

CITY COMMISSION
CITY OF WILDWOOD, FLORIDA
SECOND BUDGET WORKSHOP
JULY 19, 2010 – 9:00 A.M.
CITY HALL COMMISSION CHAMBER

The City Commission of the City of Wildwood met in Called session July 19, 2010 at 9:00 a.m. in the City Hall Commission Chamber.

Present: Mayor Wolf; Commissioners Bivins, Clark, Allen and Strickland. Also present: City Manager Smith, City Clerk Jacobs, Assistant City Clerk Roberts, City Attorney Blair, Police Chief Reeser, AVT Law, Public Works Director Kornegay, and CRA Coordinator Grimm.

The meeting was called to order by Mayor Wolf who dispensed with opening ceremonies.

1. TIMED ITEMS AND PUBLIC HEARINGS
None

2. REPORTS AND PUBLIC INPUT
SPECIAL PRESENTATIONS:

- a. Wildwood Community Redevelopment Area Central Basins Drainage Study by Kimley-Horn (Attachments-Board Option)

Commission was reminded they had directed the City Manager to have a mitigation study conducted by Kimley-Horn for storm water issues.

Richard Busche (copy of power point presentation is on file) Focus of study was the developed portion of the City within the CRA. Three distinct areas: 301 area, west of 301 area and east of 301 area. Noted that every drainage issue in the areas is not the responsibility of the City. Reported there are no recommendations in the 301 area.

West side of 301 – Pitt and Stone is the worst drainage problem in west area. Water is pumped to an existing slough. Retention area needs to be expanded and a new pump installed that is automatic. Lemon and Peters retention is undersized and pumps to the slough also. Kilgore and Central on the SW corner is a low area that drains to the slough. Ross and Perry are similar with a low area. All will have significant flooding with a 5 ½” rainfall.

East side of 301 – Osceola area and is a historic flooding area. Will have significant flooding with a 5 ½” rainfall. Concern is flooding of streets. Will require property acquisition to expand retention. There are no pumps located here. City brings pumps to the area when needed. Stanley – needs drainage improvement but is lower on priority and City may want to wait for the 466A design plan. South St. Clair – City may want to be proactive before the area is developed, but is low on priority list.

Noted list of costs per project and priority list. Total Improvement project list is \$3,262,644.00.

Some areas need curbing to move and direct the storm water. Those costs are included.

CM Smith – looking for CDBG grant. The money that we are using for the Pitt and Stone improvement out of the CRA budget, hopefully can be used as a matching grant to do Neighborhood grants or CDBG grants because it is correcting flooding issue within the

downtown corridor. Have started the process because it was planned to use the Champagne Farms well money to help be a match for downtown revitalization area, however Champagne Farms was on a different time schedule than the Gamble Street project and other projects.

CRA can be used without a referendum to bond the money. If the Commission desires they can approve a storm water assessment that would be assessed on everyone's ad valorem. Fee would be based on the total project costs and assessed to property owners.

Use of CRA moneys would place the City in a good position for a grant.

Richard Busche regarding the Osceola area. Need additional space to store the water. The soil conditions are not good in the bottom of the "duck" pond, and is the reason it stays wet or mucky. Will need conveyance and storage improvements. Water runs down the streets or driveways and jumps Osceola. There are pipes and grates in the streets but not efficient and does not discharge over to 301 and there is no canal to move the water in that direction. Will have to store more water.

Rufus resident – pond was started by the City but was finished by his father-in-law and placed pipe in the ground, most of which is on their property.

Richard Busche – because of the length of time the condition has been there any regulatory agencies would treat it as such. Have been on site when the flooding took place. Would plan to deal with 5 ½" rain event.

Commissioner Strickland – noted the corner of Stanley and Osceola is his property and is under water with a couple of inches of rain.

Richard Busche - Depending on future use of school property, with 466A being widened, can envision some of that area to be used for the storm water issues. There is a retention on the school for the roadway, which will have to be expanded for the widening of 466A. It is more efficient to share a retention area. Some cities have taken this type of work and turn it into a basis for a stormwater fund through tax assessment. There would be a couple more steps to get there.

Commissioner Bivins – as a taxpayer at Pitt and Stone has seen that area neglected for a long time. Need to make it possible for people to get in and out of their homes and the area when it rains.

Buster Stewart – "Duck" Pond is on his property and he maintains it. Has never asked the City for anything. It is pumped when needed by the City, but understand that now the County won't allow the City to pump it to the County roadway.

CM Smith – need to discuss during budget or in Special Workshop. Would like to use CRA funds on the Pitt and Stone and then use as matching grant for the Osceola project. Mayor Wolf – need Andy Easton working on grants and use CRA funds to work toward grants.

b. City's Group Health Insurance by Brown & Brown (Attachments-Board Option)

CM Smith – noted that Brown & Brown is our insurance broker and there have been several meetings with them regarding 2010-2011 health insurance. The plans that are reflected in the budget along with any rate increase are the 3900 and the 5773. This will be a change from the current 1360 and 1561. Intent is to bring a contract to the Commission between the City and Brown & Brown. Three-year term with City's expectation.

Scott Hindman of Brown & Brown introduced Travis Childers and Amber See both of Brown & Brown, and Ted Cox of AllState Insurance.

Scott Hindman reviewed some legislative changes coming that have nothing to do with Health Care Reform. One is Mental Health Parity, which requires any plan renewing after 9-23-10 must have similar benefits for mental health as well as medical health coverage. The limits for coverages and the annual maximums for mental health coverages will be removed from any policy renewing after 9-23, which effects the City's policy. After review by BCBS and actuarial it is agreed that this will have an effect of about 3% increase on the health care plan costs. The bill that has some effect on the policy with the effects graded in over a number of years, is Health Care Reform. There are a number of changes that can be expected. The bill did a lot to address access to health care but in the end didn't do much to effect the costs of health care, which was the idea in the beginning. One change effective immediately upon renewal – dependent coverage to the age of 26 whether a student or not. Another is that the annual maximums for different coverages will be done away with and there will be unlimited maximum coverage on the health plan. These changes will have about 3-5% increase on the health plan. The other thing that effects the costs of insurance is the trend or medical inflation, which runs about 1% per month or 12% per year. Then looking at the City's actual claims it shows they are running in excess of 90%. There are 5 or 6 serious health plan issues for the members or dependents, which will continue to effect the health plan into the future.

The initial increase for Wildwood renewal was 39%. Brown & Brown began to negotiate with BCBS and they came down to 33%. Realize that is a difficult increase for City to take. Discussed with CM Smith and ACC Roberts self-funding that didn't seem to be option due to number of lives. Went out to the marketplace and asked for quotes from United Health Care, Cigna and Aetna. There are no providers for Humana in the area. Aetna refused to quote. Cigna provided a quote, however in looking at disruption of provider services only 4 of the 25 doctors employees currently use were listed with Cigna. United Health Care provided a quote, which was good. As negotiation began and they received the underwriting and claim information, they withdrew their quote. This left plan design changes as the only option.

The 3900 plan was chosen for the base plan, with a cost increase of 2.8%. Has similar deduction, some copays are more, but does have a specialist copay instead of having to meet deductible then coinsurance. One thing that stands out is that under the 3900 plan the prescription component would be for generic only. Out of pockets are higher. Not much additional costs to the City, but more costs sharing from the employee. The buy up plan chosen is the 5773, with a 9% increase from the 1561.

Something new that was discussed is the GAP plan from AllState. The employee would purchase the insurance to fill in some of the gaps in difference from the 1360 to the 3900 plan. The GAP coverage options are for hospitalization, outpatient benefit, and physician office visit. The GAP plan cost is age bracketed. The GAP has nothing for prescription.

Commissioner Allen expressed concern the 3900 plan covers on generic, when so many prescription are available in generic. Scott Hindman – asked for a formulary that was not generic only to be added and it increased the cost by \$100 per month, and that was with an \$800 calendar year deductible before the copays. There is a discount program card available through BCBS. The City would pick two plans and the employee would have an option of the two. For every dollar that BCBS took in \$.91 was paid out in claims. Have seen a group whose claims and group remained essentially the same and got a 3% increase. Believe everyone had high hopes of Reform addressing costs, but it didn't. Rules are still being written. The HCR bill was about 2400 pages long and the estimate is that it will take about 100 to 150 pages of regulations for each page of the bill. Have some groups that lock in the amount per employee they will pay and then the employee has the option to decide which plan they want.

Commissioner Clark asked if the City has the 34% to pay for the increase. CM Smith indicated no. Commissioner Clark asked if the 1360 plan could be the buy up plan from the 3900, instead of the 5773. ACC Roberts indicated that in the past BCBS has stated that the 1000 series could not be partnered with the 3000 or the 5000 series. Brown & Brown to find out if the 1360 could be partnered with the 3900 and Commission will be advised.

CM Smith – the recommendation to the Board is to approve a 2.8% increase to the health insurance coverage. There will be employee meetings this year to explain the changes, and meetings have been going on each year. AllState will sit down one-on-one about the supplemental insurances. Many of these issues have already been discussed with employees in the quarterly meetings.

Short break from 10:30 to 10:45.

CM Smith – discussion regarding City Attorney fees. Noted what is included in the report includes staff time, not just Jerri's time. There were several on-going issues such as Comp Plan amendments, employment issues, Jim Stevens' contract negotiation for retirement and several other issues. Have provided information on how other government agencies set up their attorney fee structure. Talked with Jerri regarding retainer fees and non-retainer fees. This is an exercise to see about saving costs. Once a contract is negotiated with Jerri it will be brought the Commission for review and approval.

CA Blair – the last few years have been high because Jim Stevens was out several times when as department head needed decision and she was contacted. She knows the numbers look large, but they don't pay the overhead. When she receives calls on matters she does not bill for short phone conferences. In checking other attorney rates – they are all higher than what she charges the City. Some \$200 per hour and \$250 per hour for litigations. The lowest rate she found was \$150 per hour. This year's numbers are more reflective of what it should be.

By Common Consensus authorized the City Manager and City Attorney to negotiate a contract between the City and Jerri Blair and bring back to Commission.

CM Smith noted that Jerri came of her accord today, was not asked to be here. All directors are aware they are to go through him before contacting the City Attorney.

- c. Second Budget Workshop by Robert Smith (Attachments on file)
CM Smith second budget workshop was to review CRA Budget. CRA Miscellaneous Projects, CRA Roadways, CRA Fund. Revenues are down, but hopefully will go up next year. Operational expenditures of about \$78,000, miscellaneous projects of about \$100,000, Comp Plan amendments allocation is in that because of some of the JPA work, which does involve some of the CRA, and administration of 10% assessed to the CRA. Total allocation for the CRA budget is \$208,036.

Miscellaneous Projects include \$100,000 and \$15,000 will have to be brought in from CRA. \$10,000 for City Hall sign and a grant was applied from UF for Grower's Market and this would be the \$10,000 to match that grant. Blight demolitions \$20,000. Signage grant for businesses that want to take advantage of matching funds. Beautification projects in CRA. Commissioner Allen – when we get to point of contracting beautification the projects will take care of themselves. Mayor Wolf – someone can be held accountable.

CM Smith – looking at two median entrance signs. Will come back to Commission with design, but looking at south 301 and north 301. Can use CRA funds to make improvements on roadways in CRA area. Top five on inventory that are within the CRA are High Street – cost about \$30,000, which is included in the CRA budget. The others total to about \$27,000-\$28,000. Any additional moneys the Commission wants to expend on CRA projects would have to be brought in from the CRA account. Noted photos of High Street. Believe Lemon Street will probably be mitigated through the stormwater utility study. There the City has about \$700,000 in the CRA restricted fund. The budget as presented includes the High Street project. The Pitt and Stone Street project can be added to this year's budget by bringing in \$293,304 in from the CRA fund. What would be remaining in CRA fund would be close to \$400,000.

Mayor Wolf – agree with Pitt and Stone but High Street is fourth on the roadway priority list and the Commission could open itself to criticism if they approved High Street above the other three. CM Smith – the roads have to be in the CRA area in order to use the CRA money. Mayor Wolf – would rather see the CRA money go toward storm water projects.

Commissioner Allen asked if Osceola is in the CRA and City Manager responded yes, however the cost of that project would place reserves in the CRA very low. Commissioner Strickland indicated there is vacant property on the market in the Osceola area. About 1 ½ acres.

CM Smith recommended that CR232 be bumped to number one and have it done for in kind services in exchange for the trachoe. CR 232 is not in the CRA.

Mayor Wolf noted that County Commissioner Dick Hoffman recently said that CR209 is on their schedule for next year and they could not turn it over to the City in the condition it is in. Commissioner Allen requested that County Commissioner Gilpin be requested to attend a City Commissioner meeting to talk about County plan.

CM Smith – is High Street to remain in the CRA budget.

PWD Kornegay was asked if this cost was working through the County and he indicated no. He noted that the safety issue can be address through a repair made to roadway if the tree is removed for about \$6,000.

Motion by Commissioner Strickland, second by Commissioner Allen to approve High Street tree removal and repair pavement, and keep remaining funds in the budget for decision later in year, possibly addressing Osceola. Motion carried by unanimous vote.

CM Smith noted that this would have to go before the CRA Board first for approval.

Motion by Commissioner Clark, second by Commissioner Bivins to include Pit & Stone in CRA budget. Motion carried by unanimous vote.

Road Maintenance Log – CM Smith recommended that City get in kind services where available, with CR 232 being moved to number one. CM Smith to check with City Attorney and City Clerk. Will get value of trachoe, declare surplus and bid out.

Motion by Commissioner Bivins, second by Commissioner Allen to move 232 to number one on Roadway Priority list. Motion carried by unanimous vote.

Senior Management FRS – CM Smith noted that only way to change is to change name of position and/or change job description. As positions are vacated, new person could be placed under another title.

By common consent – move to eliminate designated Senior Management except for City Manager position, as positions are vacated.

CM Smith noted that Mr. Dixon turned in his two-week notice of resignation on Friday. City Manager to talk with County or independent contractor to continue level of service during interim period until October 1. Have talked with County and they are ready to move sooner rather than later. Will discuss with Commission further at regular meeting.

Capital Enhancements – Items cannot be funded at this time, but will bring back as funds are available or if the item becomes a necessity. Recommended that the meter reading equipment be included in the budget.

Motion by Commissioner Clark, second by Commissioner Allen to accept the recommendation of City Manager. Motion carried by unanimous vote.

State Revenue Estimates came in higher than his estimates so the States were included in the budget. Looking at the rollback for ad valorem. Staff recommends rollback of 4.125%.

Motion by Commissioner Allen, second by Commissioner Bivins to tentatively approve 4.145% adjusted rollback rate with first Public Hearing to be September 14 at 7:00 p.m.. Motion carried by unanimous vote.

CEBS – staff recommends at 2% Employee Benefit Supplement.

Motion by Commissioner Allen, second by Commissioner Clark to include 2% EBS in budget. Motion carried by unanimous vote.

3. NEW BUSINESS – ACTION REQUIRED

a. – f. None

g. GENERAL ITEMS FOR CONSIDERATION

- 1) Discussion / approval on moratorium on the collection of refuse impact fees due to privatization of refuse services (No attachments – Board option)

City has to decide what the current funds can be used for.

Motion by Commissioner Strickland, second by Commissioner Bivins to approve moratorium on the collection of refuse impact fees effective immediately. Motion carried by unanimous vote.

- 2) Discussion / approval for City of Wildwood "Facebook" account (Attachments-Board Option)

Commissioner Allen – if it is used as information from the City and restricted to no posting from others. Commissioner Bivins – as long as City controlled.
Commissioner Strickland – would like for some comments to be allowed.

Motion by Commissioner Allen, second by Commissioner Strickland to approve City of Wildwood Facebook account. Motion carried by unanimous vote.

Commissioner Allen – have asked City Manager to look into on-line utility bill pay.

Mayor Wolf – in future discussions – need to discuss stormwater assessments. Commissioner Bivins agrees that all share the expense, but all should share the benefit also.

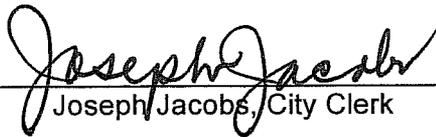
4. ADJOURN

Upon a motion by Commissioner Allen, second by Commissioner Strickland the meeting adjourned.

CITY COMMISSION
CITY OF WILDWOOD, FLORIDA

SEAL

ATTEST:



Joseph Jacobs, City Clerk



Ed Wolf, Mayor