

**MINUTES
CITY OF LAKE WORTH BEACH
CITY COMMISSION WORK SESSION
CITY HALL COMMISSION CHAMBER
TUESDAY, APRIL 27, 2021
IMMEDIATELY FOLLOWING
THE ELECTRIC UTILITY CITY COMMISSION MEETING**

The meeting was called to order by Mayor Resch on the above date at 7:34 PM in the City Commission Chamber located at City Hall, 7 North Dixie Highway, Lake Worth Beach, Florida.

ROLL CALL: Present were Mayor Betty Resch; Vice Mayor Herman Robinson and Commissioners Sarah Malega, Christopher McVoy and Kimberly Stokes. Also present were Assistant City Manager Juan Ruiz, City Attorney Christy L. Goddeau and Deputy City Clerk Melissa Ann Coyne.

UPDATES / FUTURE ACTION / DIRECTION

A. Capital Program (Past year's plan)

Juan Ruiz, Assistant City Manager, said that there was a lot to discuss and introduced Bruce Miller, Financial Services Director.

Mr. Miller said that the budget process would begin soon and he would provide an overview of the Capital Improvement Plan (CIP). He explained that the commission would approve the forthcoming year's CIP with four years teed up. He went through the list of project requests by fund with the funding balances identified. He said that there were project sheets to accompany the summary.

Mayor Resch asked about the requests.

Mr. Miller replied that there was detail provided for each project in last week's backup.

Commissioner Malega asked for clarification of the cumulative request. She requested that the grant dollars be filled in.

Mr. Miller responded that the cumulative number was for projects that had been funded. and rows for already funded projects would be eliminated.

Assistant City Manager Ruiz said that everything would be brought current by the budget work sessions. He stated that the presentation was very general and there would be American Rescue Plan Act (ARPA) funds available; when Washington provided the information, a work session would be set up.

Commissioner Stokes asked what the garage fund was used for.

Mr. Miller answered that the garage fund was for the replacement of vehicles.

Vice Mayor Robinson asked if leasing versus purchasing was examined and why the amount for the library was so low compared to Leisure Services.

Assistant City Manager Ruiz replied that the city was in a constant mode of determining whether to lease or purchase city vehicles and the fleet would turn over as the switch to electric vehicles was made. He iterated that Leisure Services oversaw all of the parks, for example, and the budget would vary from year to year. He said that the operating budget was handled separately from the CIP budget and the budget work sessions would give the details.

Mayor Resch requested the FY 20 budget to compare to FY 21.

Discussion ensued about the city's bond rating.

B. Sales tax

Mr. Miller gave an overview of the discretionary sales tax summary showing the estimated revenue of \$21 million less commitments as of September 2020 and other projects leaving a balance of \$1.1 million. He spoke about the projects that had been approved, which projects had been bond funded for each of the city's funds and future CIP projects earmarked for sales tax funding. He iterated the additional CIP projects and potential funding sources.

Assistant City Manager Ruiz stated that \$6 million had been set aside for the pool.

Mr. Miller said that he did not have the authority to expend funds without an appropriation.

Commissioner McVoy expressed concern that the backup provided at the meeting did not match what was posted on the website for the public.

Commissioner Malega reported that the numbers matched; the new backup was broken down more.

Commissioner Stokes asked how much sales tax funding had been received and spent.

Mr. Miller went over the projects that had been or were almost completed for a total of \$6 million and the bond funded projects for a total of \$5.1 million. He mentioned the future CIP projects to be funded by sales tax totaling \$8.75 million; the funds had not been appropriated.

Assistant City Manager Ruiz reported that to get more for the money and to complete necessary projects, funding was borrowed against the future sales tax revenue to come. He explained that the sales tax requirements were very specific and if expenses did not become part of a project, they would have to be paid back. He said that he attended meetings with the PBC League of Cities, which served as the city's oversight committee, to justify the expenditures and iterated that all of the upgrades were life and safety issues. He stated that direction would be needed regarding how the funds should be spent; \$8.75 million had been earmarked but not included in the CIP.

Commissioner Malega asked if the \$750,000 for IT infrastructure included anything for the

Finance Department whose system was completely antiquated.

Assistant City Manager Ruiz answered that it did not. He said that the Enterprise Resource Planning (ERP) conversation had begun; two systems would need to run at the same time through the migration and would take several years with a ballpark cost of \$1.2 million.

Commissioner McVoy stated that the public should have access to the information so that they would not have to make public records requests and access could lead to crowd sourcing.

Commissioner Stokes asked if there was a penny sales tax fund and if so, how much money it contained.

Mr. Miller stated that the penny sales tax was a straight cash flow model and there was \$3 million in the fund.

Commissioner McVoy asked for a ball park of the interest rates.

Mr. Miller said that the interest rates were a little over four percent, which was low, and the city was paying less for the duration.

Commissioner Malega requested looking at sustainability bonuses for new projects that would incorporate the surrounding areas.

Mayor Resch asked if there could be a hold on the sustainability bonus program.

Assistant City Manager Ruiz said that he would discuss the issue at the Directors' meeting in the morning.

City Attorney Goddeau stated that input would be needed from William Waters, Community Sustainability Director; a status update could be provided at the May 4 meeting.

C. Strategic Plan

Mr. Waters explained that the strategic plan was a document giving a high level vision of the city looking at its why, how and what. He said that the focus was on improving lives and making LWB the first choice for residents and businesses. He spoke about how the strategic plan, which provided a framework for making critical policy and budgetary decisions, came about and that the strategic plan contained the mission and vision statements, values and strategic priorities and objectives. He went over the core values, vision and strategic priorities to position the city as a competitive viable location of choice, to celebrate its diversity, to navigate towards sustainability and to affirm government for all. He said that the strategic plan included elements from the comp plan which was required by Florida Statute and was reviewed every seven years, the Land Development Regulations (LDRs) which contained the rules and regulations for investing in the city, incentive programs and various guidelines. He iterated that local governments were able to designate areas as CRAs when certain conditions existed.

Mayor Resch asked if there would be a work session about the strategic plan.

Assistant City Manager Ruiz responded that there should be an annual discussion about the strategic plan and a visioning conversation would be needed.

Vice Mayor Robinson expressed the importance of a strategic plan and how to fund investment outside of gift money such as penny sales tax and ARPA funds, which should be encouraged. He said it would be necessary to balance investment and incentives.

Commissioner Malega thanked Mr. Waters and his team for the strategic plan and said that she understood that it was a working plan that would need tweaking as times changed. She opined that the CRA should be redistricted to the blighted areas needing investment and inquired how projects would be funded when the CRA sunsetted.

Commissioner McVoy pronounced that financing the city was challenging, but there were other ways to fund projects aside from new development; the commission had a responsibility to maintain what made the city unique. He spoke about using innovation to drive progress and said that there was nothing in the strategic plan about combatting climate change.

Vice Mayor Robinson announced that the county not the city would get the Tax Increment Financing (TIF) money when the CRA sunsetted.

Commissioner Stokes said that the city needed to live up to its rich diversity and suggested looking at project ready ideas.

Mayor Resch stated that the city's cultural diversity should be celebrated and the city needed to work on its branding. She said that a balance was necessary between helping those in the city and bringing in new development. She stated that there was an opportunity to be creative such as helping a renter get into a home by renovating a house that had been boarded up. She spoke about hosting a World Diversity Day in February and called on the citizens to bring new ideas to the commission.

Commissioner Malega said that there would be a great tourism plan coming to the city and recommended that the materials include additional photographs of the city, like the Unity Wall and golf course. She reported that she had spoken with other cities about their requirements for the city manager to live in the city and most did not have that requirement; she suggested changing the ordinance regarding the residency requirement.

City Attorney Goddeau clarified that official action could not take place without public comment; an item would have to be on the agenda to allow for comment.

Commissioner McVoy suggested having a discussion at an upcoming meeting regarding the residency requirement for the city manager.

Mayor Resch requested that there be an item on the next agenda regarding whether or not to hire an interim city manager.

Assistant City Manager Ruiz replied that the item would be on the May 4 agenda.

Commissioner Stokes stated that the commission was excited about the possibilities at the Cultural Plaza and would need to discuss L and M Streets.

Assistant City Manager Ruiz stated that the May 6 work session would include the sustainable bonus program as well as other topics that he and City Manager Bornstein would have to finalize. He said that inform the commission about the specific topics.

Mayor Resch asked if the work session could start earlier than 6 PM.

City Attorney Goddeau replied that the meeting time was at the commission's pleasure.

Consensus was for the May 6 work session to begin at 4:30 PM following a 4:00 PM meal.

ADJOURNMENT:

The meeting adjourned at 9:57 PM.

Betty Resch, Mayor

ATTEST:

Deborah M. Andrea, CMC, City Clerk

Minutes Approved: May 18, 2021