can see where Plantation is and where the average is. Even at \$80 million we are far below the average. 82% of the Florida municipalities participated in that survey.

Mr. Shimun indicated that recovery is not going to happen over night; it took us a while to get in and it will take a while to get out of it. We are going to continue the work we began last year and one of the new tools introduced is Priority Based Budgeting, which will help Administration and Council make priority decisions, policy decisions, on these budget questions. The taxable value increased this year by about 3.5%, which is a little more than \$1 million total for the General Fund. There is still no money for much needed capital. We also need to rebuild our reserves, which this budget does not allow for quite yet. We do have several revenue sources approved last year that are going into effect this year and those are the charges for service and fee increases, which should be a little more than half a million dollars.

Mr. Shimun made the following comments:

- The storm water fee at \$585,000 and Public Safety Impact Fees at about \$100,000. We need to sell a piece of property that did not get a contract in the fiscal year because the people who we looked at to purchase it did not give us a proposal.
- The cost of doing business for the City continues to increase but the General Employees, for another year, will not get a salary increase, which will make four out of the last five years.
- The Employee Health and Wellness Center continues to aid us in cost avoidance. An expansion was recently approved.
- We are in Collective Bargaining with the FOP.
- The budget before you has no increases in it budgeted for FOP; it remains status quo.
- There were some questions as to whether we could go into a budget period without having a Collective Bargaining Agreement in place and we have gotten through the vast majority of this year in that position. It will continue forward until we come to a resolution.
- Pension costs were mentioned and as per an earlier presentation, the General Employees' pension went up about \$1,065,000 for approximately 500 members in that unit. The FOP went up \$935,000 for the 114 member in there and they are not in the DROP.
- Medical cost increase by \$1.3 million.
- Between 2008 and 2009 property values decreased because of the economy by 5.4% and then went further down in 2010 and 2011 for a grand total of a loss of about 26% of property value city wide; that is a significant amount. In the last couple of years we have seen a couple of percent increases and this year with 3.5%, it brings us back up to about 6.7%, leaving us about 19% in the hole. If the property values in the City remain flat from 2008 forward and we left the millage rate flat from 2008 forward, we would actually have \$6 million more in our budget than we do right now.
- In 2009 we had about \$32 million and in 2010, even though the millage rate was raised by more than 4/10^{ths} of a mill, we barely got \$300,000 that year. The same millage rate was kept in 2011 and revenues dropped by about \$3 million and in 2012 we went up a tenth of a mill that brought us up another \$800,000 and this last year we went up the full mill, which started to give a significant amount, about \$7 million; slightly less.
- In this proposal with the additional increase in property values there will be approximately \$1 million more.
- A previous presentation was mentioned as to how we spent down reserves in order to balance the budget over the years mentioned above.

- In 2009 through the current fiscal year we spent more than \$10 million of the reserves. Because reserves were spent we were actually giving our residents a tax break because we did not ask for an increase in the millage rate to make up for the difference. The majority of people actually saw a reduction in their property taxes.
- Reserves: We currently have \$21 million in reserves but the vast majority of that has some legal impediment towards spending because it is restricted to certain things. Funds have been set aside for a specific purpose.
- This leaves the unassigned for balancing the budget. Six years ago that was probably \$11 million or \$12 million and now we are down to just under \$1 million.

Mr. Shimun stated that Florida is not the only State facing these types of budget challenges at the local level. According to the National League of Cities there has been about a 25% decrease in City reserves over the past four years. He pointed out that if we had dropped 25% over that period of time we would have went from \$12 million in reserves to \$9 million in reserved. We far exceeded that, we spent almost the whole thing; we went down about 90%.

A little more than half of the Cities have some type of written policy on budgeting for reserves; we do not. We need to develop a formal policy and at some point that will be brought forward to Council.

- Reinvesting in the City: In 2008 we started to cut back the amount we were spending on preserving and improving our infrastructure. We spent about \$2 million in 2008 and as things got worse we spent less until we got to 2012 when we were spending \$365,000 to do that. According to our last audit, the City's total value of assets is about \$246 million. When spending \$365,000 for improvements, that represents about 15/100ths of 1% of the value that we put back into the City to make improvements. That means once every 674 years we would completely renew the City. We have gone up to \$3.1 million so if we fudge a little on the factors and say we went up ten times from what we paid in 2012 that still means it will take 67 years on a cycle to renew everything we do. Obviously we are not spending enough at this point.
- Pension costs: In fiscal year 2014 there are 494 General Employees with a pension fund cost of \$6,035,000 and that equates to about \$12,000 per person, which is an increase of \$1,065,000; about 26% of payroll for General Employees towards their pension. There are 114 employees for the FOP with a pension cost of \$6.98 million, which equates to \$61,280 per person, which is an increase of \$935,000. This represents almost 68% of payroll, which is in addition to the pensionable salary they get.
- Our goal is to sustain and maintain. We are not proposing a millage rate increase for the General Fund; we plan on balancing the budget on expenditure cuts and finding new sources of revenue. Furloughs and layoffs are not proposed for employees. They will be using Priority Based Budgeting to help prioritize programs and facilitate the policy decisions.
- The budget has a deficit of \$4.9 million but there are some areas that can be knocked down.

Ms. Caravella made the following presentation:

For the fiscal year 2014 total expenditures are just over \$87 million and revenues are \$82.2 million. That leaves a deficit of \$4.9 million. Most of this deficit is due to rising costs for pension, increased health care costs and one time revenues such as the property and furloughs that were budgeted.

The General Fund Expenditures:

- Most of our expenditure costs are due to over personnel costs; that is 78% of our budget.

Expenditures by department:

- The largest department is the Police Department, which is 47.9% of the budget and that equates to more than what we are collecting in ad valorem.

Expenditure reduction options:

- Park Police cars for a savings of \$133,072.
- Limit capital items and infrastructure expenses.
- Refinance 2003 bond for a \$460,000 savings.
- No raises budgeted for General Employees (cost avoidance of \$766,210 @ 3%).
- Add "Choice Plan" for medical benefits (up to \$1.1 million)

Ms. Caravella stated that at last night's meeting three fundamental policy questions that all governments seem to be looking at right now are programs that are low in mandate, meaning that only City policy or City ordinance requires them to be in place. There is no Federal, State or County mandates to provide the program. The second policy question was low cost recovery and that means that the program does not recover the revenues that equal its expenses. The third policy question was lower lines on the City, meaning that there are other organizations in the community that can provide the service or program and that can either be a public, private or a non-profit participant.

Ms. Caravella continued with options as follows:

We have filtered all of these programs and said out of all of these programs which ones fall into all three categories. The filtered list was provided and we are asking that you review them and encourage you to discuss them at the next Workshop. Suggestions, questions and comments can be emailed or ideas can be brought to the July 20, 2013 meeting.

- Insurance plan: These were reviewed at the prior Council Workshop in May 2013 and we did implement the Standard Choice Health Plan for all employees, which has a higher contribution and deductible. If employees do not participate in the Three Steps to Wellness, they are automatically put into the Standard Choice Plan. Employees who do complete the Three Steps to Wellness are in the Preferred Choice Plan. Currently employees pay 6% for dependent coverage in the Preferred Choice Plan. As of October 1, 2013, with the introduction of the new Choice Plan, the contribution will increase from 6% to 8% for dependent coverage. Employees will have a choice to either remain in the Preferred Choice Plan with a higher deductible and 8% or they can choose to go to the new Choice Plan, which has a lower contribution and a higher co-pay. As of March 31, 2014, spouses must complete Three Steps to Wellness and if they do not the employee contribution for spouses will go up to 50%.
- We will continue to freeze wages and salaries across the board, which has been in place for almost five years for General Employees.
- We are always very conscious of any overtime in all departments.
- Longevity pay has been eliminated for all new employees and that does include new FOP members who are in Tier 2.

To reiterate the expenditure savings; the first one to refinance the debt service savings of about \$460,000; option to park the police cars for a savings of \$133,000; add "Choice Plan" for medical benefits for a savings up to \$1.1 million, depending on how many employees choose to go into the Choice Plan, which would be cheaper for the City; if everyone remains in the Preferred Choice the savings would be less.

Program options:

We do ask that Council review the sheet and provide feedback as soon as possible or at the next Workshop.

Revenue options:

- Sell off the surplus property. This is the North Acres Park parcel with a value as high as \$1.5 million.
- In addition we have a property tax value increase, which is already included in the proposed budget. This will be at least \$1 million.
- Large developments including One Plantation Place, Midtown Phase II, Riverwalk and Veranda Phase II and we will see the new revenue from those projects over the next two years.
- The storm water fee is also included in the fiscal year 2014 proposed budget as it was approved last year. It will be assessed in the fiscal year 2014 tax bill and this assessment will return about \$585,000 to the General Fund in cost allocations to Engineering and Public Works who do storm water services. It will also go the Road and Traffic Fund because we do not have to subsidize storm water.
- Reconsider the Occupational/Business Tax License, which is a maximum increase of 5%. This will increase revenue about \$36,000.
- The increase in employee contribution if all employees stay in the Preferred Choice can be as much as \$131,000. If all employees go to the cheaper health care plan there could be a \$1.1 million savings.

Summary:

The budgeted revenue sources we know we are getting are the \$1.1 million and the storm water impact fee at \$585,000. The other options are the sale of the surplus property, increased employee contributions and the business tax increase.

Mayor Bendekovic made the following comments:

- The beginning deficit is \$4.9 million.

Expenditure reduction options:

- Debt service refinance for \$460,000
- Park Police cars for \$133,000
- New Choice Plan for medical benefits up to \$1.1 million
- Program options to be discussed

Revenue options:

- Property sale for \$1.5 million
- Increased employee benefits contributions up to \$131,000
- Business tax license increase for \$36,000

Mayor Bendekovic stated that these programs are the face of Plantation and that is what creates the uniqueness that we have. She requested everyone indicate if they would like to discuss any of the options. We are going to have to find revenue sources in order to keep the face of Plantation as we know it today. This Administration has been very transparent and it will continue that way.

Councilperson Stoner mentioned that the \$585,000 storm water fee to the General Fund keeps coming up. She thought that we created a specific special fund for that so it did not go to the General Fund.

Councilman Jacobs commented that we are not spending the money in the General Fund anymore.

Mayor Bendekovic advised that the money is specifically marked for that.

Councilperson Stoner does not want any misunderstanding that what we specifically passed was going into a special fund just for those projects. Last year it was very difficult to have some positions eliminated but the City has also hired 29 new employees this past year and that does not include promotions. Whoever got promoted got a salary adjustment. While we saved \$1.5 million on the employees that left through attrition and the other additional people, we have also hired new people.

Mayor Bendekovic stated that they were not new people; they were people filling positions of employees who had retired. She realizes that several Police Officers transferred or retired and we replaced people; we have not created any new positions.

Councilperson Stoner indicated that by definition attrition means you are gone and not replaced. When the vote was taken on demolishing the Kennedy Center one of the considerations was those employees and that they were part of the reason and the overall cost to keep the building going. She questioned where those employees are.

Mayor Bendekovic advised that it was her understanding that we absorbed those because we had to do additional hours to compensate for times at Volunteer Park.

Mr. Romano explained that last year in the budget Volunteer Park closed in the mornings. They took part of the staff from the Community Center and filtered them over to Volunteer Park. With the Community Center closed and Deicke reopening one of those employee site managers will go to Deicke.

Councilperson Stoner commented that we basically absorbed six people out of two buildings.

Mr. Romano advised that we kept three people; two were part time and they were eliminated. Full time staff went over to Volunteer Park and now that staff will go to Deicke.

Mayor Bendekovic stated that some of those people were part time and they were eliminated.

Councilperson Stoner indicated that Volunteer Park functioned before full time with the staff we have.

Mr. Romano noted that we closed the facility and cut the staff; what we cut was the custodial staff. The custodial staff is dictating what happened over there. Staff still has to answer the phone, make reservations, etc. and they do that job now. That is what we are hoping to do at Deicke once it reopens. When the Community Center reopens we will need minor staffing; maybe a custodian and a site manager.

Councilperson Stoner mentioned changes to the insurance plans and stated that giving the spouses until March 31, 2014 to complete their Three Steps to Wellness is a little over gracious.

Mayor Bendekovic commented that is when Open Enrollment is. This has to be done every year.

Councilperson Stoner questioned whether there is a difference between Open Enrollment because they are already enrolled; all we are saying is we are going to charge them more if they don't do it.

Ms. Moale advised that last year we asked all General Employees to do the Three Steps to Wellness before the end of the plan year, which runs April 1 to March 31. Those that did it were rewarded with staying in the Preferred Choice and at that time we did not have sufficient staffing at the Care Center to include spouses. At least we got 100% of the General Employees in there and 76% of the FOP. These communications were begun to employees last June and they had ten months to get everything done and they did it. Currently we are communicating; mailers went to the spouses saying that they need to voluntarily participate in the Three Steps to Wellness or else we will make you switch plans to the Standard Choice, which is a high deductible and only pays 80% after the first \$2,000, but we are going to make the employee pay 50% of the cost for the spouse. That would mean an increase from family coverage of about \$55 per paycheck, up to \$287 every two weeks, and she believes that incentive will be plenty to get the employees to go home and tell their spouses they need to get in there. This way the City will recoup money; it only would take 41 spouses not doing it to give us the same savings. The only thing we can do in a plan year because we are self insured is have a special Open Enrollment in September and the only thing the employees will be able to do is go from the Preferred Choice to the new Choice Plan.

Councilperson Stoner stated that she is not seeing anything about time off and what she calls PTO. Basically we do not have a new employee package.

Ms. Moale indicated that on April 24, 2013 we recommended to Council, which they were given consensus to move forward for new hires as of April 1, 2013, their annual leave will be reduced to 80 hours and will never increase and another 80 hours for sick leave. Presently it is 104 hours and 104 hours for General Employees as a new employee. There is no cost savings in that one way or another because if you are here working that is Code 01 under our timesheets. She advised that they were reducing the hours to be more of the private sector norm.

Councilperson Stoner argued that private sector norm is not four weeks off right in the door.

Councilman Levy clarified that there is 80 hours or two weeks of vacation and then two weeks sick leave they can earn but not necessarily use.

Councilperson Stoner mentioned that they get to roll it over and it adds to the \$5 million deficit every year.

Councilman Levy stated that sick time is there in case you really need it. He is sure that Human Resources is working on the Obama Care and how it is going to affect all of this. We may be having this discussion very shortly or certainly by 2014 at the latest. There may be Federal laws that impinge on all of this. He understands what Councilperson Stoner is saying; however, he has a different opinion because he believes that 40 hours of sick leave is not a lot for someone to accumulate in case they come down with a major illness. Two weeks vacation in the beginning is fine. He questioned whether that increases after a number of years.

Ms. Moale advised that it goes up to three weeks in 15 years.

Councilman Levy commented that is below the norm; usually after ten years additional vacation is added because you are paying for loyalty. We are not giving longevity pay anymore so we can give people an opportunity to get a little bit of an increase in benefits which helps everybody because it costs a lot to train people and recruit people.

Councilperson Stoner indicated that 90% of businesses have less than 25 employees and of that 90% 70% have less than five employees. She does not agree that employers with less than 25 or five employees give four weeks off the first year and lets them roll it over.

Councilman Levy indicated that it is not really four weeks; it is only if you are sick. Usually there is a policy that if you are going to take three days in a row you have to bring a doctors note. He does not think there is a huge misuse. There are employees you can see statistically that take a day off every time they accumulate a day of sick leave. Those employees do not last very long.

Councilperson Stoner stated that apparently we have a few because we have \$5 million of liability from unused time on the books and it is accumulating an additional \$500,000 per year. It is a liability any way you look at it; it is on the books.

Ms. Caravella advised that it is shown as a footnote; it is not an expense.

Councilperson Stoner emphasized that it is a liability.

Ms. Moale stated it is not budgeted.

Councilperson Stoner found that interesting because in the salary contingency line items that that is exactly what that is budgeted for.

Ms. Moale indicated that 2,080 hours is what a full time employee is budgeted for and that is what pays for them if they are annual leave, sick leave, or holiday.

Councilperson Stoner commented that they only work a 37.5 hour week and all of their benefits are based on a 40-hour week.

Ms. Caravella advised that GASB is looking to make the liability on the books for pension but there is no talk of making that an expense for unused time as far as GASB requirements.

Councilperson Stoner emphasized that a liability is a liability on the financial report. She questioned how a hard choice is made and how is the perpetual liability stopped from increasing.

Councilman Levy stated you limit how much vacation can be accumulated and if the time is not used it is lost.

Councilperson Stoner commented that is what she said.

Ms. Moale advised that anything above 240 hours that is not used by January 1 is lost.

Councilman Levy complimented them on the fact they did it whether or not it came before Council; they did cut it back to 80 hours total from 104 hours; that is a huge percentage.

Councilperson Stoner requested a bullet of what the changes were so they can look at it and maybe readdress some of those things.

Mayor Bendekovic indicated that they will provide a copy at the next Workshop. Comparisons were made with the industry rate.

Councilman Levy advised that there are cities that pay a maximum amount of sick leave no matter how much you have left when the employee leaves. A maximum could be done to limit the payment so the liability is less.

Councilperson Stoner stated that currently employees can send a note in saying they want to redeem unused time.

Ms. Moale indicated that on sick leave they can do it once a year but there is a maximum. When it comes to sick leave and someone resigns and leaves, they can cash in at 50% any hours they have above 240 hours. They can accrue up to 480 hours and that is it.

Councilman Levy commented that we need to keep it below 240 hours. He noted that we may need to look at the accrual up to 480 hours.

Ms. Moale advised that is the equivalent to FMLA; 12 weeks.

Councilman Levy agreed that our liability is in regards to that policy and we need to review it and perhaps limit the amount that someone can recuperate from sick leave. Other cities have a sick leave bank so people can donate their unused sick leave.

Ms. Moale stated that we do sick leave donations for a designated person; up to 40 hours in one calendar year; but we do not do a sick leave bank. She does not want to pool because there can be a potential for fraud; we do not run it as a pool, we run it on a per person basis. She reviews their performance evaluations and their pattern to make sure they are not a Monday-Friday abuser. There are a few that use the time once they accrue and when they have been here a long time with no significant events employees do not donate to them.

Councilman Levy commented that this is an ongoing issue and we need to constantly look at it and see what can be done. It is considered a liability but it is not considered an expense in the total budget.

Councilperson Stoner mentioned the refinance of the bond. The gentleman who was here the other day specifically commented about a \$3.1 million savings on refinancing the bond. The question becomes what is the term of the new loan. She questioned the due date on this loan that is being refinanced.

Ms. Caravella advised it is the same period. An RFP is being done which will come back July 9, 2013.

Councilperson Stoner stated that we will be within the same ultimate maturity date. She questioned whether this savings includes the costs of obtaining the bond.

Ms. Caravella indicated that is correct. The CD is greatest in the first year and it is less in the future years.

Councilman Levy mentioned what we projected previously may not be the same by the time we get through all of the Administrative work. He questioned how that is factored into the budget.

Ms. Caravella commented that they hope to have this back to Council by the second meeting in July 2013. They are trying to move as fast as possible with these interest rates; the hope is to get an interest rate of 2.66%.

In response to Councilman Jacobs, Ms. Caravella believes it has to be paid in 2028.

Councilman Levy questioned whether we are looking at alternative ways to come up with the funds and not just doing an RFP for our bond issue.

Ms. Caravella stated that they are looking at bank loans as well.

Councilman Levy advised that we have Unions and they have a certain amount of funds which they invest in these kinds of financial properties. He suggested going to one of our Unions and asking them to finance this at that rate; therefore, we are keeping it in-house and we do not have to deal with the middle man.

Ms. Caravella indicated that she would ask Pam to look into that immediately. The RFP is closing on July 9, 2013.

Councilman Levy commented that he does not believe in floating bond issues; he believes that is a last resort that is only done in an emergency. He wants to be sure that before looking at a typical bond issue that we have done all of these things with local banks.

Mr. Shimun stated that the investment assumptions for the retirement bonds are up around 7% and to ask them to take something at 2.66% would be self defeating for us because we have to make up the difference.

Councilman Levy believes it can be done so everyone wins. Everything is negotiable.

Councilperson Stoner mentioned the property in the Acres but what about swapping that for the property across from Heritage Park and potentially keeping it for a Community Center that everyone on the south side says they are in need of.

Mayor Bendekovic advised that they did look into that. They are not interested and want to make it into a botanical. She will check into it again. Once we have the dates we will advertise the property and have a meeting of all of the perspective buyers and guidelines will be set with our expectations of the property; one being if it is a developer and not someone like a horse ranch, we were going to limit it to two homes per acre plus we were going to impose a square footage so we will generate the revenue we hope to have. It would impact traffic along NW 118th. The property is zoned for three and we don't want to go to three. The meeting will be advertised and sunshined and there will be sealed bids. She is looking for something much higher than the \$1.5 million; she is not going to give the property away. We are also going to tell them that they are going to have to take the expensive rezoning.

Councilperson Stoner mentioned parking the police cars.

Mayor Bendekovic indicated that is up to Council. It was put out there because it was discussed last year.

Councilperson Stoner thought we were going to charge them.

Mayor Bendekovic stated that we cannot charge them; it would have to be Collective Bargaining because we are adding an expense to the FOP.

Councilperson Stoner questioned why we would not take all of the cars away.

Mayor Bendekovic advised that it would only entail 25 cars. She thinks it was a minimum expense when they were taken away. The costs were brought to Council previously and she will bring it back.

Councilperson Stoner mentioned that there are some public safety issues; there are first responders, etc., that do require their vehicles.

Councilman Levy believed we were also looking at a range within a certain distance.

Mayor Bendekovic questioned if there is a consensus that Council would not like to consider the take home cars or you can wait until the next budget meeting on July 10, 2013.

The consensus was to table the option.

Councilperson Stoner mentioned a question she asked previously, "What were the recommendations on the Priority Based Budgeting?"

Mayor Bendekovic indicated that is why the sheet with the three different categories that Council has to review.

Councilperson Stoner commented that Administration has much more knowledge. She does not want to make a rush judgment without knowing what is involved.

Mayor Bendekovic stated that Council is the policy maker. Council can ask the Department Heads what their justification is so you can get more detail on each program. She noted that she would probably eliminate very few because that is what makes Plantation special. If you do not want to eliminate any of those then we will have to fund it some how and that is when we have to find additional funding. When doing Priority Based Budgeting, it is programs. If Council recommends taking away any of the programs she is going to say that she wants the programs, those programs are part of what we do in the City of Plantation, but there is a cost to the programs. They can bring back ideas for additional funding if Council does not have any.

Councilman Levy advised that it is Council's responsibility to get all of their questions asked rather than putting them on the spot of hearing the presentation and trying to discern the questions.

Mayor Bendekovic agreed but noted that Council needs to have the justification and why those programs need to continue within the City. She strongly recommended that Council speak to individual Department Heads. She reiterated that does not want to eliminate any of the programs.

Councilman Jacobs questioned why they are here and why they are discussing this. Balance the budget and come back with it.

Councilman Levy suggested the current millage rate with no increase because we are getting a little bit because of the increase of property values.

Mayor Bendekovic advised that they would do that and come back with additional revenue and suggestions.

Councilman Jacobs commented that all of this is meaningless. We are spending \$6.6 million for fire investigation, privatize it and be done with it. This is on the low priority list and he thought this could be cut.

Mayor Bendekovic stated that it can be cut. Council makes the policies and it can be eliminated. Councilperson Stoner asked what she would eliminate and she said nothing.

In response to Councilman Jacobs, Mayor Bendekovic indicated that fire investigation can be privatized; it cannot be reduced.

Councilperson Stoner questioned what is included in that \$6.6 million.

Mr. Shimun commented that if you went to privatization the entire amount would not be saved but a portion will be saved. When we had this discussion a year ago we discussed privatization being able to save between 10% and 20%. If there is a \$1 million program and you save 20% that is \$200,000.

Councilman Jacobs questioned if the option is privatizing Fire investigation to the County.

Fire Chief Stearns advised that fire investigation is done by the on duty Battalion Chief for Inspectors and it is part of their salary; it is not \$6 million. The entire Fire budget is \$3.5 million.

In response to Councilperson Stoner, Chief Stearns reiterated that fire investigations do not cost \$3.5 million.

Ms. Caravella explained that they came up with the cost last night; it is personnel, operating and capital. That is all inclusive of the capital budget, meaning it would be part of the regular budget is what Chief Stearns is talking about. If adding in the capital allocation that probably increases the cost for that program.

Fire Chief Stearns noted that would include of all of their apparatus equipment. The actual fire investigation is about \$4,900 for the percentage of time they do it for their job. It breaks down when you do it by percentage. When the Fire Inspector goes to a fire and investigates cause and origin it is a very small percentage of his workload.

Councilman Levy commented that we need a better recommendation.

Councilperson Stoner mentioned the hundreds of hours of personnel hours in this, this is embarrassing; this \$6.6 million number that cannot even be broken down and does not come into the sub-categories.

Ms. Caravella advised that it can be broken down; we have the entire backup for all of the programs. If there is a number that is off they will look at it. This includes capital, operating expenses, personnel, benefits.

Councilperson Stoner emphasized that capital is not part of an investigation.

Ms. Caravella stated that if this is privatized the capital will not be ours anymore; we will let them use the equipment.

Councilman Jacobs questioned how useful that number is for Council in determining how to balance the budget.

Ms. Caravella indicated if there are ones you would like them to further research they will. As mentioned last year, with privatization you still have to manage the contract. Any ones you want them to investigate they will look into and provide better numbers. The Library would get full savings of \$803,000 because you are closing the Library.

Councilman Jacobs commented that Parks and Recreation are big numbers. He questioned if there is capital in those numbers.

Ms. Caravalla replied yes.

Councilperson Stoner stated that you cannot hand out a list and tell us to pick from it without giving detail; that is not appropriate.

Councilman Jacobs mentioned Community Policing for \$500,000. He questioned whether we can cut that program and if there were any hidden numbers.

Ms. Caravalla stated there were no hidden numbers but there are several different programs in there that can be broken down. At this point we want to know which programs Council wants them to look at and they will provide the breakdown of what the program actually encompasses, why it is important and how much the savings would be and the options would be for either eliminating the program or privatizing.

Councilman Jacobs suggested that this be broken down more realistically and provide a list of programs and the cost savings of those programs that really are legitimate candidates that are still difficult decisions. The only reason he is picking out programs is because the numbers are big. There are a few Library programs; adult education is \$20,000. That might be something that can be eliminated for a few years and maybe not. He has not idea if it is realistic to consider eliminating it.

Mr. Shimun commented that perhaps this could be approached from the opposite direction. Council could look through the list and advise of the programs that they do not want considered.

Councilman Jacobs indicated that is Program #3; the self imposed mandates. Environmental sustainability \$1,800; good bye. Graphic design; we need this. Marketing communication-\$97,000; that is Administration. He questioned if we would have to privatize or stop doing it if we got rid of it.

Mayor Bendekovic advised we would stop doing it; we would not be able to advertise the Florida League of Cities.

Councilman Jacobs questioned how realistic is it that we can get savings from marketing communications.

Mayor Bendekovic stated that you reduce the amount and take away some of the advertisement that we do.

Councilman Jacobs requested that be looked at and come back. He referenced the Property disposition acquisition annexation. We are not annexing lately.

Councilman Levy indicated that we are not but we are fighting the battle. He questioned whether the annexation battle is part of our lobbying force or if it is local.

Mayor Bendekovic noted that is part of the lobbying.

Councilman Levy questioned what the lobbyists are being paid and what they are returning to us.

Mayor Bendekovic advised that we have one lobbyist and they are paid \$36,000 per year.

Councilman Levy questioned whether they are looking into the Florida Forever Program.

Mayor Bendekovic replied yes. They met with the Parks and Recreation Director and there are no plans for that.

Councilman Levy stated that he thought this past Legislature released funds for that.

Councilperson Stoner questioned whether we are communicating with our new State Representative, Katie Edwards; she has access.

Mayor Bendekovic indicated that the only one that did not come into see us was Katie Edwards.

Mr. Romano mentioned the FRDAP Grants; he spoke with Dave Eriks when he was here at the last Council meeting and there were some monies that were being funded toward the FRDAP Grant again. They were going to resurrect the program. He requested that the information be forwarded once it was received.

Councilman Levy suggested keeping the pressure on.

Mr. Romano believes that the State if going to give out very small amounts; he believes that \$50,000 was the maximum amount.

Councilman Levy commented that is on FRDAP but the other one is Florida Forever.

Mr. Romano advised that is the one for land acquisition.

Councilman Levy is thinking that what we have in the Acres is perfect and that way it will remain as is in years to come.

Councilman Jacobs stated that we should look into it and see if we can save some money. He mentioned tree arbor programs and events for \$58,000. He questioned whether we can save any money there; can we stop doing some of the programs for one year?

Mr. Ezzedine indicated that is a new line item this year. It is \$50,000; it is the revenue money collected from mitigation. In previous years the money was not put in a line item but this year he was asked to put it in a line item. This is recovered money; it is not an expense.

Councilman Jacobs commented that in other words revenue offsets the cost. In accounts payable - \$207,000.

Ms. Caravella mentioned that they would like to privatize that.

Councilman Jacobs questioned what strategic planning is.

Ms. Caravella advised that is staff time that is devoted to strategic planning.

Councilman Jacobs commented that is different people spending time on strategic planning and the costs are estimated using accounting principles of \$26,000. He referenced the Fire items and questioned if anything is really something that we can find a savings from.

Ms. Caravella stated that with most of the community programs maybe we could recover a cost by partnering with schools or the community and charging a fee for some of it. CPR training would be the theme for most of those fire programs.

Councilman Jacobs knows we have a grant for the radio station. He questioned why the cost is being allocated to it; just to operate it?

Ms. Caravella stated there is a minimal cost of \$11,000 per year to operate it.

Councilman Jacobs commented that seems high because it is like a recording all the time. He referenced Human Resources; Employee Performance Review Process. Obviously that cannot be eliminated.

Ms. Caravella stated that would be similar to the Finance Department privatizing aspects of the Human Resource Department.

Councilperson Stoner questioned how much we pay Willis. They do so much of our Human Resources already; no one does anything without calling Willis.

Ms. Moale advised that Willis's annual fee is \$94,000 less than the offsets they get from voluntary benefits that they market for us and they end up getting after going out on RFP. Last year they were paid \$74,000; they reduced their fee by \$20,000 because they got \$20,000 in commission from the voluntary benefits. They have saved us millions of dollars with their expertise. The City of Plantation has approximately 2,000 covered lives under our health insurance. Willis represents the City of Plantation representing millions of covered lives; they have the contacts; the information that goes straight to the top of United Healthcare and any of the other places to get us the type of pricing that we get. There is no way that she or her benefits manager could reach out to United Healthcare or any of the other insurance companies and manage and negotiate the kind of deals they have gotten for us. They reduced the fees that we had been paying under another RFP structure from years ago by 10% to 15%. They were able to negotiate the deals for us. In the first year when we went out to bid our healthcare costs were upwards of \$11.5 million to \$12.5 million. We had three different carriers and we were not getting the discounts. We did not have an insurance broker of record and that is why she asked for permission to hire Willis because they could save us millions of dollars with their expertise and specialty.

Councilman Jacobs mentioned the \$10,000 cost of the health fair. He questioned if this is something that could be cut.

Ms. Moale indicated that some of the \$10,000 is the flu shots that we offer for free.

Councilman Jacobs commented on the Wellness Incentive Program for a cost of \$26,000 per year.

Ms. Moale stated there are a few more costs. This year in the proposed budget she moved the incentive dollars for gift cards only into the health care premiums so the premiums sustain the health incentives; it is self supporting. The rest of the money is for promotional items, cost of personnel and other things allocating the amount of time that staff spend on doing those things and they are done twice a year. The other cost of the health fair in addition to the flu shots is that we pay for extra screeners in the April one because that is the beginning of the plan year and when we only had two screeners initially to do the biometrics we had long lines. Now we hire multiple screeners and they come in for the first two hours to catch people who are fasting and then they are released and we keep a minimum number of staffing, which is paid over and above. If employees

go to the Care Center to do it there is no charge but because it is in the beginning of the plan year a lot of people want to go there and get their Three Steps to Wellness started.

Councilman Jacobs mentioned Information Technology Microsoft Security Patch Updates and noted that is not something we are going to stop doing.

Ms. Caravella indicated there is a strong connection between Human Resources, Finance and IT; those are small departments. You can privatize pieces or all of them; the same thing with all of the IT programs.

Councilman Jacobs stated that you have all of the library items; most of those are programs.

Ms. Caravella advised that a recommendation would be to eliminate the library or some of the programs.

Councilman Jacobs mentioned adult programs - \$23,000; adult education -\$20,000; field trips and tour of library - \$11,000.

Monika Knapp, Library Director, explained that a test proctoring service costs money because it is staff time. Every Friday between 9:00 a.m. and 12:00 p.m. citizens come in and have to have proctoring tests and they pay \$25 to take the test. A staff member who is already there working on something else watches to make sure they do not look up the answers on their phone; we make \$25 and provide a service to the citizens, yet when you put it in it shows that it costs \$3,000 but it really does not cost \$3,000. On every single one of these programs, when you look at adult education, it is reference service, assisting people with the computers. We teach the internet class and the email class every month and a volunteer teaches the citizenship weekly and the exam proctoring is all staff time. If there are any materials or supplies for any of our programs the Friends of the Library pay for those.

Councilman Jacobs commented that the library is all or nothing; there are no programs that can be used to save. He noted that Parks and Recreation is probably similar.

Ms. Caravella stated that Parks and Recreation can either be privatized or eliminate programs. Privatized may not be a private company, it can also be partnering with some non-profit in the community or another government agency sharing with the schools.

Councilman Jacobs mentioned the Police programs and questioned if there is anything there realistically that we can save some money on.

Ms. Caravella advised that Police programs are similar to Fire programs. You may be able to recover some costs by charging for some of the programs that are offered to the community.

Councilman Jacobs mentioned the Citizens Police Academy.

Mr. Stearns noted that is all staff time; they adjust their hours.

Councilman Jacobs questioned if the Public Educational Outreach is the Outreach Center.

Mr. Stearns stated that is the Outreach Center at the Broward Mall and we run this. They have teenage safety classes and babysitting classes. The rent is \$1 per year; they have been a great partner for many years.

Councilman Jacobs commented that there is not anything to cut from Police. He mentioned Public Works and referenced irrigation - \$563,000; project management - \$6,000 and facilities management - \$129,000.

Mr. Consaul advised that facilities management is janitorial work.

Councilman Jacobs questioned whether the City has ever looked at the janitorial work. We did parks only and there was a problem with it; they did not meet the standards and we decided to take it back.

Councilman Fadgen suggested that a few more columns for payroll, personnel, operating expense, capital and maybe a few others and have them total up to what you have. It might avoid some of the questions. As far as this list is concerned, some of these can be eliminated. Maybe it can be changed in such a way as we go forward over the next couple of years. As employees retire or leave the library maybe a volunteer core can be developed much like candy strippers in hospitals; young and older people who assist in the operation of various aspects of the organization. Some years ago we looked at privatizing the aquatic center. Based on the current costs, almost \$1 million, we might bring it down to \$600,000 and would save \$300,000. He is suggesting that this type of approach be looked at. We were also talking about vacation time and sick leave. 80 hours is a reasonable point. He is more concerned about the sick leave. He would say no accumulation on the sick days; continue the program of targeting people donate sick time to people who might need it. We should look at that in order to avoid the abuse. We are projecting \$1.3 million in health care costs in the coming year and he was surprised at the size of the number. Our Wellness Center is keeping the cost low but it is still \$1.3 million.

Mr. Shimun stated they are recognizing increases but are bending the costs downward by having the Center. It would be significantly larger if we were not doing that.

Mayor Bendekovic believed it was \$463,000 in cost avoidance which we did not have to pay because of the Wellness Center.

Councilman Fadgen mentioned a discussion about Tram fees during last budget year. He thinks what we heard then is that it is a valuable service and he believes that. He believes that a fee should be charged. If it is so valuable to the people using it we should charge a modest fee. He has never trusted the numbers on the usage of the Tram.

Councilman Jacobs believes the cost to collect a fee is so high because of the installation of equipment; all of the buses have to be retrofitted with expensive equipment to collect a quarter.

Councilman Fadgen suggested that we have a pass system opposed to a money system.

Councilman Jacobs stated even that has a cost and that was a reason why we bypassed it.

Mayor Bendekovic advised that during discussion Mr. Consaul has indicated that in a year the County wants to take the Tram back because they had so many different contracts with so many municipalities that they want to bring it back. This will probably resolve itself. She received a letter today to extend and we have to extend it for only this year because they are planning to take it over.

Councilman Zimmerman indicated that he does not find much use to this. He will meet with everyone individually. A specific is not shown and there is not enough there with some of the figures to be evaluated without asking a lot more questions. He needs to get more comfortable with it.

Councilperson Stoner stated that two years ago there were conversations about the tennis program. She did some research and brought back some numbers and we left the contract, which is a 1981 contract, and the majority of this Council chose not to readdress it. She thinks that given the successful relationship that exists with the Preserve and how that is functioning and questioned why we wouldn't possibly consider a similar arrangement where the City shares in the revenue. She feels like that is a very worthwhile thing to look at. In evaluating things we have to keep an open mind if there is a better way to do it. Maybe it is just restructuring the agreement a little because Mr. Cooper is so valuable; he brings the goodwill and recognition to the program.

Mr. Romano clarified that we do collect revenue from the tennis courts; last fiscal year we collected \$147,000. The membership fee was increased and so far, up to date, we are about 20% over last year's revenue.

Councilperson Stoner commented that her recollection was that when she checked with the City of Sunrise and the City of Fort Lauderdale our tennis program should be producing about \$750,000 per year. She is suggesting that this may be something to explore.

Mr. Romano advised that Fort Lauderdale and Miami Beach contacted us because they are interested in doing a hybrid system with their tennis pros like we have. When you have a regular pro all he is interested in is making as much money as he can from the tennis courts and ignoring the resident population interested in tennis. If a Parks and Recreation manager is put in there they will do whatever they have to do for the residents and not worry about the tournaments, clinics, and other things. The beauty of this system is to balance both.

Councilperson Stoner mentioned that there was some language in the agreement about a franchise fee, an option that we have never exercised. She is just asking if there is a consensus on Council that we request you to explore and take a fresh look at it.

Mr. Romano indicated that he would look at it.

Councilperson Stoner commented that we have discussed over the last couple of years about a hiring freeze and no one wants to limit their ability to run the City appropriately. Perhaps this is the time to do a hiring and promotion freeze except for public safety. We are currently in the process of replacing the many police officers that we have lost over the last few years. That would give us time to grasp the new employee hire package that we are all trying to craft that we think is an additional tier.

Councilman Fadgen believes it is a good idea to have a hiring freeze and promotion freeze. It does not mean that we do not hire and that we do not promote, it means that at a very high level and maybe some at this level get it approved to hire or to promote. He thinks that when there is a vacancy all departments have to be included, including the Police Department. Perhaps looking at the functions that are vacant and determining if they can be redistributed or reorganized would be good. That freeze would force us to take the opportunity at that point and time, not after we have people on staff.

Mayor Bendekovic stated that she believes that Councilman Fadgen is trying to get into the daily operations of the City. She understands the concerns but she is not hiring extra; she is replacing the needs. If there is a drop off of five or six Public Works people you have lost one whole crew. She has not hired anyone new as an extra.

Councilman Fadgen explained that he is questioning if it can be reorganized. If we cannot make up the \$2.9 million we are short the 29 people hired since the beginning of the fiscal year would be the first candidates likely to be furloughed/laid off. He is suggesting that we hit it hard when there is an opportunity to reevaluate the job responsibilities and duties associated with each vacancy that exists. He agrees with Councilperson

Stoner; we have to do it. We are not trying to get into Administration; we are trying to make a decision at policy level.

Councilman Jacobs indicated that he does not like throwing around terms like hiring freeze because that may mean different things to different people. If we are talking about a hiring freeze let's define it. He did a quick look at the business dictionary and a hiring freeze is a shutdown of all non-essential hiring. This action is taken by an attempt to manage capital costs in times of economic contraction. The freeze may be short term or long term and it is sometimes used as an alternative to lay-offs. Some downsizing may occur through attrition during the hiring freeze if terminated employees are not replaced.

Councilperson Stoner and Councilman Fadgen agreed with the definition.

Councilman Jacobs stated that non-specific hiring for a specific period of time to be defined because you do not fill an empty position.

Councilperson Stoner advised that she has second thoughts about the hiring freeze; she does not necessarily believe that we are replacing non-essential employees. We have not been able to determine the cost associated with promotions. It is interesting that no one keeps track of any promotions that are given, how many are given and the cost implication. There is a definite impact all the way around when we promote. While hiring at a lower range it offsets the savings a little but when you promote you negate what you are trying to accomplish in the savings that you incurred. She questioned how you get a handle on the additional costs. She is wondering if there is a way to control and understand the true financial impact of those promotions for additional hires.

Councilman Jacobs indicated that in difficult times when a position becomes vacant maybe we should not refill that position immediately but sometimes we have to. The end product is maybe a reduction in the total work force of the City; the City has 500+ employees and maybe we would like to see it be reduced for a period of time because of the economic times.

Councilman Levy commented that during the time he has been here both Administrations have reduced the number of personnel by over 100 people. He thinks they have done a fabulous job in cutting and have done so by attrition and by combining jobs. This has been an ongoing policy of the Administration for a number of years.

In response to Councilman Jacobs, Mayor Bendekovic agreed.

Councilman Jacobs questioned what a hiring freeze would accomplish.

Councilperson Stoner mentioned that we have heard about attrition and we are not replacing those that have left by attrition but the reality is that new people have been hired. We are not talking about the same definition; we may define attrition one way in not replacing people but when we do hire new people whether it is at a lower salary or not to go into that slot it was replaced and there are new hires. She is saying that we are spending a lot of time trying to look at the details of the dollars and where they are going and how they are being spent but yet no one seems to have a handle on this. We saved \$1.5 million on people being let go but she questioned the cost of bringing in the new people. Also, no one has a clue as to how many people got promotions and the financial impact that had.

In response to Councilman Jacobs, Councilperson Stoner advised that she has specifically asked Ms. Moale and they do not keep track.

Councilman Jacobs questioned whether Ms. Moale has asked if a report can be generated.

Councilman Fadgen advised that Ms. Moale indicated that she did not want to have IT generate a program that would generate that type of report. The question has to go to the Department Heads to find out who was promoted in their report; they should know.

Ms. Moale stated that when she was requested by Councilman Fadgen and Councilperson Stoner for reports on promotions; she does not maintain records or reports that tell her who has been promoted. Her definition of promotion means there is a vacancy, it is posted and we may choose to post that position internal only, no external candidates permitted, you must be a current employee to apply for this position. If that is the requirement or even if it is an external employees can still apply. If an employee applies for a posted position it would be a promotion; a promotion is a higher pay grade. From there they go through the interview process and the department makes a selection and does the interviews. When it is a promotion from within somewhere via another department or from their own department they are changing desks from one place to another; they are not sitting at the same desk.

Councilman Jacobs commented that they are changing jobs and you are calling that a promotion. He questioned what it is called when someone stays at the same desk and earns more money.

Ms. Moale indicated that a reclassification occurs when someone has been absorbing more duties because of attrition, because we did not fill other vacancies and we have had to restructure jobs. We might recognize them if their points go up.

Councilman Jacobs questioned what Councilperson Stoner is trying to understand by asking for promotions.

Councilperson Stoner replied the financial impact.

Councilman Jacobs stated that if someone in one department sees a job opening and applies for that job is that a financial impact. That job is going to be filled anyway. The question is whether a vacant job should be filled, not promotions.

Ms. Moale advised that a promotion is a 5% pay raise or to the new minimum if 5% does not get them to the new minimum. When it comes to a promotion it is filling a vacancy; all vacancy requisitions before they are posted are signed off by Mayor Bendekovic. The analysis and the review have already been done with the Department Head and determined that the position needs to be filled; otherwise, it goes on hold and we retain it. We have already saved over half a million dollars in salary savings this year from vacancies. We either told the department it has to be vacant for three months; we need the money.

Mayor Bendekvoic stated that the savings is \$813,000 as of today.

Councilman Jacobs noted that was his thought process. When a position becomes vacant are we evaluating whether to fill it or combine jobs and we are doing that.

Ms. Moale indicated that we have been doing this for years in this fashion.

Mayor Bendekovic explained that is what happened with the layoffs last year. People in certain offices have absorbed those duties.

Councilman Jacobs questioned if that could be put into a number for savings in our next budget or is this process unpredictable.

Mayor Bendekovic stated that she does not know who is going to leave or retire. She can tell you what department there are more vacancies in.

Councilman Jacobs commented that if the conditions were really valid for a hiring freeze it would be recommended by Mayor Bendekovic.

Mayor Bendekovic advised that is what she did last year with the layoffs.

Councilperson Stoner mentioned that Ms. Moale says she does not track of it but yet she posted the positions.

Ms. Moale emphasized that she does not have reports for that because they are individual; she would have to go file by file to see who got promoted. Once the positions are filled it is filed away and put under records retention.

Mr. Shimun indicated that this brings us back into Priority Based Budgeting. If there is a vacancy in department what is the biggest priority. That is a decision that has to be made based on the amount of staffing. Eliminating smaller programs can be discussed and reassign people to do the job you really want them to do. Those are the types of priorities that need to be made and that justifies going through the Priority Based Budgeting process.

Councilman Fadgen stated that if a vacancy occurs whether it needs to be filled from the inside or by promotion that we look at the job content at that time. In the private sector over the last several years they have made tremendous adjustments to the extent that as the economy improves and because of other factors they are not eager to start hiring so the stagnation will probably linger longer than it would otherwise. In terms of promotions, we are at least one deep with supervision in every top level of each department. He would advise this for the long term but for the short term these second in command positions should not be filled immediately and delayed for a period of time.

Councilman Levy does not believe we are giving the Administration enough credit. When you think that 20% of the work force has been cut over the last few years that is a huge amount when we started with over 700 to 800 employees and we now have between 500 and 600 employees if you are counting part-timers. A lot of full time positions are now part time positions. A lot of full time positions have changed dramatically over the last few years. This is an ongoing policy that has been in effect for years; it is not something new. The 29 people who were hired over the last few years are a drop in the bucket compared to how many have been let go. There comes a point where there is a law of diminishing returns that you cannot just keep cutting on the backs of the personnel. In his opinion, privatization is not the answer because he has watched privatization over the years fall apart. You lose control, loyalty, and dedication because the person who is hired by a private agency to do the job has no loyalty to the community; they have a loyalty to the agency that hired them. If they want to walk out they say goodbye. There is intrinsic value in people who work here, live here and who are dedicated and loyal to our community that you do not get with privatization.

Mayor Bendekovic commented that 36% of personnel live and work in the City of Plantation.

Councilman Levy advised that he likes the idea of knowing who is being promoted even if it is nothing more than saying congratulations. Then we get a good feel for who is doing what and where, which we do not have right now.

Councilperson Stoner did not disagree. She is trying to figure out what we are looking for. She would love for the employees to have a raise. There is no doubt that this has been a long haul for these employees and they have helped through this whole thing. As we pick the things apart this seems to be a piece of the puzzle that is missing and she is wondering how we are going to get the information.

Councilman Levy stated that requesting the information is absolutely correct. If there were a City Manager he would be placing the responsibility on that Manager to make the recommendations that he would then look at as a policy maker to say whether or not he agreed with it. He has given what he believes is not to raise the tax rate anymore but to use what we have without the rollback, which will give us a 3% increase in income next year approximately. If we come in with a balanced budget and then look at your recommendations and what you decided is the best way to go priority wise, because you are doing it 24/7. The majority of the people here have other jobs and are not in Plantation 24/7 as a working environment. You are the only one that knows the intricacies of what can be done much more so than we do. We are asking you to provide guidance to us when we ask you to come up with Mr. Shimun and Ms. Caravella and give your recommendations for a balanced budget for next year based on what we are telling you we would like the tax rate to be. He does not see why that is a difficult choice. He would fire a City Manager if he could not do that.

Mayor Bendekovic indicated that they did exactly what was asked last year. If Council would have taken the recommendations last year we would have a surplus and would not be here tonight. We are not recommending any millage; she can come back with other generating revenues that Council might not find acceptable but it would balance the budget. We will come back on July 10, 2013 with additional information. The Priority Based Programming will not be addressed then and they will come back with recommendations.

Councilman Levy stated that is what he would like.

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Meeting adjourned at 11:50 p.m.

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Councilman Robert A. Levy, President
City Council

ATTEST:

Susan Slattery
City Clerk

RECORD ENTRY:

I HEREBY CERTIFY that the Original of the foregoing signed Minutes was received by the Office of the City Clerk and entered into the Public Record this _____ day of _____, 2013.

Susan Slattery, City Clerk