



City of North Port

4970 CITY HALL BLVD
NORTH PORT, FL 34286

Meeting Minutes - Draft City Commission Workshop

Thursday, June 20, 2019

9:00 AM

CITY COMMISSION CHAMBERS

CALL TO ORDER

Mayor Hanks called the meeting to order at 9:00 a.m.

ROLL CALL

Present: 4 - Mayor Christopher Hanks, Vice-Mayor Debbie McDowell, Commissioner Jill Luke and Commissioner Pete Emrich

Absent: 1 - Commissioner Vanessa Carusone

Also present:

City Manager Peter Lear, City Attorney Amber Slayton, Assistant City Attorney Michael Golen, Finance Director Kimberly Ferrell, Budget Administrator Lisa Herrmann, Recording Secretary Susan Hale, Administrative Services Specialist Laura Reed, Fire Chief Scott Titus, Public Utilities Director Rick Newkirk, Water/Wastewater Plants Operations Manager Chad Nosbisch, Field Operations Manager Michael Vuolo, Assistant Utilities Director Jennifer Desrosiers, Police Chief Todd Garrison, Deputy Police Chief Chris Morales, Neighborhood Development Services Director Frank Miles, Administrative Manager Katrina Romano, Inspector Divisions Manager Tommy Lasprogato, Property Standards Division Manager Carol Kozabo, Interim IT Director Aaron Bourquin, IT Business Administrator Vicki Edwards, Parks and Recreation Director Sandy Pfundheller, Public Works Director Julie Bellia and Fleet Manager Kenneth Rappuhn.

The Pledge of Allegiance was led by Mr. Lear.

1. PUBLIC COMMENT:

Public comment was held from 9:05 a.m. to 9:08 a.m.

Louis Macri spoke to the City vehicle policy, reserve fund percentages, and salary expenses.

Vice Mayor McDowell explained the fund balance percentage requirements.

2. PRESENTATIONS: TIME LIMIT OF 15 MINUTES

A. [19-0635](#) 2020 Non-District City Manager's Recommended Budget

PUBLIC UTILITIES

Mr. Newkirk provided a presentation of the Utilities Department budget including risk assessment and emergency response, aquifer storage and recovery, moving plant operations to a 24-hour cycle, the Southwest Wastewater Reclamation facility, software upgrade to Wonderware, Lift Station 12 rehabilitation, the Lazy River force main replacement, staffing needs, repaving at the water treatment facility, and the inflow and

infiltration project.

Mr. Newkirk, Mr. Nosbisch and Mr. Vuolo responded to Commission questions regarding unfunded federal mandates for cyber security, the benefits of running the water treatment plant on a 24-hour cycle, operational costs for the West Villages plant, the process for rehabilitating Lift Station 12, and repaving plant driveways after construction has been completed.

Ms. Desrosiers spoke to the recent Utility Rate Analysis, the three-percent increase, and the recommended budget.

There was a consensus that the driveway for the water treatment facility will be moved out to next year.

Mr. Newkirk explained there was no work on the Lazy River force main last year.

Mr. Lear provided information regarding acceptance of the federally mandated study and noted the study will be provided to the Commission upon completion.

Mr. Newkirk spoke to hiring two new Meter Reader Technicians at entry level pay and reassigning current staff to meet the needs of the department.

Discussion ensued regarding the cost of adding one or two new employees and adding employees as the City grows.

There was a consensus to keep both technicians in the budget.

Mr. Newkirk explained the uniform leasing company does not provide ultraviolet (UV) protective clothing and the current vendor is used City wide.

Discussion continued on departments that could benefit from UV protective clothing and exploring other vendor options.

Mr. Lear noted preliminary information regarding uniform leasing options can be obtained by July.

There was a consensus to leave in the clothing allowance.

Mr. Lear spoke to entities paying to use the City's right-of-way, Return on Investment (ROI) costs assessed to utility users rather than increasing millage rates, revenues directed in the General Fund, calculation of rates, and Capacity Fees Fund balance allocation for current projects.

Ms. Desrosiers explained collection methods and reimbursement of development costs from capacity fees.

Mr. Newkirk responded to Commission questions regarding the process and cost of special ordered bottle water, using water produced by North Port utilities, and using the bottle water for promotional items, events and emergencies.

Discussion ensued regarding the cost of custom bottled water, City expenses for promotional items, budgeting for special events, the shelf life of bottled water, and a suggestion was made to budget monies for Emergency Management to purchase water for hurricane season at a reduced cost.

There was a consensus to pull the custom bottled water from the budget.

It was noted that SLA 7106 and 7107 for Capital Machinery and Equipment are missing

from HTE page 196.

POLICE DEPARTMENT

Mr. Garrison and Mr. Morales provided an overview of the Law Enforcement Trust and Forfeiture Fund, explained education and training funding from tickets issued, and revenue that is shared with other agencies.

Recess was taken from 10:15 a.m. to 10:30 a.m.

NEIGHBORHOOD DEVELOPMENT SERVICES

Mr. Miles provided an overview of the budget regarding the Building Department, Code Enforcement and Planning and Zoning, including construction activity exceeding current projections, increase in commercial construction, the need for a space study to combine all NDS services, recommended increase in staffing for each division, use of Building Funds as defined by Florida statute, proposed document storage of records, outline of proposed expenditures and revenues, shared information regarding the Tree Fund, suggested to split services with Parks and Recreation, and explained Inspector Education Funds as required by the state.

Discussion ensued regarding staffing needs and reducing expenses being paid from the Tree Fund.

Mr. Lear spoke to the similarities between the Building and Tree Funds and affirmed the Building Fund is at \$5,000,000.

Mr. Miles explained the divisions that utilize funding from the Building Fund and noted 80% of permits issued are required by the state.

Mr. Lear stated Arborist expenses are split between the Tree Fund and the Planning Division.

Mr. Miles responded to Commission questions regarding the Arborist working under Building, Planning and Code Enforcement.

Ms. Romano explained the Arborist's inspections are based on Unified Land Development Code (ULDC) requirements and not state codes.

Ms. Slayton spoke to the Building Fund as provided in the state statute and the Arborist is not an allowable expense.

To reduce the Building Fund balance Mr. Lear suggested that permit fees may be lowered, build an offsite facility for NDS, or remodel the NDS department at City Hall, the City-wide fee ordinance will be brought to the Commission in July, the Building Fund is based on the volume of building in the City, and hiring staff is not recommended as construction fluctuates over the course of time.

Discussion continued regarding funding for the Arborist(s) positions from the Tree and General Funds and concern was expressed for reducing expenses from the Tree Fund and allowing salary only.

Mr. Lear explained the difficulty with processing salary only from the Tree Fund and that current expenses from the account are allowable.

Discussion took place regarding the language in the ordinance and the intent of the Tree Fund.

Mr. Lear noted additional expenses paid by the Tree Fund were for the planting of trees at City locations, the fund balance is currently \$1,300,000, and \$483,000 has been allocated from 2012 to 2019 for trees and maintenance.

Mr. Miles suggested a conversation between Public Works and Parks and Recreation regarding maintenance of trees and plantings utilizing the Tree Fund.

Discussion ensued regarding the use of the Tree Fund to maintain trees, plantings and mulching along the U.S. 41 corridor, maintenance only for trees purchased through the Tree Fund, and broadening the scope of maintenance for trees City-wide on City property.

Mr. Lear spoke to the current language in the tree ordinance and modification of language to allow maintenance of other trees.

It was suggested that during July discussions a breakdown of expenses from the Tree Fund be provided to the Commission, and have the Arborist provide a breakdown of time spent on Planning, Code Enforcement and education.

Mr. Miles recommended a comprehensive tree inventory be completed.

Suggestions were made to calculate the number of trees planted utilizing the Tree Fund during inventory and provide Commission with options for dividing Arborist expenses for review of the financial impact on the budget.

Ms. Slayton was replaced by Mr. Golen at 11:26 a.m.

Mr. Miles and Ms. Romano explained the need for a NDS mascot to use for educational purposes and public outreach.

Discussion ensued regarding educating the community about building, planning and permitting.

Mr. Miles spoke to the proposed increase in funding due to City resources expended to abate abandoned properties, possible rehabilitation, and demolishing abandoned properties if necessary.

Ms. Kozabo explained the billing process and lien entry on abandoned property, the potential to sell certain properties to recoup expenses, and the variance in time frames for demolishing different locations.

Mr. Miles stated historically the City has not been proactive with abandoned property, costs to demolish are upward to \$15,000 per unit, there are approximately 100 houses to address, and use of the building fund for this expense.

Discussion ensued with concerns regarding costs for TrackIT, the time frame for implementation, the software not yet functional, and staff's request for additional funding.

Mr. Miles spoke to the benefits of implementing the TrackIT system, increased costs for licensing of the system, and pending negotiations with the vendor.

Ms. Edwards responded to questions regarding annual maintenance of \$46,000 and services that are being provided for that cost.

Ms. Romano noted the original cost for TrackIT was \$603,000 of which \$358,000 has been paid.

Mr. Miles stated they anticipate the software to be implemented after the first of the year and the project being 75% complete to date.

Ms. Edwards spoke to the contract providing for 15 concurrent users, a change of the vendor's licensing model from concurrent to named users, and negotiating a reduced licensing fee for up to 150 users.

Ms. Romano explained cost details of Service Level Adjustment Request (SLA) 20-2704 regarding licensing, professional services, annual maintenance, a text messaging enhancement, and spoke to the need for an additional IT employee dedicated to implementation and ongoing support of the TrackIT system.

Discussion continued with the need for stringent planning and development of software and the possibility of filling the requested position utilizing the Building Fund.

Recess was taken 12:14 p.m. to 12:47 p.m.

PARKS AND RECREATION

Ms. Pfundheller provided a budget presentation on Warm Mineral Springs (WMS) Park including proposed budget, estimated revenue, budget request highlights to include Phase 1 of WMS Park Master Plan, Discover Warm Mineral Springs Park Day, outsourced mowing services, and responded to Commission questions regarding decrease in operation funds, and plumbing costs.

Mr. Lear spoke to prior intent to fund WMS through a loan with payment from WMS revenue and estimated costs for renovations of the buildings.

Ms. Pfundheller explained Phase 1 is comprised of building renovations, utility infrastructure and the parking lot at an estimated cost of \$10,368,000.

Discussion followed regarding obtaining a renovation estimate from a local business and ensuring loan reimbursement from WMS revenue.

Ms. Pfundheller stated the grant application for the Cyclorama has been approved and a status update will be available in September.

Discussion continued with regard to obtaining additional grant funding based on the historical designations of the buildings, sufficient public usage of WMS, the need for specific cost and revenue information, and the grant reimbursement process.

Mr. Lear explained the grant process for reimbursing the City should the Commission wish to move forward with the project.

Conversation followed with the possibility of the utility infrastructure for WMS being included in the grant reimbursement process, concern was expressed for prioritizing City projects and other infrastructure needed within the City, renovation costs for WMS being fully reimbursed by the facility, and the need for specific financial information prior to taking any action.

Mr. Lear responded that surtax money can be utilized for the restoration project and can also be used to reimburse a loan and noted previous projects where surtax funding had been allocated to pay for improvement projects in the City.

Ms. Pfundheller noted WMS currently utilizes well water and has City sewer service.

It was suggested that renovations, utility infrastructure and parking lot improvements be completed in different phases.

Ms. Pfundheller noted that the utility work needs to be done during building renovations, and \$470,880 of the proposed costs are attributed to parking lot improvements.

Mr. Lear explained before the project moves forward Commission direction is needed to determine if project funding is to be based on revenue from WMS only or allow flexibility with other funding sources such as grants and/or surtax.

Discussion took place to consider surtax funding if it is reimbursed with WMS revenue or possibly a bond referendum.

Mr. Lear explained \$10,000,000 isn't a sufficient amount for the bond process and recommended WMS revenue as a primary basis for payment and surtax as a backup if needed.

Discussion continued regarding the increase in costs if the project is delayed and how the historical designations fit into the timeline for rehabilitation of WMS.

There was a general agreement to support Mr. Lear's recommendation to fund the project using WMS revenue as a primary basis for payment and surtax as a backup if needed.

Ms. Pfundheller responded the status of the historical designations should be known by the end of July or early August.

It was discussed that optional grant funding may be available with historical designations, the grant process taking up to nine-months to complete, Commission revisiting funding options in future budget discussions, moving forward with the project using WMS revenue for financing, not using taxes as a funding source, and approximately \$1,000,000 available from the Capital Improvement Program (CIP) and WMS revenues.

Ms. Pfundheller noted the readily available amount is less due to costs for plumbing repairs and design plans, design costs for the parking lot being done during that phase of the project, and Phase 1 including the trails and overlook.

Concern was expressed for the parking lot not being included in the initial plan design and the potential for inadequate parking in the future.

Mr. Lear explained the parking area is being rehabilitated and provides sufficient space, when amenity changes are implemented in a different phase the parking lot would be re-designed at that time.

PUBLIC WORKS

Mr. Rapphun provided a presentation of the Fleet budget including repair and maintenance of vehicles and equipment, procuring the City's assets, vehicle and equipment disposal, fueling and wash systems, and an overview of the

increases/decreases in the budget with anticipated revenues/expenditures.

Mr. Lear explained the fund balance for Fleet is typically kept near a zero balance because it is an internal service fund.

Mr. Rapphun explained the Fleet current fund balance is \$45,000 and last year's balance of \$450,000 was utilized to keep billings lowered from other fund sources.

It was suggested that an informational sheet of vehicles bought and sold, with supporting information and SLA number be provided to the Commission, and concern was expressed for vehicle replacement costs of \$3,755,000 not including new vehicles for employment growth.

Mr. Rapphun noted that replacement criteria is reviewed prior to each request, the number of vehicles replaced are down to 54 from 89 in the previous year, revenues from the sale of vehicles are returned to the account from the original purchase,

Discussion ensued with the suggestion to include the sale price of vehicles in the informational sheet and the useful life of a vehicle is meant to sell them for a higher rate,

Mr. Lear explained replacement vehicles are funded by the Capital Replacement Plan (CRP), vehicles may be sold or traded-in depending on the highest value received, and revenues from sold/auctioned vehicles are placed back in the CRP.

Mr. Rapphun explained that requirements for vehicle replacement will be included in the informational sheets and additional information such as the type, need or purpose of a vehicle would need to be provided by the requesting department.

Ms. Bellia noted that each department meets with Mr. Rapphun to discuss vehicle needs to determine appropriate options.

Mr. Rapphun offered that viable vehicles are not automatically replaced though they may meet replacement criteria and that vehicles are repurposed for other City needs before they are disposed of.

Ms. Bellia explained the loaner vehicle program and its coordination through Fleet.

Commissioner Luke asked to deviate from the topic briefly to announce the Serbian accordion player from the Performing Arts Center will not be able to attend.

Discussion ensued with concerns for increasing millage rates along with increases from the Districts, utilities and county projects and that the budget should be reduced, concerns were also expressed that taxes have been kept artificially low and need to be brought current.

Mr. Lear stated the 10% increase in property values is largely attributed to new construction, which brings a demand for new or expanded services.

Discussion continued with proposed budget cuts and additional budget review in July and it was suggested that a summary be provided in July reflecting the changes made in the SLAs.

Mr. Lear stated that a reconciliation of changes will be provided to the Commission.

It was suggested that the summary of changes provide a total of the cuts made from the

budget and the amount reflective of the 10% increase in property values.

3. PUBLIC COMMENT:

There was no public comment.

4. COMMISSION COMMUNICATIONS:

There were no Commission Communications.

5. ADMINISTRATIVE AND LEGAL REPORTS:

There were no Administrative and Legal Reports.

6. ADJOURNMENT:

Mayor Hanks adjourned the North Port City Commission Workshop at 2:02 p.m.

City of North Port, Florida

By: _____
Christopher B. Hanks, Mayor

Attest: _____
Heather Taylor, Deputy City Clerk

Minutes approved at the City Commission Regular Meeting this ____ day of _____, 2019.