

MINUTES — JULY 20, 2021
CITY OF INDIAN ROCKS BEACH
CITY COMMISSION BUDGET WORK SESSION

The Indian Rocks Beach Regular City Commission Meeting was held on **TUESDAY, JULY 20, 2021**, in the City Commission Chambers, 1507 Bay Palm Boulevard, Indian Rocks Beach, Florida.

Mayor-Commissioner Kennedy called the meeting to order at 4:05 p.m., followed by the Pledge of Allegiance and a moment of silence.

PRESENT: Mayor-Commissioner Joanne Moston Kennedy, Vice Mayor-Commissioner Joe McCall, Commissioner Philip J. Hanna, Commissioner Denise Houseberg, and City Manager Brently Gregg Mims.

OTHERS PRESENT: City Attorney Randy D. Mora, Finance Director Daniel A. Carpenter, CGFO, and City Clerk Deanne B. O'Reilly, MMC, Finance & Budget Review Committee Chair Jean Scott, Finance & Budget Review Committee Member Jim English, and Finance & Vice Chair Budget Review Committee Member Earl Wesson.

ABSENT: Commissioner Edward G. Hoofnagle.

1. REVIEW OF Five-Year Capital Improvement Plan (2022-26) and the FY2021-22 Proposed Budgets.

[Beginning of City Manager's Budget Letter]

In accordance with Section 5.3(6) of the City Charter, the City Manager is honored to present to the City Commission the City Manager's Proposed Budget for Fiscal Year 2021-22 for the City of Indian Rocks Beach. This proposed budget is balanced in all funds and provides a roadmap that guides City operations. COVID-19 represented unprecedented challenges to the City's operations, but the City did not waver in its duties to provide quality services to its citizens. The proposed budget represents a comprehensive plan for the City's spending activities as well as an overall plan for providing City services during the coming fiscal year. The appropriation levels reflect the requirement to balance the budget while maintaining conservative budgeting principles and proactively elevating the City's infrastructure. The proposed budget promotes accountability, tells the story of the City's continued successes in working together, and provides guides to help strengthen the City's organizational values.

The proposed budget acknowledges the importance of investing in our greatest resource, our IRB Employee Team. The proposed budget provides a continued competitive benefits package and ensures that the City is competitive in the public sector market.

REVENUE OUTLOOK

The General Fund expenses total \$3,952,240. According to the Pinellas County Property Appraiser's Office, the City's property tax assessed value is expected to increase by approximately 7.44% or 1.19% higher than last year's value. Of the 7.44% increase in taxable values, over 2.5% is attributed to new construction during the previous year. In total, the value of new construction exceeds \$2.5 Million.

The proposed budget provides for maintaining the mill levy at 1.8326%, which ensures the City ranks among the lowest mill rates in Pinellas County and one of the lowest in the State of Florida. All other revenue sources are stable, or rising slightly, which allows the City to accurately make future projections. The City's Reserve Fund remains strong and is significantly higher than the national average. All of this is accomplished without the benefit of a stormwater fee or imposing a utility tax.

The City's Unassigned Reserves Balance is approximately \$3.5 million or 88% of General Fund Expenditures. In addition to the General Fund Reserve Account, the budget includes an updated IRB Five-Year Capital Plan with an estimated reserve balance at the end of the five years of approximately \$922,010.

ELEVATING OPERATIONS

Highlights of the proposed General Fund Budget include:

- Continued 25% reduction of the cost allocation from the Solid Waste Budget to the General Fund Budget.
- 3% cost of living increase for all employees.
- Continued allocation of \$50,000 for proactive drainage maintenance.
- Continued funding for the installation of solar-powered lights at beach accesses.
- 3.11% Increase in our Pinellas County Sheriff's Law Enforcement Service Contract.
- Purchase of one Polaris for the Code Enforcement Division.
- Replacement of and purchase of one pickup truck.
- Replacement of and purchase of one bucket truck.
- Installation of a new telephone system for City Hall.
- Additional allocation of funds for public outreach (CRS, Code Compliance, VRBO)

PROVIDING OUTSTANDING SOLID WASTE OPERATIONS

Highlights of the Solid Waste Budget include:

- Continued reduction of 25% of the cost allocation from the Solid Waste Budget to the General Budget.
- 6% rate increase (First rate increase in three years).
- 6% increase in Pinellas County tipping fee.
- Replacement of and purchase of one packer truck.

ELEVATING INFRASTRUCTURE

Highlights of the 2022-2026 Capital Improvement Plan:

- Annual funding for road milling, resurfacing, curbing & drainage.
- Allocation of \$5,696,870 from Pinellas County Penny to Gulf Boulevard Undergrounding Phase II.
- Allocation of the majority of the City's American Rescue Plan funds (1,629,750) to future drainage enhancement projects and updating our drainage plans.
- \$600,000 for stormwater reconstruction projects (half of the total is funding by SWFWMD Grants).
- \$50,000 for dune walkover reconstruction.
- Annual funding for park maintenance and upgrades.
- City Park upgrades 2022 include refinishing of the tennis courts at Kolb Park to accommodate traditional tennis play and four pickleball courts, new backstop fencing at Campalong Field, reconstruction of the Kolb Park Basketball Court, and Nature Park Boardwalk reconstruction (a multi-year effort).

The City Manager would like to express his appreciation to his outstanding IRB Team Members for their energy and effort in delivering outstanding City services. Team Members' professionalism and commitment to the City of Indian Rocks Beach is unprecedented. The IRB Team appreciates the City Commission's support and input throughout the budget process. Working together, the IRB Team continues to provide superior services to IRB citizens.

The IRB Team looks forward to working with the City Commission during the remainder of the budget development process. The IRB City Commission CIP and Preliminary Budget Works Session are scheduled for July 20, 2021, at 4:00 p.m., in the City Auditorium. Public Hearings on the final version of the proposed budget will be on September 8, 2021, and September 22, 2021.

[End of City Manager Budget Letter]

City Manager Mims recognized the members of the Finance & Budget Review Committee Members for attending this meeting.

Additionally, City Manager Mims thanked and acknowledged Finance Director Carpenter's work in putting together the FY 2021-2022 Proposed Operating Budget and 2022-2026 Capital Improvement Plan.

City Manager Mims reviewed his budget letter to the City Commission and presented the FY 2021-2022 Proposed Operating Budget and Five-Year Capital Improvement Plan.

City Manager Mims identified the highlights of the General Fund Budget, the Solid Waste Budget, and the Five-Year Capital Improvement Plan as outlined in the budget letter.

SOLID WASTE BUDGET

City Manager Mims stated he receives a lot of compliments about the City's Solid Waste employees and said they are excellent about keeping the City clean.

City Manager Mims informed the City Commission that Pinellas County will be increasing tipping fees by 6%, which would be the first in three years. Pinellas County is now on a program that tipping fees would be going up 6% a year, but that does not mean the City would need to raise rates yearly.

City Manager Mims stated that this year the City would be replacing a garbage truck, which would cost around \$300,000.

CITY ATTORNEY BUDGET

City Manager Mims stated last year the City Attorney Budget did include a special magistrate; however, the City issued RFPs twice and received no responses. He said there is not much interest in this field, and he did not know if COVID had something to do with it. He said he would try one more time. He did, however, reduce the City Attorney Budget somewhat.

BUILDING — PERMITTING AND INSPECTIONS BUDGET

City Manager Mims stated the City is phasing itself out of the building permitting operation. As the City Commission recalls, the City entered into a contract, over a year ago, with Pinellas County. Since the City has contracted with Pinellas County, he has received one complaint about a building permit issue.

City Manager Mims stated if the City originally issued the permit, the City has to see the permit through the end. If a City permit is open and needs an inspection, the contractor needs to call the City, and City would arrange for an inspection by Pinellas County.

City Manager Mims stated the City has less than 20 open permits.

City Manager Mims stated that due to the low building permitting activity, the executive secretary's 20% salary would be zeroed out next year in the Building Department Budget. He said the City Manager's Budget would show 100% of that salary.

CODE ENFORCEMENT

City Manager Mims stated the City has a full-time and part-time Code Enforcement Officer. The part-time Code Enforcement Officer focuses on illegal parking and beach decals offenses in the evening hours and on weekends.

City Manager Mims provided examples of the violations of the beach decal ordinance.

PUBLIC SERVICES — BUILDING MAINTENANCE

City Manager Mims stated City Hall had a severe rodent problem about nine months ago. Additional monies were spent on pest control, with bait and traps being set up in the ceilings and around the perimeter of City Hall.

PUBLIC SERVICES — PARKS

City Manager Mims stated the Public Services, Parks Division, Budget includes the purchase of a pickup truck.

City Manager Mims stated there is a built-in provision in the mowing contract, which the City negotiates on a yearly basis.

LEISURE SERVICES

City Manager Mims stated Crabby's Bill is the sponsor for IRB Halloweenfest. He said Crabby Bill's wrote a check to the City for \$25,000, and of the \$25,000, \$10,000 will be used for Halloweenfest.

SOLID WASTE FUND

City Manager Mims stated in the Solid Waste Fund that \$300,000 has been allocated to purchase a garbage truck.

RECYCLING

City Manager Mims stated \$232,630 has been allocated for curbside recycling. The majority of what the City and everyone else sends to the recycling area in St. Petersburg is then loaded on a second truck and taken to the Pinellas County Landfill to be burned, which is then generated into electric to run the Pinellas County Solid Waste Disposal Facility.

Mayor-Commissioner Kennedy stated about six or eight years ago, the City sent out a postcard asking what were their three top concerns/issues, and recycling was one of the top three.

Mayor-Commissioner Kennedy stated she has a problem with the City spending \$232,630 for recycling that is not being recycled.

Mayor-Commissioner Kennedy brought up and reviewed in detail an article that was featured in the Florida Trend Magazine, "*Is recycling in Florida a waste?* Mike Vogel, 6/29/2021"

Mayor-Commissioner Kennedy stated after reading the article, she feels the City Commission should discuss recycling again. She does not want to get rid of recycling, and asked what the City can do to improve the recycling process.

Mayor-Commissioner Kennedy stated that most people probably have not read an article like this and do not know the in-depth process involved with recycling or how recycling is not being recycling like everyone thought.

Mayor-Commissioner Kennedy stated the article talks about a County that is not good recyclers. She stated Indian Rocks Beach residents are good recyclers with over 60% participants. The recyclable company told her that Indian Rocks Beach residents clean and separate their recyclables, but what happens is IRB recyclables are mixed with the other beach communities contaminated recyclables.

Commissioner Hanna stated that China, the biggest purchaser of recyclable goods, does not accept recyclables anymore. He said when recyclables get dumped on the cement slab in St. Petersburg. A middleman then separates them before going to the landfill, where they are burned and converted into energy. He does not want to see recyclables in the landfill that are buried with trash.

City Manager Mims stated this is not an Indian Rocks Beach problem. This is a global problem. China and Vietnam were the two biggest buyers of recyclables, and they do not want recyclables right now. There is no hope for IRB saying that the City is going to fix it.

City Manager Mims stated that if the citizens rely on Facebook and a neighborhood app for accurate City information, citizens are looking in the wrong places.

City Manager Mims stated the City could not fix the renourishment problem as the City cannot fix recycling either. He stated most people would be surprised where recyclables are going. He understands what the Mayor is saying about what the citizens said six years ago and what the situation is now, but the world has changed, and it costs the City \$232,630 to recycle.

City Manager Mims stated the City is still on a track where properties in the City's residential areas are being converted to short-term vacation rentals. It slowed up during the peak of COVID. The more houses being converted to short-term vacation rentals, there is less interest by tourists to recycle.

City Manager Mims stated there is not going to be a work session to figure out recycling. There is no figuring out recycling. It is out of the hands of the City.

City Manager Mims stated there is not even a market for cardboard.

Mayor-Commissioner Kennedy asked the City Manager if the City should send out another postcard advising the citizens that China is no longer taking recyclables and that recyclables are burned at the landfill or words to that effect.

City Manager Mims stated the City should do nothing but educate the public through the City's quarterly newsletters about what is happening in the recycling world.

Finance and Budget Review Committee Review Member English asked if there was an early termination fee with the contractor (Waste Connections of Florida).

City Manager Mims responded in the affirmative.

Mayor-Commissioner Kennedy asked when the contract with Waste Connections of Florida expires. Finance Director Carpenter stated he would have to report back to the City Commission with the expiration date.

Mayor-Commissioner Kennedy stated that this is very sad, and she knows that it is not the City's fault or anything like that. She feels that the City Commission is smart, and there are intelligent people in Indian Rocks Beach. She feels the City needs to figure this out. She stated recycling is so important with what is happening in the gulf and everything being dumped in the gulf. She feels that things are getting worse instead of better.

Mayor-Commissioner Kennedy stated she would like to see Indian Rocks Beach be part of a solution. She wants the City to be part of a solution that makes Indian Rocks Beach better and cleaner.

City Manager Mims stated generating power with materials is recycling. The residents would have more of an issue if all the trash were being taken to the landfill and buried.

City Manager Mims stated glass is taken to a landfill in Sarasota, and most of the glass is chopped up and buried there.

City Manager Mims reiterated that the City of Indian Rocks Beach cannot fix the recycling problem. This is a market-driven, global problem. He said the City needs to educate the public on recycling through its website and quarterly reports.

Finance and Budget Review Committee Review Vice Chair Wesson stated \$232,630 had been allocated for curbside recycling. The City's recycling bins weigh a lot more than garbage. His question is, how much more would the City pay in tipping fees if the residents did not recycle?

City Manager Mims stated the recycling contract is not based on weight. Recycling costs four times the cost of picking up garbage.

Mr. Wesson stated if the City did not recycle anymore, the City's tipping fees would go up because that contract is based on weight.

City Manager Mims stated the City saves two-thirds in tipping fees by recycling.

Mr. Wesson stated the City is saving approximately \$160,000 in tipping fees.

Mayor-Commissioner Kennedy stated she disagrees that Indian Rocks Beach is just a tiny city because local government impacts everyone. She would like the City to educate the public, and the City Commission should try to develop a solution. Sometimes she feels that is the easy way out. She stated that this City Commission had some challenging issues over the past few years that they had to deal with, and recycling is another one of those. It is the good people who go out and really want to make changes and do the best for the City, and she believes that is what the City Commission is trying to do here.

SOLAR PANELS

Commissioner Hanna inquired about the cost-savings with the solar panels on the City Hall Complex and the Historical Museum.

City Manager Mims stated he does not have that data before him, but the City has saved a substantial amount with the museum and about 40% with the City Hall Complex.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

City Manager Mims stated it is important to focus on the 2022 Budget Year because the out years are projections.

City Manager Mims reviewed the Capital Improvement Plan revenue sources.

	2022 BUDGET
Carry Forward Balance	\$1,608,101
LOST (Penny Funding) Fund Revenue Earned	\$500,000
Grants: Pinellas County Dune Walkovers	\$50,000
Grants: SWFWMD	—
Grant: American Rescue Plan	\$1,732,050
Grant: Pinellas County LOST/BIG-C	\$1,772,360
Total Revenues	\$4,054,410

City Manager Mims stated the City now has the influx of the American Rescue Plan money, and that has been a changing target of information for the last two or three months. For example, the number the City was given a while back was \$1.9 Million, and the City received an email the other day, and it is \$2.1 Million. He said the budget would reflect the actual amount it receives in American Rescue Plan revenue.

City Manager Mims stated that the BIG-C communities are receiving penny money for Phase II of the Underground of Gulf Boulevard. The City's project would pick up at 5th Avenue and go as far north as possible until the money runs out.

City Manager Mims reviewed the Capital Improvement Plans/Expenditures for the 2022 Budget.

PROJECTS	2022 BUDGET
Road Milling, Resurfacing, Curbing & Drainage	\$650,000
Stormwater Reconstruction	—
Dune Walkovers & Upgrades	\$50,000
City Park Upgrades	\$156,000
Undergrounding - Gulf Boulevard Phase II	\$1,772,360
TOTAL EXPENDITURES	\$2,628,360

City Manager Mims stated \$650,000 has been allocated for road reconstruction. The City would begin at Bay Boulevard and 18th Avenue, and the City's goal is to go to 24th Avenue. Next year, it is the City's goal to go to 24th Avenue around Brown Park.

City Manager Mims stated every few years, the City receives money from Pinellas County for dune walkovers. He said the City has three drive-on locations and two of them need some work to get equipment down the beach. The County would chose which beach access to redo, 9th Avenue or 27th Avenue.

City Manager Mims stated \$156,000 had been allocated for City park upgrades.

Brown Park: Of that amount, \$26,000 has been allocated to refinish and redo the tennis courts at Brown Park. Brown Park would then have two traditional tennis courts and four pickleball courts painted on the tennis courts with portable nets.

Campalong Baseball Field: The backstop fence at Campalong Field will be rebuilt. After this is completed, Campalong Field would have been completely reconstructed from the ground up. LED lights were installed, new irrigation, new bleachers, and restrooms were redone.

Kolb Park: Reconstruction of the Kolb Park Basketball Court and some tree and root work will also be done.

Nature Preserve Boardwalk: It is time to rehab the boardwalk, which would be a multi-year project. The most impacted areas would be done first. The wood would be removed and replaced with composite decking, and the handrails would also be replaced.

Stormwater Analysis Plan (HB 53): City Manager Mims stated HB 53 (2021) intends for each county, municipality, or special district providing a stormwater management program or stormwater management system to create a 20-year needs analysis. HB 53 also requires that all Florida governmental entities hire an engineering firm to update their

stormwater plan, and they need to report annually about the plan. Therefore, the City would be issuing an RFP for Engineers or would use the City's current engineers to update its comprehensive stormwater plan, which was last done in the 1990s. He stated the City had made continual stormwater drainage improvements throughout the City over the last decade. This plan needs to be updated because it is the guide for how the City spends money in the future on where drainage issues are and what the City does about them. This is an unfunded mandate, and the City would use American Rescue Plan funds for this expenditure.

Stormwater Drainage Issues: City Manager Mims stated the City still has some issues in the North Harbor Drive and Business District Triangle area that need to be resolved. The American Rescue Plan funds can be used for stormwater/drainage projects.

City Manager Mims stated he is not proposing to raise the millage rate, and he is not asking for a lot of reasons, and one reason is in 2009, there were 33.13 employees, and now there are 23.50 employees. This is attributed to having an outstanding team, the City has a core group of employees that would do anything that they are asked.

City Manager Mims stated Indian Rocks Beach does not have a stormwater fee or a utility tax like other cities have. He said there might be one other City that does not have those fees. Where cities have stormwater fees, they can tap into that funding sources to do maintenance, repairs, and projects associated with stormwater, i.e., street sweeping, pipe replacement, and drainage projects. These are items that Indian Rocks Beach does with its general fund money or through grants received through the SWFWMD.

City Manager Mims stated Indian Rocks Beach is ranked number five as being the lowest in Pinellas County with its millage rate.

2. PUBLIC COMMENTS.

Finance & Budget Review Committee Vice Chair Wesson commended the management team. He stated it was a pleasure to work with Finance Director Carpenter, and said Finance Director Carpenter was incredibly explanatory about the budget to the Committee. He stated that the City Manager had shown great leadership here, and the Committee is very thankful for having these gentlemen help run the City along with the City Commission.

BEACH RENOURISHMENT:

Mayor-Commissioner Kennedy stated after the last City Commission Meeting, it occurred to her that as far as beach renourishment and all the comments that were made that the City Commission may not have all the pieces of what the City and County have done.

Mayor-Commissioner Kennedy stated that she and the City Commission are going to come up with a timeline of what the County has been doing for this renourishment project and

how the City has been involved so that the City Commission and the public have a better understanding of what is actually going on with beach renourishment.

RED TIDE:

Mayor-Commissioner Kennedy stated on Friday, she would be going up in the Pinellas County Sheriff's Office helicopter to see the red tide bloom, which is 50 miles out.

City Manager Mims stated just today, the IRB Public Services employee picked up 4,800 pounds of dead fish.

Mayor-Commissioner Kennedy stated the City was very involved with the Red Tide Summit last year, with the City Manager speaking at it. The City also helped put it together with Pinellas County.

Mayor-Commissioner Kennedy stated Congressman Crist secured \$10 Million to combat red tide in the FY2020 Federal Budget. This funding is intended to address harmful algal blooms including red tide. Congressman Crist stated Florida's Gulf Coast was ravaged last year by red tide that lasted more than a year, causing dead fish to wash ashore on Florida beaches, which took a toll on beach communities — their beaches, wildlife, local businesses, economy, and people all endured destructive impacts.

Mayor-Commissioner Kennedy stated Pinellas County is stellar with the red tide efforts. She said Pinellas County was the first ones to go out in the Gulf-of-Mexico to pick up dead fish before they washed ashore.

3. ADJOURNMENT.

MOTION MADE BY COMMISSIONER HANNA, SECONDED BY VICE CHAIR-COMMISSIONER MCCALL, TO ADJOURN THE MEETING AT 5:17 P.M. UNANIMOUS APPROVAL BY ACCLAMATION.

August 10, 2021

Date Approved

/DOR