

**INDEX OF A SPECIAL MEETING  
FORT LAUDERDALE CITY COMMISSION  
SEPTEMBER 30, 2003**

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**SPECIAL MEETING OF THE CITY COMMISSION  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
CITY HALL**

**SEPTEMBER 30, 2003 – 5:01 P.M.**

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Mayor Naugle called the meeting to order at approximately 5:05 p.m. Roll was called and a quorum was present.

Present: Mayor Naugle  
Commissioner Teel  
Commissioner Trantalis  
Commissioner Hutchinson  
Commissioner Moore (arrived at 5:10 p.m.)

Absent: None

Also Present: City Manager  
City Attorney  
City Clerk  
Sergeant At Arms – Sergeant F. Sebregandio

**Beautification Agreement – Broward County – Infrastructure (M-1)  
Improvements for N.E. 6 Street and N.E. 3 Avenue – JPI  
Residential Development**

Mayor Naugle announced that this item would be deferred until October 7, 2003 due to the attempt being made to plant the Oak trees.

**Motion** made by Commissioner Teel and seconded by Commissioner Hutchinson to defer this item until October 7, 2003 at 6:00 p.m. Roll call showed: YEAS: Commissioners Trantalis, Hutchinson, Teel and Mayor Naugle. NAYS: None.

**Advance of Funds to Community Redevelopment Agency (M-2)  
(CRA) for Purchase of Property – Henry’s Retirement Home  
2137 N.W. 4 Street**

**Motion** made by Commissioner Teel and seconded by Commissioner Hutchinson to authorize the advance of up to \$1.75 million to the CRA for the purchase of property known as Henry’s Retirement Home.

Commissioner Hutchinson asked for further explanation regarding the \$1.75 Million being moved from CIP. She asked if the funds would be returned through the resale.

Kim Jackson, Director CRA, stated that the point in question was the \$1.75 Million regarding CPI funds. She further stated that she would go back to the other item previously discussed at the CRA. She explained when the CRA attempted to acquire the various parcels on the Konover site, they had been purchased in 3 different periods, and each time CIP funds or another funding source had been used. In one case CDBG funds had been used and were subsequently repaid with CIP funds. In other words, the entire \$6 Million that assembled the Konover properties utilized CIP funding for their purchase. The understanding was that once the development went out to bid and a proposer selected and the land sold to that proposer, that developer would pay the \$6.2 Million back to the CIP funds. As of today, that developer was still working on the project and had indicated that within 30 days would attempt to close on the property and pay the \$6.2 Million back to the CIP fund.

Ms. Jackson further explained that the other agenda item was the acquisition of Henry's property in Sweeting Estates. In order to acquire that property, there was the chance that they would have to utilize TIF funds. If that was done, they would have to take those funds from existing projects in the CRA which were short term. The finance plan was set up to assemble and dispose of land throughout the CRA. If they had to use TIF funds and the money taken away from the projects in order to purchase Henry's, this item was suggesting that as soon as Konover was closed and the \$6.2 Million returned to the CIP, that the CRA again would borrow a portion of it back so the TIF funds could then be redistributed where they belonged and pay the CIP back over time. She explained it was a timing issue. She stated that the CRA's acquisition was shorter term than when they thought the CIP funds were to be utilized.

Commissioner Trantalis asked why the CIP was constantly used as a bank to facilitate CRA projects.

Ms. Jackson explained that the CIP was spread out over a long period of time and was not an annual appropriation. The anticipation was that in the case of the Konover property, they borrowed \$6 Million over a relatively short period of time which leveraged a \$250 Million project. It was a funding source that did not necessarily affect the CIP projects provided the funds were repaid within a relatively short time frame.

Mayor Naugle stated that at any given time they had between \$70 Million and \$100 Million which was invested in various accounts committed to future projects, and instead of investing all that money in government securities or certificates of deposit, some of it was invested in real estate which helped community development and was a safe investment. He explained they did not invest funds in equities or stocks and bonds, but since real estate was appreciating it appeared to be a safe place to "park" their money in the interim and they were investing in the community.

Roll call showed: YEAS: Commissioners Trantalis, Moore, Hutchinson, Teel and Mayor Naugle.  
NAYS: None.

#### **Fiscal Year 2002/2003 Budget Amendment**

**(M-3)**

**Motion** made by Commissioner Moore and seconded by Commissioner Teel to approve an amendment to the Fiscal Year 2002/2003 budget to reflect increased expenditures. Roll call showed: YEAS: Commissioners Trantalis, Moore, Hutchinson, Teel and Mayor Naugle. NAYS: None.

#### **Fiscal Year 2003/2004 Budget Issues**

Greg Kisela, Assistant City Manager, stated he would give a quick overview regarding the 2003/2004 budget. He stated they had discussed fundamental assumptions which had been made as they moved forward to tentatively balance this year's budget. Specifically, they had programmed \$8 Million in anticipated salary savings, which included \$2.4 Million of furloughs and other types of salary savings that would generate these monies. He explained that the other \$5.6 Million was an assumption they would generate in salary savings. He explained that starting tomorrow they would have to freeze positions they were holding for 3 to 6 months or for all year which totaled 125 positions throughout the organization. He stated when they went into the summer deliberations, they had 83 vacancies in the General Fund, and as they moved through the year there were approximately 130 vacant positions. It was achievable that the \$5.6 Million could be generated, and admitted there would be impacts on service delivery. He explained further those positions were scattered throughout the organization. He further stated that some of the 130 positions needed to be filled because they were critical positions, such as the Risk Manager.

Mr. Kisela further stated that the other issues regarding this budget were that over the last several years they had spent about \$1 Million per year in travel for conferences and trainings. He stated

they had programmed in this year's budget only \$250,000 for such travel which would be exclusively dedicated to required certifications. Any discretionary travel would not be included.

Mr. Kisela further explained there were planned reductions in overtime but with the number of vacancies, it would be a challenge. Mr. Kisela proceeded to state that they had programmed a \$150,000 reduction for the cost of the Air & Sea Show. Technically, as of tomorrow, the jail was programmed to be out of the budget and would generate approximately a savings of \$1.8 Million, but further discussions were necessary regarding the notice requirements. In addition, they were planning to discontinue the trash transfer station.

Commissioner Moore asked Mr. Kisela to repeat what he had stated regarding the jail.

Mr. Kisela stated that right now in the approved budget, the jail would be discontinued as of tomorrow, October 1, 2003. Technically, the funding for that jail would go away as of midnight tonight.

Commissioner Hutchinson asked what type of plan was in place. Mr. Kisela stated that the Police Chief would provide further detail regarding that matter.

Bud Bentley stated that the authorization for the continuing of the jail stopped in next year's budget, but there would be a planned shut down of the jail, and it would not close at midnight. He stated they may have been saying the same thing only using different words. Commissioner Hutchinson asked if Mr. Bentley was absolutely positive of that.

Commissioner Moore stated that if there was going to be a \$1.8 Million savings if the jail was closed was it projected that the jail would close at midnight tonight or were such figures projected within the close-out period. Commissioner Moore further asked when the close-out period would take place. Mr. Kisela stated it was his understanding that it would be a 12-month closing. Commissioner Moore asked if the jail was not closed at midnight tonight, there would not be a \$1.8 Million savings.

Mr. Bentley stated that the numbers included the planned shut down of the jail. He stated the \$1.8 Million would be the net savings this year.

Bruce Roberts, Chief of Police, stated that actually the savings would be \$1.2 Million. He explained there was a phased-out closing of the jail that they had to go through. He stated there were 30-day notifications for all the contracts, and then the employees would go through a bumping process which could take about 45 days. By doing that they would save \$1.2 Million and that was originally calculated for a 12-month period. However, revenues increased and they were still confident that even though there would be 6-8 weeks needed to complete the closure, they would still save the projected amount.

Commissioner Hutchinson stated that she assumed that Chief Roberts was looking for other ways to keep the jail opened. Chief Roberts stated that they had met with representatives from a corporation and Chief Hurley could provide the details of such conversations. He stated that such conversations were just beginning.

Commissioner Hutchinson asked if the jail was needed to operate safely in the City. Chief Roberts stated they had said all along that the jail had been adjunct to their successes over the years regarding crime reduction. He stated they were tasked with coming up with a certain number in their budget, and to prioritize that budget as to where they could save money, and the \$1.2 Million was equivalent to 18 police officer positions. He stated that they had also done away with 8 police officer positions, and their positions would go from 514 to 506. He stated they had also agreed to carry at least 10-15 vacancies for salary savings positions. Cuts had been made where possible and where they were comfortable in doing so before the jail was even considered. He stated the jail had been a great help to the department, but in the last 3 years the population of the jail had been around 65 to 66. He explained they had attempted to market the jail to other

municipalities, but to no avail. He stated they also had attempted to market it to the federal government to get guaranteed beds, but they would not do that. The number of beds filled by

the federal government this year was about 32. He stated they had been successful in negotiating an increase in the cost of the beds from \$65 to \$81.50 which went into effect July 1, 2003, and it had taken one year to implement that increase.

Chief Roberts reiterated that with a reduction in crime, there was less use of the jail. He explained they had gone from about 20,000 arrests per year to about 14,000, and misdemeanors were about 10,000 to 12,000, and felonies were about 2,000 to 3,000 in any given year. He stated they kept the misdemeanor offenders and the chronic City ordinance offenders in the jail, and also used it to assist them in some of the homeless outreach programs. He felt if there was a need to close the jail, this was the only time they could do it with the caveat that they would move forward on a public safety bond issue in the future, and if it did not work they recommended a new more modern jail which would be downsized. He explained that "Plan C" was they could reopen the current facility even though staffing would be difficult. He hoped that the employees from the jail could be retained in other positions throughout the City. He stated he could not guarantee there would not be an impact on the community regarding crime, but tough decisions had to be made regarding the budget.

Mayor Naugle asked if there had been some recent changes in laws which would assist the City in the closing of the jail since the original concept was to have a jail for the repeated offenders such as prostitutes. Chief Roberts confirmed and stated the State Statute was about one year old which stated that after 3 convictions, prostitution would become a felony which was punishable in the County jail. He stated that they had even been using the City ordinance violation arrests to make such prosecutions successful. He explained they had about 20 known prostitutes which they had gotten to the felony level due to the hard work of the Special Investigation Division. He advised that the first choice such individuals had was to go through a rehabilitation program.

Commissioner Hutchinson asked if discussions had been held with the County Sheriff as it related to their jail and what the permitted City's use would be. Chief Roberts stated if individuals were sent to the County jail by a Judge and prosecuted, they had to go to the County jail and no charge would be made. He stated there were conversations with the Sheriff's staff and it was his understanding that they had about a 6% bed rate available for misdemeanors at this time. He reminded everyone that figure could change as had happened in the past.

Commissioner Hutchinson stated the comfort level for the community was that the drunk and disorderly, which normally had not been taken by the County, and been pulled off the street due to having the City jail. Chief Roberts stated they would do that, but it was something that would have to be monitored. Commissioner Hutchinson asked if there was any way to obtain a status report as to how things were going in relation to the closing of the jail. Chief Roberts stated that there was a process whereby they could look at their crime numbers and it would be Chief Hurley's responsibility to monitor.

Commissioner Moore stated that when the recommendations had been made for each department, along with the recommendations made in the budget for this year, he asked if such recommendations had come from the department heads. Chief Roberts stated that the Manager's Office had given the departments target numbers regarding budget cuts which had to be given as a percentage of the overall budget cuts. Then, the departments had to come up with a way to reach those percentages and prioritize them the best way possible.

Commissioner Moore asked if the City Manager had given his percentage of reduction across the board to each department based upon the proposed millage rate the Commission had given him to work within. Chief Roberts stated that this had involved two aspects, and one was the proposed millage rate. The other issue was the size of each department's budget and their share of the General Fund. Commissioner Moore added it also included revenues which were based on

projections in connection with permits, taxes, and grants. Chief Roberts confirmed. Commissioner Moore asked who had recommended that the jail be closed. Chief Roberts stated it was his decision based on the cuts that had to be made. He believed that \$2 Million to \$3 Million cuts had

to be made in the Police Department. Commissioner Moore clarified there were various ways those cuts could have been done, and that Chief Roberts had suggested either removing 18 police officers or close the jail. Chief Roberts confirmed.

Commissioner Moore stated he wanted a clearer understanding of how many inmates there were in the jail. He stated that the prostitutes that became felony convictions did not require them to be held in jail. Chief Roberts reiterated that the decision was up to the Courts. Commissioner Moore reiterated that County Judges tended to release the prostitutes from the County jail. Chief Roberts stated that they all went before the magistrate within 24 hours. He stated they did such hearings over the television in the City jail at this time. Commissioner Moore clarified that those individuals could still be convicted as felons without the City jail. Chief Roberts confirmed.

Commissioner Moore stated that he had asked for some dates regarding the jail such as the number of detainees which had been held over the last 30 days, and also for the months of May and January, 2003, and November, 2002. He stated that his response had been that the number of beds available for the last 30 days compared to the previous (shown on a 30-day table) had been 821. Therefore, 24% of the beds in the jail had been vacant. In May, 2003, there were 1550 beds available, thereby 46% of the beds had been vacant. In January, 2003, there were 1364 beds available, thereby 41% of the beds had been vacant. In November, 2002 there were 1830 beds available, thereby 54% of the beds had been vacant. Commissioner Moore stated that the Federal government had increased the rate to \$81.50 in July, 2003, but it cost the City \$98 per day to put someone in the bed. Therefore, they had been operating at a \$16.50 deficit per day, per bed. He stated the revenues did not take care of the problem. He explained that when he had asked about the expenditures for the jail, he was given the following information:

2001 – expenditures were \$3 Million, and the revenues generated with the federal government and any other methodologies used for generating revenues to operate the jail was \$405,000. The net expenditure was \$2.6 Million.

2002 – expenditures were \$3,341,000, and revenues of \$361,000. It cost an additional \$2.6 Million to operate the jail.

2003 –\$3,600,000 had been budgeted and the expenditures were \$3.5 Million, and the revenues generated were \$722,000. It cost \$2.8 Million to operate the jail.

Commissioner Moore reiterated there had been a deficit 3 years in a row. He stated that was why other municipalities in the State of Florida had used the taxpayers' money in the County jails. He explained the City was taxing the residents to run a City jail, and they were also being taxed by the County for the County jail. He stated that the County jail would not refuse any individuals that were arrested in the City for a felony. He further stated that the City jail was a luxury for misdemeanors to be held, and if circumstances were different maybe it would make better sense to keep the jail opened.

Commissioner Moore stated he had asked about the costs for operating the booking operation at the jail. He asked why this should still be done at the City jail, and what was the rationale for keeping it.

Chief Roberts stated the County also had a booking operation, but it was a huge time saver for the officers to do it within the City's facility. He stated the cost associated with it was probably several hundreds of thousands of dollars were saved in time spent by the officers. Also, by retaining the booking, it gave them the flexibility to possibly return to a municipal detention facility in the future. He stated the biggest issue was the time saved by the officers when making an arrest.

Commissioner Moore asked if it was possible to find out the cost for the booking operation at the City jail.

Terry Sharp, Director of Finance, stated they had made the best estimate they could in saying they would save \$1.2 Million if the residential portion was closed. He felt the response they had made in the memo to the Commission was that it was difficult to figure the cost in regard to a per bed, per day itemization.

Commissioner Moore asked how many individuals were used to man the booking operation at the City.

Chief Hurley explained they had 7 stations being used, 4 in booking and 3 in the residential section on the second floor. Commissioner Moore asked if they would keep the 7 posts when the jail was closed. Chief Hurley stated at least 3 would be closed down. Commissioner Moore further asked what the average salary was for the detention booking officer. Chief Roberts explained that it depended on the person's tenure, and in looking at some individuals who had been in the department a while, the total payroll projection would be in the high 40's and 50's.

Chief Roberts explained there were other issues involved in regard to the City retaining the booking operation. He stated it gave them the ability to interrogate the prisoners more conveniently and saved time for the detectives, especially in regard to their follow-up investigations. He stated that Chief Hurley could explain the automation that was used in the booking process at this time which enabled them to be more modern and efficient. He stated that they had probably made about 1,000 arrests due to being able to make quicker identifications because of the automated fingerprinting system. He further stated there were other issues involved with the booking operation which were hard to quantify at this point in time, but they really wanted to retain the operation.

Chief Hurley explained that when they looked at the staffing and discussed the reductions, they were looking at 22 positions out of 40 and all of those were not detention officers. He stated that retaining the booking operation would save them a great deal of time, rather than going to 201 SW 6<sup>th</sup> Street, and they had a lot invested in the automated fingerprinting identification system, and advised they were not hooked into the Broward County jail and had to request hard copies which could take up to 2-3 weeks.

Commissioner Moore clarified that with the reductions and the opening of positions to balance the budget, it would make sense to keep the booking operation. Chief Hurley confirmed. Commissioner Moore stated they needed to review the overtime situation because that had been a big problem, along with overtime for firefighters. He further stated that the jail had been in some cases 54% unoccupied, and yet it showed that in the year 2003 over \$663,000 had been spent in overtime at the jail. The year before that another \$600,000 had been spent in overtime. He felt it made mathematical sense to close the City jail.

Commissioner Moore stated they were discussing a public safety bond and felt it made sense to do so. He felt at that time they should consider how the jail was designed so as not to require them having the number of individuals used to man the detainees at the jail. He stated there were less officers in the jail because they could sit in the center and see the inmates. Commissioner Moore asked when the City jail had been built. Chief Roberts replied it had opened in 1983, and that the new County facility had been opened in the late 80's or early 90's.

Commissioner Moore reiterated that his greatest concern in regard to the closing of the jail were the employees who were presently manning the jail. Chief Roberts stated they had proposed the elimination of about 22 positions, and some of them were vacant. He further stated they were considering changing their procedures in regard to the transporting of prisoners, and possibly would use the detention officers. At the present time, the Sheriff's office transported all prisoners.

He added that they had considered using some of the detention officers to help with prisoners who were at BGH for any length of time.

Commissioner Moore replied that he understood more clearly why Chief Roberts had decided to close the jail. He stated the numbers showed it made prudent sense to do so.

Commissioner Trantalis asked if the 18 positions were to be eliminated or transferred. Chief Roberts stated that was the process he had referred to early regarding retaining them in City employment, but having the contractual right to bump to other positions. Commissioner Trantalis asked if the \$1.2 Million would be applied to pay for officers in other positions, and if so, where were the savings coming from. Chief Roberts stated the savings was from the jail directly and in the operating costs and contracts. He stated the operating costs alone were about three-quarters of a million dollars.

Commissioner Trantalis further asked how monies were being saved if the individuals were being transferred to other sections within the department. Chief Roberts stated he was not able to explain the "bumping process."

Mayor Naugle stated that some of the detention employees might prefer to be in that profession and not in a different unrelated type job. One of the things they were doing was having discussions with the Sheriff's Department to see if there could be any way for those individuals to be given jobs in a detention capacity at the County.

Commissioner Trantalis asked if those individuals would then be taken off the City's payroll. Mayor Naugle explained it might be possible to work out a way where people could transfer with seniority into another system. He reiterated that such discussions were presently taking place. Commissioner Trantalis stated that the number being discussed regarding savings appeared to be a fluid number depending on different variables.

Mr. Kisela explained that if they froze the position it would cause a displacement of employees not only at the jail, but also at the trash transfer station, and also at the stadium operations effective April 1, 2004 if that was not privatized. He further stated if such positions were frozen, they would not be entitled to bump, but if those vacancies were to be filled, then they could bump into such positions.

Commissioner Trantalis clarified that they would actually be letting individuals go if there was no vacancy to be filled. Mr. Kisela explained that at some point there could be individuals who bump through the system could fall out of the organization. He stated when they went through this in the early 90's few people had been displaced.

Commissioner Hutchinson asked for staff to report to the Commission at a later date the cost of running the booking operation. She felt it would be prudent to have such figures. Chief Roberts stated that he would even attempt to provide such information to the Commission during this meeting, if possible.

Mayor Naugle stated he wanted an update at a Commission Conference Meeting regarding the status of the closure of the jail, and a response to the company that was interested in operating the facility. Mr. Kisela further stated that they would continue the discussions with the Company that had made the solicitation.

Commissioner Moore stated that privatization of jails concerned him, and asked if staff was suggesting that this company was willing to pay a certain amount of money per day for use of the facility. Mr. Kisela stated they had sent a solicitation offering to lease and/or operate the facility. He added that they had not yet had any meaningful discussions with their representatives, but wanted such discussions to continue in order to see if there could be any mutual benefit.



Mr. Kisela further stated that they were anticipating as of January 1, 2004, that the trash transfer station would be discontinued, and that would probably impact 10 or 11 employees. In addition, he stated that in the budget as of April 1, 2004, the stadium operation would be discontinued unless they found an operator, but an RFP would be put out and solicitations made for the facility. He added the closing of the stadium would impact about 7-8 employees. He stated they anticipated such RFP being put out at the end of this calendar year, and then evaluating all proposals received, and then presenting them for policy considerations. He stated if there was

something that would help subsidize completely the operation, then it would be presented to the Commission before the facility was closed.

Commissioner Moore clarified that the word "subsidize" did not represent his interest, and he did not want the operation subsidized. He stated if someone was interested in taking over the operation and adding to the City's revenue, he would be in favor, but he would not support subsidizing it with the taxpayers' money. He stated he would prefer handing this matter in the same fashion they had the cemeteries.

Commissioner Moore also stated that he wanted an RFP put out regarding the redevelopment of the trash transfer station site. Mr. Kisela stated nothing had yet been done regarding that site, but at some point there would be an adaptive re-use of the facility. Commissioner Moore stated he wanted it to be on record that one of the reasons they were closing it was to use it for some type of revenue.

Mayor Naugle stated since it was a former wastewater site, they would probably have to do certain things to the site before it could be used. Commissioner Moore stated that possibly the individuals responding to the RFP would be willing to clean up the site. He added that since it was a brownfield site, Federal monies might be received. He stated that he wanted the site to be considered an asset after it was closed. Mayor Naugle added that there was pumping and other things taking place at that site.

Mr. Kisela stated that the last issue which had an impact on the 2003/2004 budget was the impact on the Capital Improvement Project Program. He explained they were dealing with a \$2 Million reduction in the anticipated funding of the program. He stated that about 3 years ago when they were phasing down the 1996 Parks Bond Program and the positions hired to support that \$35 Million to \$36 Million Program, they had transitioned them out of the program into the accelerated Recapitalization. He explained they had done a complete inventory of everyone of the City facilities, including parks, City Hall, bridges and fire stations and identified planned improvements. He further stated that one of the major consequences of this budget was the inability to fund such positions and fund the accelerated recap as of January 1, 2004. He stated there were approximately 15 or 16 professional positions in engineering and architecture that would be impacted. He stated there were also a number of recapitalization projects, specifically more in the 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> years that would be impacted by the reduced funding into the Capital Improvement Program. He stated before moving forward, he wanted everyone to understand the ramifications.

Commissioner Hutchinson stated that first she wanted to return to the discussion regarding the stadium, and then would proceed on to discuss the Engineering Department. She stated that she had spoken with Mr. Kisela and other individuals and wanted staff to revisit the payment issue as it related to the Executive Airport and the FAA. She stated it was her understanding that it would be a "glitch" as it related to getting someone to not just subsidizing the stadium, but to run it and have it pay for itself. She reiterate such opportunity was available with the soccer team and she felt they could go before the FAA and obtain a better deal before putting out the RFP.

Mr. Kisela stated they leased the property from the Executive Airport and the existing lease had been approved by the FAA. Commissioner Hutchinson stated it was her understanding that the contract was very lucrative, but not necessarily for the City. She cautioned everyone that this should be done.

Commissioner Moore stated he failed to recognize that the revenues generated in 2001 was \$492,000, and the expenditures totaled \$787,000. He added that in 2002, the City had lost \$435,000 in the operation of the stadium, and in 2003 the City had lost \$461,000 operating the stadium. He felt the recommendation to close the stadium was a good one, and he was sorry it could not be done before April, 2004. He asked if there was a contract with the Orioles that committed the City to keeping the stadium opened until that date. Mr. Kisela confirmed and stated there was a contract through the spring training. Commissioner Moore asked if there were any

“loopholes” in the contract that would let the City obtain larger revenues from the Orioles. Mr. Kisela replied that in the summer of 2002, the Orioles had helped with certain capital improvements.

Mr. Kisela reiterated that as the City moved forward with the RFP, they needed to keep in mind that the stadium was a 40-year old facility, and capital improvements could be very challenging.

Mayor Naugle stated he was confident with the revenue brought in by the Orioles for a short period of time, and believed another operator could come in and reduce costs and significantly increase the revenues with year-round use.

Commissioner Hutchinson stated that in talking about the accelerated CIP and the CIP Program, short of the public safety groups, she felt the next important department was engineering because without them the projects for the neighborhoods would not get done. She stated further that she was concerned that they could lose 15 to 16 positions. She realized the department head, Hector Castro, was attempting to move individuals around before January 1, 2004. She stated that the CIP had been drastically cut. She asked why projects were being approved, if they were not going to get done, such as the NCIP and the BCIP. Realistically, it appeared that projects in the “hopper” were getting done, but why approve more if there was no chance they were going to get done. She further asked if the NCIP and the BCIP were put on hold for a year, and applications currently in the “hopper” went to the top of the list for 2004/2005, would it keep positions and get projects done.

Mr. Kisela explained that they would save about \$450,000 if they discontinued the NCIP and BCIP for this year, and those savings could be used for two purposes. He stated in the next 30-45 days staff was going to present the 2003/2004 Capital Improvement Projects, and the dollars would then be available to do other projects or save staff to work on projects. It would be a balance that needed to be done before moving forward. He explained further they had to come up with a business plan based on the available resources.

Commissioner Hutchinson stated that groups were happy that finally CAP was available, but if plans were made for projects that could not be done due to not having the available resources, were they “playing smoke and mirrors” with the public. She stated she was a “forefront gal” and did not operate in that way well.

Mr. Kisela stated there was clearly a cost to do the Community Area Plans and if there were not available resources to implement it, a policy decision would have to be made. He stated that there were State, Federal and Enterprise Funds available for such projects. He added that CAP would cost about \$250,000 to \$350,000 for operating costs which were basically the cost of salaries.

Commissioner Moore stated he wanted to add on the CAP and the neighborhood involvement for such projects. He further stated that if they did not have a plan, it could not be implemented. He stated he would prefer that a bond be done to bring up the quality of the facilities. He stated he did not want to eliminate getting input from the neighborhoods. He added that he did not want to reduce personnel.

Commissioner Hutchinson stated she did not want it to go away, but put it on hold for a year since they were going to lose staff.

Mayor Naugle stated this was something they had to monitor and if staff felt they needed to curtail it, then a recommendation could be made to the Commission.

Commissioner Hutchinson reiterated they needed to give a comfort level to the neighborhoods that it would return, and in moving through the budget they had to find a way to do that.

Mr. Kisela stated that he felt as they moved forward for the next 6 months and the strategic planning began, they would be able to identify things they were currently doing that possibly might not be done in the future. He realized those might be hard policy decisions, but clearly they could not have 150 less positions and not create an impact.

Commissioner Teel stated she agreed about the CAP and stated it was not a short-term process, and finally some of the districts were completing their programs. She reiterated that the enthusiasm was there and she did not want to lose such momentum. She stated it was not something which needed immediate expenditures on large capital items, and they were in the planning phase. She felt if they got through those phases, then they would be ready when the time came to proceed with implementation.

Commissioner Teel further stated that staff had stated they intended reducing expenses regarding the Air & Sea Show to the City by \$150,000, but as she recalled in the documents she had obtained they had been spending over \$500,000 to subsidize the show. She had hoped to hear of larger savings, and asked how staff had arrived at their figure.

Mr. Kisela stated that what they were comfortable with inserting in this budget without subsequent negotiations with the promoter was the \$150,000. He felt they could achieve additional savings by negotiations and with some planned changes as to how the event would be presented to the community. He explained they did not want to overstate the savings.

Commissioner Moore stated that the Air & Sea Show needed to be treated like the Trash Transfer Station, the jail, and the stadium. He asked if negotiations could take place with the promoter at this point in time. He also asked if the promoter's books were ever reviewed and did the City know what type of revenue was generated from the event.

Mr. Kisela replied they did not and according to the contract he did not think the City had the right to audit the promoter's books. The City Attorney stated that the City had no such right under the current contract. He explained the City had the obligation to provide the police, fire and crowd control, and then bill the promoter for such costs. He stated the estimated costs were about \$188,000. Commissioner Moore asked how many years were still left on this contract. The City Attorney stated that two more years were left on such contract, and the 2005 portion could be cancelled if notice was given in 2004 within 30 days after the event. Commissioner Moore asked if such notice could be given by the City now. Mr. Kisela replied that notice could be given that the City did not intend to have the event in 2005 unless the promoter paid all costs. Commissioner Moore suggested that such notice be given now in an attempt that they could possibly negotiate for 2004.

Commissioner Hutchinson stated it was her understanding that the promoter had to pay for everything he asked for as it related to the contents of the contract, and on top of that he did not have to pay for what the City felt they needed which was extra police, fire, clean-up, and staff. She stated the City had said he arbitrarily needed such things and that was where the City got hit with the bill.

Mayor Naugle suggested that if the City liked the event, they should give the promoter sufficient time to work things out and not attempt to cancel for 2005.

Commissioner Moore stated that if the promoter was notified that the City did not want to subsidize this event any longer, it would give the promoter time to work things out. He reiterated that if the event was not cancelled, the City was still obligated by contract to participate in the event. Therefore, notice should be given now for year 2005.

Mr. Kisela stated that the promoter understood the need to come to the table and enter into meaningful discussions to reduce the subsidy and that was going to be done. He stated that preliminary discussions had been held regarding 2004, and that was why the \$150,000 amount had been inserted into the budget.

**Motion** made by Commissioner Moore and seconded by Commissioner Teel that the City end the contract for the Air & Sea Show for year 2005, and that notice be sent to the promoter stating the City wanted to end such contractual obligations.

Mayor Naugle asked if this could be done now or had the window for such activity been closed. The City Attorney stated that he had reviewed the contract and it appeared there was a window of opportunity, which was 30 days after the event in 2004, but notice could be provided to the promoter now, and again within the 30 days after the 2004 event.

Commissioner Moore stated he felt they would be making the taxpayers understand that the City was attempting to use the money in the budget to benefit them. He felt the show gave positive publicity to the City, but he also believed that sponsorship could be obtained as was done for the 4<sup>th</sup> of July Fireworks.

Commissioner Hutchinson stated that she did not disagree, but instead of doing it on TV and through the newspapers this evening, they should have the opportunity of sitting down with the promoter explaining what he needed to come up with and what savings needed to be provided for 2005. Then, if the promoter could not meet the City's requests, then give notice of cancellation.

Bud Bentley, Acting City Manager, stated that if the goal was to terminate the Air & Sea Show as quickly as possible, he felt the motion would have that effect, but if it was to reduce the City's subsidy, it would put staff in a difficult and impossible negotiating position.

Commissioner Teel stated she believed the 30-day window was very restrictive, and had information been provided last May after the conclusion of the event, the Commission could have seen what monies had been involved. Mr. Kisela stated that the Commission had not been informed of the expense and the reconciliation of such expenses could take longer than 30 days to be provided. Commissioner Teel stated that the 30-day period for 2005 could not be met again since complete information regarding the expenditures could not be provided to the Commission. She believed the City was at a definite disadvantage.

Commissioner Teel also stated that in line with past practices, the City had handed over a blank check to cover expenses and the promoter was not being given any incentive to obtain additional sponsors. She felt the whole premise the City had worked under had been flawed. She believed that the City needed to get down to brass tacks and in fairness to the sponsor so he would be aware of the seriousness of the situation. She added that they wanted to keep the show, but the City could not keep writing checks for \$500,000. She felt there was a lot that could be done and was very serious about charging \$1.00 per head for individuals to cross the bridge and go to the show.

Mr. Bentley suggested that the motion state that unless the City's subsidy was significantly reduced, the City intended to give notice in May, 2004 for cancellation of the 2005 event. Commissioner Moore asked what significantly reduced entailed.

Commissioner Teel stated that in her opinion she felt the City's responsibility was to host the event even though it brought inconvenience to the residents in the area. She added there were other downsides to the event such as the impact on the Galleria which lost about \$1 Million of business during that weekend. She added that the City's sponsorship was \$28,000 and she felt that was a significant contribution to be made by the City. She stated that she would not support any amount over the sponsorship amount of \$28,000.

Commissioner Hutchinson asked for the motion to be restated.

**Motion** made by Commissioner Moore and seconded by Commissioner Teel that the City's subsidy for the Air & Sea Show should be no greater than \$28,000 for years 2004/2005, and failing such agreement the Commission would cancel the show for year 2005.

The City Attorney stated that there was more than \$28,000 in the contract, such as a parking fee which the City received \$46,000 and anything over that amount went to the sponsor. He added there was also a \$25,000 additional fee.

**Motion** made by Commissioner Moore and seconded by Commissioner Teel that the City's subsidy for the Air & Sea Show should be no greater than \$100,000 for years 2004 and 2005 which included the amount for the sponsorship, and failing such agreement the Commission would cancel the show for year 2005.

Mayor Naugle stated that he thought the motion was being made for the year 2005 and the amount would be reduced to \$150,000 for year 2004.

Mr. Kisela reiterated that they had programmed \$150,000 for year 2004.

Commissioner Moore stated that the motion was stating that the City would spend no more than \$100,000 for the year 2004 and 2005 for the Air & Sea Show, and if the promoter decided not to meet such obligation, the City was giving notice that the event would not take place in 2005.

Mayor Naugle asked if the City could do that in accordance with the existing contract. The City Attorney explained there was a provision in the contract that referred to crowd control police, fire and medical protection, and that there had to be a joint plan agreed upon by the City and the promoter. If the promoter did not agree and there was an impasse, then the show could be cancelled.

Commissioner Hutchinson asked since notice had not been provided within the 30-day window after the last show, could this be done for the year 2004. The City Attorney explained that they were not modifying the contract and were simply making sure the contract would be followed for 2004.

Roll call showed: YEAS: Moore, Hutchinson, and Teel. NAYS: Commissioner Trantalis and Mayor Naugle.

### **Chamber of Commerce**

**(OB)**

Mayor Naugle stated that it was his impression that there was money in this year's budget for the Chamber of Commerce, and asked if they had been paid.

Faye Outlaw, Interim Director of Community and Economic Development, stated that the money was in the initially adopted budget, and as part of the reduction process which the department had gone through the money had been eliminated for this year, and was not being projected for next year. Therefore, the Chamber of Commerce had not been paid.

Mayor Naugle asked when the Commission had made such a decision. Ms. Outlaw stated that decision had not been made by the Commission, but was part of the former City Manager's direction to the department. Each department had a reduction amount they had to achieve which had to be accomplished without reducing positions. Mayor Naugle stated they had performed services during the year, and were not being paid for them. Ms. Outlaw confirmed. Mayor Naugle reiterated that the Commission had passed on a budget which included monies for the Chamber of Commerce last year, and no action had been taken to rescind such monies, and yet services had been performed.

Commissioner Moore stated if the Chamber of Commerce had provided this City and its citizens services which had been agreed upon in a contract, he did not want them "holding the bag," and wanted to see what services had been performed and then pay them for such services. He asked for an accurate report be provided of such services.

Mayor Naugle stated he had read the Charter and did not find the ability to veto expenditures that the Commission had authorized without their knowledge. Commissioner Moore stated that was called balancing the budget, but he did not understand how someone could deliver a service and not be paid for it.

Mayor Naugle asked if there were any other individuals or groups that the Commission had promised reimbursement, that were not being paid. Ms. Outlaw stated none within her department.

Commissioner Moore asked how much money had not yet been paid to the Chamber for services rendered. Ms. Outlaw stated she wanted to put the Chamber of Commerce's contract into context. She explained that historically that contract had come before the Commission near the middle or end of the year and was retroactive to October 1<sup>st</sup>. For this year, they had not yet executed a contract, and what occurred was the continuation of services that the Chamber had normally provided under an ongoing and contractual relationship with the City. A few months ago when discussions centered around expanding the Chamber's role and rolling the contract from a \$55,000 to a \$90,000 contract, it had not moved forward, and budget issues had risen to the top of the discussions and the contract was set aside. She stated the department had to meet their reduction target, and as part of the former City Manager's balancing for the current year, the monies were swept up to meet part of the City's deficit.

Commissioner Moore asked if the Chamber of Commerce had provided services during the current fiscal year. Ms. Outlaw stated that the Chamber had continued to provide those services dealing with tourism and business retention which they normally did, and the City had paid for a portion of those services which had been performed. The only difference was that the City had not yet executed the contract which spelled out the specifics for the services and how the City would quantify such expense. Commissioner Moore stated that due to amounts involved, the Commission had not acted on the Chamber's contract, and therefore the Mayor's interpretation was not factual.

Mayor Naugle added that during the approval of the budget had monies been included for the Chamber of Commerce. Ms. Outlaw stated they had included \$55,000 for the Chamber of Commerce as of October 1, 2003. Mayor Naugle reiterated that the Commission had approved such amount and therefore he had provided factual information.

Commissioner Moore asked the Mayor to deal fairly with the budget. Mayor Naugle stated he did not appreciate Commissioner Moore's comments and did not appreciate them at the last meeting when he had attempted to state that he had set up the date for the meeting. Commissioner Moore reiterated that the Mayor had lied.

Mayor Naugle stated that Commissioner Moore was out of order. Commissioner Moore reiterated that the Mayor was attempting to say that because monies were in the budget it was so, and if that was the case, there would be no deficit in the budget.

Commissioner Trantalis stated that the Commission was supposed to be discussing next year's budget, and when the Mayor asked if the City had paid bills in this year's budget, the matter should probably not be discussed and the bills should just be paid. If a specific contract had not yet been executed, then if someone performed due to reliance upon being paid, there was a certain type of quasi-contract especially if the City had benefited from such services. If the City had not benefited, then they were unjustly enriched for having had such services performed based upon such representations. Therefore, he suggested that payments be made where promised, especially in the cases where work had been performed, and the Commission should move forward.

Mr. Bentley stated there was a consensus that the Chamber of Commerce had provided services throughout most of the year, and the simplest solution would be for the Commission to authorize

an amendment to last year's contract through the end of this year at the same rate, and then the contract could be paid off.

Commissioner Moore reiterated that if the Chamber had provided services in which outcomes could be offered, he wanted those matters paid, and just because it was in the budget did not make for the writing of a check. Ms. Outlaw stated she felt the Chamber was in a position to provide such documentation, but they had not yet obtained it, and administratively they still needed to work out the issue of where the funds would come from. She added that if the Commission directed that the monies be paid after reviewing such documentation, then payment could be made.

Mr. Bentley stated that the motion should include that staff was to perform such an evaluation.

**Motion** made by Commissioner Moore and seconded by Commissioner Hutchinson that staff meet with the Chamber of Commerce to determine what services had been rendered.

The City Attorney suggested they add to the motion a direction to the Finance Department to encumber the funds from this year's budget.

Motion restated:

**Motion** made by Commissioner Moore and seconded by Commissioner Hutchinson that staff meet with the Chamber of Commerce to determine what services had been rendered, and that depending on that analysis the Finance Department be directed to encumber such funds from this year's budget.

Mr. Bentley suggested that part of the motion include that staff would be authorized to amend last year's contract to extend through the end of this fiscal year.

Commissioner Moore stated that was not a necessity, and if they were stating that the funds would be encumbered from this year's budget and if documentation could be produced, then they would be paid.

The City Attorney stated that the contract did not have to be amended and he had suggested that an equitable theory of quantum meruit be adopted whereby they would be paid for the value of the services rendered, and to make sure the funds were there and not carried forward they would be prohibited from spending it later on, the funds should be encumbered tonight.

Commissioner Moore reiterated there was no reason for the matter to come back before the Commission if a work product was evaluated with outcomes. Commissioner Trantalis asked if such evaluation could be done within 30 days.

Mr. Bentley stated that a caveat could be added stating that staff was to complete their review within two weeks of receiving the information from the Chamber of Commerce.

Commissioner Hutchinson asked if such information could be provided in a Friday memo to the Commission. It was confirmed that such data would be provided.

Roll call showed: YEAS: Commissioners Trantalis, Moore, Hutchinson, Teel and Mayor Naugle. NAYS: None.

Commissioner Hutchinson advised that Mr. Bentley and Mr. Kisela had met with her after the September 16, 2003 meeting with news she had not been privy to prior to approving the budget which was the \$8 Million in the anticipated, assumed and projected salary savings. She stated that she was uncomfortable that they were not going to be met. She asked if there were any assurances that could be provided, and added that the least layoffs the better. She stated she

was also concerned about the overtime policies and standards in place at this time, and asked if copies of those documents could be provided to the Commission.

Mr. Kisela stated that as reported, they had approximately 130 vacancies in the General Fund and they were committed to manage those vacancies. Discussions were held with all department heads, and since June, 2003, had hiring freezes in place. He explained there were no requisitions for filling vacancies, and departments could not fill vacancies unless they were approved.

Commissioner Hutchinson reiterated that they had assumed salary savings in the previous budget, and they had not been met. Mr. Kisela admitted that had contributed to the problem. Commissioner Hutchinson stated that a lot of things were going to happen this year, and discussions had been held about preventative maintenance. She further stated that Public Services would not be able to do the job that was expected of them since there were no funds. She reiterated that this was going to be a tightening of the belt, and she was uncomfortable that they were going into the situation with the assumed and anticipated salary savings. Mr. Kisela stated that the major purpose of the briefings that were given to the Commissioner were to make sure that the policymakers understood some of the service impacts.

Commissioner Hutchinson asked if there were policies and standards in place regarding overtime going into 2003/2004, and how it would be distributed. She emphasized that their track record showed that they had always spent 40% more than what had been budgeted, and this year the overtime had been budgeted at a very low figure. Mr. Kisela stated that those were procedures each department had been asked to adhere to. Commissioner Hutchinson asked if the Commission could request that a monthly update be provided regarding overtime in various departments. Mr. Kisela stated they had previously committed to providing budget versus actual and that could be included in the analysis.

Commissioner Moore stated that a number of recommendations had been made by a CPA firm who had rendered services to the City, and one such item was the privatization of sanitation. Another recommendation was that the Parking Division become a private operation, as well as increasing the cost for the use of the Trash Transfer Station.

Mr. Kisela stated that staff had committed to giving a report from the Clean City Program to the Commission regarding privatization. He stated that the City already privatized half of their cart service, and 100% of recycling was privatized. He stated they did not privatize the bulk trash service, and in the past the Commission felt there was merit in maintaining at least half of the cart



collection. He further stated that a report would be given to the Commission and recommendations would be made by December 2, 2003.

Commissioner Moore clarified that the City was going to continue sanitation services with some privatization. Mr. Kisela confirmed. Commissioner Moore asked if there was any consideration in taking the Parking Division, which was a revenue producer, and privatizing it.

Mr. Bentley replied that they had not discussed the privatization of parking. He added that the question was not whether an operation was in the black, but how much additional efficiencies could be achieved by privatization.

Commissioner Moore stated the areas considered for privatization were sanitation and parking. Mr. Kisela replied those were the two major areas considered, and added that the City outsourced many services, including janitorial, meter reading, cemeteries, and mowing of medians. He added that bridge tending had been outsourced for about 7 to 8 years ago.

Commissioner Moore stated that he felt the Parking Division should not be considered for any type of privatization. He further stated that in reviewing the employees' salaries and benefits in comparison to pensions, the City should continue such service. He felt where the City was in the "red," then he would be a proponent to look at privatization.

Commissioner Moore continued stating that in reviewing the revamped budget, it had proposed placing the Mounted Police back in the budget, and he asked what savings could be made by removing such patrol.

Chief Roberts stated that originally they had looked at saving approximately \$440,000. Commissioner Moore asked if there would be more visibility of officers by placing them in a vehicle or what consideration had been made with the deletion of such a patrol. Chief Roberts stated they would retain primary police services, and stated there was still the issue as to what would be done with the stable. He explained when the first proposal had been made, they had not made any determinations because Trust Fund money was involved and whatever decisions were made, monies would have to be returned to such fund. He felt their options were limited, and there had also been the public outcry to retain such patrol. Commissioner Moore clarified that by placing the patrol back into the budget, the City would be impacted by \$440,000 which could cause layoffs to occur. Chief Roberts further clarified that the budget was to eliminate 8 police positions and they had considered those to come from the mounted unit. He explained that 2 positions would come from the mounted patrol, along with downsizing the unit because it was the largest compared to other areas. He further explained the primary cost savings would come from personnel and the elimination of the positions. He reiterated that the 8 positions would come from the following units: 2 from the mounted unit, 2 from the DDA, 2 from Operations, 1 from Special Investigations Division (SID), and 1 from Criminal Investigations Division (CID) involving one of the evening shift general duty detective slots.

Willie Ross, 1401 NW 3 Court, thanked the police for their great work, especially regarding 3<sup>rd</sup> Court. He stated that he hated to see the jail closed because the neighbors were worried if their community would be safe.

Commissioner Moore stated he did not want anyone to think that if an individual was arrested for a felony charge that they would not have a place to be incarcerated, and emphasized that the County jail would admit them.

Clare Vickery, property owner in Flagler Heights, Edgewood and Rio Vista, stated that she had been impressed how the "turnip was being squeezed" regarding the budget. She reiterated she was a private developer and would continue working with individuals who worked on private projects that had no public subsidies, and encouraged the Commission to take the opportunity to

make money in the real estate business. She stated that she was willing to meet with the Commission regarding such matters.

**Waiver of Purchasing Requirements for the Retainage of an Executive Search Firm**

**(OB)**

Commission Moore asked if there was any reason they could not piggyback on a contract with the County or another municipal entity who had recently done an executive search.

Kirk Buffington, Procurement Manager, stated that they would have to do the research to find such a contract, and would also have to make sure that their criteria and scope of services matched what the City was looking for in their scope of services. He felt that would take much longer than what was being proposed. He advised that they were going to go through a very competitive process, and had over 100 firms registered in their data base and would be notified of qualifications as soon as this item was approved by the Commission. He advised that the last time the City went through such a process, 7 responses had been received.

Commissioner Moore stated that the last time such a search was conducted a head-hunting firm had been used. Mr. Buffington stated it was Mercer, and unfortunately that had been a one-time contract about 6 years ago. He explained there was nothing in the contract language that would cover having them begin searching under the same terms and conditions. He added that they had added some additional items to the scope of services. Commissioner Moore stated he had been

on the Selection Committee for the Auditor for the County and a head-hunting firm had been used, and wanted staff to look at that contract which had been completed about 3 months ago. Mr. Buffington asked if staff was being directed to review such contract before proceeding. Commissioner Moore advised that he was just suggesting staff to review it and see if it met the City's requirements.

Commissioner Hutchinson asked what amount of time would be saved if the formal purchasing requirements were waived. Mr. Buffington explained that the time frame saved was not in the proposal process, but in the review process. Under normal circumstances staff spent most of the time reviewing, ranking and selecting, and then presenting the first-ranked proposer to the Commission. Previously, they had opened the 7 proposals received, presented them to the Commission with a tabulation of the responses, and the matter was addressed and discussed at the Commission Conference Meeting. A ranking was made and at the Regular Meeting a contract was awarded. Commissioner Hutchinson clarified they were waiving staff's participation. Mr. Buffington agreed and explained further they were not waiving any part of the competitive process.

Mayor Naugle asked what firm had done the County search, but he did not want to limit the process to one firm. Commissioner Moore stated he had no problem following the proposed plan as explained by staff.

**Motion** made by Commissioner Moore and seconded by Commissioner Trantalis that they waive the purchasing requirements for the retainage of an executive search firm. Roll call showed: Commissioners Trantalis, Moore, Hutchinson, Teel and Mayor Naugle. NAYS: None.

Commissioner Moore asked staff to make sure that when this was publicized that ads be purchased in the ICMA and the NFBPA to announce the opening.

Mayor Naugle asked that a list be provided as to which publications ads would be placed in regarding the position.

**Acting City Manager****(OB)**

Commissioner Hutchinson stated that she needed some further clarification regarding an item that had been voted on at Friday's meeting. She stated that at the meeting regarding the appointment of the Interim City Manager, it had been her understanding that discussions were held regarding expenses to be entailed up to \$1,000 per month. She asked if they were planning on hiring the Interim City Manager free of charge and pay only expenses up to \$1,000, or were they hiring someone and paying them a salary plus the \$1,000 expense allowance. She added that she was uncomfortable if they were only going to consider individuals who were capable of working for free versus someone in-house, and she felt it set the tone that very few individuals could afford to work for free.

Commissioner Moore stated he had made the motion and he had preferred having someone from the inside to serve as the Interim City Manager, and had stated the reasons being that the person would be more familiar with the situation the City was experiencing as a government, and it would not cost additional monies due to the fact the person was already receiving a salary from the City. He stated that during the discussions of the matter, he believed that Commissioners Hutchinson and Teel had stated that possibly there could be individuals available who would work for nothing. Commissioner Hutchinson clarified that issue had been brought up by Commissioner Teel. Commissioner Moore stated that due to such a fact, the Commission had attempted to find a way and compromise to state that if such an individual was available, he felt it would be best to eliminate any expenses for the Interim Manager. He stated it was discussed that they might seek outside professionals, and then he had offered the suggestion for the \$1,000 per month expense allowance.

Commissioner Hutchinson stated she was not going to ask to have her vote reconsidered, but she was uncomfortable that they were putting in a box individuals on the outside that could afford to do the job without a salary. She added if there was a consensus of the Commission to proceed in such a manner, she would agree, but emphasized her feelings. She stated there had been discussions regarding up-grade pay for an Acting City Manager hired in-house. She felt some further clarifications were needed.

Commissioner Trantalis stated it was his understanding that the Commission had decided that the Interim City Manager would not be paid any salary, and would only receive the \$1,000 expense allowance, which was why he had voted against the motion. He felt it would severely limit the candidates for the job, and would force them to look internally. He stated he did not object to such a suggestion and believed the most likely candidate should come from within the system at least during the interim because of the limited learning curve that would be needed. He further stated that it had been agreed upon by the Commission that the Interim Acting City Manager would not be entitled to a salary and only the monthly expense allowance. He added that he thought that understanding had come about due to the information Commissioner Hutchinson had provided regarding a website listing retired City Managers and employees who were willing to work for free.

Commissioner Hutchinson reiterated she had been referring to the Range Rider Program which helped to find the permanent City Manager, but the interms would be paid. She explained they were supplemented by the FCCMA.

Commissioner Teel stated that the first motion she had made was to open the process to include individuals from the outside, as well as current City employees. She clarified that she had not stated anything regarding salary range or that they would work as a volunteer. She stated that Commissioner Moore had stated that due to expenses incurred regarding the City Manager's resignation, he did not feel comfortable spending additional monies for the Interim City Manager if gotten from the outside. Therefore, he had suggested that the person be hired only if they were volunteering their services. She advised that later during the discussions, it evolved to pay the

\$1,000 expense allowance, but she believed there was a difference between expenses and salaries and compensation packages. She added that she had commented that she felt there might be someone willing to come forward and willing to work without compensation. She further added that she had someone from her district who would be interested in serving in such a position.

Commissioner Teel added that she felt very strongly that perhaps an internal applicant would not be in the best interest of the City because any department head or higher management position would be needed to keep their departments together and work to improve the financial health of such departments. She believed that someone from the outside would bring in added benefits. She felt it was important to keep as much consistency in the departments at this time.

Commissioner Teel further stated that she was opposed to increasing an internal person's compensation if they served in such a position. She believed they were attempting to get the budget down, and did not think it was necessary to increase such a person's salary by \$40,000 to \$50,000 per year. She felt there were sufficient individuals available that if they wanted to help the City and serve in such a position at this time, they should be willing to do so without a pay increase. She apologized if she had not stated her thoughts more clearly.

Commissioner Hutchinson stated that was why she had raised the issue because salaries and expenses were two different items, and she believed if they were not going to offer a salary to an outsider, than there should absolutely be no upgrade in pay for an internal individual.

There being no further business to come before the Commission, the meeting was adjourned at approximately 7:20 p.m.