



WORKSHOP MEETING OF THE CITY COMMISSION July 11, 2011

Pursuant to due notice, a workshop meeting of the Commission of the City of Altamonte Springs, Seminole County, was held in the City Commission Chambers at 225 Newburyport Avenue in said City on July 11, 2011 at 9:00 a.m.

PRESENT WERE: Mayor Bates and Commissioners Batman, Hussey, Reece, and Wolfram

ALSO PRESENT: Frank Martz - City Manager
Linda Sundvall - City Clerk
Mark DeBord - Finance Director

The meeting was called to order by Mayor Bates.

City Manager Frank Martz opened the budget workshop with comments about the budget, stating that the budget is a tool that can be used as a road map. He explained that the economy has been very poor and historically when the economy has been bad, the City has forged ahead and has ended up farther down the road than others. He noted that the City had done this in the 70's with Project APRICOT, in the 80's with establishing the down town, and in the 90's by buying real estate that has become Gateway Center and Uptown, which are feature pieces of the City.

Mr. Martz commended the Commission on being courageous last year and doing something that most governments did not do, which was to raise taxes, although not a remarkable amount. He stated that had the Commission not done that, the City's budget would have had a very substantial deficit, rather than a very small one. He added that had the Commission not done that, there would have been cuts in people and programs and the community would have noticed. He also noted that had new tax pledges been made, they would not have been able to do that last year, and if any new ones are made, it may prevent them from doing it in the future. He stated that the Commission deserves recognition for being smart, and as a new Manager, he appreciates them.

Mr. Martz stated that he had issued a challenge to all department heads that what we need to focus on is not just managing the city day-to-day now, but on what our City is going to look like in ten years and who is going to be here and what we want our community to look like. He added that we are going to start re-focusing on growing a hometown out what has

become a bit of a transient community by trying to get more kids and families here and trying to increase and sustain our housing style.

He continued by stating that this budget is the first step in transforming ourselves for the next 25 years. He stated that the Commission would be hearing comments about PRIME, our employee base, and insurance rates. He advised that this budget includes a 2% increase in pay that will be merit based. He further stated that it also includes a real focus on making sure that the people we have will have the skill sets to do the job we need them to do tomorrow, because tomorrow is the challenge.

He closed by telling the Commission on behalf of everyone at the workshop how much their support is appreciated, and stated that the staff can do their jobs fearlessly every day because the Commission has their backs.

Mayor Bates commented that everywhere she goes we are the standard that other cities look to, and noted that having such a great staff makes the Commission's job easy. She noted that our City does not have some of the problems others do because of the staff and she thanked all the staff on behalf of the Commission for everything they do.

In response to questions from Commissioner Batman, Mr. Martz explained that during the workshop each Director would highlight what is significant in each of their budgets, and the Commission would be hearing some specifics about training and PRIME and major capital improvements.

Police Department

Bob Merchant, Chief of Police, explained that shortly after Mr. Martz took over in October, they discussed the organizational structure of the Police Department, and as a result agreed to a minor change within the top echelon of the organization where there would be a Deputy Chief and five divisions headed by five commanders. He added that this was approved in November and currently they have Deputy Chief Deal and four commanders. He noted that there is one commander position open and it has been decided to allow the new Chief to determine who will fill that position when he comes in.

Chief Merchant explained that the budget includes a new police officer and to offset some of the personnel costs associated with that they have received permission to take some of those funds out of the Law Enforcement Trust Fund.

Chief Merchant explained that grant monies have been greatly reduced, but they have received a Justice Assistance Grant of \$15,776 which will be used to purchase some additional bicycles, as well as printers for the patrol vehicles. He noted that they also receive 50% back of what is spent for bullet proof vests. He noted that there are Byrne grant monies coming in to the County, which in the past has been used for a variety of things, but all the Police Chiefs and the Sheriff have agreed it should be used to upgrade the County's CAFÉ reporting system which is used to generate police reports and receive calls for service. He added that the Commission had given their approval for the City to be part of this endeavor.

He advised that the local DEA was supposed to start a task force in the Orlando area to deal with the prescription drug problem, but due to budget problems, funds from the federal government were restricted. He stated that at the County level, the Police Chiefs and Sheriff did not want to let the problem continue, so a task force has been formed in Seminole County. He further stated that Lt. Byrdell Hancock has been selected to supervise the unit, and Officer Brian Burke will also be part of the unit, which is made up of personnel from all the municipalities and the Sheriff's Office. He advised that recently funds were received to form the DEA Task Force in the Orlando area. He stated that it is a ten member task force and we have been asked to participate in that. He noted that we've had an officer, Terry Nichols, assigned to the DEA Task Force and he believes that it is due to his work ethic and dedication with that task force that we were given another position. He stated existing personnel would be used and Deana Dipaola has been selected and will start today. He added that they will be focusing more on the mid-range and upper level parts of the organization.

Chief Merchant advised that over the next several years all across the U.S. radio systems will have to be changed from analog to digital. He stated we are staying with Motorola, and this year's budget is asking for 20 portables and 20 mobiles for \$172,000. He further stated he'd like to see the complete switchover done over a five-year period. He noted that by 2017 the FCC has indicated everyone will have to be completely switched over to digital.

Chief Merchant concluded by noting this would be the last time he would be presenting the budget to the Commission, and he thanked them for always being very supportive of him and the Police Department over the years. He recognized Rhonda Brady for putting the budget together and making it easy for him to present.

Mr. Martz stated that the Police Department has had some rocky moments over the last couple of years, but he believes one of Chief Merchant's legacies is going to be that at a time when our Police Department could have imploded, it did not. He added that the majority of the officers are very aware that the job they do is appreciated and observed and it's a testament to Bob and to Mike and the Commanders for setting that tone. He concluded by stating that Bob has done an excellent job managing through tough times and he deserves recognition for it.

Mayor Bates and the Commission expressed their appreciation to Chief Merchant and wished him well in his future endeavors.

Public Works and Utilities

Ed Torres, Director of Public Works, gave an overview of some the upcoming projects. He explained that Public Works is responsible for water, sewer and reclaimed water services, solid waste and sanitation services, transportation and storm water management. He added that to maintain competitiveness they are concentrating on maintaining a solid technical foundation, increasing interaction with other agencies, mainly the Department of Transportation, and providing the absolute best services possible to our city residents and our utility customers.

He stated that the total budget for this fiscal year is 35.6 million, an overall decrease of 2 million, or 5.3 percent less than the current year.

He stated that his budget highlights are divided into operational initiatives and capital projects. He explained on the operational side there is training and development that has been given a lot more attention in order to expand staff's operational and technical knowledge. He added that in thinking ahead in terms of succession planning, they have added a plant operator trainee, as they have several plant operators who will be retiring at the same time. He stated that this may need to be done in other divisions and departments as our work force ages. He added that his department has one of the highest demographics in the City with 20 plus years of service, including several at 27 and 29 years.

Mr. Torres explained that they are performing influent repairs to our sewer lines to save in treatment costs and are evaluating the condition of our sewage force mains and preparing a rehabilitation and replacement plan, as most of the force mains were built at the end of the 1970's and are ready to be replaced and rehabbed. He added that the plant is being operated in a smarter and more efficient way to obtain savings in power costs. He explained that they will be saving about \$170,000 in power costs just by using the blowers a little less and measuring the treatment process a little bit more hands on.

Mr. Martz gave some perspective on the savings by stating that the power costs at the plant are about \$850,000, so a savings of \$170,000 is substantial.

Mr. Torres explained that they are modernizing the storm water program and developing technical tools for flood control and pollution abatement. He added that they are implementing a comprehensive lake management program, which the City did not have before, which includes aquatic weed control and lake water quality sampling that gives a baseline in order to tell when the condition of our lakes needs improvements in water quality.

Mr. Torres gave a brief overview of planned construction projects, including the reclaimed storage pond which will reduce the amount of discharge into the Little Wekiva River, upgrades to both lift station 7 in Spring Valley and lift station 29 on Douglas Avenue, and design and construction of drainage improvements on Monticello Drive to address some roadway flooding and drainage issues. He added that they will be continuing the resurfacing program, asphaltting some roads in the different quadrants of the City, and constructing West Town Parkway, which will be .3 miles of four lane divided roadway. He further stated that they will also be designing Gateway Drive, which will be a mile long four lane divided road project.

He concluded by advising that they will be working closely with Growth Management, LYNX and Department of Transportation on the flex bus project to make sure we can take people from the commuter rail station to their employment centers and vice versa, and they'll be doing some traffic signal improvements at 436 and Palm Springs and the west side of West Town Parkway.

Mayor Bates advised she had received a call from someone wanting to commend the sanitation workers for the great job they do.

In response to questions from the Commission, Mr. Torres explained that Orienta Avenue improvements are included in the budget, and that is a roadway that runs parallel behind the Century Link building and is adjacent to the commuter rail station. He stated there are sections of sidewalks that are missing and it's a flat area with no drainage, so they will be going over the area and making sure there are curbs and gutters, sidewalks on both sides, and providing drainage and water quality treatment for the area.

Mr. Martz added that the area is underutilized from a land development standpoint, and as commuter rail is built, he feels it is important for us to recognize the pressure that some of these areas may get to redevelop. He stated that is the wrong time to do the infrastructure and we are trying to get ahead of the game and anticipate what we may see, so that if we're competing for a redevelopment project we don't have to promise to do the infrastructure, we'll have already done that.

There was some additional discussion between the Mr. Martz and the Commission regarding the importance of maintaining the City's subdivisions and residential neighborhoods, and Mr. Martz noted that resurfacing and the pipe bursting that is being done are some of the ways the City is doing this.

In response to questions from Commissioner Batman, Mr. Torres explained that to the extent that they can, whenever they go into a neighborhood, whether it's resurfacing or a water project, they are checking to see what improvements need to be done there, just like they did with Oakland Estates.

Leisure Services

Shelly Nooft, Leisure Services Director, stated as a new Director last year, she was a little nervous and concerned because she knew her department would be down a Deputy Director, and a couple other full time employees. She stated that now they are doing wonderfully, and she has two Deputies, Jerry Sullivan and Steve Falk, and Budget Manager Jody Sluss, who helped get the budget together.

Ms. Nooft explained that she and the management team spent the first six months really looking at staff and the overall operation and that this budget reflects a big change, a re-purposing. She gave an overview of the reorganization of the department which included moving all the park maintenance staff from the recreation side and putting them in what was the old Urban Beautification Division, and that is now Park and Landscape Maintenance Operations, or PLMO. She stated it just made sense and they have already seen huge savings by getting rid of some of the contracted services and having a staff that now does all the maintenance.

Commissioner Reece commented that she had wondered if that had happened, as she now sees City trucks out in the medians rather than the contracted people.

Ms. Nooft explained that is what they did, and that they have two major branches in the Department, with Jerry leading as the Deputy of the events and the park maintenance group. She noted that Mike Insley, who does a great job and has been with the department for many years took the thirty-four employees and made crews that now more efficiently take care of all the tree trimming, mowing, park maintenance and even the fields. She stated it is not perfect yet, but she hopes with the budget and some of things they are going to do, they will get there.

She stated they also took some of the employees and custodial workers and moved them to facility maintenance, which makes sense, having folks doing the same thing in one division with a manager that can put them where they need to be. She added that it is saving dollars and that is what is needed right now. She stated that five years ago there were ten more full time employees than today, so when things are lean you need to put the folks where they are best utilized.

Ms. Nooft stated that all the changes that are seen are pretty much dollar for dollar and not increases. She further stated they have just re-purposed folks and re-structured the organization, which she believes is working more efficiently.

She added that another big change which is not totally complete yet is that the Altamonte Sports title has been changed to Recreation. She stated that they are getting back to basics and that in these days they cannot afford to be specialized as in the past and everyone is working well together as a department.

She explained they have really tightened up and are moving in the technology stage, with help from Larry DiGioia. She stated that on-line registration is at about 90%, and almost all registrations for summer camp were done on-line. She added that the numbers have increased with the use of an improved website and social media, and the programs are growing. She did note that the one area of concern is adult softball, and they are looking into that. She added that other than that, all programs are excelling and 3rd quarter revenues were up, as well as sponsorship for events.

Ms. Nooft stated that Fleet Maintenance is a well-oiled machine and she feels there is not a better fleet division in the state. She noted the budget will not show an increase for fuel, and that is a testament to the folks at Fleet. She advised that there is an increase in facility maintenance due to aging buildings, and stated that about 25% of the capital outlay is for roof replacements and air conditioning replacements.

She concluded that this is a tight budget and they are bare bones in staff, but she is overall very pleased. She thanked the Commission for their support of the department.

Growth Management

Kristi Aday, Director of Growth Management, advised that the Growth Management budget for 2011 will be comprised of three divisions. She stated they are operating very lean and very efficiently.

She explained that there are no major changes in the budget for the Planning Division, and that they are still operating with the same amount of staff. She gave an overview of some of the projects planned for the year, including updating the design standards for both Gateway and West Town Center, as some of those are outdated. She added that they will also include some transportation oriented design principles in that area and other of the activity centers. She stated that they are going to implement the TOD principles in all of the activity centers.

Ms. Aday stated that they are going to do a master plan for the Sun Rail area, implementing transportation oriented design. She stated that particular center is targeted to be our multi-modal transportation hub, so they need to look at that area, look at the land uses, how some of the land in the area might be assembled and get it prepared for development, and if there are any connections to City Hall. She stated they will be looking at the entire area.

She further explained that at the recommendation of the City Manager, they will look at some of the older commercial areas and see if there are some alternatives that we can allow that would spruce them up. She stated that one of the things they often look at is the landscaping, and maybe there are some alternatives to landscaping, some low cost sort of high impact ideas to revitalize those centers and give them a little economic boost.

Ms. Aday advised that there are no major changes in the Code Enforcement budget, and they still have the one Code Enforcement Officer. She stated he does the work of about three people and does a really great job, but they are going to have to look at how long they can sustain that. She added that although there is not a change in this year's budget, she believes they need to think about adding another Code Enforcement Officer in a future year. She stated that previously there was an officer for commercial properties and one for residential properties and right now Bill is covering both. She stated they are thinking about going back to the previous model in a future year.

Ms. Aday stated there are no major changes in the Building Inspection Division, and they are moving along with the same amount of staff. She noted that they do a great job, and we have a good relationship with the City of Casselberry and are still conducting their inspections and will continue with that.

There was a brief discussion between Mr. Martz and the Commission regarding commuter rail. Mr. Martz stated the City has been very careful about not doing what some other jurisdictions have done, which is spend a million dollars on a commuter rail station for a commuter rail system that is not a sure thing.

CRA

Rochelle Croskey, CRA Coordinator, advised that they had started a Welcome Wagon and were going out to new local businesses that come in to the City and introducing them to the resources we have and some of our sponsor programs. She stated that in the last three weeks she had personally visited 15 of the new businesses, and everyone was happy to see her and to get the information. Ms. Croskey explained that they are updating

the Informer, which is the booklet that the City used to send out, and that when it has been updated she'll re-visit these 15 businesses and provide them with the booklet which contains information on who call for utilities, and information about the Commission and how to get involved in the City's marketing and sponsor programs.

Ms. Croskey also explained that she has taken over coordinating the City's information in Life of Altamonte Springs and they are looking to re-negotiate that contract now. She added that with Mark Butler they hope to conduct a survey over the next year to see what information the citizens want and how they want to get it. She stated that this will be the sixth year with Life in Altamonte Springs, and they want to make sure the information is relevant, and whether the citizens go to the website for information, or blogs, or whether newspapers and magazines is still the way they want to go.

She advised that the contract on the Uptown offices expires at the end of the year and they will either need to re-locate to a new place or re-negotiate a new contract. She added that she is in the process of doing that now, but it looks like they will be moving and hopefully cutting about fifty to sixty thousand from their annual rent budget. She noted that the decrease is not shown in the budget as they don't know what the final numbers will be, but the hope is that it will go down significantly.

Ms. Croskey stated that Red, Hot & Boom was a great event and the numbers were way up from previous years, around 182,000.

She explained that after this month's event they will be closing the park for about a month to restrain the sidewalks and repair the road, and the big projects for the fiscal year will be the railings and the canopies on the boardwalk and the stage. She further explained that they had planned to get those done during the current fiscal year, but did not have an opportunity to complete the process, so it is planned for the coming fiscal year. She added that the work was needed due to stress fractures to the canopies on top of the boardwalk and the stage, and the railings need to be fixed from the storm that hit two years ago.

Ms. Nooft explained that the work will be done during down time, and Ms. Croskey explained that the best time for the actual work is January, February and the end of the summer.

Mr. Martz explained that part of the reason they have been very diligent about consolidating maintenance efforts is that since the CRA expires in 2015, they want to get costs to maintain the park into the City's contribution to the TIF District, so that when the County money goes back to the County, the cost of maintaining the park is within our own budget. He stated that by consolidating the maintenance efforts, we have people who really know the park doing the work of repairing and maintaining it, so when the CRA expires, there will be no change in maintenance and management of the park.

City Clerk Department

Linda Sundvall, City Clerk, advised that the department budget for the upcoming fiscal year is very straight forward. She stated they were able to reduce the budget by

approximately \$5600 from last year, mainly by taking a good look at the past several years of advertising costs vs. what had actually been budgeted for it, and felt safe with reducing that. She added that they had also done that in the last couple of years. She stated they didn't want to cut it too short, because the requirements for advertising are mandated by Statute, but they are comfortable with doing somewhat of a reduction.

Ms. Sundvall stated there was a slight increase in postage due to an increase in Postal Service rates, but they were able to make some slight reductions in areas such as office supplies in order to do their part in reducing the budget.

She stated they are not requesting any capital improvements in the upcoming budget.

In response to questions from Commissioner Batman, Ms. Sundvall stated that the Clerk's Association has not taken a position on advertising on websites at this time, and due to alternative methods of posting positions, the advertising costs for the City have reduced drastically over the past few years. She advised at this point they are still advertising in the newspaper for most of the City's ads except for posting of positions.

Human Resources

Allison Marcous, Human Resources Director, stated that the HR staff budget reflects a plan to sustain the current programs and they will be participating in the information campaign about the new defined contribution retirement plan. She advised that 50% of the City's employees have been here 10 years or longer and 25% have been here 20 years or longer. She stated that this is both a blessing and a curse, as over the past two years there has been a significant increase in the number of service retirements and entries into the DROP program. She added that 67% of DROP participants have entered in the past two years, which is significant.

Ms. Marcous explained that the City Manager had challenged her to develop a program for dealing with separation of tenured employees, specifically supervisors and managers. She stated that the HR budget does reflect an increase, and the reason for that is that they are re-introducing a new and improved version of the PRIME management development program, which is needed to groom the next generation of our city leaders. She explained that the new PRIME program will differ from the PRIME program in the past. She stated that they have developed an application process based on the City of Plano's very successful management development program, and are going to review applications from city employees who genuinely want to grow as city leaders. She further stated that the courses would be selected based upon the knowledge and skills of the selected participants and would not be a one-size-fits-all program. She added that they would be working with Florida State University's executive management program, and the courses would be designed based on what is needed for the selected participants.

Ms. Marcous concluded by thanking the Commission on behalf of the employees for their compliments to and conversations with the employees. She advised that the employees appreciate the Commission's recognition of them and belief in them.

Finance Department

Mark DeBord, Finance Director, made a brief statement about the Finance Department budget, stating that his budget has remained the same with no changes.

Information Services

Larry DiGioia, Information Services Director, stated his department budget will show a decrease of approximately \$17,000 in the telecommunications budget for next fiscal year, and he anticipates further savings next year as the lease payment for the phone system expires. He explained that would mean further consolidation of our phone lines and other phone equipment.

Mr. DiGioia stated that overall their budget is essentially the same, although they did absorb a position that was brought over from the Police Department when Lt. Chuck Stansel retired.

Mr. DiGioia gave an overview of capital projects, including additional capacity to storage for the servers, replacing computers as they age, and upgrading as needed. He added that they will also be updating the SCADA system at the water treatment plant next fiscal year, which is the control system that monitors all the lift stations and pumps and makes sure they all work. He stated they are also looking to upgrade the in-car video system in the Police Department vehicles, explaining that the existing system has reached end of life and is no longer serviceable.

He stated that they have started to professionalize the City's GIS, geographic information system. He added that Miguel Garriga, who is stationed at the West Altamonte facility, has been working very hard to make a full assessment of where we are with all our addressing, and how that system will be the core around which we build all our future applications. He stated they will continue to expand on that program during the next year.

Mr. DiGioia further stated that they have been working very closely with representatives from each department and the City Manager to map out a plan for upgrading our technology across the City over the next five years. He added that next fiscal year they will spend a great deal of time working with Microsoft for license upgrades, negotiating the City's contract and also looking at upgrading some of our existing applications for the Planning Department, Public Works, and the financial package.

In response to questions from Commissioner Hussey, Mr. DiGioia explained that most of the laptop computers in the Police vehicles have been upgraded, and they will be upgrading the remaining ones. He added that they will be replacing some of the ticket writer printers and doing a complete upgrade of the video recording system.

In response to questions from Commissioner Batman, Mr. DiGioia stated that the data sharing with the Seminole County Property Appraiser's Office didn't work out as well as they'd have liked, that there were some limitations of connectivity issues with the software they were using. He stated the City had opted to get its own GIS system from ESRI and

they are in the process of connecting and sharing data with the Seminole County GIS department.

City Manager

City Manager Frank Martz stated that in terms of the manager’s budget, the two most significant items are city attorney fees and legislative consulting fees. He noted that Louis Rotundo is widely recognized as one of the state’s leading experts in growth management and transportation policy, and that it’s going to be anybody’s guess what will come out of the Legislature in the upcoming year. He also noted that although it is not uncommon for people to think lawyer’s bills are high, it only takes one million dollar loss to see why we have the lawyer we have. He stated he would recommend that we continue using the team that has gotten us where we are.

Mr. Martz commended Mark Debord and his team on an excellent job on the budget.

He stated that this budget really does a good job setting the platform for us to take the next leap forward as was seen in the presentations. He further stated that the budget also reflects another reduction in property taxes and he does not feel things will be better next year. He added that he believes there will be a very long recovery period.

Mr. Martz explained that the City is in a very fortunate position, in that even with an \$881,000 deficit, pulling those monies out of reserves, our fund balances go up, and at the end of next year are projected to go up. He stated that has a great deal to do with some efficiencies that we have achieved. He stated that going forward, there is going to be pressure on us to change and he has talked with the Department Directors about this. He added that we are unlike other local governments and there is going to be pressure on us to change our sanitation and to consolidate parks, and he believes we should resist this. He explained that we would examine partnerships with other governments and some may not be as sustainable as we will be, but we will embrace those partners that are. He added that he believes it is important to maintain the way we have done our rate structure by doing multi-year ordinances and having a gentle increase in that rate structure. He further stated that he believes we will see some pressure from our community to maintain our levels of service, and we’ve done a great job doing that. He added that he believes the pressure we would see can be avoided by continuing to do the maintenance that we’ve been very successful in doing.

Mark DeBord advised that workers compensation is going up significantly because some larger claims have now caught up, noting that last year they put in \$230,000 and this year they put in \$600,000. He stated that unemployment compensation has also gone up because people that did not file before are now filing due to loss of jobs.

Mr. DeBord reminded the Commission that effective 11 days ago those in the Florida Retirement System are now paying 3% of their salary towards FRS. He stated that the City cannot match the 3%, but is trying to put some money back into the pockets of the employees with the 2% merit.

He stated that there are no big changes in any other areas, and the City is in a really good position, and the future is going relatively well. He noted that the City does not have more revenues than others, and has just as much in expenses, and to make the budget work this year, we were able to dip into reserves, but it will have to be made up next year.

Mr. DeBord reported that the tax rate is 2.89, and the final numbers from the Property Appraiser's Office showed taxable values a little bit higher than first anticipated, but still around 5% less than it was the year before. He stated the CRA is a little better off with only a 5% decrease. He stated that the budget is predicated on a 2.89 mil tax rate, and unless there was an objection, that is the rate that will be advertised.

There was no objection to the proposed tax rate from the Commission.

Mr. Martz advised that the City will be taking a closer look at the City's ethics policy for both the elected officials and the employees. He stated the last time it was looked at was 1991 and they would be taking some extra time to update the policy, and when a new one is adopted it will be across the board.

He concluded by stating that the effort that goes into making a budget is half of the effort of envisioning what that budget looks like and where it's going to go. He extended thanks to the entire City staff that has looked very hard at doing things smarter.

The meeting adjourned at 10:55 a.m.

ATTEST:

MAYOR

CITY CLERK