

City of Clearwater

*Main Library - Council Chambers
100 N. Osceola Avenue
Clearwater, FL 33755*



Meeting Minutes

Thursday, August 4, 2022

3:00 PM

Re 2023 Budget

Main Library - Council Chambers

City Council

Roll Call

Present: 5 - Mayor Frank Hibbard, Vice Mayor Kathleen Beckman, Councilmember David Allbritton, Councilmember Mark Bunker and Councilmember Lina Teixeira

Also Present: Jon Jennings – City Manager, Micah Maxwell – Assistant City Manager, Michael Delk – Assistant City Manager, David Margolis – City Attorney, Rosemarie Call – City Clerk and Nicole Sprague – Deputy City Clerk.

To provide continuity for research, items are listed in agenda order although not necessarily discussed in that order.

Unapproved

1. Call to Order – Mayor Hibbard

The meeting was called to order at 3:00 p.m.

2. Other Council Action

2.1 Discuss Preliminary Fiscal Year 2023 Budget.

Human Resources Director Jennifer Poirrier said the City's health insurance renewal rate came in higher than previous. A more detailed presentation will be provided to Council in September. She said the City's Motivate Me wellness initiative is paying off; 54% of employees are engaged, leading the market by over 20%, and 67% of employees are participating in preventative programs. She said depression/mental health is on the rise but the City has an 82% compliance rate; the normal rate is 74%. An RFP was issued for a third-party administrator, which is currently Cigna, and a recommendation to remain with Cigna will be presented to Council for approval. While the City's experience and claims have decreased, the costs for those services have increased. She said COVID treatments, such hospitalization and urgent care, continues to contribute to the City's claims. The renewal rate came in at 13.1%, approximately \$2 million increase from the current cost. The Benefits Committee has recommended the City split the increase for dependent care coverage, approximately 6.5%.

In response to questions, Ms. Poirrier said the City budgeted for a 15% increase; if the City picks up a portion of the dependent care coverage cost, the budgeted amount will increase. The budget for the Employee Health Clinic is remaining flat. The health clinic will be going out to bid in

order to validate the cost.

The City Manager said he did not receive any questions from Council regarding the budget but all city department directors are present to answer any questions.

In response to questions, Engineering Director Tara Kivett said the road maintenance projects include anything that supports the roadway, such as curbs and resurfacing, but not the medians. Finance Director Jay Ravins said the City's property and liability insurance rate increase is related to the actual claims paid in fiscal year 2021, which will be charged back to the departments in fiscal year 2023. The premium increase was 15% over property for the 2021/2022 fiscal year; the premiums are calculated in advance based on the prior year for the budget process. The workers compensation premiums increased by 12%; most common injuries are ankle and knee sprains. Assistant City Manager Micah Maxwell said stormwater and sewer replacements will come from the stormwater fund. He said most projects are broken down and assigned amounts that each fund needs to pay. Clearwater Gas System Interim Director Brian Langille said Clearwater Gas budgeted 13 less positions for the upcoming fiscal year as the positions remained vacant over the last year. He said staff is working currently to fill ten vacant positions. Mr. Langille said the work can be accomplished with the current staffing level. The City Manager said part of the internal review was to identify positions that remained vacant for the past two or three years; these positions were considered not viable. Consideration to add the positions back will be pursued if needed. Police Chief Daniel Slaughter said data shows there is an increasing need for mental health services and that is why the Department proposes to double the mental health unit eventually. The Department is considering incorporating a street outreach program, similar to Pinellas County. Parks and Recreation Director Jim Halios said the additional FTEs for Imagine Clearwater were established by looking at the employee-costs associated to run and maintain Crest Lake Park, to include overtime. He said Crest Lake Park is 1/3 the size of Imagine Clearwater. It is anticipated that the Department's maintenance responsibilities will also include Station Square Park and Cleveland Street once Imagine Clearwater is completed. The City Attorney said the line item for software is mostly a one-time expense; the new program will be cloud based program to align with the City's direction. He said the budget for the City's lobbying firms were moved to the Legal Department; the City Clerk will continue to manage the lobbying services. Utility Customer Service Director Cynthia Boyd said customers can sign up for paperless billing. The City has approximately 60,000 customers, which increases as Clearwater Gas

continues to grow. She said customers choosing to pay their bills with a credit card are charged a \$2.95-convenience fee per transaction. Customers enrolled in the direct debit program are not charged a fee. Ms. Boyd said approximately 20,000 customers have signed up for direct debit. Fire Chief Scott Ehlers said as a fixed position entity, the Department has minimal overhead on a daily basis. When an employee is out, whether for sick, vacation, light duty, or holiday, that position must be staffed. The City receives approximately \$1.3 million from Pinellas County for the EMS units (five transport rescues/medics). He said the Department had 10 permanent part-time lifeguard positions that could not be filled because hours worked were capped at 20 hours weekly. Most individuals want a full-time position or work when available. He said the Department has proposed to combine two part-time positions for one full-time position. Marine and Aviation Operations Manager Michael MacDonald said a boat slip rate study was conducted as part of the Beach Marina redesign. The slip rates were found to be below market; new rates will be considered after the Beach Marina renovations are completed. The City Manager said he and the Marine and Aviation Director believe the renovation work at the marina must be completed before changing the slip rates. Mr. MacDonald said a rate study for the Airpark was conducted this year and determined that the rates were competitive and at market. The City Manager said the RFP for operations of the Airpark closed yesterday, and staff has begun reviewing the responses. He said based on the comments he has received from the community, there is a need for neighborhood services. Mr. Maxwell said Samantha Moullet will present the proposed plan for the Neighborhood Services Division next month. The plan includes a grant matching program. Planning and Development Director Gina Clayton said a draft process report will be available soon, which includes the citizen, customer, and employee surveys that have been completed. She said the study included a diagnostic report that stacked the Department against best practices. The City Clerk said having the City's state lobbyists engage the community regarding legislative matters falls outside of their scope of services. The City's lobbying teams do engage with the appropriate organizations, such as the Florida League of Cities. Per council direction, staff created a webpage for the City's State legislative priorities that included legislative alerts listed on the City's legislative agenda. She said, at the moment, there is no way to measure if citizens contact their legislators based on the information listed on the City's site but staff can look into it. Public Communications Director Joelle Castelli said the analytics for pages visits are available. The City Manager said the City provided \$200,000 to market the beach exclusively. In order to create a better brand and bring up the City's profile, marketing the entire city is needed. Ms. Castelli said staff will be

drafting the RFP. Solid Waste and General Services Assistant Director Bryant Johnson said the resale of the recycling has improved since last year due to a trend in domestic market demand.

Staff was directed to provide information regarding the City's workers compensation rating and the City's downtown marina slip rates.

2.2 Discuss Penny for Pinellas.

Budget Manager Kayleen Kastel reviewed the proposed changes in the Penny for Pinellas Project Funding List.

In response to questions, Marine and Aviation Operations Manager Michael MacDonald said the Harbor Marina Replacement Upgrades Project includes replacing the wave attenuators and the dock system in the south basin. The wave attenuators are located in the outer portion of the marina, protecting it from wind and waves. The City Manager said the funds are being moved up in order to replace the wave attenuators before a catastrophic failure occurs. Mr. MacDonald said three attenuator sections are being replaced now and three other sections will need to be replaced within the next three to five years. No new docks will be added. Parks and Recreation Director Jim Halios said staff has been working with Engineering to establish a preliminary budget to renovate the natatorium at the Long Center, which includes replacing the HVAC and roof. Replacing the roof should address the ventilation issues. The natatorium is the only one of its kind on the west coast of Florida.

It was suggested that the millage be rolled back 25% to the full roll back. There was consensus for staff to provide information on how it would accomplish the roll back.

3. Adjourn

The meeting adjourned at 4:33 p.m.

Attest

Mayor
City of Clearwater

City Clerk

