

**City of Coral Gables City Commission Meeting
Budget Workshop A-1
July 23, 2014
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

Mayor Jim Cason

Vice Mayor William H. Kerdyk, Jr.

Commissioner Pat Keon (Appeared by Skype)

Commissioner Vince Lago

Commissioner Frank Quesada

City Staff

Interim City Manager, Carmen Olazabal

City Attorney, Craig E. Leen

City Clerk, Walter J. Foeman

Deputy City Clerk, Billy Urquia

Finance Director, Diana Gomez

Management and Budget Director, Keith Kleiman

Police Chief Dennis Weiner

Human Resources Director, Elsa Jaramillo-Velez

Public Works Director, Glenn Kephart

Public Speaker(s)

A-1 [Start: 9:16:06 a.m.]

A Resolution setting a tentative millage rate of 5.589 mills for the Fiscal Year 2014-2015 Annual Operating Budget to be submitted as preliminary disclosure to the Miami-Dade County Property Appraiser.

Mayor Cason: We are ready. This is a workshop on the Budget, after which we are going to vote on a resolution for the millage rate for 2014 to 15. Is Commission Keon listening?- Is Commissioner Keon able to hear us? Connected – OK. Also, this is a workshop for the Commission to hear from staff about the budget and it's not for public comment, although I'm told that when we get to the resolution it's self that sets the millage rate, if anybody wants to make a comment they can before we vote on that. So we are ready to go and I'll turn it over to Madam City Manager.

Interim City Manager Olazabal: Good morning Mayor and Commissioners before the budget teams dive into the details of our budget, I would like to take a couple of minutes to summarize our budget message, which reflects the policies that I feel are very important to you and guided our decision-making. In deciding how to prioritize projects and our strategy for next year, we used the following four criteria: The first one is, whether the project enhances the quality of life in the community; whether the project helps our commercial district become a more competitive, livable and pedestrian-friendly area; whether the project improves transparency, communications, and service delivery; and whether the project helps us make strides toward having a more sustainable City. I'm going to mention some of the projects in the different categories to highlight how we've tried to take that strategy and move it forward during this next budget year. So as to projects, important projects in the category of enhancing quality of life, we have budgeted a master plan for parks and recreation, a Granada Golf Course Master Plan, and renovations to the Youth Center and the Venetian Pool. In addition, we are also funding a sidewalk repair and replacement program, and we are getting additional funds to expand installation of bike path. Also, we next budget year, we expect to move forward with the tree succession plan, which will be replace and install over 3,000 trees throughout the City and also with the Million Orchid Project, which will reintroduce native orchids in trees throughout the City. Additionally, we are also funding renovations for Merrick House, City Hall, and Venetian Pool.

Mayor Cason: Question on that. Was it an addition to the roughly half million we put in this year's budget?- or is this...?

Interim City Manager Olazabal: Those haven't been carried out. It's a capital project, some of that monies will be carried out...

Mayor Cason: My understanding – we thought it would require close to a million dollars to do everything, and last year we put about half of it in.

Interim City Manager Olazabal: Is that the case? Yes.

Mayor Cason: OK. Thank you.

Interim City Manager Olazabal: In the category of becoming a more competitive, livable, and pedestrian-friendly commercial district, we have put money aside for those Streetscape Improvement Project. This will make our downtown become an even more bike and pedestrian-friendly destination. We propose to also have a plan on how to fund the park and plaza in front of City Hall, obviously there is some discussion that we had about that yesterday, so we have to see where we end up, but there is a plan for that. Additionally, on the category of improving transparency, communication and service delivery, we have the application...QA, and I think that's important not only because it makes our services available to the residents, more readily available, but also at the same time it helps us track our response times, so we become more

accountable and we can track and monitor that to make sure that we are delivering service in an efficient manner. As to projects that we are taking on to make sure we become a more sustainable City, we have our Sustainability Master Plan, which will develop strategies, goals and objectives and help us to become more sustainable, and also we have funded a City fleet replacement program.

Mayor Cason: A what?

Interim City Manager Olazabal: Fleet Replacement Program: Our fleet is pretty old and this will help us become more sustainable and more efficient. And with that I'm ready to pass the floor to our budget team that worked very hard on this budget and I want to thank them for that, so.

Finance Director Gomez: Thank you. Good morning Mr. Mayor, Vice Mayor, and Commissioners. So in front of you, you each have a copy of the Budget Workshop presentation. I plan to go through the proposed budget, highlight some of the significant items and changes from the previous year, and answer any questions you may have. With me I have Keith Kleiman, Management and Budget Director, who is available to answer any questions, and Glenn Kephart, Public Works Director, who will also go through capital projects details if requested when we get to those slides. Starting on the first page of the presentation, we have the 2014-2015 Budget Estimate Summary. The proposed budget provides for \$154.6 million in annual revenues.

Vice Mayor Kerdyk: Pat, we are hearing your feedback every time we talk, we are hearing the double feedback here. Now it's not so bad. Now it's gone, but...

Commissioner Keon: [Inaudible]

Vice Mayor Kerdyk: It's still there.

Commissioner Keon: [Inaudible]

Vice Mayor Kerdyk: Can you mute your – well it's not you it's us, so.

Finance Director Gomez: It may be her.

Commissioner Quesada: Hold on. Commissioner Keon, if you mute your phone, hit mute as you're listening and when you are going to speak take it off of mute, because we are hearing what we are saying through your speaker.

Mayor Cason: That's right.

Vice Mayor Kerdyk: Yes, we are hearing what we are saying through her speaker.

Finance Director Gomez: Yes.

Mayor Cason: OK.

Vice Mayor Kerdyk: OK, that's better. Thank you.

Finance Director Gomez: OK. So starting on the first page of the presentation, we have the 2014-2015 Budget Estimate Summary. The proposed budget provides for \$154.6 million in annual revenues. To that amount we are transferring from Reserves \$3.1 million. Transfers from Reserves present amounts in the various fund balances that will be appropriate for use with this proposed budget, for total revenues of \$157.7 million. Expenditures total approximately \$156.5 million are broken down into three categories: Operating, Capital and Debt Service, and I'll go into more detail in later slides. To the expenditures we add transfers to reserves in the amount of \$1.2 million. These transfers are amounts we plan on adding to the respective fund balances with the proposed budget. For total expenditures and a balanced budget of \$157.7 million. If you turn to Slide 3, I'll discuss the revenue increases that affect the proposed budget. Property taxes increased by \$2.2 million. This increase is generated by applying the proposed millage rate of 5.589 mills to the June 1st property values estimated at \$12.85 billion.

Vice Mayor Kerdyk: By the way, that only went up like 2 percent, correct?

Finance Director Gomez: I think it went up 3 percent.

Vice Mayor Kerdyk: 3 – OK.

Finance Director Gomez: I have that in a later slide.

Vice Mayor Kerdyk: OK.

Finance Director Gomez: But increased – yes.

Vice Mayor Kerdyk: If you have a later slide, I'm sorry.

Finance Director Gomez: No, no, that's fine.

Mayor Cason: Was that estimate from the appraiser?- was it just an estimate or was that...?

Finance Director Gomez: That was a June 1 estimate; we got the July 1 numbers and the property taxes went up by \$39,000, so we are very close.

Mayor Cason: So that's basically correct then?

Finance Director Gomez: So it's a 4.26 percent increase from prior year.

Commissioner Lago: That was my question. What was the percentage point?

Finance Director Gomez: 4.26 – 4.62.

Vice Mayor Kerdyk: That's good then. I have a question for you. The Property Appraiser made it much easier to appeal your taxes now, and they do it where they used to be where the method

was you had to go down to this Magistrate and appeal. Now you just do it over the phone, they seem like they are very, very much more lenient on their tax appeals, and the fact is, did we see any change in the amount of money that we had to, basically that the property owners got back this year as opposed to last year from the Property Appraiser.

Finance Director Gomez: In terms of the amounts that we are receiving in delinquent accounts, it has gone down.

Vice Mayor Kerdyk: It has?

Finance Director Gomez: I has gone...

Vice Mayor Kerdyk: What I'm saying is that the Property Appraiser when you...

Finance Director Gomez: The reverted taxes.

Vice Mayor Kerdyk: Yes, you basically appeal your taxes and then the Property Appraiser makes a determination and if you win he writes you back a check for whatever that amount is. Have you seen any variation as far as what it was two years ago, as opposed to what it is now?- am I making myself clear?

Finance Director Gomez: Yes.

Vice Mayor Kerdyk: OK.

Keith Kleiman: In the past we ended up collecting about 92 percent of our tax revenues. This year, FY-14, we are heading toward the full 95 percent. We are doing better, we are doing better and we just found that out over the last two or three weeks.

Mayor Cason: Isn't that because people had to "pony-up" a large percentage of it and in the past they didn't, and so it was just not to pay...

Finance Director Gomez: Right – so they do have to put up the 75 percent when they ask for the hearing, but if they get reduced they'll get it back, so – but even with the reverted taxes we are still – collections are still up so that really hasn't...

Mayor Cason: Eventually...

Finance Director Gomez: But we've also gotten information from the Property Appraiser they are doing a better job of squashing the hearings and not having...that's the information that we've gotten from them.

Vice Mayor Kerdyk: I have a division in my office that does this and I'm not seeing that, but maybe the amounts – you know we had such a precipitous drop in assessed values or values

themselves and they've caught up now, so maybe those rebates have been taken out of the market already based on the assessed values being higher.

Mayor Cason: But eventually when you look back on the charts that you are getting around 99 point-something percent for 3 or 4 years back. Eventually one way or another either somebody buys a tax certificate and pays us, so we eventually get the money, it's a question of when we get it, right?

Finance Director Gomez: Exactly.

Mr. Kleiman: We are catching up now. We are catching up now – FY-14 we are doing well.

Vice Mayor Kerdyk: But the good news is, we went up 4.6 percent in the next few years, I can see it going even higher than that, because our construction starts coming online. Thank you.

Finance Director Gomez: Rentals and Concessions increased by about one million dollars due to the inclusion of UM Development Fee in the proposed budget. Permit Fees, General Government Fees and Tennis Fees increased by \$461,000 due primarily to increases in the trend of collection and activity in those fees. We are estimating an increase of \$102,000 in half cent transportation sales tax based on the increase in our distribution from the County and this funds the trolley operations. Sanitary Sewer Fees and Solid Waste Fees are increasing by \$178,000 due to the trend of improved collections. Biltmore Complex Agreement Fees increased by approximately \$107,000, and that's just in accordance with the current Biltmore Agreement. And the last few items listed increase revenues by about \$160,000 combined to increase based on increases on trends of various items.

Mayor Cason: Let me ask you, if I could here in terms of solid waste collection fees. You should know I've been very concerned about the fact that residents owe us \$3 million for past garbage fees, and if you add all the other fees it's \$3.7 million, are any of those, this increase is that – you are guessing you are going to get \$87,000 more from past or how is that accounted for?

Finance Director Gomez: Right – So we have actively been collecting or trying to collect past due amounts and we have been increasing the amount that we've been seeing in collections based on, we are liening the properties for residential, we are sending out collection letters...

Mayor Cason: Are the letters working?

Finance Director Gomez: They are – and we've noticed a lot more in the past dues being paid. There is still the large balance out there, but we are actively collecting it, we do see an increase, so based on the trend of collections we believe that the revenues that we are going to get in this year are going to be higher than what they have been.

Commissioner Lago: Let me ask you a quick question. I know that when you brought that up we had a long discussion in regards to having Craig look into this. Do you foresee or maybe Craig or

the City Manager foresee any other mechanisms that we can use to collect that \$3.7 million? I know he stepped out, but...

Finance Director Gomez: We have been working with the City Attorney's office and the next – one item that we are thinking of is perhaps putting it on the tax bill. The next letter that we are sending out will advise individuals of past due balances that, that may happen. So we are researching that.

Mayor Cason: I think that that alone...

Commissioner Lago: If you put it on the tax bill....

Mayor Cason: Because if you look at some of those people for 20 years haven't paid.

Finance Director Gomez: Right.

Mayor Cason:...And they say well, I don't care if you have a lien on my property...some day 50 years from now.

Commissioner Lago: I'll deal with it when I sell the property.

Finance Director Gomez: Exactly.

Commissioner Lago: Somebody else will pay, the buyer will pay.

Finance Director Gomez: Sure.

Mayor Cason: So we are out \$3.7 million.

Commissioner Quesada: Hold on a second. I've never looked at it from this perspective, but Vince, constructionally for materials, you can sue, and you can foreclose, and you can do all those things, at least the construction lien law, I mean obviously I'm not saying we take it that far, but I would imagine we have the same rights.

Commissioner Lago: Most of the issues when you put a lien on a property, either if it be on the design phase or the construction phase, what you do is you are notifying a potential individual, the owner that there is a lien on the property, that there could potentially be a notice to the owner, which is usually the mechanism to make somebody aware that there may be a lien placed on a property if something is not paid. I don't know how you are noticing the owner and the owner is himself, so to me it doesn't really – they are not going to pay, they haven't paid in 20 years and they are not going to pay. I think the only option we have is putting it on the tax roll, which is I think the Mayor brought that up; the Mayor brought that up, I think it was what?- a month ago?

Mayor Cason: We sent you a list of the top 20 debtors. We also added in not only garbage fees, but bid fees, special assessment, delinquencies, all kinds of fees, and it builds up to \$3.7 (million).

Finance Director Gomez: Right.

Mayor Cason: So you have a list now of the top 20 debtors.

Finance Director Gomez: And we are working with the City Attorney's office to seek every avenue that we can and to try to collect these fees, but the earliest you can get on the tax roll would be for the next year.

Commissioner Quesada: Another thought – I would prefer to have the City Attorney here to discuss it, but another thought could be, we could start that lawsuit on the absolute worst ones and not push it forward.

Mayor Cason: Yes.

Commissioner Quesada: So that they feel, OK, the City knows I haven't paid and they are doing something about it, also put pressure on them...

Mayor Cason: Also publishing the list.

Commissioner Quesada: That's a way as well.

Mayor Cason: Whatever it is, that \$3.7 million is a huge amount of money that we can do a lot of good things with.

Finance Director Gomez: Right – absolutely and we are again, actively trying to collect it and taking everything we can.

Mayor Cason: OK.

Commissioner Lago: This may not be your "cup of tea", but I mean, I just want to find out if maybe the information in regards to the Biltmore, we are up to date?- there are no issues?

Finance Director Gomez: There are no issues, we've gotten – they make their payments, they make their payments on time.

Commissioner Lago: There hasn't been an issue since I've been in office, but I just want to make sure.

Finance Director Gomez: There hasn't been an issue with us collecting from them or them paying. It's been fine.

Commissioner Lago: Good. OK.

Commissioner Quesada: Craig, we were discussing the unpaid trash fees.

City Attorney Leen: Yes.

Commissioner Quesada: \$3.7-\$3.8 million that are due in owing. Those liens are treated similar to a construction lien or any other lien in the State of Florida, is that correct?

City Attorney Leen: Our legal position is that they are treated better than those certain liens that they have the same dignity as a tax, that they are a special assessment lien. We are imposing those special assessment liens, is my understanding, and then we are going to try to put them on the tax bill for delinquent liens.

Commissioner Quesada: Here was another thought to try to get people to pay, at least the worst ones. The idea is you can foreclose on those liens, and maybe what we do is maybe something we consider for a later date, maybe you take a closer look at this, but maybe we start the lawsuit against the 20 worst ones, and don't complete it. I mean, I don't think we want to kick anyone out of their home, but we want to put some pressure to pay it, if they haven't paid it in 10 years.

Mayor Cason: If you look at some of these – we put them together and we looked at the owners – corporations, companies.

Commissioner Quesada: Maybe that's the only way to try to...

City Attorney Leen: The way that I've viewed it is that in terms of enforcing the lien it's self, I already have the authority and staff has the authority from the Commission to do that up to the point of foreclosure, because I do think that's a significant policy decision, whether we want to take over these houses or seek auction homes, and so – I mean not houses, the houses, businesses...

Mayor Cason: 803 homes, 803 properties.

City Attorney Leen: Because a foreclosure, we don't normally do it, we haven't been doing the foreclosures, but we could and you may want to set a policy for how much money would need to be at stake...

Commissioner Quesada: Well how about at a minimum those 803, we send them demand letters?- Oh, we do already, and they don't respond.

City Attorney Leen: Several demand letters, we impose liens on those properties, special assessment liens, we just haven't – now because of what's been coming up what the Commission has been discussing, we've been putting them, we are looking at putting them on the tax bill when they are delinquent.

Commissioner Lago: Are we handling all this legal work in-house?- or out?

City Attorney Leen: Well it's a combination. A lot of the liens – you know it's a combination, the liens themselves are being done inside.

Commissioner Lago: I ask you because if we are going to chase a lien that cost \$20,000, and we are going to spend \$28,000 in legal fees, we are going to be at zero.

City Attorney Leen: Let me be clear. Let me be clear here. All the collections, Commissioner, all the collections, everything like that is done in-house. We got a very good collection rate on a lot of these things and we've been working very closely with the Finance Department. In terms of setting up the special assessment, which is one that's a little more unique because we are doing it based on delinquencies. We didn't give outside counsel because we want to make that if we put it on the tax bill it's legal. Once we get the opinion and the structure it will all be done in-house.

Commissioner Lago: Maybe what we should do is like what Commissioner Quesada just mentioned right now. We should make these corporations or these individuals aware that if, not if, but when they lose this case and they are forced to pay the amount of money that is owed, they are also going to have to pay attorney's fees, which is going to....attorneys are not cheap, let's just put it that way.

Commissioner Quesada: It doesn't make it any more expensive for us and the law is on our side.

Commissioner Lago: So we can wait it out and just keep spending fees, and keep spending fees and then obviously....

Commissioner Quesada: So Craig, why don't you do this? Why don't you take a look at it and maybe at a future Commission meeting bring it up so we can discuss...

City Attorney Leen: Sure.

Commissioner Quesada: Maybe we want to file suit's against these corporates, these corporations that are outstanding for years.

City Attorney Leen: OK.

Commissioner Quesada: It's inequitable that every other resident has to pay it, and they don't.

Mayor Cason: Exactly right.

Finance Director Gomez: Clarification on the solid waste. The amount that represents commercial properties is \$151,000 of the \$3 million, just so you can get a perspective. It's residential that's not paying.

Commissioner Quesada: OK.

Commissioner Keon: [Inaudible]

City Attorney Leen: Of course.

Mayor Cason: Go ahead.

Commissioner Keon: Craig, do we foreclose on Homesteaded properties?

City Attorney Leen: No. We do not foreclose on Homesteaded properties. Now a lot of these times – Commissioner sometimes when they are not paying liens for years, it's very possible they are not Homestead properties. There is sometimes issues with those properties, but if it is a Homestead property – well wait, wait, there is one issue. If we don't just foreclose on the lien, but we actually treat it like a tax, that you can, but that's a very serious decision, because normally you are taking away someone's home, which it may be justified in these circumstances, but again, that's a major policy decision. I can put together your options.

Commissioner Keon: OK. If we look at that with a home...[Inaudible]....

Mayor Cason: Another thing that we ought to look at as an option is stop the garbage service, make them go commercial. Let them go to Waste Management.

Commissioner Lago: Has that ever been done before.

City Attorney Leen: What?

Mayor Cason: Cut off the garbage and make them go commercial.

City Attorney Leen: You'll have to amend the Code to do that.

Vice Mayor Kerdyk: So we don't provide the service anymore?- is that what you are saying?

Mayor Cason: Those that refuse to pay us for the service.

Vice Mayor Kerdyk: Oh, OK. That's something else.

Finance Director Gomez: Commercial we'll collect, we'll collect the garbage, they will bill them and the way that our commercial waste management agreement is, is that after three months of waste management trying to collect, they turn the bill over to us and then we collect it, so it's added on to our list.

City Attorney Leen: The way the Code is drafted now, we are the ones who provide the garbage service and we are the ones who have to provide the garbage service, the trash collection service. So you could amend the Code to say that if someone didn't pay, although I don't know if you would want to, it's more of a policy judgment, but I would think about that, because they'll probably not hire the commercial one either and then you are just going to have garbage building up, and you are going to have Code Enforcement violations and the neighbors being very upset.

Commissioner Quesada: Can we do this for a future meeting? Can you take a look at whatever legal options you think we can do? What other municipalities do?- and talk to Carmen about it as well and see if we should even consider the option of cutting off the garbage, but put your minds together and see what other options you guys think are best suited for our situation.

City Attorney Leen: Definitely.

Commissioner Quesada: Before we go to the next slide, I just want to point out on the last slide, rentals and concessions. I would imagine a portion of the increases are related to the revisions of the leases that City Birdsill worked on?

Finance Director Gomez: There are some increases and decreases in that area, but the main increase here has to do with inclusion of the UM Development Fee in the budget.

Commissioner Quesada: OK. OK.

Commissioner Lago: Let me ask you a quick question. How many more years are left in that agreement?- was it 20 years right?- a 20 year agreement?

Finance Director Gomez: 20 year – I think we’ve gotten – this December will be our fourth payment I think.

Commissioner Lago: And it’s a million dollars a year?

Finance Director Gomez: About. It was \$1.2 million and then it went – I think it started at \$1.4 million, a million six (1.6), and a million four (\$1.4), then a million two (\$1.2), now it’s \$1.025, it stays at \$1.025 for about 4-5 years and then at the end about a million dollars.

Commissioner Lago: Alright. Thank you.

Finance Director Gomez: OK. Slide 4 shows the details on revenue decreases that are affecting the proposed budget. The first line shows debt proceeds decreased by \$8.3 million, and this is due to a onetime financing included in the previous year’s budget that are not repeated in the current year. So the revenue associated with the debt was budgeted for in 2014. If the debt hasn’t been taken out it will be carried over into this new year, but we don’t budget for it again; and there are three components of this number. Last year we included a budget for \$6 million for citywide radio replacement that we haven’t funded yet. The \$1.5 million for sanitary sewer ...infiltration project and \$850,000 for incinerator site remediation. So we budget the revenue because we will take the debt out eventually.

Mayor Cason: How much do we owe still on that mitigation for the 72nd Street incinerator? We still owe a lot more?- or does this end our obligation?

Finance Director Gomez: No. I don't think we owe anything – yes, we just haven't started working on the project. The project is, we anticipate it's going to cost \$850,000 to remediate the site. We planned last year to take out debt in order to pay for that and then we just haven't done the project yet, the project hasn't started at this point, we haven't taken the debt out.

Mayor Cason: OK.

Finance Director Gomez: OK. The next three items totaling approximately \$4.2 million pertains to federal, state and county grants, such as the County GOB, which are either one time fundings for projects or balances from the previous year that were reappropriated in the current year. Any balances that related to unfinished projects in the current year will be reappropriated into Fiscal 15, at the start of the New Year once we close out the year, because we need to know what the balances are since we are still spending on it. The amount budgeted for fines and forfeiture revenues was decreased by \$530,000, and that's based on current trend of parking fines, Code Enforcement fines, traffic fines, and red light camera revenues. So the trend going down...

Mayor Cason: Does that mean we are being nicer or people are behaving better?

Finance Director Gomez: A little bit of both.

Mayor Cason: We are giving more warnings?

Finance Director Gomez: Yes.

Commissioner Lago: It has to do with maybe the implementation of pay-by-phone parking?-maybe people are not getting so many tickets?

Finance Director Gomez: Well, I think the parking fines are more....well yes, it could be.

Commissioner Lago: Because maybe we are getting more revenue because I use the parking app and so I'm getting less tickets myself. I used to be a habitual offender, but what ends up happening I'm sitting at the restaurant or I'm sitting at my office and it beeps and put another 30 minutes, another hour on it. So you think that maybe we are making more money by paying the meter?-but actually making less money on fines and forfeitures.

Finance Director Gomez: That's correct.

City Attorney Leen: Well there is one other thing. You know, I am the Code Enforcement Prosecutor and I have to say that the compliance rates and this is really a credit to Will Ortiz and to his staff, the compliance rates have gone up extremely. We have a lot less cases now, they are doing a really good job of contacting the residents and getting them to comply.

Mayor Cason: There is another aspect of this too. If you look at the red light camera – a number of years ago, as you know about 80 percent of those tickets are people coming through Coral

Gables and not Coral Gables residents, but once they get a red light ticket 96 percent never get another one, and so it's dropped now something like \$3,000 a month or something, red light revenue, because it's working.

Finance Director Gomez: Exactly.

Mayor Cason: And so these numbers are dropping in part because people are stopping where there is a camera of the five cameras.

Mr. Kleiman: It's no longer a money-maker.

Mayor Cason: It's no longer a money-maker at all.

Mr. Kleiman: It's safety.

Commissioner Lago: Yes – and in regards to what Craig was saying, in regards to Will, I've dealt with Will on several occasions where residents have contacted me when they've been fined for certain things in their homes, for cutting their landscaping appropriately, to there is a gentleman I'm dealing with in regards to a fencing issue right next to Coral Gables Country Club. He is extremely able and he is more than willing to meet with the residents, instead of just fining people, he really sets the bar high and helps them mediate the issue and get through it.

Mayor Cason: I think we've always looked, at least since I've been here, looked at Code Enforcement as we want Code enforced not revenue.

Commissioner Lago: I'd rather make less money on this line item and say, you know what?- we are losing money on these fines, we've seen a decrease, perfect, but the residents are getting, you know it's not about ticketing, this is maybe give a warning and walk them through the issue and get a resolution in a month or two months, instead of fining them thousands of dollars.

Finance Director Gomez: OK. The next item is Hammocks Lakes Guard House, it's decreased by \$458,000, and this is due to a one-time special assessment capital project included in prior years budget, it's not repeated in this year. And in all other items listed totaling approximately \$336,000 and decreases in revenues are based on current trends of collections for the respective items.

Mayor Cason: Back on automobile parking fees again, this is separate from fines. Why would parking revenue go down?- something to do with collection or...?- because business is up, you'd think more cars, more...

Mr. Kleiman: Some of it has to do with new construction. We go over the parking fee revenue projections with the Parking Director and we have three people actually reviewing it, myself, the Treasurer, and the Parking Director, and we've come to the conclusion that at the time of this was six months that this was our best projection. Since then the pay-by-phone has jumped up

even higher, so if we had to redo this for the hearings, we would actually wipe out that \$56,000 decrease.

Mayor Cason: Thank you.

Finance Director Gomez: Five and six will go into expenditure changes to the budget. On slide 5, it talks about the personnel services changes in the budget. Salaries are increasing by about \$1.1 million, which is due primarily to the results of the negotiated Teamster contract, contractual merit and longevity payments, and reclassifications and adjustments made to part-time salary hours based on actual experience.

Mayor Cason: Question here. I think it's tomorrow that Police are going to vote on the Police union, is that – results of all of that if they approve it going to change this number?

Finance Director Gomez: What we had proposed toward Fire, I'm sorry, I mean Police contract based on our last proposal, we have it included in the budget, so we should be fine. It's not in this line item at this point, right – it's not in the personnel side, we have it in the budget though...

Mayor Cason: OK.

Finance Director Gomez: and then we'll move it up to the personnel side, if personnel salary line item is....

Mayor Cason: You assumed, if they vote for it....

Finance Director Gomez: What the final proposal was that we had at the time because we hadn't had it at that time, which it turns out that it was pretty much is where we are at, so we are OK.

Vice Mayor Kerdyk: Diana, is it fair to say that our benefit package is about 70 percent, including all these employee benefit's, retirement, FICA, is that the number that you basically use?- it looks like it.

Finance Director Gomez: It's a little bit higher than that...

Vice Mayor Kerdyk: 72 – I mean 71, 72. It looks like if you add the 59 and the 170 you are at 61 and that looks like about 70 percent to \$102 million, is that the....?

Finance Director Gomez: The mark-up that we use is a little bit higher because it's also a factor in pension and all that, so...

Vice Mayor Kerdyk: What do you think it is?

Finance Director Gomez: It's around 80 percent.

Vice Mayor Kerdyk: 80 percent.

Mayor Cason: Is that stable, growing...?

Finance Director Gomez: It fluctuates every year a little bit, but it's always been around that mark. Overtime is decreasing by \$43,000, that's due to a larger number of vacancies and weekend watering of new plantings in the previous years, so we see a little bit, although there has been some changes recently that may –we may have to adjust that.

Commissioner Lago: Can you talk to me a little bit about those changes?

Finance Director Gomez: I'm going to ask Keith to...

Commissioner Lago: Like what department?- what agencies?

Mr. Kleiman: They've requested of the City Manger who has had me analyze it with the Police Department. They are going to ask for \$350,000 in this year and it is directly due to the vacancies. They've been carrying just over 20 vacancies for several months, almost the entire year. They have right now, I think 13 – 12 to 13 people in the academy and once they come out our usage of overtime will go down, so it's a legitimate request for this Fiscal Year and they will go back to their budgeted amount for next year.

Commissioner Lago: But when you say they are having overtime is it in relation to putting these individuals to work longer shifts?- or is that that they are in training?- or is it that they are providing – what is the exact reason, do you know?

Mr. Kleiman: The academy personnel did not – they are not on the streets yet.

Commissioner Lago: I know that.

Mr. Kleiman: So we are covering those vacancies because we have a certain amount of people we have to have out on shift all the time, so we are covering those vacancies with current staff that are working more hours.

Commissioner Lago: And the reason why I ask, I may request along with I think some of the other Commissioners, I won't speak for them, but to make sure that all of the 12 zones are covered. I know that wasn't happening before, maybe that's putting an additional stress on the police force and their staff. I just want to find out are we actually spending this overtime on having manpower on the street?- or are we spending these monies to maybe train?- maybe other multitude of issues that the police have to deal with on a daily basis.

Mr. Kleiman: I don't believe it's for training. I believe it's to comply with the Commission's request to put full staffing on the streets.

Commissioner Lago: Thank you.

Interim City Manager Olazabal: The Chief is here as well, if you want to ask.

Commissioner Lago: Perfect. If you'd like to answer you are more than welcome to. That's one of the main reasons I mentioned before and I mentioned to some of the staff yesterday, I think I mentioned it to Mr. Kephart, it's a pleasure to have staff at these meetings. When I first became a Commissioner for some reason staff wasn't attending these meetings and it's great to be able to have staff come up here and say, let me give you an actual reason why this is occurring, so it's a pleasure to have all of you here.

Police Chief Weiner: Good morning everyone. So with regard to your specific question. For the majority of the year it's been about a third overtime, it's been about a third back filling for training, and about a third covering shift. In the last few months it's shifted more to covering shift, so we've actually put some of the moratorium on training, we've reduced our training allowances for staff in an effort to reduce overtime utilization, and shifted some of that savings over to covering savings in overtime expenditure to covering the shifts. So right now pursuant to the Commission's guidance we make sure that every zone is filled at the beginning of the shift and that does cause some other overtime issues, as well as coverage for supervisors on patrol as well, they are generating the overtime as well.

Commissioner Lago: Let me ask you a question Chief. In regards to last year, we had about the same vacancies, correct?

Police Chief Weiner: Vacancies fluctuate month-by-month, so it's difficult...

Commissioner Lago: On average.

Police Chief Weiner: I would say we are roughly in the same area. We've had significant hiring, but those bodies haven't actually hit the street yet.

Commissioner Lago: Did we have the same issue in regards to requesting for additional overtime?- did we have the same vacancies last year?- did we have the same issue or no?

Police Chief Weiner: I believe last year we may have had a little bit more overtime in the budget.

Mayor Cason: When are your first – you have three....of people in training, when do they start hitting the street, coming on board which will reduce overtime?

Police Chief Weiner: You should be seeing the first group coming out in about two and-a-half months.

Mayor Cason: OK.

Commissioner Lago: The Chief made a statement in regards to overtime, the request was very similar to last year's, is that true?- would you have an idea?

Finance Director Gomez: Keith would have the details on that.

Mr. Kleiman: To the best of my knowledge the overtime request for next year and for this year is the same.

Commissioner Lago: How about last year?

Mr. Kleiman: About \$1.2 million, I believe for the Police, not the rest of the City, just for the Police, but this year they are requesting an additional 350 just to cover this, but it's just one time, until the end of the year.

Commissioner Lago: That's what I'm asking because that's why I'm confused. Again, I'm not a budget expert. When you ask for an additional 350 - \$350,000, and you know you are talking about that's 30 percent, that's a lot of money. OK. So if you tell me that we have the same vacancies this year as we had last year, but you are asking for an additional \$350,000, I've got to make sure because that's a pretty significant amount of money.

Mr. Kleiman: The vacancies actually at this rate, you are getting up to 20 and 24 vacancies started last year. It wasn't like this whole year we've been carrying these vacancies, so their use of overtime – because we had this question come up...

Commissioner Lago: So 2013 and 2014 we didn't have the same amount of vacancies?

Mr. Kleiman: No, no, the year before in 12 to 13. In 12-13 we were going with, I think at that time more like 8 to 10 vacancies, and then it jumped. A lot of people left, long timers left and we've had a problem recruiting, which is why...

Mayor Cason: And we added some more, and we added some more slots.

Commissioner Lago: So 2012 – yes, we added 8 more slots, but 2012 you are saying we had 8, I want to be able to add...

Mr. Kleiman: These numbers, honestly I'm just going by memory at this point, we had approximately 10 the most of FY 13, and FY14 – actually in FY13 it jumped to the 20 mark.

Commissioner Lago: So 2013 it jumped to the 20 mark.

Mr. Kleiman: Right – and then we had additional positions put in the budget during FY14 there are 7 more positions, actually 8, one was done in FY13 and 7 were added, and those are built into the shifts, so we had to cover those as well because they are not filled yet.

Commissioner Lago: OK. Perfect. Thank you. I appreciate that.

City Attorney Leen: Mr. Mayor, Commissioner Keon wanted me to let you know that she is back on.

Mayor Cason: OK.

Finance Director Gomez: FICA increases by \$66,000 to the related second increase in salaries; and then there is about \$445,000 increase in health insurance based on the rate increase.

Mayor Cason: The question on health insurance. Have we looked into or is it legal?-Obamacare, in other words, there are a lot new plans out there, is there any way that we can continue to provide good quality health and reduce the cost by participating in any of these exchanges?

Finance Director Gomez: I would have to defer that to the Human Resources Director.

Mayor Cason: Because this keeps growing and growing and growing.

Finance Director Gomez: Right.

Human Resources Director Jaramillo-Velez: Good morning, Elsa Jarramillo-Velez, we just issued an RFP, because there were some other issues between Humana and Baptist Hospital and mostly in order to be able to provide for our employees to be able to go to any Baptist Hospital, we just issued an RFP.

Interim City Manager Olazabal: So we should be getting a competitive rate. But the specific question was, is there anything – can we take advantage of any of the exchanges that are currently available?- do you know Bob Schafer has looked into this?

Ms. Jaramillo-Velez: Bob Schafer has looked into it. Based on our discussions the best thing is to have what we have right now, do an RFP. I know about the different exchanges, we can perhaps take advantage of, but because we have procurement process and this is something we would need to procure, it's treated differently, it's not like an individual person who would have to go out there and go into an exchange.

Mayor Cason: No, I was just wondering whether other municipalities anywhere in the country have looked at this as a way to continue to provide – you know you could put platinum, I don't know, they have different levels of quality, but it might given the scales might result in less increases going forward, not necessarily this year.

Ms. Jaramillo-Velez: Right.

City Attorney Leen: Mr. Mayor just as a legal matter. You could – you could do a bid waiver, I mean if you really wanted to do something like that and not go through the procurement process, so it's available. The issue is, I think, that most of the entities which have a lot of people use the group health coverage and a lot of times you get a better rate and so at least that's what I've been informed.

Vice Mayor Kerdyk: I think Bob should look at it, basically is what the Mayor is saying.

Ms. Jaramillo-Velez: I'll make sure Bob is...

Vice Mayor Kerdyk: I'm concerned though because I think August 15th is the drop-dead date with Baptist...

Ms. Jaramillo-Velez: That's correct.

Vice Mayor Kerdyk:...and that is a significant issue for the City of Coral Gables employees.

Ms. Jaramillo-Velez: Yes.

Vice Mayor Kerdyk: How quickly are you going to get this RFP back?- what's the fast track on something like this?- and what is the possibility that Humana may end up negotiating with Baptist to get back into the system?

Ms. Jaramillo-Velez: The responses are due back to us August 7th at 2 p.m. On Monday morning they had an initial meeting with Procurement where any of the vendors can come and ask questions, just initial questions and that was done. A lot of them were concerned that they only had three weeks to respond back. Some of them may say, can we extend it?

Vice Mayor Kerdyk: Right.

Ms. Jaramillo-Velez: OK. Based on the timeline we have, we intend to go before you on August 26th to have a response.

Vice Mayor Kerdyk: OK.

Ms. Jaramillo-Velez: There will be a little period of time that the services are going to be different if Humana and Baptist still work things out.

Vice Mayor Kerdyk: Has anybody contacted Baptist which is a corporate citizen in the City of Coral Gables and see if there is any possibility we can have a carve-out for our employees?

Ms. Jaramillo-Velez: No. My concern with that now is that we have an RFP out, that's just my concern right now.

Vice Mayor Kerdyk: OK, but I was just asking for a carve-out until we can get the employees taken care of, when we make a decision for the RFP; and again, worrying about that timeline there and since Baptist, Brian Keely, all these guys – these are all good friends of ours, I mean, we should be able to at least have a discussion. They might say, hey we can't do it based on this and if we do it for you we got to do it for University of Miami and everybody else, but the fact is there is no harm in touching base with Baptist, I mean, I have no problems calling those people if you want me to talk to them.

City Attorney Leen: We have a Cone of Silence.

Ms. Jaramillo-Velez: That's my concern.

City Attorney Leen: The Cone of Silence is nearly as broad as the County's, so there are a lot of exceptions and there are probably people who could do what you are saying, but before we did I would need to look at our – we have like 12 exceptions...

Vice Mayor Kerdyk: Could you look at that please?

City Attorney Leen:...and I can coordinate and make sure that if you want – if that's what the direction is that...

Ms. Jaramillo-Velez: That there is no issue with the Cone of Silence.

City Attorney Leen: Yes.

Vice Mayor Kerdyk: I'm just looking out for the employees in general. Maybe it gets delayed from August 26th to September 25, I mean who knows?- but the fact is that if we can have a discussion, who can have the discussion and let's see if we can make something happen.

Ms. Jaramillo-Velez: OK. So we'll get together with the City Attorney.

Interim City Manager Olazabal: Yes – when we got the letter we did take it very seriously. We understand that Baptist is a great provider, so that's why we are issuing the RFP. It was in the time to do the RFP, but given that, that's a service that our employees use a lot, we expedited it and we have the most aggressive timeline that is still going to get us...

Vice Mayor Kerdyk: I'm actually impressed that you are out there doing this.

Interim City Manager Olazabal: It is very important to us, that's why we are doing it. We understand that they are a good provider.

Vice Mayor Kerdyk: Thank you.

Ms. Jaramillo-Velez: On a separate matter – you had previously discussed about police officers. The seven individuals that are coming out of the academy would be with us September 18th, that's when they graduate.

Vice Mayor Kerdyk: OK.

Mayor Cason: OK.

Ms. Jaramillo-Velez: And then there three other individuals after that and they graduate November 26th.

Vice Mayor Kerdyk: OK. Thank you.

Mayor Cason: Thank you.

Police Chief Weiner: They get out the middle of September, but then they've got 10 weeks of field training, so that's another 10 weeks that they are not covering seats.

Mayor Cason: But at least they are getting on board.

Police Chief Weiner: Yes. They are on board, but they are not relieving the overtime requirement for another 10 weeks.

Mayor Cason: Right.

Police Chief Weiner: So I just want to be clear on that.

Mayor Cason: Thank you.

Finance Director Gomez: Slide 6 shows expenditure changes for non-personnel related costs. The first two line items represent increases in expenditures having to do with a Fleet Replacement Program that is included in the proposed budget, it's on page 299 of your budget book. This program will fully fund the fleet replacement needs in the annual amount of \$3.1 million from two separate sources. The first is an incremental increase in the use of recurring revenues over the next seven years; and the second is a decreasing incremental use of existing fund balance in the motor pool fund until the Fleet Replacement budget is funded entirely by recurring revenues. Additionally, we are using Motor Pool Fund Balance to pay off existing at least financing agreements that we have in the amount of \$2.7 million.

Mayor Cason: Are we trying to go to standardize vehicles moving forward? We have a lot – we have something like 800 vehicles and a lot of them are decrepit. Are we moving toward one model and trying to...?

Finance Director Gomez: I believe Automotive is here and they can answer any specific questions you may have on that, but I do believe that they are going to be standardizing and obviously taking the oldest fleet off and replacing them. We don't want to get to a point where we have to replace everything at the same time again, so we are going to be doing it every year to the tune of about \$3 million.

Commissioner Lago: I don't think we have the capability right now to replace all the vehicles, it would be something around like \$30 million, right?- something in the neighborhood of \$30 million?

Finance Director Gomez: \$30 million?- is it \$30 million?

Mr. Kleiman: The entire fleet right now at current rates would be about \$36 million – the entire fleet to replace all at once with today's dollars.

Finance Director Gomez: Provided that everything needed to be replaced.

Commissioner Lago: Can I ask the Director just to come up for a second?

Mayor Cason: Good morning. Illuminate us (laughter).

Commissioner Lago: How are you sir? How you doing?

Mr. Steven Riley: I'm great. Just some real quick statistics about the fleet; the fleet life cycle profile as it stands right now. Currently we have 709 pieces of equipment, everything included small equipment trailers and everything. Out of that 326 are over life cycle, that's 46 percent of the fleet. That includes an adjustment I made to the life cycle profiles extending them just recently; and the major pieces of equipment that's cars, trucks, boats, high cost items, we have 604, of that 250 are over life cycle of 41.39 percent, roughly 42 percent of the fleet. We are looking at – when I first came on board we had about 750 pieces, we are reducing it. We are not simply buying equipment just to replace it. I got rid of some – a grader, a roller, construction equipment, I'm not replacing it, because it doesn't make sense because it's utilization was so low that when it's time to surplus the vehicles they rusted out. So we are looking at lease versus purchase, is it better just to lease it when we need it than buy it?-because the biggest cost is depreciation, not necessarily maintenance, but depreciation. In addition, we are right-sizing the fleet, we are right-typing the fleet. This year we are getting rid of several pieces of equipment for others. The landscaping guys, you may have seen them with those big trucks with the tailgates dropped down, we are getting rid of those, and we are buying pick-up trucks with trailers, it makes more sense. They use less gas, they are cheaper and it gets the job done and they can simply park the trailer and they can go off with the truck and do other things. Additionally, we are looking at possibly use of electric vehicles and alternative fuel vehicles. I'll have a conversation the next couple of days about Miami-Dade has an RFP out to create an infrastructure for C&G. Our concern is, number one, will it meet our requirement in the event of an emergency?- or have that fuel available?- but for electric vehicles for things like parking where they have a fixed route and they are going to come back at the end of the day, we could implement electric vehicles for those types of things, so these gophers these little things that go around to the meters we could look at implementing electric vehicles for those, a little bit more expensive, but they are a lot less on the maintenance side and of course we have the requirement to buy air conditioning on all of those. So we are doing a lot of things to reduce the fleet to right-type to bring the size down. A lot of the vehicles that we have here, you'll see a lot of administrative vehicles, traditionally because the fleet budget was very low, replacement budget, administrative vehicles always took a back, they were never replaced. So the need is citywide, all the departments are affected, and it's going to take probably about a good 3 to 4 years to stabilize to a point to where we are getting comfortable with our labor requirements, because right now

we have replaced three engines in vehicles, rebuilt engines is a lot of labor, a lot of man-hours just to keep the equipment on the road, and we are welding sheet metal to the back of pick-up trucks because the bodies are rusted through, and those are the kinds of things that we shouldn't be doing in fleet. That vehicle shouldn't leave the fleet with some useful life on it, and what has useful life you get a better residual value, a better return, right now even on our Crown Vics. We just recently had a sale, we're getting maybe \$600 for these things, we should get a lot more.

Commissioner Lago: Well let me tell you just to give you an example how you, from what I've seen how you make these vehicles last till their last breath. I mean we have some of the guys out there on inspection with vehicles 20-25 years old. Some of those pick-up trucks seem like they are ready to be...

Mr. Riley: And the problem Commissioner, is that when you do that, not only you have the labor, but you also come with availability, especially for some of the specialized equipment, and we are holding reserves; we hold reserve vehicles simply because of the majority of the active fleet is so old that we have to have these stairs because when they break down they can't simply stop working.

Commissioner Lago: And not only that, I mean it's also inefficient. One of those cars is \$90 to fill up in gas when an electric vehicle is \$6 or \$7 to fill up in reference to electricity cost. So you are being inefficient, not only in funds, but you are being inefficient in time because those vehicles take – sometimes they don't start, sometimes they don't work, and the people who are using the vehicles here in the City start their days off late and who suffers? - the end-user suffers, the people who are waiting for that inspection at 9 o'clock in the morning and the person doesn't show up because the vehicle doesn't start. But it's a multitude of issues why obviously updating the fleet is essential. I along with a lot of the Commissioners and the Mayor here, we are 100 percent behind electric vehicles. So everything you can do in reference to when you are about to purchase something that has a motor on it, anything that's electric, anything that's compressed natural gas that you mentioned. The County has a facility on, I think on 72nd, compressed natural gas, or they are planning on it or something.

Mr. Riley: I haven't got the locations yet, but the locations have to be, in other words there is a transit station right next to us, a Miami-Dade transit station, they are thinking about possibly putting in a C&G station there.

Commissioner Lago: Yes.

Mr. Riley: Two issues are that I have a garbage truck trying to get in there and there are busses lined up, that's going to cause a problem for sanitation. If we have an emergency, such as a hurricane or something and the garbage trucks need to pick up debris, is that station going to be available?

Commissioner Lago: We can give and take on those. I completely agree with you, but on issues like people who are doing daily driving, citations, meter work, permitting, inspections, those types of things, I want to strive to get away from just using fossil fuel. I want to try to do something where we use electric vehicles, compressed natural gas – electric vehicles I think is the best option, even better than compressed natural gas. Anything that you can do would be spectacular and the concept that you mentioned getting away from buying these, just replacing these grates and stuff like that is spectacular. You look at these companies that are out there that offer leasing options, I forget their names right now, it's a no-brainer, I use it in my business all the time, instead of buying a forklift just rent a forklift.

Mr. Riley: Right.

Unknown Speaker: Neff Rental.

Commissioner Lago: Neff Rental and there is like 3 or 4 of them that offer that service here in South Florida, so I appreciate your efforts.

Mr. Riley: Before we replace we'll look at the utilization and that justifies based upon how many times we use it throughout the year or years past, will tell me whether or not I'm going to buy it, simply because the department wants it, that might not make economic sense to buy it, because then you have the depreciation factor again over time...replace it; and just because a vehicle sits it's almost as bad as driving it, maybe even worse because the seals wear out, they dry out and you start having major issues with the equipment.

Commissioner Quesada: Mr. Philips, if I could just jump in. I love hearing you speak (laughter), I love hearing your proactive practical approach to trying to solve these issues and you've done it since you've been here since I've been on the dais, so thank you for the hard work and looking for "out-of-the-box" ideas and being practical about everything. With that a conversation I had with Carmen, internally her and I, we were talking about natural gas and I want to bring it up in this setting. It's not, obviously there are a lot of things on staff's plate right now moving forward, so it's a priority, but it's something just to keep in mind to look into in the future is, there is a company that I was approached by called "No Petrol", which is in – I see head nodding, I don't know if they approached the other Commissioners as well, that they can replace your fleet with natural gas vehicles and they have a whole economic model how you save essentially millions of dollars immediately. So it's something if you guys can be looking into that, see if that's a viable alternative. Again, it's not on the front of the list of items that we need to do right now, but if you can just get on that list so you guys can start analyzing that and I think you are a big part of that analysis as well.

Mr. Riley: A lot of the equipment that is old we wouldn't look at converting to C&G because we'll end up surplusizing it.

Commissioner Quesada: I think what makes sense for you, and I'm sorry to cut you off, but I'll let you finish.

Mr. Riley: I've been approached by probably the same individual. There is an inherent cost to it and they expect a certain amount of usage by the City to commit to purchasing C&G.

Commissioner Quesada: OK.

Mr. Riley: Once again C&G is a very good option, very viable, but there is little to no infrastructure in Miami-Dade County as it stands right now, and that infrastructure has to be in place before we can even consider buying. So I'm going to be talking, as a matter of fact, this afternoon with an individual that's working with Miami-Dade County in reference to this RFP...

Commissioner Quesada: Right.

Mr. Riley:...and I'm going to start to take a look at their location to see if it makes sense for us.

Commissioner Lago: Also a big problem there too is if there is a natural disaster, how do you get compressed natural gas to the site? If you have a category 4 or 5 storm you run into a situation where your avenues of ingress or egress may be compromised, so...

Mr. Riley: It's not like a gas station.

Commissioner Lago: It's not like a gas station where you can just go in there – gas you'll eventually run out, but just like compressed natural gas, but if you have an electrical vehicle you can just plug in, unless we lose the whole grid and then everybody is in the dark.

Mr. Riley: We'll put that in consideration as what we do in...

Commissioner Lago: That's why you need to have a fleet that's not dedicated to just one source, that is not...

Mayor Cason: All eggs in one basket.

Commissioner Lago: Yes – all eggs in one basket, all gas, all electric, or all compressed natural gas.

Vice Mayor Kerdyk: But I think he's right though. I mean, I know a little bit about this too. The fact is that there is a big RFP out right now with Dade County, they are about ready to make a decision on how they move forward and it would be prudent for us to see if we can piggyback if we decide to go in that direction on some of the facilities that they...

Commissioner Quesada: I didn't realize there was an RFP.

Vice Mayor Kerdyk: Oh, there is a big RFP...

Mayor Cason: Huge.

Vice Mayor Kerdyk:...and actually they are like ready to getting close to rewarding the RFP.

Commissioner Lago: And you have some of the largest entities in the entire country who are fighting for those RFP's like T-Bone Pickens is here. He is one of the largest energy providers in this country.

Commissioner Quesada: He also has the best name of all the applicants.

Mr. Riley: There a lot of people out in the fleet world who are doing very innovative things. I wrote the national standards for the Government Green Fleet Award. The City of Columbus, Georgia, is building C&G stations and they are actually selling C&G to the public to off-set the OMM, operation maintenance of those stations, so that's what we are going to discuss too.

Commissioner Quesada: I know we are getting a little outside of the budget, but if I can just make a request. As the County either awards that bid, you know if you can be monitoring us and I guess let the City Manager know so she can update us or maybe you come back at a future meeting to see what the feasibility is of us moving forward.

Mr. Riley: [Inaudible...yesterday on this and...

Commissioner Quesada: I'm just saying keep a close eye on it for us and update us.

Mayor Cason: And if there is any opportunities to do something on specialized equipment is not used that much, but which we might want to use with some neighboring cities, maybe there are some possibilities to do things with specialized cherry pickers or I don't know.

Commissioner Quesada: That's true. Good point.

Mayor Cason: Anyway congratulations of what you are doing. You are doing a wonderful job.

Mr. Riley: My staff is doing a wonderful job. The mechanics are the ones...

Mayor Cason: You are doing a great job and we appreciate what you are doing. Thank you.

Commissioner Quesada: Thank you.

City Attorney Leen: Mr. Mayor, I did do a legal research on the question, I just wanted to clarify you. You asked whether the special assessment liens could be enforced against homestead properties?-and I mentioned that when they are on the tax bill they can't. I confirmed also when they are not on the tax bill, as long as the special assessment lien is filed in the public record we record it, we impose the lien, you can foreclose on that lien. So it's something I'll put together with the Manager we'll put together a report for your options. Ultimately, I would view those as policy judgment business decision.

Mayor Cason: Thank you.

Finance Director Gomez: OK. The next item is Contingency Account is increasing by \$378,000. This account is used to cover unfunded expenditures that occur throughout the year. Software subscriptions and PC maintenance is proposed to increase by \$340,000 and this is due to new or additional technology needs of the City.

Commissioner Lago: That would be like the app that we discussed for example?

Finance Director Gomez: The app could be in there; there are other software programs that the departments need and upgrades that they need that will be funded with this budget. Credit card service charges: The budget is increasing to cover the increases in fees due to increase in credit car usage related to pay-by-phone uses for parking meters. And in the next several items, equipment additions are increases and decreases based on Fiscal Year 2015 needs and trends. The smaller items that I won't go into too many details with, but one-time grants, the next larger item decreased by \$265,000 due to prior year grant expenditures that are not reflected in the proposed budget. Grants are reviewed at the end of the Fiscal Year and then any balances are reappropriated at the start of the new year. Other operating costs are decreasing by \$592,000, primarily due to increases in regular ongoing maintenance and reductions made based on historical trends.

Mayor Cason: I'd like to ask whether the priority equipment that the police department wanted like cameras and other things to help special investigative unit's and others is included in the budget?

Mr. Kleiman: The police submitted several new needs this year and we are proud to say that we have funded almost all of them. That's why a lot of the software and maintenance that is to support the police equipment.

Mayor Cason: OK.

Commissioner Lago: How can we get a breakdown of what the actual equipment is and the software that they...

Mr. Kleiman: We can get that for you.

Commissioner Lago: Perfect. I appreciate that. Thank you.

Finance Director Gomez: The next two slides are the detailed – these are the Capital Projects proposed in the 2015 Budget. This list of projects represent projects that are being allocated, that are being allocated revenues from this proposed budget or appropriations from fund balance. The projects listed maybe already existing in our five-year capital plan and adding additional funding to them or they could be new projects that are going to be added to the capital plan. I'll go

through the list of them, if there are specific questions as to the projects I will ask Glenn Kephart to join me in discussing some of those details.

Commissioner Quesada: I have one item I want to address and that's towards the bottom of the page: Old Cutler Bay right-of-way entrance improvement.

Finance Director Gomez: Yes.

Commissioner Quesada: I've been working with that homeowners association for probably about a year. I attended a community meeting with Ernesto Pino, who is the Acting Director of Public Works Department at that time, I'm sure he's briefed you on that.

Mr. Riley: [Inaudible]

Commissioner Quesada: So we had a good meeting there and with the former City Manager, we've had some conversations with them about that neighborhood really hasn't seen an improvement in...

Commissioner Lago: Rodney Barretto's, right?

Commissioner Quesada: Yes and there are a lot of different residents that are there, but it's about 30 years' worth – we haven't done anything in about 30 years to improve that neighborhood, some of the money that's allocated now – what we have a line item here is for \$100,000. What I just wanted to make the rest of the Commission aware is at the public meeting they are going to be coming, they are going to be speaking about it, because they want to get more money. The plan that they are looking at, and again they've hired a landscape architect and they've hired – they've invested some money in it as well and they are willing to invest some money as well, but their plan is looking at \$230,000 for everything they want to do. I'm not saying we go up that high, but I know they want to have an opportunity to discuss it, so I just want to let everyone – I know we are at a workshop here, you could revise it here, but I want to wait until that opportunity so that they could speak because I believe that they've returned Tom Korge maybe?-

Vice Mayor Kerdyk: Tom Korge- yes.

Commissioner Quesada:...to speak to us, so I just want you guys to be aware of that. I don't know if they sent you a letter, they sent me a letter.

Vice Mayor Kerdyk: Yes.

Mayor Cason: I'm going to have to look at look at their projects with Rodney and....

Commissioner Quesada: Yes – and I think they are taxed based, generated about \$1.7 million a year is what they mentioned in the letter.

Commissioner Lago:...for 30 years.

Commissioner Quesada: Yes.

Mayor Cason: In that vain, the Kings Bay project, is that previous budget...

Interim City Manager Olazabal: Yes, that's the previous budget.

Mayor Cason: OK. Thank you.

Interim City Manager Olazabal: We haven't started Kings Bay, right?- so that's something that's going to....it's a capital project so if it's not completed....

Mayor Cason: The only question is that it's already budgeted and it's just a question of working on it.

Public Works Director Glenn Kephart: It is budgeted. We have several meetings already, a consulted that we selected and the goal is to develop a conceptual plan and we think by next month we can set up a community meeting with the neighborhood to review that.

Mayor Cason: Great. Thank you.

Commissioner Keon: Can I ask Carlos...[inaudible]...

Mr. Kephart: Would you like me to address that City Manager?

Interim City Manager Olazabal: Yes.

Mr. Kephart: It's done both ways. We've had situations where we have partnered with the community a 50/50 share, we've had times when we do things adjacent to neighborhoods that, as an example I would say, Gables Estates. We had a project, pretty large project there where we split 50/50 to do some islands, some paving before the time when we would have normally done the paving. Then in addition, there were some landscape improvements that we later did out on Old Cutler Road that were also an enhancement to the neighborhood and you could say would be similar to doing some landscaping enhancements in the Old Cutler Bay neighborhood as you are going into that entrance. So it's been done both ways, both partnerships and also projects that we should do as, we own part of the right-of-way and have the responsibility for that right-of-way.

Commissioner Keon: [Inaudible]

Mr. Kephart: That is – some of them do and some of them don't. Gables Estates is an example, obviously has mandatory dues and they have a budget and they can program Old Cutler Bay does not have mandatory dues, so they don't have a set budget, they have some people who contribute, but it's harder for them to plan.

Mayor Cason: OK. Thank you.

Commissioner Keon: [Inaudible] Thank you.

Commissioner Lago: If I could just bring up one item here to bring the Commissioner's up to speed in regards to a potential capital project that hopefully to address this cycle, but maybe we can address it next year. The museum is having a little bit of an issue in regards to railings, a gate that is broken, and their fountain is leaking. I'm not sure if there has been a value attached to what the cost should be to correct these issues, but I just want to make sure that we do have some funds available, it is a City property.

Finance Director Gomez: We are funding them \$100,000 in this budget.

Commissioner Lago: But I don't think that's allocated for...

Mayor Cason: That was separate I think – they brought this up back...leaks...

Finance Director Gomez: For operating expenditures we are funding them \$100,000.

Commissioner Lago: Would operating be considered....

Mayor Cason: Is that the grant we gave them or is that separate?

Mr. Kleiman: We actually are requesting from the museum a list of what they want to spend to \$100,000 on because it's going to be in the form of a grant. If the repairs to the fountain and the gate are capital in nature then we might have to prepare a capital project.

Commissioner Lago: Yes, that's what I was telling....

Interim City Manager Olazabal: Cindy, the question may be as to how the lease is structured and who is responsible for those kind of the maintenance issues, it depends on how the lease is structured.

Ms. Cindy Birdsill: The lease is actually split up in different areas, so we are responsible for certain areas, the museum is responsible for certain areas. I was just telling Glenn that I think that if there is a leak in the fountain that's probably ours, because that's exterior.

Commissioner Lago: And the railings and the gate and some issues?

Ms. Birdsill: Where is the railing and the gate?- are they inside?

Commissioner Lago: Again, I'm just putting it out there because we are going to have to probably, if somebody is willing to go from staff to take a look at it. They've asked me just to look into it. I've said – again, I mentioned exactly what our Director of Finance just said, you know we are getting \$100,000. So they say yes, but Vince that's for programing; that's for programing nature, that's for education of the children, it's for doing events that are going to benefit the City. They are asking us, when I mean us, the City of Coral Gables to help in regards

to certain issues, which are in capital in nature. I could ask them to put together formal bids, which is like the standard protocol and present it to staff, or if one of the staff members would like maybe we can schedule some time to just take a look at it and see what the issues are.

Mr. Kephart: We will follow up and will determine whether it's the responsibility of theirs under the lease or if it's a responsibility of the City under the lease then it would fall under our facilities maintenance operating budget, most likely that the type of projects that you are describing.

Commissioner Lago: That's all I want. I just want to be able to find out who is responsible for that and then if it's the museum's responsibility let them take care of it, if it's the City's responsibility to correct the issues in regards to the leak and the fountain and it's not leaking all over the terrace, we'll take care of it, whatever has to be done.

Vice Mayor Kerdyk: Do you know if that has been an issue that they've been dealing with for a while?

Commissioner Lago: For a long time.

Vice Mayor Kerdyk: Because I can remember talking to the previous City Manager about this issue and he always told me we are taking care of it, we are taking care of it. I'm not quite sure it was the fountain, but I know it was the gate and there were some lighting issues that they had to deal with. So please look into it. This is something that has been going on for many, many years or a few years, let's put it like that.

Commissioner Quesada: Hold on a second. I'm sorry to interrupt you, but you mentioned the lighting issue, next October it would be three years.

Vice Mayor Kerdyk: You and I talked about it last year and the year before.

Commissioner Quesada: Yes at several Commission meetings.

Vice Mayor Kerdyk: This is not something that's...

Commissioner Lago: And the problem you are getting into and that's what the Vice Mayor and Commissioner Quesada said, it's not a problem now, it becomes a problem when someone falls because of the railing and then you have a real issue. Someone slips on the water, that's my big concern, or someone goes into the property with the gate that's open and something occurs in that building, so that's what I'm trying to avoid. These are fixes that I think once we put them into context they are minimal. I don't see them really being...

Vice Mayor Kerdyk: Those are concerns, but my concern is we do what we told people what we are going to do, and if we told people we are going to do it, we need to have done it. Can you shed some light on that?

Mr. Kleiman: Yes Vice Mayor, you are correct. There is a project in the budget from either FY13 or 14, for museum gates. I don't know if it's for the same gates that Commissioner Lago is referring to, we need to look and check that.

Mayor Cason: Why don't you look into it, could you send us all an e-mail and tell us where everything stands?

Commissioner Quesada: How about you just tell us at the next meeting.

Mayor Cason: Or if you get it before. The next meeting is going to be...

Mr. Pino: I can give you a brief update on this project. The lighting project is ready to go to bid, it took a while, but it's to illuminate the plaza, and also as part of that project we have a double gate that goes from an atrium to the plaza, so maybe that's the gate that you are referring to Commissioner, maybe...

Mr. Kephart: We'll certainly look into it.

Interim City Manager Olazabal: We'll reach out to the museum to make sure we are on the same page. If there is anything else then we'll bring it back and report back to you.

Commissioner Quesada: What bid are you referring to in the lighting?- because I was under the impression that it was awarded like a year-and-a-half ago, that's what I was told.

Mr. Pino: Stantec was the consultant working on the project and they've gone through the different – they gone to the Historic Board, they've gone to the Board of Architects, it's all approved and it's just decorative lighting, including the illumination of the tower.

Commissioner Quesada: OK. I understand. We've got to sort of look at ourselves, why does it take two-and-a-half years to get to this point to add some lights for a plaza of decorative lighting? I'm not saying it's you guys fault, but I think we should always question what we do and just strive to be better because man, it's a long time guys for decorative lighting, two-and-a-half years, it's crazy. Again, I'm not saying it's you guys fault, but it's an opportunity for us to look at our procedures to see how we can improve the efficiencies, make all our lives easier, and also moves things a long a little bit quicker. Don't take it as a criticism against you guys, it's just nuts. OK. Thank you.

Mayor Cason: Thank you.

Finance Director Gomez: So on page 7, the total General Capital Improvement projects that are added to the capital projects budget is \$3.2 million. On the next page shows that we are adding impact fee projects of \$79,696, and this is we are appropriating impact fee dollars collected through the end of Fiscal Year 2013. We appropriate these after the fact in order because we don't know what we are going to collect and then they'll be used in projects moving forward.

Vice Mayor Kerdyk: You know, I want to mention I know we talked about the \$100,000 for the museum. You are going to be hearing from Actor's Playhouse too, so just be aware because they didn't get their 25 (\$25,000), they were getting 25 last year and they are going to be coming asking for some too.

Commissioner Lago: And just to go off what the Vice Mayor says, I want to sit down with them.

Vice Mayor Kerdyk: You should.

Commissioner Lago: And I looked – you had requested some....

Commissioner Quesada: I had requested their financials...I received a copy.

Interim City Manager Olazabal: We have to meet again with Actor's Playhouse.

Mayor Cason: Cindy what's your...

Ms. Birdsill: Yes. I spoke with Barbara Stein. What we have put in the budget is \$50,000, the Public Works budget for maintenance of their building and we are talking with her, we'll bring it to the Commission by doing an amendment to their agreement with us for the City to take over responsibilities for plumbing, electric systems, not their fancy lighting and design of the shows...

Commissioner Quesada: The basics.

Ms. Birdsill: The basics and also the HVAC, so we will budget for that. The HVAC is aging and that's an expense that they are worried that is coming up in the future, so we will, I think Glenn's estimation was about \$60,000 to the City a year projected for all of those things.

Commissioner Lago: Let me ask you just a quick question because I know that assuming that everyone on this dais has dealt with. I went and did an outside visit and I noticed, but not I noticed they showed me, that they had a leak on the second floor which ended up warping the wooden floor, and when I say warping, it's like a six inch slope now in reference to where the water ponded and it lifted the wooden floor, nothing out of this world in the sense of it happens if you have a leak. Has that been remediated?- is the City responsible for that?- because obviously those windows do not seal when it rains, you have ponding on that portion of the deck outside of the window and then it obviously leaks into the building.

Mayor Cason: I guess the basic question, did they fix the leak?- because a tremendous storm water was coming down through the lobby.

Commissioner Lago: And the problem is the children or the members of whatever show they have, they practice in that room. So they are practicing over a floor that is not even...

Ms. Birdsill: I know that some of the leaks and Glenn may know more of the status of this, were caused by a roofing contractor. There was a claim made against them that our risk manager is working with the Actor's Playhouse to resolve a lot of the issues they've had.

Commissioner Lago: So that leak was not as a result of the old windows there?

Ms. Birdsill: I don't believe so. I think it was...

Commissioner Lago: Thank you. Thank you for that, I didn't know. I had no clue.

Mr. Pino: There was some water coming into the building from the store front that's right in front of the, they call that room the "Black Box".

Commissioner Lago: That's the second floor, right?- second floor that overlooks Miracle Mile?

Mr. Pino: Correct. Correct. And we did a repair work to the canopy and some roofing work done in there has been resolved...

Commissioner Lago: You corrected the pitch, you sealed it, the whole thing.

Mr. Pino: Yes, we have. There is one other project that's still in the works a month or two ago, is just waterproof and seal the exterior walls of the building, which also contributes to some of the water infiltration into the building.

Mayor Cason: So do you think more or less we have got a handle on the leakage?

Mr. Pino: Yes we have. And in addition, we've also reroofed the building right next to it, the Super Cuts Building, we call it the corner building, which also had some issues and it's all put together.

Commissioner Lago: So now that that's been corrected, who is going to fix the flooring issue there?- who is responsible for the flooring?

Mr. Pino: I think that's being handled through an insurance...

Commissioner Lago: Plan.

Mr. Pino: Yes – with the contractor and risk management is handling it.

City Attorney Leen: Yes Mr. Mayor. I have to say that staff has been very proactive on this one. We met with the Actor's Playhouse about 8 months ago was it?- maybe more. I remember – there was initially some back and forth with Actor's Playhouse. They felt that we were not being responsive enough, but I'm talking about a long time ago and we responded very quickly to them. We met with them. I think they've been very happy with our response since then. I don't want to speak for Actor's Playhouse, they probably always want us to do more, but in terms of

the contract and I gave a legal interpretation on what we were required to do and I think staff has followed it and I know we've been working with them on the insurance claim, and my feeling is, I talked to Barbara that they were pleased with our response. They may not completely agree with, but they saw that we were doing everything we felt we could legally under the contract.

Mayor Cason: A great step forward that we put some money in there for these basic needs because they are doing a great job and it's non-profit and we've seen their financials and there is nothing excessive in terms of compensation or anything. Anything we can do to help them on that score, it's our building.

Vice Mayor Kerdyk: I think that's the talking point, it's our building. The fact is it's our building and a lot of these other non-profit's come to us and say, hey why you doing that?- it's very easy, because it's two of our buildings, the Museum and the Actor's Playhouse. OK. Thank you.

Mayor Cason: Thanks.

Finance Director Gomez: Storm water projects are being given \$457,000; sanitary sewer projects \$1.265 million; roadway projects \$2 million, this is the sidewalk repair program that we are implementing in this budget; and transportation projects have \$850,000 allocated to them.

Mayor Cason: I want to say that I'm really happy that you found the money for sidewalk repairs. We've all walked the streets of Coral Gables in our campaigns, the sidewalks are in terrible condition in many areas. Not only are they broken, a lot of times by our trees, but also they don't connect. I've seen that the County has started to connect to Anderson and a couple of areas around Granada Golf Course, which is great. I don't know how much more that's going to be done, but the more we can connect and get people off the streets and onto the sidewalks, it's a safety issue and I hope when we are doing this, we discussed this with the previous City Manager that we could have a piggyback program for residents whose sidewalks are broken because, not because of us, but just don't know how to go and get a sidewalk piece repaired. If we can piggyback off a contract where you can say, we've got a truck with our type of cement for "X" amount per square we'll do it, so that you can get your sidewalks repaired, because it's just a question of – I had it done at my house when I first moved here and I had to buy a whole cement truck to do three pieces, and then afterwards the whole truck goes away with the cement, but I think if you found a way to have a cooperative or someone piggybacking off the contract you could help people that want to repair the sidewalks don't know how to do it, don't want to buy a whole cement truck.

Mr. Kephart: Thank you Mayor. What I expect with the sidewalk program, a couple things that we will be doing is, we need to come back to you in the near future establishing the criteria that will determine that sidewalks will get placed within that \$2 million. We want to be very clear about that, so we are not chasing this all over the City, we are doing what we need to do is the most important. We have looked at and are looking at options as well as preparing that criteria

for that piggyback option that you have talked about, because it does make sense it's a lot easier for us to set up the project for the homeowner although it may not be the City's responsibility to pay for that, so they could in essence contract with us as opposed to a contractor, but we have to work through those issues of how that mechanism would work and then get your blessing on that and then we would move forward with the project.

Mayor Cason: And then also take a look at the City Code because there is a number of things in there regarding to sidewalk repair. I think if you do an improvement on your property over \$15,000 you automatically have to repair the sidewalk whoever broke it.

Commissioner Lago: That is what happened to me. I just recently replaced five flags on my sidewalk, even though there were there from before, three of them were there from before and two of them were caused by me, but they were replaced and I had no other choice, but one of the things so that we can take a look at...

City Attorney Leen: Commissioner do you want me to wait?-but there is an issue regarding that I wanted to raise.

Commissioner Lago: Well I already did it, so it doesn't matter.

City Attorney Leen: No, but in addition to that.

Commissioner Lago: But you have to do it anyways, when you can't C.O. the property without fixing the sidewalk, so they come out and do a final inspection.

City Attorney Leen: And we enforce that, but that sidewalk provision...

Commissioner Lago: At least they enforced it on me.

City Attorney Leen: ...needs to be look at.

Commissioner Lago: And that was two months ago.

City Attorney Leen: The sidewalk provision needs to be look at though, because there is a...I will just tell you what we have been doing legally, the way we have been approaching it, the sidewalk provision imposes on the adjacent property owners the duty to maintain the sidewalk. The City has a non-delegable duty to maintain the sidewalk, but we also can impose it on residents, there is a Third District case that says that we can do that and we do. However, the only time it ever comes up, at this point the prior City Manager had made a determination that we can send a notice to the property owners letting them know about a defect on the sidewalk and asking them to fix it and that initiates a process. We have not done it, and I am not saying I disagree, it is business decision, but I was happy with that decision, I do think it is quite a burden to put on someone...

Commissioner Lago: I think that is more feasible when you had a situation like what I had, when you pull a construction permit, you are in the process of a permit, you are correcting a deficiency in your home, you are adding an addition, then you can say. "OK, I am not going to give you, your C.O. or your T.C.O. until you have final zoning which dictates having sidewalk inspection. Then the person understand, and says that is the cost of doing business, but a person who has never done anything in their home for 30 years and then you pass them along a cost, they are going to be, they are not going to pay it. We are going to have the same situation as the garbage.

City Attorney Leen: The thing I need to raise with you though is what happens sometimes we get sued for sidewalk and there always has to be a question, do we bring in the adjacent property owner or not?-what we have been doing is for commercial properties we have, for residential properties we have not, because of the burden, but I need to let you know that and it seemed like a good time to let you know since you are raising it. Carmen and I never talked about this particular Ordinance, I had always talked about it with the prior Manager, so I will arrange a meeting to talk to her to see what she thinks about it.

Mayor Cason: A lot of this will be mute to the extent we fix the sidewalks. This amount of money, how many...

Interim City Manager Olazabal: The philosophy once we start to do the Sidewalk Replacement Program is we are going to be addressing the main issues and at that point we will start getting the sidewalks to a level where now you can start enforcing if the sidewalk breaks and it is the responsibility of the owner and that sort of thing, or the City will be replacing it when it is our responsibility because it is a City tree or something like that.

Mayor Cason: Tell me about...

Interim City Manager Olazabal: It is hard to enforce when the problem is so wide spread.

Mayor Cason: Is this \$2 million for the sidewalks, 1.2 out of roadway and another 750.

Interim City Manager Olazabal: It is \$2 million, but it is funded through two different sources.

Mayor Cason: So there are \$2 million for sidewalks.

Interim City Manager Olazabal: Yes.

Mayor Cason: How much of the problem do we estimate that, that will fix, how many miles of sidewalks?

Public Works Director Kephart: The actual miles I have to get that with you, but I have to tell you that I worked on this issue a few years ago and stepped away from it for a few years, but it is back and it is an important issue, but at that time we had estimated and we had Stantec help us do

an analysis of the City and we felt that the \$2 million would pretty much get us up to speed on the City sidewalks.

Mayor Cason: Wow, that would be wonderful.

Public Works Director Kephart: And now to add to the issue and to complicate the issue, it is by Code that the homeowners responsibility, but it is very difficult when it is the City tree roots that are breaking the sidewalks and we don't let...

City Attorney Leen: That is one of the issues that comes up.

City Commissioner Lago: The reason why I was bringing this point up to you, this is my only concern, I just want to make sure that we are allocating funds to be able to meet the needs of those trees, in the sense of, the sidewalks are broken because of the roots, if you are going to dig that up and you are going to a re-pour concrete flag, let's make sure that we put that lining where the roots are pushed down. It is about 48 inches, it is a material that you buy and you put it next to the, you know exactly what it is.

Public Works Director Kephart: Yes, and that is something we have in mind.

City Commissioner Lago: The problem is that is something that is very expensive, actually more expensive than the actual flag, so do we have that money included in this budget?

Public Works Director Kephart: We looked at that conceptually and that is where we came up with the budget, I would say that the \$2 million is several years old and construction costs were a little better a few years ago than they are now, so we may find that, and once we get into final design we will get a refined number, but we believed that was a reasonable number to start with.

Mayor Cason: Tell me, do you plan to go with an RFP for one company, how do you...?

Public Works Director Kephart: We are talking about that, I actually think it would be advantageous to probably have two companies, we haven't decided that, but it gives us a little more flexibility.

Mayor Cason: That is a good idea, for me this has been my highest priority for a long time, the sidewalks

Commissioner Quesada: I am going to call a point of order, to request all of the campers from the Coral Gables Museum...

Commissioner Lago: Here you go, here are your programming dollars right here.

Commissioner Quesada: Here they are.

[Inaudible]

Commissioner Quesada: Are these the campers?

[Inaudible]

Commissioner Quesada: Good, well welcome.

Mayor Cason: We like happy campers. Anyways Carmen, and Bill just mentioned this too, I would like to see this start as soon as you can, I think this is one of the things, next to Miracle Mile that is an embarrassment to the City, the status of our sidewalks and the gaps. The irrational gaps that I don't know historically they have occurred whether it was a powerful person lived and didn't want anybody walking on their swale or whatever, but the faster we can do this, and if we have to break it up into two parts, just to speed it up.

Public Works Director Kephart: If I could clarify too, and I think we are pretty far along on this where we can come and do this, but the estimate, the \$2 million what is programmed here, is not for gaps, that is to repair what is existing there now, and the gaps would be an additional and it is a different effort also because the gaps require community involvement, we find that sometimes when it is obvious that we should close the gaps the residents adjacent to that may not agree, so we want to make sure that portion of the project needs to get vetted, I believe.

Mayor Cason: Well you know my concern about the one gap on South Greenway in front of the old black house that causes people pushing baby carriages to go onto the street and that is one that is logical because it really is a safety issue and I hope that is in this because otherwise we...

Commissioner Quesada: And that is on a bend, so it is a very dangerous location.

Interim City Manager Olazabal: We will look into that.

City Attorney Leen: Mr. Mayor because the City trees came up, the position that we have been taking with the City trees is that the residents shouldn't touch them, so you remember recently that a tree fell down on someone's house and the position that staff has been taking and I agree with them and I have been doing the agreements is that in those situations we try to help the homeowner and anytime when a City tree causes something to a sidewalk we try to be helpful to the homeowner, but you know technically as a legal matter we have sovereign immunity in my opinion on those issues, but I just wanted to let you know that is what we have been doing and we are going to continue doing in that. Always trying to help the homeowner, I believe Carmen wouldn't mind me saying that for her, and from a legal matter I have always signed off on that, because I do believe it serves a public purpose.

Commissioner Lago: Thank you Craig.

Mayor Cason: Thank you.

Finance Director Gomez: So, the budget includes \$7.9 million of Capital Improvement Projects and \$3.1 million that we talked about having to do with Motor Vehicle Replacement Program for a total Capital Projects of \$10.9 million.

Mayor Cason: Now tell me on the bike path installation how much of what we heard in the Bike Program is covered by this?

Public Works Director Kephart: The Bike Master Plan that you have approved, that project is estimated to about \$2 million. Currently we are in the process of selecting a consultant. We have already talked to a few to do the design and implementation of Phase 1 of this plan and we will have that Phase 1 be within the \$600,000 budget because what we had previously and what you are adding is about \$600,000 in that program for Phase 1. To completely build it out it will take additional money what we are looking at in phase 1 of the plan is not necessarily just from point A to point B because what we are going to find when we do that Bike Plan is going to be a low hanging fruit there is going to be some things that you can do that are obvious and easy and it will be my position that we need to do as much of that stuff as you can and there is going to be stuff that is going to be very, very difficult to do and are going to take years.

Mayor Cason: Frank were you looking into a grant?

Commissioner Quesada: I was going to let him finish. Yes, there is about \$1.6 million that we need, that we may be able to get from the County. I have had several discussions with Commissioner Sosa and her office. It is not finalized yet, there is a legal matter that she has to address to confirm because that money is related to the money that we were going to use for the Senior Center, however we were able to do it without the Senior Center, however she had earmarked those funds and set them aside specifically for Coral Gables. So the fact that we are not using for the Senior Center she has to...you are smiling and it is telling me something different.

Finance Director Gomez: No, I am sorry.

Commissioner Quesada: Ok. I would hope you would correct me, if I am saying something incorrect, but the conversations that I have had with Chairwoman Sosa, is that she tries to allocate funds to the municipalities within her district as all of the Commissioners do and that \$1.6 million is allocated toward infrastructure improvements in Coral Gables so the idea was that I was trying to pursue it is obviously a decision of this Commission has to make is to apply that \$1.6 million to the infrastructure which is the Bike and Pedestrian Master Plan. We have \$400,000 the total amount is \$2.3 million for the entirety of the Plan so it would be a nice tie in. We would be pretty close to getting it all done with the monies we would have in place. However, we still need the green light from Chairwoman Sosa and the County to say, "yes, you can use it for this project". She is confident, but she is not certain, so she is still in the process of confirming that.

Mayor Cason: Does she need anything from us?

Commissioner Quesada: No, she had a meeting with the County Attorney's Office related to this topic, I think about two weeks ago. I don't know if they were going to give her a report back, but when she was done, she was going to reach out to me and let me know and then we can put it in the Agenda. She would come to the meeting and we would discuss it and then we would go from there, is what I had discussed with her. So, right now it is a possibility, nothing is set in stone and there are no guarantees at this point.

Mayor Cason: I understand, there are a couple of reasons why that \$1.6 million, I think we don't need for the Senior Center if I understand and there some downsides if we take it, in turns of, if we take that money for the Senior Center and then anybody in the County can use the Senior Center.

Commissioner Quesada: I think the main point was that we could do it without the money.

Mayor Cason: Without the money. That is right. Ok.

Finance Director Gomez: The next slide, slide 9, shows that this proposed budget maintains the number of budgeted positions from the prior year, so we are not increasing the number of positions.

Vice Mayor Kerdyk: I have a couple of questions as far as this goes. First of all I wanted to just point out that the City has reduced the amount of people that work for the City from 871 to 800 and kept, or actually increase the amount of police officers and kept the same amount of Fire Department. My question however is not that, my question is of last year, we had 800 employees that were budgeted, what amount, I could ask you that as of right now how many positions are vacant?

Finance Director Gomez: Currently there are about 70 positions that are vacant.

[Inaudible]

Vice Mayor Kerdyk: That is what I wanted to point out. So there are 70 positions that are vacant and what is the average salary? Would you guess the average salary, or do you have a number of what...

[Inaudible]

Vice Mayor Kerdyk: \$50,000.

Budget Administrator Kleiman: I would say it is about \$50,000 with some vacancies at the higher level and some starting in the high 30s.

Vice Mayor Kerdyk: So you are saying \$50,000, \$60,000. So let's use \$50,000 plus the eighty percent benefit package that you were telling me about, add forty, that is ninety. Ninety times seventy that is \$6.3 million that is there in our budget. Now hopefully we will fill a lot of those positions, but that is how reserves are built.

Mayor Cason: That is how reserves are built.

Commissioner Lago: No, but it also makes you wonder are we going to push to fill as many of those positions as we can or are we going to kind of slowly try to continue to build reserves as you guys did.

Vice Mayor Kerdyk: Well, I think that you have to, I think this gets into a dialogue that I wanted to have actually yesterday, and I can sort of piggyback on it, that we need to prioritize what we are doing in this City because our staff is overworked and maybe we do need to add some people here and just look at the City Manager's Office in general of course we have an Interim City Manager, but we never had really two other positions filled at one time, I think that would be helpful. You know there are some key positions that we really need to work on. We are working on our Police Department which is good for the residents, I think that we like building reserves, but you want to continue to offer quality services for our residents. I think that is our key thing, I actually want to compliment everybody because I think we are providing really good service with less people, and I mean exceptional. Actually I am really impressed with how good people respond in our staff, just the level of people that we talk to our department heads, the people underneath our department heads, Naomi, everybody, Dannette, Evelyn, yourselves, everybody here it is just really, really good, it is very, very helpful and I thank you for doing that, but I do think this Commission needs to prioritize to a certain degree give them things that we really think are high level, high importance specially as we are making a transition to a new City Manager.

Mayor Cason: And particularly when our biggest challenge that was addressed up until recently was going from basically zero reserves to something that is more or less normal in the twenty to twenty-five percent of operating budget which we are now in.

Finance Director Gomez: Close to it.

Mayor Cason: Close to it. It seems to be, and that is the rainy day fund that you save for a hurricane or some terrible disaster keep that aside, don't plan to use that for operational things, and then to the extent that we have more reserves we need to look at the question of personnel or the question of more money into infrastructure, the Neighborhood Renaissance Program took care of a lot of the pent up demands with the debt refinancing, but as the property values increase and hopefully as we can continue to maintain the low millage rate we won't have extra money and are going to have to decide what are the priorities. You might start by giving us a list of those vacancies and which ones we are actively trying to fill and which ones are there to...

Interim City Manager Olazabal: We can provide a list of the vacancies, some of the vacancies at the higher level we have kept basically frozen so that when the new City Manager comes they can decide who their team is and what positions they want, that is part of what is going on.

Budget Administrator Kleiman: And also now especially before we fill a position, the position request comes through Finance and Budget, if a position has been vacant for a while and the jobs have been getting done we look at that position to see, if this is necessary, is it time to reclassify, because the City is constantly changing so before I sign off and Diana signs off, then it goes to the City Manager we will give her a recommendation whether we feel this should be filled or not

Mayor Cason: And just keep in mind the pension aspect, the increase in our pension obligation because that is an area that is very tough to get...

City Attorney Leen: And Mr. Mayor there is one other thing going off what Carmen said once the vacancy is filled after six months they are on probation, but after that under our Charter they have the protection of the Trial Board, if they are an exempt employee so then it might be much more difficult for the City Manager at that point to replace them so you have to always remember that we do have sort of a hybrid system here after six months, there is a Trial Board is very rarely used. I don't think it was used while Pat was here constituted, but just be aware of that, that is why I think there is that legal element.

Budget Administrator Kleiman: Before we move onto the next slide Commissioner Lago earlier this morning I discussed some vacancies from prior year, that was from memory I would like to come back either after this meeting or maybe before the first hearing just to confirm that the numbers I gave you were correct that it was tied to the overtime for the Police.

Commissioner Lago: Of course, I appreciate that. Thank you.

Finance Director Gomez: OK. The next slide...

Commissioner Keon: [Inaudible]

Finance Director Gomez: We can provide the list of vacancies and we can add that information to that list of how long that specific position has been vacant. We can provide that.

Commissioner Quesada: You are saying for the next meeting.

Finance Director Gomez: At a later point yes, not right now.

Mayor Cason: OK. Thank you.

Finance Director Gomez: Ok so the next slide is the schedule of the Property Tax Millage Rate for the past 10 years the Fiscal Year 2015 Budget Estimate includes a modest decrease in the

millage rate of .04 mills from 5.629 to 5.589 representing the fourth consecutive year in which the Millage Rate has been reduced. The next slide...

Commissioner Lago: Quick question, just to get an idea so that when I make a statement I am correct. How would that put us in reference to the other 31 municipalities in the County?

Finance Director Gomez: That is going to be coming up.

[Laughter]

Finance Director Gomez: So the next slide shows a five year history the average taxable value of a homesteaded property I am looking at 2014 the average taxable value is \$560,000 which shows an increase on the prior year of \$16,000 or three percent, and this again is based on the June 1st, estimated property values provided by the property appraisers office.

Commissioner Quesada: And I am going to ask some questions of the Vice Mayor just to get some free real estate advice. Are we at the peak do you think?

Vice Mayor Kerdyk: I think we are getting close.

Commissioner Quesada: We have to be near it.

Vice Mayor Kerdyk: It is getting very close.

Commissioner Quesada: The peak of the market, I mean look at...

Vice Mayor Kerdyk: The fact is that we have had a huge increase in values, I mean forget looking at these...

Commissioner Quesada: But even here it shows the trend.

Mayor Cason: These are homesteaded properties.

Vice Mayor Kerdyk: Right, but we have had a tremendous jump both in residential and commercial values and a lot of turnover, you know a lot of people selling and there is still an abundance of buyers out there and there isn't much inventory so it is still driving prices.

Commissioner Quesada: Inventory is not high yet.

Vice Mayor Kerdyk: It is still not high.

Mayor Cason: And those foreign buyers that are coming in don't get homestead, so they can buy a house under homestead and we get a huge increase in tax.

Commissioner Quesada: That is true. That is a good point.

Vice Mayor Kerdyk: We will have a little bit more time, but it is getting closer.

Mayor Cason: How much of the construction we have seen over the last couple of years, have the impact fees started coming in yet? have we started collecting any of that money?

Finance Director Gomez: The Coral Gables impact fees, yes we have collected over the past several years, we have in total \$4.5 million of impact fees, and there are different amounts allocated to different types of district, Fire, Police, Parks, General.

Mayor Cason: and we have a lot of big projects in the works that probably should bring us quite a bit of money in the next couple of years.

Finance Director Gomez: That is correct. The next slide is a slide that Commissioner Lago mentioned and he is not here.

Mayor Cason: And he is not here.

Commissioner Quesada: Are we the lowest full service City, I am sorry the lowest millage rate for a full service City in Miami-Dade County.

Vice Mayor Kerdyk: I think it is Dade County and Doral.

Mayor Cason: I think we are the third lowest, and that is the figure we have been using before, did that change?

Commissioner Quesada: I am looking at it here, and there is a real drop off between twenty-four and twenty-five. Sweetwater doesn't have their own Fire Department, and I don't think any of the others do, and Key Biscayne I think they share...I think it is the same thing, they have Police, but they don't have a Fire.

Commissioner Keon: They do have Fire.

Commissioner Quesada: I thought Key Biscayne was on County Fire Department, but not their own municipal Fire Department.

Finance Director Gomez: They do have Fire.

Commissioner Keon: [Inaudible]

Commissioner Quesada: Ok. So we are the second lowest millage rate for a full service City in the County?

Mayor Cason: It would be nice to know because when I talk we are the third lowest for a full service City, it would be nice to know to get it correctly.

Commissioner Lago: That is why I asked.

City Attorney Leen: If you just look at the 5.7980 for the County, those are the ones that are full service cities because you are not adding to the millage rate for the County. So we are the second lowest.

Mayor Cason: OK. We are improving.

Commissioner Lago: We need to be the first.

Finance Director Gomez: And the next slide is showing how each tax dollar collected is distributed to us. For each dollar that residents pay in property taxes Coral Gables only keeps \$.29. Yet we are providing virtually all of the services to our residents, the States takes \$.2, School Board gets \$.40, and \$.29 goes to the County.

Vice Mayor Kerdyk: That is the most impressive slide.

Commissioner Lago: This slide really shows you the amount of money that we spend in regards to the City, in regards to tax payers dollars, versus School Board that is just huge.

Mayor Cason: \$.29 of your tax dollars...

Commissioner Lago: And I know that has been a topic that Commissioner Keon has mentioned several times in the dais we are going to be confronting that issue in regards to neighborhood schools, in regards to our renovations of schools, in regards to the bond referendum program which was approved by the entire County, so it is incredible how much we pay there.

Mayor Cason: I would like to...

Commissioner Keon: We are talking with them [Inaudible]

Mayor Cason: I would like to get the sense of the Commission on an issue...

Commissioner Keon: [Inaudible]

Commissioner Quesada: I am sorry Commissioner Keon can you repeat what you just said...?

Vice Mayor Kerdyk: Just go ahead.

Mayor Cason: I would like us to consider giving a modest pay increase to Walter he hasn't had a pay increase for seven years, he has got almost 30 years experience, as you know he runs a passport program that brings us hundreds of thousands of dollars of revenues which is with a lot of really hard work, stuff he doesn't have to do, he has got a lot of imaginative projects with the virtual walking tours...

Commissioner Lago: The book...

Mayor Cason: I would like to see him get at least a five thousand dollar pay increase which is well within the range of all the cities I have looked at.

Vice Mayor Kerdyk: Hold on, let me just say I am totally supportive of a pay raise, I just want to make sure \$5,000 is the right pay raise for him.

Mayor Cason: How much is it?

Vice Mayor Kerdyk: Four percent in the last seven years.

Mayor Cason: He has had no increase since...Walter when was the last...

City Clerk Foeman: 2008.

Commissioner Lago: Knowing Walter...Walter if I can speak on your behalf, I know Walter is probably rather embarrassed right now...

[Laughter]

Mayor Cason: He didn't raise this.

Commissioner Lago: But let me tell you, he has never raised the issue with me either, but I along with the Vice Mayor and the Mayor agree 110 percent, I just can't believe you brought that up right now. Which is great.

Mayor Cason: Well we are talking about budget so...

Commissioner Lago: Let's do it. I am with you.

Commissioner Quesada: I am in favor of this as well.

Mayor Cason: Anybody disagree?

Commissioner Quesada: He has made that office a revenue generator.

Mayor Cason: He generates a lot of revenue.

Commissioner Lago: Walter how much money has the passport operation that you basically came up with and have run barely with the staff that you need, incredibly successful what do you generate a year for the City.

City Clerk Foeman: Well to date we have generated \$323,718 from passports but we have other revenue generators too the Document Filing Fee which for 2013 we generated about \$189,000 and that was an Ordinance that we...

Vice Mayor Kerdyk: What I would like to do if it is OK, I think he hasn't had a pay raise in seven or eight years, I mean I think more appropriately it is \$10,000 for a pay raise he gets up

into the middle range there, and let me tell you I am very conservative with money, but this is a revenue producer...

Commissioner Quesada: Well guys, we just heard that he has generated almost half a million dollars for the City this year.

Mayor Cason: I wanted to throw this number out to get a sense of what we feel, but I think he is a person that not only in one year, but since this passport program it is close to a \$1 million.

Commissioner Quesada: Remember the document filing fee that he just mentioned just in this year we are at \$500,000 between those initiatives in this year on those two.

Commissioner Lago: There are a lot of things that he does that I just found out about for example, he deals with the Agenda, he deals with a multitude of issues that go unnoticed because he is such a professional at what he does.

Commissioner Quesada: I think we are in agreement as to the deserving nature, why don't we thing about the number and we come back.

Vice Mayor Kerdyk: I would like to make a motion for a \$10,000 increase.

Commissioner Quesada: I am sorry wait, Commissioner Keon.

Commissioner Keon: I think there should be a process by which we evaluate and we talk about those people that are direct reports to us and we make a determination as to their salaries rather than just do it on the spur of the moment on the dais. He is more than deserving and he may be more deserving than that, but I think that, that is not the best way to give raises is not in the spur of the moment from the dais.

Mayor Cason: I don't think it is a spur of the moment, I think it has been delayed for seven years and I think for a long period of time there was a cost of living increase that had been sort of voluntarily not pursued.

City Attorney Leen: There is a Resolution...

Commissioner Keon: The discussion is spur of the moment, the discussion has not being in anyway planned and it is a discussion that has come up. I think that we have three direct reports and I think that, that is a discussion that we should have in an evaluation process just like we do everyone else in the City and the we follow suit, there may be other things, there may be pension related issues, there may be 401k, there may be a multitude of things that might go into the salary or benefit adjustment that I think it would be better that we would do in a more planned fashion.

Commissioner Quesada: I agree with Commissioner Keon.

Vice Mayor Kerdyk: Do you?

Commissioner Quesada: I do. It is true, I know it is unique for us because we only have three employees that really directly report to us, there is a procedure for every other employee in the City with a report and even recently we did our reports Dannette, at least I did, I would imagine the other Commissioners as well. So, I am not...I am sorry Commissioner.

Commissioner Keon: Yes we did.

Commissioner Quesada: I think just to formalize it a little bit better.

Mayor Cason: I think that we are the only ones that decide on this, I am not sure how else we would do it.

Commissioner Lago: Maybe we could formalize it with Human Resources.

City Attorney Leen: Mr. Mayor there is a Resolution that talks about a 2.5 percent COLA every year automatically for the three officers, but it requires it to be brought to the Commission to ratify it. What the decision has been over the last few years, is that because there have been significant economic issues it has been waived, the Charter officers have not brought it, we have just accepted no raise. The issue with Walter, just so you know is that the City Manager and the City Attorney in full disclosure both received the increases to the pension amount. Walter has not received a raise in the seven years. So that is why he...I don't want to get into the business terms, but you have addressed the City Manager and the City Attorney. Walter has not been addressed.

Vice Mayor Kerdyk: And we have addressed this too, and we did address the City Manager, the previous City Manager and the City Attorney...

City Attorney Leen: Oh, how much is it? Ohh it is CPI.

Mayor Cason: And we will be addressing the new Manager when we hire him.

Commissioner Keon: Would it be appropriate that at the next Commission Meeting in August that we would bring back that Resolution and we would do it by then and do it in a more formal fashion.

City Attorney Leen: Mr. Mayor, I need to mention one other thing actually the whole Commission has essentially waived that for themselves too because it is the same Resolution. It is an automatic CPI increase every year, but that has to be ratified. So, you may want to re-initiate that process and part of that evaluate us, and I am very happy to be evaluated by you, but with Walter he just did not receive...the City Attorney and the City Manager did receive that separate issue and he has not for seven years and that is true and an issue that should be brought to your attention.

Mayor Cason: And my question is how would we do it, if we don't do it here? Because who is going to set the number, the staff can't set the number, we have to decide what we want to give him. What is reasonable?

Commissioner Keon: If you have the discussion as Mayor with Walter and we bring the whole issue back at the meeting on the 26th that is in time for it to go into effect in the next budget year. You can come back, we can have the discussion there have been maybe other things that may come into compensation that you may want to discuss with him or he may want to discuss with you, and you could come back as the Mayor and presented to us, and the likelihood is that yes we would agree with you.

Mayor Cason: Can we get it into the budget if we do it on the 26th?

Vice Mayor Kerdyk: Yes.

City Manager Olazabal: Question for Craig, could this be considered part of a negotiation so that it doesn't have to be in the public, you can meet directly with Walter and decided that in a...

City Attorney Leen: That applies for collective bargaining, so he could meet with them individually, but not as a group.

City Manager Olazabal: Not as a group.

City Attorney Leen: and I think knowing Walter, I think the problem he is going to have, he is a very...well Walter can speak for himself but I know that he is not going to ask you for, he hasn't asked you for anything for seven years.

Mayor Cason: That is why he hasn't gotten it.

City Manager Olazabal: I understand.

Commissioner Quesada: Here is where I agree with Commissioner Keon in the conversations that we have had with Craig before the issue came up for the Commission, he and I spoke about it. You know we discussed it, we went through it, what he was looking for and certain structure. When we did it with the previous City Manager, we had those previous discussions. I just want to give an opportunity so we can have our one-on-one meetings with Walter.

Vice Mayor Kerdyk: Let's not even talk about this, because I think we are embarrassing him in general, let's just move on and if we can get it August 26th let's just go ahead and do it at that point. I agree with you.

Mayor Cason: On August 26th then I will make a...I can't make a proposal.

Commissioner Quesada: Let's put it on the Agenda as a discussion item and we will address it there and that is it.

Commissioner Lago: We will just further embarrass him with the whole City watching.

Mayor Cason: With a view to make a decision then about as to the appropriate increase.

City Attorney Leen: Do you want him to prepare a Resolution with his proposal or is he going to talk to you?

Commissioner Quesada: We will let him decide what he wants to do, but we will talk to him.

City Attorney Leen: But it is to be done in August.

Commissioner Quesada: Walter.

City Attorney Leen: Walter you are able to act.

City Clerk Foeman: That will be fine.

Commissioner Quesada: Mr. Mayor I would like to make a motion approving this Resolution on the millage.

Vice Mayor Kerdyk: I'll second it.

Mayor Cason: Alright, Commissioner Quesada makes the motion and the Vice Mayor second the Resolution that would set the millage rate at 5.589 for the Fiscal Year 2014-2015. City Clerk.

City Clerk Foeman: Mr. Mayor should you read the title into the record.

Mayor Cason: Alright. Resolution setting a tentative millage rate of 5.589 mills for the Fiscal Year 2014-2015 Annual Operating Budget to be submitted as preliminary disclosure to the Miami-Dade County Property Appraiser. Is that enough?

Commissioner Quesada: I am going to make a motion on that Resolution to approve it.

Mayor Cason: You did already and the Vice Mayor second it. City Clerk.

Commissioner Keon: Yes.

Vice Mayor Kerdyk: Yes.

Commissioner Lago: Yes.

Commissioner Quesada: Yes.

Mayor Cason: Yes. OK. Unless there is anything else...

Commissioner Lago: I want to know what time is it in Italy right now.

Mayor Cason: In Italy I don't know.

Commissioner Keon: Mayor Cason, may I ask one more thing in addition maybe in the August Agenda I know at the time that Carmen was made Interim City Manager and she was awarded the \$10,000 increase in her salary that possibly you might also have a discussion with her to whether we want to make that permanent based on the work that she has done over this period of time.

Mayor Cason: Yes, I am happy to do that, I think we agree.

Commissioner Quesada: Yes.

Commissioner Keon: OK. So maybe you could bring all of that back on the 26th, Mayor.

Mayor Cason: Yes, I will.

Commissioner Keon: Thank you Mayor.

Mayor Cason: I will have discussions with them and I will figure out how we talk amongst ourselves if we can.

Commissioner Quesada: Let's not talk amongst ourselves one-on-one speaking with

Mayor Cason: I'll talk with him and come back and tell you what...

Commissioner Quesada: Or he can meet with us one on one.

City Attorney Leen: The only way that you could, is you could set a Sunshine Meeting and talk amongst yourselves or you could do it at the next meeting, otherwise it has to be individuals.

Commissioner Keon: Maybe we could set a quick Sunshine, but Mayor Cason you could decide what you think is best as Mayor.

Mayor Cason: OK. Thank you, I will do that, and I will pass the gavel and make a proposal next time. Anything else, anyone would like to say anything else on this?

Vice Mayor Kerdyk: I think it is very impressive.

Mayor Cason: I am very happy again that we were able to lower the millage rate, maintain great services and have all of these Capital Improvement Projects, congratulations to everybody.

Vice Mayor Kerdyk: With only \$.29 out of a dollar. That is the most impressive.

Mayor Cason: Meeting Adjourned. Thank you.

[11:17:07]