

City of Gulfport Florida
City Council Workshop Minutes
Thursday, July 28, 2011

A Workshop Meeting of the Gulfport City Council was held on Thursday, July 28, 2011 in the City Hall, City Council Chambers, located at 2401 - 53rd Street South, Gulfport, Florida.

Michael J. Yakes, Mayor, called the meeting to order at 3:30 p.m. All councilmembers were present with the exception of Sam Henderson who asked to be excused.

Public Session.

City Manager O'Reilly advised there has been discussion with Cardno/TBE of a LOMAR application on the west side of the City and he has received favorable response. Vice Mayor Hastings advised that FEMA has approved the changes presented through LOMAR and now the application is being mapped which should be completed around the end of August.

Bob Newcomb, 921 Freemont Street S, expressed his opinion that the budget is in a crisis at this time and discussed ways to save revenue by cutting services to avoid using the City's reserve funds.

Doug Hudson, 5525 Gulfport Blvd S, stated he was alarmed when looking at the numbers on the budget and stated he was in favor of making hard decisions this year regarding the budget.

1. Discussion of 2011-2012 Operating Budget.

City Manager O'Reilly explained the 2011-2012 Budget and stated he arrived at the 3.8176 millage rate based on his understanding of what councilmembers wanted. He commented on his belief that the citizens wanted to maintain continued services and spoke on the utilization of reserves from PILOT.

Vice Mayor Hastings advised that he would have to leave the workshop at 4:45 p.m. and noted that the city's expenses since 2002 have exceeded the revenues, the general reserve balance has been on a steady and sharp decline since 2003 and real estate tax revenue has declined since 2007. Vice Mayor Hastings proposed that the City eliminate and outsource the Dispatch Department and lawn care and noted these changes alone would take the draw off the reserve to \$222,353.00 in 2012. He went on to discuss how this change would reflect into the 2013 budget and recommended that the city increase across-the-board water and sewer rates by ten percent. Vice Mayor Hastings also recommended council increase the millage rate to 4.0 which he estimated would bring in \$110,000.00. If these changes were made, Vice Mayor Hastings noted that instead of ending up with a reserve of \$3,368,274.00 in two years the city would end up with over \$5,000,000.00 in reserves. Vice Mayor Hastings continued by saying he did not see how council could avoid making these changes as in a few years the reserve would be inadequate to cover any catastrophe which might affect the citizens of Gulfport and emphasized his feeling that these steps needed to be taken in this budget.

Councilmember Banno agreed with the vice-mayor and stated she felt that the councilmembers will definitely have to make some hard changes. She said she has received favorable comments from citizens regarding Pinellas County Sheriff's Office, such as being able to track their dispatch activity online. She then asked a question about unpaid receivables in the amount of \$100,000.00 from the Marina. Attorney Siroco explained the legal issues of abandoned vessels and how the City is dealing with these unpaid fees, which includes legally taking possession of the vessels and selling them.

Councilmember Banno stated she was in favor of raising the water and sewer bill by 10 percent and the millage rate to 4.0 to continue to provide services to citizens. Councilmember Banno expressed the special services that Gulfport citizens receive are very important to them and discussed generating revenues. She addressed the dry storage at the Marina, which is at full occupancy, brings in \$8,500.00 a month. Councilmember Banno proposed increasing and upgrading the dry storage in order to bring in more revenue and stated that the City needs to keep up with its beaches, 49th Street, and Beach Boulevard to keep the city competitive to attract visitors.

Councilmember Salmon remarked that she felt the City needs to bring in more revenue and discussed assessing a business license on rental properties and noted we should do things that will improve our property values. She suggested charging for beach pavilions, transferring the receptionist to another office, and re-visiting the employee budget cuts. Councilmember Salmon spoke on the potential increase of the water and sewer bills and having a full marina instead of focusing on the mooring field.

Vice Mayor Hastings said that the City has not committed any funds to the mooring field as of this date nor is it included in the budget to which City Manager O'Reilly said that the mooring field, if developed, would be simply an attraction with no revenue gained.

Councilmember Salmon asked City Manager O'Reilly about the breakdown of costs and revenue of merchant events, specifically electric costs, to which City Manager O'Reilly said that the City pays the base electric cost for each meter which is \$12.50 through the use of TIFF Funds and any remainder owed for electricity is billed to the merchant, excluding July Fourth and the tree lighting which are City functions. He stated that the cost of overtime for City employees and the trolley are paid out of TIFF funds.

Councilmember Banno stated the merchants are interested in upgrading and updating the appearance of the City, but commented that she did not realize the TIFF funds are being used for electric cost that could otherwise be used for these improvements.

Councilmember Salmon asked City Manager O'Reilly if the vendors are charged by the merchants for spaces to which he replied yes and noted that the City has allowed the merchants to operate those events. The TIFF Funds and the trolley costs were discussed by City Manager O'Reilly who also advised that the Flamingo Trolley will be discontinued due to financial cuts.

Councilmember Salmon asked if the city has the right people to market the City of Gulfport to which City Manager O'Reilly responded that the city does not have a trained professional.

Councilmember Salmon reiterated that a priority should be attracting visitors to Gulfport and attempting to keep property values high. Councilmember Salmon spoke in agreement with the 4.0 millage rate increase and her preference of increasing millage over increasing the water and sewer fees.

An explanation of the 3.876 roll forward rate versus a 4.0 millage rate, IT Department expenses and the reserve fund policy was given by City Manager O'Reilly.

In response to a question by Councilmember Salmon on the ten percent increase in the rental fees of City facilities, City Manager O'Reilly replied the city will still be competitive with other cities.

Mayor Yakes stated that he would agree with the 4.0 millage rate and would wait to hear the citizen's opinion. He then discussed the potential increase in the water and sewer fees, employee job eliminations and marketing of the City. Mayor Yakes spoke of his concerns for the young and the aging.

There was a consensus of council to further consider the four proposals submitted by Vice Mayor Hastings (who had left the meeting). Council agreed to discuss these recommended changes during the August 16, 2011 council meeting and again on August 25, 2011, if needed.

2. Discuss Board Appointments.

City Clerk DeMuth advised she has provided council with a list of the board members with terms expiring on the Economic Development Advisory Committee and the Waterfront Redevelopment Advisory Board. Also, the city's representative on the Pinellas Suncoast Transit Authority Board, Mayor Kathleen Peters of South Pasadena, term is expiring. There was a consensus of council to recommend Mayor Peters for reappointment. There was a discussion of upcoming workshop agenda items.

3. Discuss voting delegate for the Florida League of Cities Conference.

City Clerk DeMuth advised council they needed to designate a voting delegate for the Florida League of City's Conference. There was a consensus of council to designate Mayor Yakes as the voting delegate.

4. Review meetings calendar.

City Clerk DeMuth reviewed the August meetings calendar.

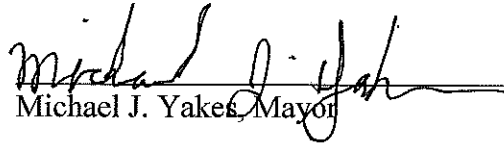
5. Any other business.

City Clerk DeMuth discussed the workshop meeting time and council was in agreement to keep meeting at 3:30 p.m.

6. Adjournment.

Motion by Councilmember Banno, second by Councilmember Salmon to adjourn.

Date Approved: 9-20-11


Michael J. Yakes, Mayor


Lesley DeMuth, City Clerk