TOWN OF PALM BEACH

Office of the Town Clerk

MINUTES OF THE SPECIAL TOWN COUNCIL MEETING HELD ON TUESDAY, SEPTEMBER 19, 2017

I. CALL TO ORDER AND ROLL CALL

The Special Town Council meeting was called to order on Tuesday, September 19, 2017, at 5:04 p.m., in the Town Council Chambers. On roll call, all of the elected officials were found to be present.

II. PLEDGE OF ALLEGIANCE

Council President Kleid led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Motion was made by Council Member Araskog, and was seconded by Council Member Zeidman, to approve the Agenda. On roll call, the motion carried unanimously.

IV. PUBLIC HEARING ON PROPOSED MILLAGE RATE, TENTATIVE FY18 BUDGETS

A. Notice of Proposed Property Taxes

Council President Kleid read into the record the required legal verbiage.

B. Proposed Operating Millage Rate

Council President Kleid read into the record the required legal verbiage.

C. Reasons for Proposed Operating Millage Rate Increase over the Rolled-Back Millage Rate

Town Manager Bradford provided an overview of the reasons for the increase in the proposed operating millage rate over the rolled back millage rate.

D. Comments and Questions from the Public - *None*

E. Discussion and Adoption (with changes, if any) of Proposed Operating Millage Rate for FY18

1. MERIT PAY INFORMATION ORIGINALLY PROVIDED TO THE FINANCE AND TAXATION COMMITTEE ON AUGUST 8, 2017

Danielle Olson, Director of Human Resources, provided a presentation on the merit pay system.

Discussion ensued regarding the competitiveness among other municipalities of merit pay based on performance, the budgeting software for merit increase forecasting, reasons for merit pay increases, the performance pay chart, the six-month average, conducting a town-wide study for the general employees, how the pay scales are evaluated, how to get $5.4 million from the budget to the UAAL.

Town Manager Bradford was instructed to come back at the next meeting with the $400K or leaving the tax rate as is.

Assistant Finance Director Cheryl Somers, spoke regarding a schedule prepared by Finance Director Jane Struder that shows extraordinary pension contributions in FY17 and FY18. The schedule shows where certain funds could be taken from to address the UAAL.

Discussion ensued regarding the merit pay increases and the increases to the pay ranges. Mayor Coniglio spoke in support of keeping the millage at the FY17 rate.

2. RESOLUTION NO. 143-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Adopting the Proposed Millage Rate Necessary to Fund the Tentative General (Operating) Fund Budget for the 2017-2018 Fiscal Year.

The Council directed Manager Bradford to find $400,000 from the budget, which could lower the millage rate by the time it comes back to the second public hearing.

President Pro Tem Moore spoke in support of the amount adopting this millage rate and putting over $1 million into the UAAL.

Councilmember Araskog expressed concern over non-homesteaded properties having too high of an increase in their property taxes.

Town Attorney Randolph read the entire Resolution No. 143-2017 into the record.

Motion was made by Council President Pro Tem Moore, and was seconded by Council President Kleid, to approve Resolution No. 143-2017 with the millage rate of 3.2706. On roll call for a vote, the motion carried unanimously.

F. Non-Ad Valorem Assessments

Works]

a. RESOLUTION NO. 144-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Relating to the Provision of Commercial Solid Waste Collection Services; Providing Authority and Definitions; Approving the Updated Assessment Rolls; Providing for the Reimposition of the Assessment to Fund the Commercial Solid Waste Collection Services; Providing for Collection of the Assessment Pursuant to the Uniform Assessment Collection Act; Providing for the Effect of this Resolution; Providing Severability and an Effective Date.

Director Brazil read into the record the required legal verbiage and spoke regarding the proposed assessments.

Town Manager Bradford read Resolution No. 144-2017 into the record.

Motion was made by Council Member Zeidman, and was seconded by Council Member Araskog, to approve Resolution No. 144-2017. On call for a vote, the motion carried unanimously.

2. Worth Avenue Commercial District Improvement Project [Jane Struder, Director of Finance]

a. RESOLUTION NO. 145-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Relating to the Provision of the Worth Avenue Improvement Project; Providing Authority and Definitions; Approving the Final Assessment Rolls; Providing for the Reimposition of the Assessments to Fund the Worth Avenue Improvement Project and Related Maintenance Services; Providing for Collection of the Assessments Pursuant to the Uniform Assessment Collection Act; Providing for the Effect of this Resolution; Providing Severability and an Effective Date.

Assistant Finance Director Cheryl Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 144-2017 into the record.

Motion was made by Council Member Araskog, and was seconded by Council Member Lindsay, to approve Resolution No. 145-2017. On call for a vote, the motion carried unanimously.

3. Via Fontana Underground Conversion Project [Jane Struder, Director of Finance]

   a. RESOLUTION NO. 146-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Relating to the Provision of the Underground Utility Improvements within the Via Fontana Assessment Area;

Assistant Finance Director Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 146-2017 into the record.

Motion was made by Council Member Lindsay, and was seconded by Council Member Zeidman, to approve Resolution No. 146-2017. On call for a vote, the motion carried unanimously.

4. Everglades Island Underground Conversion Project [Jane Struder, Director of Finance]

   a. RESOLUTION NO. 147-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Relating to the Provision of the Underground Utility Improvements within the Everglades Island Assessment Area; Approving the Updated Assessment Roll; Providing for the Reimposition of the Assessments to Fund the Underground Utility Improvements within the Everglades Island Assessment Area; Providing for Collection of the Assessments Pursuant to the Uniform Assessment Collection Act; Providing for the Effect of this Resolution; Providing Severability and an Effective Date.

Assistant Finance Director Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 147-2017 into the record.

Motion was made by Council Member Araskog, and was seconded by Council Member Lindsay, to approve Resolution No. 147-2017. On call for a vote, the motion carried unanimously.

5. Peruvian Avenue 400 Block Streetscape Project [Jane Struder, Director of Finance]

   a. RESOLUTION NO. 148-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida,

Relating to the Provision of the Peruvian Avenue Improvement Project; Providing Authority and Definitions; Approving the Final Assessment Rolls; Providing for the Reimposition of the Assessments to Fund the Peruvian Avenue Improvement Project and Related Maintenance Services; Providing for Collection of the Assessments Pursuant to the Uniform Assessment Collection Act; Providing for the Effect of this Resolution; Providing Severability and an Effective Date.

Assistant Finance Director Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 148-2017 into the record.

Motion was made by Council Member Lindsay, and was seconded by Council Member Araskog, to approve Resolution No. 148-2017. On call for a vote, the motion carried unanimously.

6. Town Hall Square Improvement Project [Jane Struder, Director of Finance]

a. RESOLUTION NO. 149-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Relating to the Town Hall Square Improvement Project; Approving the Updated Assessment Roll; Providing for the Reimposition of the Assessments to Fund the Town hall.

Assistant Finance Director Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 149-2017 into the record.

Motion was made by Council Member Araskog, and was seconded by Council Member Moore, to approve Resolution No. 149-2017. On call for a vote, the motion carried unanimously.

7. Nightingale La Puerta Underground Conversion Project [Jane Struder, Director of Finance]

a. RESOLUTION NO. 150-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County Florida, Relating to the Provision of the Underground Utility Improvements within the Nightingale-La Puerta Assessment Area; Providing Authority and Definitions; Approving the Assessment Roll; Providing for the Imposition of the Assessments to Fund the Underground

Utility Improvements within the Nightingale-La Puerta Assessment Area; Providing for Collection of the Assessments Pursuant to the Uniform Assessment Collection Act; Providing for the Effect of This Resolution; Providing Severability and an Effective Date.

Assistant Finance Director Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 150-2017 into the record.

Motion was made by Council Member Zeidman, and was seconded by Council Member Lindsay, to approve Resolution No. 150-2017. On call for a vote, the motion carried unanimously.

8. Lake Towers Underground Conversion Project [Jane Struder, Director of Finance]

a. RESOLUTION NO. 151-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Relating to the Provision of the Underground Utility Improvements Within the Lake Towers Assessment Area; Providing Authority and Definitions; Approving the Assessment Roll; Providing for the Imposition of the Assessments to Fund the Underground Utility Improvements within the Lake Towers Assessment Area; Providing for Collection of the Assessments Pursuant to the Uniform Assessment Collection Act; Providing for the Effect of this Resolution; Providing Severability and an Effective Date.

Assistant Finance Director Somers read into the record the legal verbiage regarding the proposed assessments.

Town Manager Bradford read Resolution No. 151-2017 into the record.

Motion was made by Council Member Araskog, and was seconded by Council Member Zeidman, to approve Resolution No. 151-2017. On call for a vote, the motion carried unanimously.

G. Discussion and Adoption (with changes, if any) of a Tentative Operating Budget, Debt Service Budget, and Budgets for Other Funds for FY1 8.

Michael Scharf, Dunbar Road, spoke regarding the request made to Town Manager Bradford to find $400,000 directed toward the UL, and asked Danielle

Olson to clarify the merit pay system regarding how many get no merit increase, the probationary period, and suggested that the Town evaluate the anniversary date and evaluation date.

Ms. Araskog spoke regarding the merit pay increase for satisfactory performance, Town debt increasing while equity is getting lower, bringing the contingency budget down, total expenses for Hurricane Irma, and budgeting for catastrophic events.

Lew Crampton, spoke regarding benefits seeming high, 67% is the benefits for the budget and how it compares to other communities. Director Olson provided an overview of the OPEB, benefits, FICA and how it compares to other municipalities. He pointed out that we should have some balance with the benefits.

Council Member Lindsay spoke regarding the need to look at C performing employees not getting a merit increase. She commended Director Olson's job on getting low rates for employees' healthcare. Requested to see a thorough study on whether other municipalities are paying two-thirds of the bill for healthcare. Tax payers shouldn't be burdened with employees' healthcare costs. She was open to examining a different plan for new employees.

Mayor Coniglio stated that the Town Council has been involved in the decision making for pension matters for the past three (3) years. She also spoke regarding the contingency and the impact to recruitment.

President Pro Tem Moore pointed out some specifics regarding pay increases using the example of a 3% pay increase to an average Public Works employee which is about $750 which is so insignificant in the scheme of things.

Assistant Finance Director Somers announced the total General Operating Fund of $80,432,013 is increasing to $81,464,313. The total for all funds was $249,166,973 and it is now $251,435,173.

1. RESOLUTION NO. 152-2017 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Adopting the Tentative General (Operating) Fund, Debt Service Fund and Budgets for Other Funds for the 2017- 2018 Fiscal Year.

   Town Manager Bradford read Resolution No. 152-2017 into the record.

   Assistant Finance Director Somers informed that she had a revised Exhibit A to be attached to the Resolution.

Motion was made by Council Member Zeidman, and was seconded by Council Member Lindsay, to approve Resolution No. 152-2017. On call for a vote, the motion carried unanimously.

H. Second and Final Public Hearing to Adopt the Final Millage Rate and Budgets will be held on Tuesday, October 3, 2017 at 5:01 p.m., in the Town of Palm Beach Council Chambers.

V. ANY OTHER MATTERS - *None*

VI. ADJOURNMENT

There being no further business, the regular Town Council meeting of September 19, 2017 was adjourned at 7:00 p.m.

APPROVED:

Richard M. Kleid
Town Council President

ATTEST:

Kathleen Dominguez
Town Clerk

Date: 11/15/17