

City of Coral Gables City Commission Meeting
Agenda Item E-9
September 22, 2009
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Donald D. Slesnick, II
Vice Mayor William H. Kerdyk, Jr.
Commissioner Maria Anderson
Commissioner Rafael “Ralph” Cabrera, Jr.
Commissioner Wayne “Chip” Withers

City Staff

City Manager, Patrick Salerno
City Attorney, Elizabeth Hernandez
City Clerk, Walter J. Foeman
Deputy Clerk, Billy Urquia

Public Speaker(s)

Camille Tharpe, Consultant with Government Services Group (GSG)
Luis Falcon, Coral Gables Resident
Robert Hatfield, Coral Gables Resident
Oscar Guerra, Coral Gables Resident
Evan Siegel, Coral Gables Resident
Peter Kouchalakos, Coral Gables Resident
Salvatore Labarbera, Coral Gables Resident
Cari Gardner, Coral Gables Resident
Dan Thornhill, Coral Gables Fire Fighters Association

[Start: 9:52:45 a.m.]

Resolution relating to the provision of fire protection services, facilities and programs in the City of Coral Gables, Florida; imposing fire protection assessments against assessed property located within the City, for the fiscal year beginning October 1, 2009; approving the rate of assessment; approving the assessment roll; and providing an effective date.

Mayor Slesnick: With the people that are here and the Fire Fighters that are here, I would like to move to the fire fee issue and then we will come back to the Country Club.

Commissioner Cabrera: So you are going to E-9?

Mayor Slesnick: We go to E-9. OK, with the consent of the Commission, I’m changing the order and we are going to E-9, which is relevant to the fire fee, and that is out of courtesy of the number of residents who have gathered here for that, and also for our Fire personnel who are here for this. So this is E-9 and this is a resolution relating to the provision of fire protection

services, facilities and programs in the City of Coral Gables, Florida; imposing fire protection assessments against assessed property located within the City, for the fiscal year beginning October 1, 2009; approving the rate of assessment; approving the assessment roll; and providing an effective date. Mr. Manager.

City Manager Salerno: Thank you Mayor. This is a final resolution associated with the implementation process for the fire protection assessment. If I could call Camille Tharpe of GSG to come up and to make a brief presentation; the information I passed out is all information you've already seen before in two or three previous presentations, there are no changes there, but I thought it would be appropriate for the benefit of the public and for those here with us today for her to review that material.

Ms. Tharpe: Yes Mr. Manager, my name is Camille Tharpe from Government Services Group. I have Jeff Rackley with me and also Ed Dion from Nabors, Giblin and Nickerson. I have a brief presentation, I did not bring it on the computer, but we could put it there if you need it, but it is information that you have already reviewed. First of all I want to remind you that this is a special assessment and there are case law criteria for a valid special assessment. The services or facilities have to provide a special benefit to property and how you charge people has to be fair and reasonable in a legal sense, and the fire assessment program that you have before you today we believe meets these two case law criteria. Why people use assessments?- they are benefits based not value based; this does resolve one of the issues in the tax system – the real estate system that we have in Florida, in that two houses on the same street with the same square footage, and the same features may pay different amounts for services because of when they bought their home. Under an assessment program for fire services those two houses would pay the same because they are receiving the same benefit. It is a tax equity tool, it provides for revenue diversification and it is a dedicated revenue source. If you have extra money at the end of the year in your fire assessment fund, it can't be transferred to be used for improvements elsewhere in the City, for roads, for street lighting, it has to be used for fire services, and it would have to be carried over to the next year. So it is dedicated, and so that makes an improvement to your service because then your Fire Department can depend on a dedicated revenue source. It does establish a cost per billing unit for services. For the first time you know what it cost you to provide fire services to the schools, to the churches, to houses, to commercial properties, because we've established that cost. This is an annual decision, so each year you'd be asked to approve a resolution setting the rates for the next fiscal year; and if those rates increase beyond what you've set this year, then those rates would either be included on a TRIM notice or separate notice, so that every year if there was an increase, your property owners would be notified of that increase, and it is pledgible for debt without referendum, so that if you needed to go forward with some improvements it is a very, very good source of revenue for pledging repayment of debt. We've conducted studies for at least fifty other cities in the State of Florida, been doing this for about twenty years, and twenty-five (25) out of the thirty-two (32) cities in Broward County currently have a fire assessment program. As you all know we were working in Miami-Dade County, they suspended the program for this year, but I understand it's not suspended indefinitely, it was just suspended for this year; and we've worked in twenty-seven (27) other counties throughout Florida. You have before you a set of assessments rates with a \$50.00 charge for residential dwelling unit, no matter what the size of the unit, or the value of the residential dwelling unit; and then you have the various rates for commercial properties, industrial/warehouse properties, institutional

properties, and educational properties based on the size of those buildings; and those rates provide an estimated gross revenue of \$1.9 million with a net revenue between \$1.5-M and \$1.6-M, based on the fact that using a separate bill this year, and using the separate bill this year you may have a reduced collection rate. Some proposed exemptions that we've talked about, are the institutional tax exempt properties, and those are the churches and the not-for-profits; we've talked about the government exempts and the fact that we know what it cost to serve other governments and yourself; we can send a separate bill to the government, however, we can't force them to pay, we cannot lien their property, so our usual recommendation is to provide funds to pay for those other governments; and then the senior hardship exemption was very important to you all; and the senior hardship exemption is going to piggyback on the additional senior's exemption that's in the Florida Statutes, and its available to assist low income residential property owners who already qualify for this additional senior's exemption, so there would be no paperwork...the City staff would not have to do any paperwork, the paperwork would have already been done by the County Property Appraiser's Office. The City will pay for the assessments for these properties from other legally available funding sources, and there's approximately 430 of these type properties in the City that have already qualified for this additional senior's exemption; and again with those exemptions and the fact that you are using the separate bill for this year, we are anticipating about a \$1.5 million dollars worth of net revenue, the assessable cost of \$1.9 million. Today, we are at public hearing and we have sent notices to twenty thousand (20,000) property owners...about 20,000 property owners, every real estate owner of improved property within the City; I believe you had about 125 phone calls to the Fire Department. Some of them were questions about their property and how it was being classified, and that's the purpose of the notices is to get that type of information out. There was also some general questions about why are we doing this?- what's different now?- and of course everyone is invited to this public hearing today, and we'll hear their comments and you'll be asked to consider the final assessment resolution, and if you move forward today then the separate bills will be mailed in November around the same time the tax bills go out, with the same kind of payment dates and dates due; and then next year any delinquent assessments or assessments in arrears would be added to the tax bill. So with that, I'm available for questions and Mr. Dion is available for questions, if we get into any legal questions.

Mayor Slesnick: Thank you. Public comments first.

Vice Mayor Kerdyk: Yes, go ahead, and then we'll make our own comments.

Mayor Slesnick: We'll go through, we have the speaker cards, and these are the speakers we will call on. I ask that you please be mindful of the three minute presentation period, we have a set of lights here for green, yellow, and red, and we will work our way through these. We have Luis Falcon of 315 Majorca; good morning Luis.

Mr. Falcon: Good morning Mayor; does this one work?

Mayor Slesnick: Yes.

Mr. Falcon: Thank you very much. I am a resident here in Coral Gables, I live at 315 Majorca; I'm a small business property owner in the Gables. I'm a little bit confused about the ordinance; let's say if I have a \$1,000,000 dollar property, will I get charged \$50.00?

Mayor Slesnick: Yes – well it depends...

Commissioner Cabrera: Million dollar property commercial or residential?

Mr. Falcon: Well mine are condos, individual folio numbers, OK?- I have a couple of properties like that, I have like ten condos. Now, what I don't understand is if somebody has a property that's about anyone of these houses in Granada, they pay \$50.00, right?

Vice Mayor Kerdyk: Right – that's right.

Mr. Falcon: That's my understanding. I have one building that has four folio numbers; I pay four times as that person that has that property that is worth a million dollars, my building is not worth a million dollars; so I really think...I don't have no problem paying \$50.00, I have a problem paying \$200.00. So basically I think that's very common sense, very logical and very easy to understand. So I don't think I should pay four times more than somebody that has a million dollar property. So is there a way that I could get some relief?- because one of the problems that I have is, I'm a small business property owner, you see what's happening in the Gables, it's a frenzy; all the small business property owners are getting wiped out, and now you have all these big condo buildings that I don't know who they are going to be filled from...who is going to live there, and we are trying to keep the Gables a small residential atmosphere and constantly we are just getting hit over the head. I don't know what to say, what to do because I have four times more and I have two buildings, that's quite a bit of money - \$800.00...\$400.00 I mean, which I should pay \$100.00. So if the lady could give me some feedback on that or not?

Mayor Slesnick: Could we please...

City Manager Salerno: Mayor, I could answer.

Mayor Slesnick: Go ahead.

City Manager Salerno: Sir, could I just ask you one question?

Mr. Falcon: Yes.

City Manager Salerno: Each unit that you have – so you have four condo units, is that what you are saying?

Mr. Falcon: Yes, I have a building that has four condos...

City Manager Salerno: Four condo units...

Mr. Falcon:...and it's on one lot, a very small lot...and it's a hundred, so it's not a big...and four times as much...I don't mind paying \$50.00 for each building...

City Manager Salerno: If you care to share the taxable value of those four units I could tell you what it would have cost you, but I will give you the millage; the equivalent millage rate would be approximately point one six mills (.16). So I know you're basically encouraging for there, its better to be a property tax, but in order to generate the same dollars that we are talking about here, you would need .16 mills. So you could do the calculation yourself and take the taxable value of your property, multiply it times .16, versus \$200 and see whether or not you turn out ahead or not.

Mr. Falcon: My problem is somebody else has a million dollar property and they are paying \$50; my property is not worth a million dollars.

City Manager Salerno: What I'm trying to say though is the moment you go from an assessment base and you convert it to a millage rate to generate the same dollar amount, you'd be .16 mills. So what I'm trying to offer you is for you to make that informed decision rather than just saying you shouldn't be paying the same as a person who has a million dollar home, I'm giving you the way to do the comparison.

Commissioner Anderson: I might add something that might help explain. As I understand it, each unit has to be protected, I mean, how the Fire Department...

Mr. Falcon: One building...

Commissioner Anderson: Right, its one building which has four separate units, and I think its by unit because there could be a fire in one unit, I think that's how its classified if I'm not correct; I'm trying to help explain it, I'm not sure if I'm going to be able to be successful. When there is a fire the Fire Department goes out, and its considered one unit...you have four units in there, if there is one unit that's one separate one, somebody help me out from the Fire Department, because that's what I understood it to be, I'm trying to clarify it.

Mr. Falcon: If you have a 10,000 building-house that's quite a bit of square footage.

Mayor Slesnick: Could you...please...

Commissioner Anderson: Somebody help out here.

Mayor Slesnick: Explain the...

Commissioner Anderson: That's what I understood it to be – each unit.

Mr. Falcon: I just want to be treated...

Mayor Slesnick: No, I appreciate it, we are trying to explain to you why the formula is what it is, that's what we are trying to do.

Ms. Tharpe: Camille Tharpe from Government Services Group. The way I understand this property owner's property is that it's a commercial condominium, a building with four commercial condominiums in it; and so first of all it is not an "apples to apples" between value and benefit, I mean, throw that away you can't make that comparison because we are no longer looking at the value of the property, we're looking at the services of that property as a category is generating or requiring from the Fire Department, and because this man's property is commercial, he is within the commercial property category, so he is sharing the cost of that commercial property category with all the other commercial properties, and he is paying according to the services or the benefit that all those commercial properties share, and it has no relationship to the residential property except for that the residential properties are paying for their share of the services that they demanded or that they require from the Fire Department. I will never give him an answer that will be able to explain, except that he is in a separate category from residential, he is commercial.

Mayor Slesnick: He has four residential units in the same building.

Ms. Tharpe: OK, so he's got four residential, OK – still the same thing, OK – still the same thing. So he is within the residential property category, and so within the residential category all properties are on a dwelling unit basis, and each one of those units are considered a dwelling unit by the Property Appraiser because they are able to be inhabited and used for residential purposes; and for the Fire Department actually within a condominium association there is probably more of a risk than there is for those four units together versus a single unit off by themselves because even though it might be in one building, those four units are connected, there are fire walls, but there is more risk that there is going to be a fire spreading between those units. So the condominium in his case is paying for their share of the residential services on the dwelling unit basis.

Mayor Slesnick: OK. Thank you. Thank you, we understand your point, we understand that.

Mr. Falcon: Obviously anything can be justified.

Mayor Slesnick: Thank you. Mr. Robert Hatfield, 156 Almeria.

Mr. Hatfield: Good morning Mayor, Commissioners, I object to this tax, whatever you want to call it, fire protection fee in a strong manner. One reason I come from a tradition of less government, and we seen this going in the opposite direction. I would like to know what is the benefit we are going to get from this fire protection assessment that we didn't get last year?

Mayor Slesnick: If you want to complete your comments and...

Mr. Hatfield: That's number one, I'd like to know that; and I assume that in the current budget that this is tucked into the public safety fee line that last year was budgeted for \$533,000, and this year is \$2,500,000, I assume that, because I couldn't find it anywhere else in that budget.

Vice Mayor Kerdyk: Where is it in the budget?

Mayor Slesnick: Is it a public safety fee?

Mr. Hatfield: That's the only place I could find it or seem to be; and the expert over there when she was up here before didn't say what we are getting or what is different now than before, why we need to have this. I have two small commercial building plus my house, I've lived here for thirty-five years, I've owned and managed small buildings in the Gables for the same amount of time; the small buildings are \$263 a piece, and of course even though I don't pay it, you can lien my property. I object strongly to having this imposition placed on us, why not instead of looking for where you can find additional money, I mean, this fire protection fee sounds like something out of Chicago from the Mafia, we are going to protect your property, if you pay this fee, if you don't, we are going to lien your property. I think you should concentrate more on reducing the size of government rather than increasing it by bringing about more taxes, and this one is going to be here forever, and by God, I bet it doesn't go down, I bet it will only go up proportionally depending on how much money is short in the budget, and you can tag a few more on there, and it doesn't seem maybe \$25 a year increase or something like that over time, I don't know when this is going to end, it isn't going to end, its just going to be increased; and I would wish that you would not approve this resolution. Thank you.

Mayor Slesnick: Thank you, and Rob by the way, when we get to discussion I'll address a couple of your points and others probably will too. Vivian and Oscar Guerra, 836 Ponce de Leon Blvd.

Mr. Guerra: Good morning Commissioners. I also as Mr. Hatfield here, I object to this new fee. I have two simple questions: the first question, why are we doing this now?- same concern that Mr. Hatfield had; and the other question is the lady, the expert said fair and reasonable, who determines that?- who's vote was taken to determine fair and reasonable?- and how the proportionate share was determined?- how is this fee determined?- and no one has said how that was determined, and how the fair and reasonable part, how they arrived at that rate.

Mayor Slesnick: We have had the discussion about how the fee was determined. Can we go through that, just very briefly, it's a specific question not a generalized question, just a brief explanation? We've had this discussion, but I want you to hear it one more time.

Commissioner Anderson: And how is the fee determined.

Mayor Slesnick: How is the fee determined?

Ms. Tharpe: First of all fair and reasonable is a legal test, and while you may disagree and you may disagree, it has to meet the legal test of fair and reasonable, which we believe it has; and the way we've allocated the cost is that we looked at one year worth of Fire and EMS calls within the City, we removed all the EMS related calls, and then we assigned those calls to property categories: residential, commercial, industrial/warehouse, institutional, and educational, and within those property categories those proportions of calls are then applied to the budget; and then each property category share of the budget as determined by those calls is then allocated to the properties within that category. So the residential represented a certain proportion of calls, they pay a certain, the very same portion of the budget, and then its divided through by the

number of dwelling units within the City; within commercial its allocated based on the number of calls for commercial properties, and then divided through by the amount of square footage of all the commercial property within the City.

Mr. Guerra: I understand that, but have you made available what's on the commercial side, what's the proportion of calls they've been made compared to residential?- and see if those rates...

Ms. Tharpe: Yes we have a report that we provided to the City that is available with the Manager, and...

Mayor Slesnick: We've talked about it here; do you have it with you?

Ms. Tharpe: I have it with me.

Mayor Slesnick: But wait you don't need to bring it up, but if you'd like to go look at it, I mean, we've had it here...

Mr. Guerra: She can make them available, but are those rates comparable?- because I would imagine that residential calls would generate more calls than on the commercial side, and how are your rates, are they the same across the board?

Ms. Tharpe: No, again they are based on dwelling unit basis for residential, square foot basis for the non residential properties, and there are a lot of calls for residential properties, but there is also a comparable number of dwelling units within the City to share the cost; and the same with commercial, there are a number commercial calls, but then you are dividing the cost of those calls by all the square footage of commercial property within the City. So there isn't a very, very in-depth analysis done of the call data and the tax roll data that the Property Appraiser keeps to develop the methodology for the billing units.

Mr. Guerra: So how are we addressing that issue now before this assessment?

Mayor Slesnick: OK, we'll get back to Rob's question, OK. We are addressing that issue through property taxes, and this is what the Manager referred to before, and I can only speak for myself, so others may chime in now or later, but let me just give you my perception; right now in answer to Rob's question, you get the same exact fire services and its our intent to ensure that in the future you continue to get the same excellent Class 1 fire services, OK, that's a given, we will do that at all cost, but in trying to move forward, the proposal of the Manager's office that we are considering here today, that in moving forward with all the budgetary constraints of current and tomorrow, which are unlike yesterday, that we look at a variety of ways to move forward in such a way as to continue to pay, and to continue to strengthen our ability to pay for these services without total dependence on the property tax, which goes here and there and everywhere, plus the assessments go here, there and everywhere; so the proposal of the Manager is that we consider broadening the base of how you pay for the services so that it is, if you are for it, its more fair, its more equitable, and its more predictable, if you are against it, its an extra tax, but in response to that there are those of us who might add .16 to the property tax to continue to pay for

the services, and that's what the Manager has equated as the same income. So if we determine tonight at the budget hearing that we need \$1.9 million dollars, if we determine that we need \$1.9 million dollars to continue the fire services, one way is to charge the fire assessment fee, the other way is to charge .16 millage on your property, which would in fact take, if you take the value of your property would be probably more than the fire fee; just one second, I'll finish and then I'm through, and Mr. Cabrera and Mr. Kerdyk looks like it...but the way you would be truly disadvantaged is if we passed a fire fee and we did not intellectually take notice of that ourselves and charged the extra tax anyway. So that is something that is incumbent on us to have to do, its either one or the other, if it's both then Mr. Hatfield's and your point is well taken.

Mr. Guerra: But who guarantees that that fire fee is not going to be increased?

Mayor Slesnick: There is no guarantee, there is no guarantee that the tax would not go up. Right now no matter what we do tonight – no matter what we do tonight this City under State law could almost double...we're not going to do that, OK, do not quote me, but I'm just telling you that that's how low we are, the State cap is at 10 mills, we are now at 5.25, and we are discussing tonight somewhere in the range between 5.25 and 5.95; we could by State law go to 10, there is lots of room up; Miami is at 8 or 9, other cities are there, the County is right about 6; I'm just saying that there is no guarantee that your elected leaders will not consider other things, and what you have to, I mean, you hope that your elected leaders will do the right thing and that they will listen and that they will try to judge and weigh what the responsibilities of providing services are versus the feeling of the moment about people wanting to pay, and we are doing it right here today, OK.

Mr. Guerra: Very good.

Commissioner Cabrera: Mr. Guerra you want to take this with you, this is my presentation, I have a copy of it, and it goes into a little bit more detail Mr. Guerra.

Vice Mayor Kerdyk: Can I...what's troubling me is probably what's troubling you is the fact that, to me it seems that there is a disproportionate share to the downtown commercial area, and if you think about it and you look just not strictly at this tax, but you just look at the overall environment of the commercial buildings and how much they bring to the City of Coral Gables, you see a revenue source of about forty percent (40%) of the real estate tax, but when you look at all the taxes that commercial areas pay, which is inclusive of business occupational, sales tax, other beneficiary income sources for the City Coral Gables that swells to about 55% of the \$122 million dollars in overall revenues for the City of Coral Gables. So I think what is the problem, the issue even though I supported it on first, I'm having a real tough time supporting it on this reading, is the fact that I feel that the commercial areas are paying, and I understand the six cents a square foot, I got that down, not sixty cents or a dollar-sixty, I'm just having a problem getting my hands around another taxing source for those commercial areas; and again it flows to the commercial owners, but then it goes to the tenants, and it affects the way they can pay rent, its just a very difficult source to charge, and I understand the \$50 per home owners, I understand all the facts, I understand the fact that its not that high initially and can be raised at a later date, but that's the problem that I'm having, and I think that's probably the same sentiment that you've expressed here, while you are sitting here.

Mr. Guerra: That is correct, and you can see the north side of Ponce half of those buildings are sitting empty, and owners are having a very difficult time renting out those units, and this is an additional cost on those buildings down to the owners, down to the renters.

Vice Mayor Kerdyk: The problem is its not going to get any better, I hate to break the news to you, commercial areas, I think the residential you were talking is bottoming along, and I think you are starting to see maybe an increase there, but the commercial market there are a lot of people that know a lot about commercial that say that shoe is about ready to fall, as far as what's going to happen in the commercial environment and the commercial real estate market in general. So I speak with any concern to further exacerbating the charge to those people that own buildings in the downtown area, and that's what my thoughts are. Thank you.

Commissioner Cabrera: Just a quick note for me. The projected revenue for the fire fee is how much?

City Manager Salerno: For next fiscal?

Commissioner Cabrera: Yes sir.

City Manager Salerno: For next fiscal year \$1.5 million.

Commissioner Cabrera: I heard \$1.9 somewhere, so I was just wondering where that came from, that \$1.9, was that just a mistake on my part?

City Manager Salerno: No, you heard it correct; that will generate \$1.9 million in subsequent years.

Commissioner Cabrera: Subsequent years, but this year would be \$1.5-M.

City Manager Salerno: Yes.

Mayor Slesnick: Evan Siegel, 812 Valencia.

Mr. Siegel: Good morning. Mine I think is a little simpler issue; I live on a single family lot, the house built in 1925, has a garage that was grandfathered in as a dwelling unit. So again, we are talking about square feet, but a 2,500 square foot home on a 50 by 125 lot, but in the City of Coral Gables I am unable to rent that dwelling unit separately to another family per ordinance, but I'm being charged two fees for that single family property. I don't know if there could be an exception to the rule, but it seems that, that's overcharging for a single family.

Mayor Slesnick: Evan, I haven't been e-mailing with you, you haven't e-mailed me that I remember, but I have been with another member of our population with the same exact comments. At the moment we have not been able to resolve this because of the legal requirements of assessing it based on the dwelling units and that's assessed as a separate dwelling unit, but I have asked the Manager, and I have asked the City Attorney, and I have

asked everyone, and they are working on this because this is an issue I will not let go of until we try to resolve this.

Mr. Siegel: It just seems that there should be an exception since the City does not allow you to rent that as a separate unit, whereas in a condo unit where you do have four separate families or tenants.

Mayor Slesnick: And that is my position exactly and I've asked that we try our best without disrupting the entire State of Florida's Code on this, that is something that I agree with you on. I can't do anything about it at this moment according to my City Attorney and the Manager, but we are working on that, and its my understanding there will be an appeals procedure if in fact its not used as a dwelling. OK.

Mr. Siegel: OK, if you have second reading today and you pass it, there will be an appeals process through the City that you administratively go through.

Mayor Slesnick: Yes, there will be. I'll make sure of that.

Mr. Siegel: Thank you.

Commissioner Cabrera: And who will handle that appeals process?- I'd like to know. Who will handle that?- I think Mr. Siegel would like to know.

City Manager Salerno: Well if Mr. Siegel would give us his information we will review it. So far we've had, as Camille had indicated, we received a number of calls, in fact a relatively low number proportional to other implementation efforts from my understanding...

Mr. Siegel: I didn't formally address the problem, I came into the City and talked to the Finance Department and was given an answer that is based on the County's assessment of the property.

City Manager Salerno: I would not want to make a judgment without actually looking at your parcel, your information, send a person out there, have them look at the situation, that's what we did, we found one situation already where somebody brought it to our attention and the correction has been made. So if you'll call my office or if you'd like to leave your phone number with one of my assistants, we'll call you and we'll have somebody come out to review all that information, as we've done with everybody else.

Mr. Siegel: That would be a formal process for everyone who has that same question?- because I didn't come to the office, I was told to come here to bring it up...

Mayor Slesnick: And we appreciate you coming here, but Mr. Manager I really would like to have your commitment that we are going to have an appeals process, where people can come through some form of appeal, if they have an issue to raise with their fee.

Ms. Tharpe: If you'd like when you move over to the program when we send out the bills, we will have a paragraph in there, that if you still have a dispute with your assessment, who to contact at the City for the appeal, OK.

Mayor Slesnick: OK, that's good, that's a good start, but we are going to have to know who to contact and who handles...

Ms. Tharpe: I would imagine it would be someone who is with the City that can go out and look at the property, sometimes its Code Enforcement, sometimes it's the Fire Department, sometimes it's the Finance Department, so that would be something, I imagine you would run it through the Manager.

City Manager Salerno: We will make those decisions when those notices go out. Right now anyone that's calling that has a legitimate, it appears that they have a legitimate issue, we send somebody out right now; Fire Department has run out on a number of those...

Mayor Slesnick: Can the City adjudicate a piece of a property as being a non dwelling, even though it may be listed on the tax rolls as a dwelling?

Ms. Tharpe: Absolutely – we know that the Property Appraiser is not perfect, I mean, they do a great job, but they have millions of properties, but if there is a factual case here and the City makes a determination that what we have assumed the property is based on the tax roll is incorrect, then we can make adjustments, the City can make adjustments.

City Manager Salerno: And we've done so.

Commissioner Cabrera: Just out of curiosity, the 125 phone calls we received were at the Fire Department?

Ms. Tharpe: Yes sir.

Commissioner Cabrera: And did we train Fire personnel how to respond to those?

Ms. Tharpe: We did a phone call with them and explained to them what kind of questions they could expect.

City Manager Salerno: I could give you a little more information.

Commissioner Cabrera: Alright that's fine, that's OK.

Mr. Siegel: I don't mean to belabor it, but I want just one more clarification, because the garage that I have on my property has a bathroom in it, it was converted to a dwelling unit, I guess my contention is that it's a single family home and it cannot be inhabited by two families on the same property because of the Code of the City of Coral Gables. So anybody who has that second dwelling unit on a single family home shouldn't necessarily be charged two fees, that's kind of what everybody agrees to?

Mayor Slesnick: I think you've made that clear, and I have hoped that I made it clear that I agree with you.

Mr. Siegel: I wasn't sure if you were saying it was a garage, it's still being used as a garage...

Mayor Slesnick: No, no, I think that there are several levels here; I've been told that one, we are making an assessment that if it's not a dwelling whatsoever it's just a garage, that's one consideration. I have asked also for consideration of the fact that its not leasable or being leased, and is part of the internal family unit that is living in the house, that we need to approach that on a separate basis; and you know we may not be perfect, if we move ahead, we still haven't voted, but if we move ahead, we may not be perfect here, but as you also heard I want to stress, because its been stressed the other way, this is an annual renewable fee, and so people have raised the issue, well you can raise it so don't tell us its just \$50, but you can raise it, well that's true admitted, it could be raised by future Commissions or by this Commission next year, if we are still around; secondly it can be cancelled. Now I can assure you, that there is no one that I know that sits here that hasn't had second and third thoughts on positions we've taken, and has had second and third positions on those positions, and so we'll be looking at how it's implemented and how it's fairly applied.

Mr. Siegel: Thank you.

Mayor Slesnick: OK Evan thank you. Peter Kouchalakos, hello again Peter.

Mr. Kouchalakos: I'll spare you all the introduction. I have some questions, and I'll try to stay within my time limits to give other people a chance to speak, but the first thing that came to mind was, does the City have constitutional authority to actually to impose the special assessment?- and I'm sure the City Attorney is sitting on a wrath of case law; I know that I'm sitting in front of a bunch of lawyers, I'm a non practicing one, I prefer to be a farmer, I think there are less of those than lawyers in Dade County, so I'm trying to even things out; but the bottom line is...

Mayor Slesnick: You do great with orchids.

Mr. Kouchalakos: Thank you; see you at the Farmer's Market. You have the constitutional authority, its clear OK, and that's not the issue here, the issue is how it's being approached. Again, I believe that these types of assessments, they are taxes, again you call them fees, if it looks like a duck and it walks like a duck, we all know what it is, OK, and I think that these types of assessments should be held in a public referendum format, put it to the voters, let the voters give you some input as to what their feelings are rather than have the notice process that we are going though today, which clearly gives some folks a chance to chat, but I'm betting a large majority of them would like to have an opportunity by way of a vote. That said...my second question was really more technical, is there a written special assessment methodology document that has been published to the Commission?- because that written document is necessary in my opinion or from my very, very short analysis, OK, I know you all put in a lot more time, has the Commission had a chance to actually review not the bullet points that GSA is giving you, but the actual document itself?- OK, and if the Commission is comfortable with that

then I'm comfortable with it. The third thing was the apportionment issue and that really goes back to the methodology that's being employed, I plan on looking at that; I'm just a home owner, I don't own commercial realty, I don't have any kind of interest in that context, it seems that there might be some issues relative to how it's being assessed. I'll let the Commission and the City Manager thrash that out. The last thing that I want to talk about, the most important one I've talked about today, I don't believe this is the right way to do this. I think it should be done by a referendum and let the citizens of Coral Gables vote on assessments, because you are opening up a "Pandora's Box" here; next thing you know you are going to have the Public Works Department coming to the City Manager going, gee Fire got that let me see if we can get something done for some capital improvements. Nobody had done that, I think General Obligation Bonds, I'm not real clear on bonds, but I know you guys are...to try to take on additional debt, you are looking for ways to cut debt, which gets me to my final point. This is a new City Manager, I don't know him that well, OK, I'm sure he is a great guy, you guys wouldn't have brought him on board; but what I'm really curious to know about, is what's been done internally?- to me the Chief of the Fire Department is the director of his department, OK, what's been done there?- and what I've learned, and its interesting what you learn when you are having a cappacito at La Carretta, OK, over here on Eighth Street, and you are talking to a Patrolman and you are talking to guys that are comfortable, or you are just standing around and happen to be listening to conversations, OK, and what I've learned is this, the Police Department went through a very, very serious overhaul of how they adjusted their hierarchy structure, and my understanding now its more pyramidal in shape than an inverted pyramid. I don't know that the Fire Department has done that, and what I'm concerned about is what I read in the Herald about ten Fire Captains earning \$120,000 bucks a year, OK, in a City our size, why do we have ten Fire Captains earning that kind of money?- what's been done by the Manager's office to cut costs in that department prior to putting assessments on the citizens? Thank you.

Mayor Slesnick: Peter thank you. Mr. Salvatore Labarbera.

Mr. Labarbera: My name is Labarbera, I own 123 Minorca in Coral Gables, it's a 60 room studio apartment. I've had a lot of vacancies lately, because people have lost their jobs, we are in an economy today which is worse than the Great Depression. We have unemployment which is more than the Great Depression, and the Great Depression if you earned \$24 a week you were able to buy a bottle of milk for five cents; you were able to buy a gallon of gasoline for maybe ten cents, now it's just absolutely ridiculous. I think what happens everybody should get a cut in salary, and I proposed that to my wife, she said I'm out of my tune, out of my cord. I said, let me tell you something, I've got people that lost their jobs; they've had to go live with their parents because they can't afford the rent in the building. Take the Police Department, I mean, there are other ways that they could raise revenue, and Governor Crist once said when he was running for Governor, he said he could have raised the sales tax to maybe a penny, that might have brought in revenue, I would go for that because I spend a lot of money in that building; I spend about \$3,000 to \$4,000 a month on that building; I pay a lot of money because it had been in disrepair, not anymore. The last couple of years I paid over almost \$20,000 in insurance, and I just can't afford it; between insurance and the taxes, recently I told my insurance agent I'm going to drop the insurance because I simply cannot afford it. My taxes are due next month and I can't afford that. You know, I'm not in a situation where I could pump up my salary and for the last five years and get a nice fat pension. I had hoped that this building was going to give me a retirement,

and all my retirement is dwindling because I can't afford to keep it up. There is one Policeman in overtime that...\$228,000 in overtime. It cost the City of Miami \$76,000,000 in overtime, it's simply outrageous. I say that all this overtime should be cut out, they should find other ways and I'm sure that because the Police Department, the Fire Department could start that same stuff. The Fire Department last year charged me \$125; I don't really know what it was for. What am I getting for my taxes? I've got the sanitation, waste management, every year been raising my sanitation, I balked about that, I tried to get them to give me permission to clean up my own sanitation, they won't do it. I'm in a situation where I just cannot afford to keep the building anymore. The taxes – the property value went down, and I can't see selling it right now, and I'm grossly opposed to this assessment that they are thinking of making, because where will it end? Its like the other fellow said, first the Fire Department will put in this assessment, then the Police will put in an assessment. Every time I come over to Coral Gables I see five Policemen standing on a corner, for what?- one Policeman could do the same job. Thank you for your courtesy to listening to me.

Mayor Slesnick: Thank you sir. Cari Gardner.

Ms. Gardner: First of all let me apologize, I found out about this meeting about 8 o'clock this morning, so I normally would not show up in my running attire, but I did think it was important to come, so that's why I am here. Can you hear me? First of all I do want to say I do appreciate our Fire Department, I always believe that when you have good people you treat them well and you pay them well, because you want to retain them; I have no problem with paying our Fire Department and their services well. However, I cannot call this assessment anything but a tax; you can call it what you want, but it's another tax. I have two specific questions: first one which has been raised already, where does it end?- this year its \$50, next year is it \$100?- the years after that where does it go?- does it stop at \$500 or beyond? It's a very scary thing to have a new tax with no limits. My second question is when we got our tax notification this year, there is an 18% proposed increase in our property taxes alone, I am sure I am not the only person in Coral Gables who is going to be paying more property taxes. Where is the Fire Department budget in that number? Why aren't my increase property taxes covering the Fire Department? Why do we have a new fee? I don't understand; and my last comment is, unfortunately I don't see a lot of fiscal responsibility, it's on a large scale, it's on a small scale. If you have a budget that's this and you have income that is this, we the people of Coral Gables are not here to make up the gap. I would expect the City to bring down the budget to stop the bloated budgets, cut expenses that can be cut, and meet the gap by closing that gap you as the City, not we as citizens. Thank you.

Mayor Slesnick: Let me just say one thing. I think you've heard us comment on some of the other things. In your original tax notice the Commission had adopted in late July a rate which the Manager recommended and he defended again last night at our workshop in all good conscience on his part, what he believed the rate needed to be to run the City property for the coming year and to keep the City...

Ms. Gardner: The millage rate, is that correct?

Mayor Slesnick: Yes – that you said was 18% or thereabouts.

Ms. Gardner: 18%.

Mayor Slesnick: OK. But what you need to understand is even though that is correct, I didn't figure out the exact percent, but that rate has already come down substantially, and tonight when we discuss the rate again, it may come down again. So there is no longer, I think, the latest rate proposal was about 8.2% something like that. So its down substantially from the first thing, the Commission gave itself a great deal of latitude to discuss what needed to be done for the coming year, and after giving itself that latitude has moved down and moved back and may continue to do so; and again this is just my point, because I don't know if any other person agrees with this, or so forth, my point is that one of the reasons that I felt comfortable moving down was if we were considering this fire fee, which calling it a tax doesn't bother me, because essentially it is a tax, but the reason it is an assessment its based on different elements than a tax; tax is based on property value, this is based on services, but we can call it a tax, but we offset by lowering the tax rate that the Manager felt we needed, in my mind, I offset the fact that I was considering voting for this so I lowered the tax rate that I felt we needed. That's my proposition to you from me, OK? So I'm suggesting to you that I agree with you that we shouldn't double up on you, but if we are going to charge you something based on the service then we are not going to charge you based on your property value, OK.

Ms. Gardner: Well I appreciate...

Mayor Slesnick: I mean, you still don't have to agree with it, I'm just trying to explain to you.

Ms. Gardner: No, I understand, and I'm hoping to come to the Commission meeting tonight, so I can hear more details about that because I was unable to attend the last one, something that I hope to be here and hear more details.

Commissioner Anderson: And I hope tonight we'll go over some of the things actually the City is concerned rightfully so that we haven't done enough. I just want to share with you the Manager may go through some of the things we've done to cut back on our budget to take some of the pain ourselves including laying off staff, close to sixty-sum people are losing their jobs or have lost their jobs already. I'm sure he'll let you know that we have been looking at things, out of respect to your comment.

Ms. Gardner: OK, I appreciate that. Thank you.

Mayor Slesnick: Thank you, and by the way coming as you are is a great statement for physical fitness, hey we are a physically fit City. Mr. Dan Thornhill.

Mr. Thornhill: Thank you Mr. Mayor, Commission, Dan Thornhill, I represent the City of Coral Gables Professional Fire Fighters Association Local 1210. I've been here before, this microphone to speak in favor of the fire fee and it's not a position I enjoy coming before and having to plead for additional funds to keep the Fire Department operating. It makes me proud to be a firefighter when I hear from the residents, there are one or two comments as far as salaries but no one is throwing a dart at the Fire Fighters saying we are trying to beef up our monies and our pensions, we've proven that by offering voluntarily to give back to help the City get through

these time. When you move to the City of Coral Gables you move here for a multitude of reasons, when you start a business or run a commercial property you do it for a reason, and I will tell you one of the reasons for sure is for the excellent Police and Fire service that you receive here; and you do, and we are proud of that, and we are compensated for that, and I think we do a great job; you have one of the greatest Police Forces and one of the greatest Fire Departments in the State, no one will argue that; but you have to understand the internal workings of a Fire Department, and I don't expect you to do it as I don't expect to understand your business, that's what you pay us to do; but for the residents out there at a time when the property taxes are down and I agree with Vice Mayor Kerdyk, I think 2010 is going to be another speed bump, that you have to have some kind of shift away from ad valorem taxes to keep a dedicated revenue stream for the Fire Department. This doesn't go toward salaries, this doesn't go toward health care or improvements to the employee benefits, this goes to Fire Department needs, and those needs, and to address Commissioner Cabrera's comments earlier, they do have an impact, and if we shut down trucks, and if we don't have the proper equipment, and we don't have the adequate training people will suffer, property will be lost, that's not being dramatic that's the truth, I know that because we do it. The fact that its subject to a yearly renewal, I think that's a critical component to this; as times get better and God willing they are going to get better, and they will get better, that will be up to the Commission or the future Commission to say, hey we don't need it this time, or we'll use it again another time or whatever. My message to everyone is please consider supporting this fire fee because if you don't give the Fire Department the tools to do what we do, we are all going to have a problem on our hands. I urge that you support this. Thank you.

Mayor Slesnick: Thank you. OK we are closing the public hearing and move to Commission comments and questions. Mr. Withers.

Commissioner Withers: When I first joined the Commission ad valorem property taxes were about twenty-three percent (23%) of the revenue, and I don't know where they are this year, but I would guess they are probably close to seventy percent (70%), and I think that's one of the main issues we are in a problem we are today, is that we've ridden the real estate market bubble way too much, and we banked on new construction, we banked on renovations, we banked on home sales and commercial values, and the bubble did burst and I think we are a fatality of that. I really think that its time the City moves toward some kind of sustainability on the revenue side away from ad valorem property taxes. I think that a stronger City that is more fee based, a City that can depend on franchise fees, a City that can depend on fees assessed a cost, whether that's recreation fees, whether that's trash pick up fees, whether that's fire fees. I know there is a disadvantage that its not a tax benefit on your income tax unless its on that ad valorem property tax where you can deduct it, but I really think at the end of the day if we are going to have a sustainable City on the revenue side and probably on the expense side, because it will keep it in check over the next five years or decade that we need to move away from being dependent on ad valorem property taxes. Don, you kind of mentioned this in your remarks, that's one of the reasons why I'm in support of this. I really encourage the Commission to think that through because we need to start assessing what it cost us to do business and then charge accordingly. What I like about this and I think Commissioner Kerdyk had mentioned this at a previous meeting, was that if you had a million dollar home or you have a \$100,000 home it cost us the same to deliver service to that home. So we are not assessing one homeowner more than the other based on the value of their home. So as far as the equality of the tax that's what encourages

me to move forward on this. So Mr. Mayor when it comes time to make a motion I will make that motion.

Commissioner Anderson: I want to echo Commissioner Withers thoughts on that, and I looked at...Mr. Labarbera is that your name?- if I pronounced it correctly, these are really tough times and I really sympathize with your situation, I really do, it really does break my heart at these times to do certain things, but as a City we have to take fiduciary responsibility for it and try to move it away from millages, because if we actually apportioned it according to millage, we'll all be paying more for this. This for me equates having known the Fire Department very well, I know that they operate....the equipment is very expensive and the things that they provide come at a cost. So I am in support of diversifying our revenues and looking forward to the future when we'll have more monies and have better days and people will have a better chance. I do support this and Commissioner Withers, if you make that motion I will second that.

Commissioner Cabrera: Mr. Manager let's talk a little bit about how this is going to be presented to us going forward, because I think this is going to get passed today. I want to better understand how we are going to annually look at this?- because this is all new to me, you know after this City being around for 84 years, we are implementing something brand new. How will this be presented to the City Commission on an ongoing basis?

City Manager Salerno: Commissioner we will review it as part of the overall revenue stream. We will look at it in conjunction with the Fire Department needs on an individual basis, meaning the Fire Chief submits a proposed budget that has to fit into the overall goals, cost containment goals, wage and benefit adjustments, but we look at this as a means of providing funds to the fire protection operation. There is a preliminary roll approval as part of the budget process and then there is a final approval process, so there are two votes in subsequent years that you will have, but it will first start with a review by the Fire Chief making his proposal to me, my review and other staffs review of what are the dollars that are necessary, what improvements are considered on an annual basis and then that gets translated. There is a computer model actually that we look at to see what the effects of any changes might be, whether they are up or down, and it is a very complicated process, it is not something you can do manually, but it is tied to reviewing the Fire Department needs and that has to fit into the context of the overall financial condition of the City. So in many respects it is focused on the Fire Department, but in some respects you have to look at the overall financial condition of the City and what it is going on in the community and ultimately that leads to two times at a minimum where the Commission would considerate formally to reenact it or not.

Commissioner Cabrera: OK. So then that happens, and I appreciate the thorough response, that happens then in two (2) readings, it will be two separate readings, this item will literally stand on its own each year and every year going forward.

City Manager Salerno: Yes, sir.

Commissioner Cabrera: OK. With regards to the senior hardship exemption which I asked you to please consider adopting and/or implementing and I appreciate you doing that, even though I

am not going to support the Fire Fee. The senior hardship exemption – is there a vehicle for citizens to get from this City how to qualify for it?

City Manager Salerno: Yes it would be just as they do today, because they are not qualifying per se for this fee because frankly there are more dollars at stake when they apply for the exemption for their property tax to get that exemption, but the actions of the Commission today, it will automatically apply to anybody that has that senior homestead exemption, will automatically get this exemption.

Commissioner Cabrera: The only reason that I ask is because I heard, or I saw in the presentation that you have 430 seniors households that are currently qualify for this...

City Manager Salerno: And will receive it.

Commissioner Cabrera: And will receive it, I understand we have 19,000 households or there about so that number sounds awfully low, but I am just curious, maybe it will create a more active interest on behalf of seniors.

City Manager Salerno: Yes I think the other thing is that, that 19,000 number also includes all commercial parcels, so the residential parcels are several thousand less than that.

Commissioner Cabrera: I guess my last question is really to the consultant who helped us with this task and I am not looking to stir the pot, I just really want to know this answer how many Broward County municipalities that you know of, I think you work with just about everyone of them, have lowered their fire fees.

Ms: Tharpe: I can't recall that anyone lowered their fee, but I can tell you that there have been many cases where they have kept the fee exactly the same for many years.

Commissioner Cabrera: Good. Thank you, that was kind of the answer I was looking for.

City Manager Salerno: Commissioner, if I can add one thing, part of that debate and I think it is what Commissioner Withers talked about, was what it does as a fiscal tool is that it changes the beta a little bit and City Commissions in Broward make decisions sometimes because they would prefer to increase the fire fee rather than the property taxes, so you may have to look at each individual circumstance in each City over the history of 15 to 20 years, but it adds an element into the decision making process that you have not had in the past, where Commissions will make a decision and go, we rather do this than that, so it gives you that judgment, sometimes they make the call to increase the fire fee and sometimes they make the call to increase the property tax fee and hold the other one constant, so it is up to the Commission in that regard.

Commissioner Cabrera: Thank you sir, just one last commentary and that is to Mr. Hatfield who is an old friend of mine, this is the way I see it, I am only speaking for myself, I am not speaking for anyone else here or for staff, but you asked a question and I think you deserve an answer from me, maybe others will chime in or some have already. You asked what is the benefit?- and to the best of my abilities I see a benefit two ways, one to the City that others could interpret as

to you eventually, but to the City the biggest benefit that you can see just seating here in this audience and or watching at home is that this will become a dedicated funding source for fire protection services that is the benefit. The benefit to you I guess it can be extrapolated that and it has been already, you know this is the third time we have talked about this, it can be extrapolated that by being able to give this money to the Fire Department they will have better equipment and they will have better resources and they will continue to do the great job that they have done for the last 84 years. I think they are going to do a great job whether there is a fire fee or there is no fire fee. That is never going to change, their abilities and commitments and professionalism as fire fighters, and I am very proud to say that and I wish I could take credit for that, but I can't take any credit for at all, it is the men and women of the Fire Department that get all the credit, but I simply look at this as just another form of a regressive tax, so you all know I am going to vote, so that is it for me.

Vice Mayor Kerdyk: Let me ask a little bit too, first of all I can't see the difference between a fee increase or an increase in property tax. I just can't see the difference in them it is basically, it gets down to the resident or the commercial property owner having to pay more and you can call it whatever you would like but certainly you have to pay more. Our Fire Department does a great job and Dan you are always doing a super job representing them and I say that very sincerely, I have sat up here in the Commission for a while and I still have never heard anything negative about the Fire Department and the way they handle services for the residents so that is unquestionable. From the City Manager, I would like to drill down a little bit further on the fact that we are going to raise \$1.5 million here now the way it is sort of presented, or maybe it is not presented like this, but the way it could be interpreted is that we are taking the 1.5 million dollars and now increasing the Fire Department's budget by \$1.5 million, if I look in the budget at this particular time do I have an increase in the Fire Department of \$1.5 million to call for this \$1.5 million that we are receiving here or are we taking funds from their department and putting it elsewhere and then supplementing it with this \$1.5 million. If you could explain that to me.

City Manager Salerno: Sure, and I would only add that is not frankly that simple.

Vice Mayor Kerdyk: Well try to make it as simple as possible, please.

City Manager Salerno: The Fire Department's budget overall next year is dropping and the total is going from \$26,200,000 to \$24,750,000 in large part as you all know we reduced substantial amounts of benefits, wages, overtime it was in their budget the current year, it is not going to be there next year.

Vice Mayor Kerdyk: By we reducing it, we really should say they reduced it and they allowed us to reduce our budget by that so certainly a credit, and you always give credit correctly.

City Manager Salerno: Absolutely.

Vice Mayor Kerdyk: There is no doubt about it, if anybody gives credit to the right source, you give it.

City Manager Salerno: The we, it is we, it is plural.

Vice Mayor Kerdyk: I thought you meant we up here.

City Manager Salerno: No I have already expressed on several occasions how I felt about the measures they took, and they did it from the standpoint of wanting to help, so from that perspective you have operational costs that have been reduced through a negotiation process and you have a fire assessment fee which is also supplementing their operation they fire assessment fee in this case is only covering approximately 10% of their fire protection costs, it is not funding, as I said there is 90% of the cost that is not being covered by that fee. So this fee could have been much higher in some communities they would charge 100%, of their Fire Department, fire protection services for that and this is as I said only one tenth (1/10) of that cost, but the reality of it is we are reducing costs in this department largely the result of us working together to bring down both the wages and other forms of compensation.

Vice Mayor Kerdyk: Alright, let me answer my own question, I think you answered it, but my question is we are not going to have \$1.5 million more dollars to give to the Fire Department to buy additional equipment, it is not like we are staying neutral and all of a sudden adding another \$1.5 million we are going to be able to put this toward new fire equipment, and all of this other possibilities for our great Fire Department, but anyway, I understand the situation I am ready to vote. Thank you.

Mayor Slesnick: Can I give you my perspective of that.

Vice Mayor Kerdyk: Sure.

Mayor Slesnick: I think it is worth the comment, and that is the way I see it, is that I don't believe that if I vote for this I am giving an extra \$1.5 million to the Fire Department. I believe that what we are doing is conserving City resources and expenditures on the Fire Department, so yes you can make the allegation that we are raising the \$1.5 million in order to save that money for other uses, that is in fact I believe to be true, but what I also believe concurrently to be true is that what we are doing is establishing that steady stream of income for the future for those purposes because I have to tell you, if you are right Bill about next year and if Chip is right about next year in your predictions we are going to look at the same exact challenges for next year of reducing budgets of our operating departments and in order to do that in the Fire Department and yet guarantee a source of income, this provides us that latitude, that is all that I am saying.

Vice Mayor Kerdyk: That is correct; I just didn't want the misinterpretation of all of the people, residents who thought that all of a sudden we were going to have another \$1.5 million to spend on capital improvements to the fire department, that is not going to happen.

Mayor Slesnick: I think that this helps us pay for capital that is already budgeted for. I'll accept the motion Mr. Withers. Mr. Withers has moved the item and Ms. Anderson I believe you asked to second it.

Commissioner Anderson: Yes.

Mayor Slesnick: So this is E-9 it has been moved and seconded, any further discussion by the Commission, any other comments?- Mr. Clerk.

Commissioner Cabrera: No.

Vice Mayor Kerdyk: No.

Commissioner Withers: Yes.

Commissioner Anderson: Yes.

Mayor Slesnick: Yes.

(Vote: 3-2)

Mayor Slesnick: The one comment I would ask as the last vote I would like the courtesy to make a comment to Mr. Hatfield and to Evan, if he is still here and to others is that my pledge is what I said before and that is that we will move forward with this, we will try to work out inequities and kinks in the system, and I will hold the Manager and the administration responsible the next time it comes before us, that if they want it to be renewed that I will be the first to bail on them if we haven't made sure that this is what we said it is and how it is used and applied so, that is what I think. Thank you all for what you do and for our department I hope that this moves us forward into the next couple of years with a little bit more security that our Fire Department will continue to have the money it needs to efficiently and effectively operate. Thank you.

[Recording stopped at 10:52:23 a.m.]