

MINUTES OF THE REGULAR WORKSHOP MEETING
CITY COUNCIL
BOCA RATON, FLORIDA
MONDAY, APRIL 12, 2004
1:30 PM

The regular workshop meeting of the City Council of the City of Boca Raton, Florida was called to order by Mayor Abrams at 1:33 p.m.

ATTENDING THE MEETING WERE:

Mayor Steven Abrams
Deputy Mayor Bill Hager
Council Member Dave Freudenberg
Council Member Susan Haynie
Council Member Susan Whelchel (absent)

Council Member Susan Whelchel was absent (excused).

Also attending the meeting were:

City Manager Leif J. Ahnell
City Attorney Diana Grub Frieser
City Clerk Sharma Carannante

PROCLAMATION - National Volunteer Week – April 19 through April 23, 2004

Susan Kores, Volunteer Coordinator, accepted the proclamation.

1. BOARD INTERVIEWS:

- a. Advisory Board for the Physically and Mentally Challenged - three (3) vacancies due to term expirations of Deborah Campbell, Peter. L. Schnell, and Maryellen Burton Jones, whose terms expire 04/23/04

Maryellen Burton-Jones expressed interest in reappointment; Charles Pipes also interviewed for a position on the Board.

- b. Environmental Advisory Board – three (3) vacancies due to term expirations of Elisabeth Hoffman, Andrew M. Gross, and Maggie Barszewski, whose terms expire 04/30/04

Maggie Barszewski expressed interest in retaining her position on the Board.

2. PUBLIC REQUESTS: (Public requests shall be limited to five (5) minutes each. No public comment may be made regarding any land use matter for which the City Council is required by law to conduct a quasi-judicial hearing.)

John Stetz spoke to several issues regarding speed bumps, low-hanging tree branches over roadways, regulating the planting of trees near roads and power lines, additional turn lanes, and the use of breakwaters to save the City's beaches from erosion.

Clem Storch, President of the Royal Oak Hills (ROH) Homeowners' Association, referred to the issue of the ficus trees located at the Camino Real entrance. He reiterated that it is the position of the Association to remove the trees. Don Bagley, a member of the Board of Directors for ROH, concurred with Mr. Storch and also asked that Council remove the ficus trees.

3. REVIEW OF REGULAR AGENDA ITEMS:

a. Questions relating to the agenda.

(Consent Agenda Item 3.a.4. – Fence Installation for the Dog Park located at Countess de Hoernle Park) Council Member Freudenberg questioned whether there would be water for the dogs and water to clean the area as needed. Mr. Ahnell answered yes.

(Regular Agenda Item #15 – Ordinance No. 4778 / Proposed Sale of City-owned property located at 3998 NW 5th Avenue) Council Member Freudenberg noted that the suggested sale amount was \$290,000. He sought assurance that those who could not make cash offers would not be excluded, but given time to pursue financing. Mr. Ahnell is to follow up.

(Consent Agenda Item 3.a.4. – Fence Installation for the Dog Park located at Countess de Hoernle Park) Council Member Haynie inquired as to when this park was scheduled to open. She also mentioned that when amenities were originally approved, assurances were made that some items could be moved; she questioned whether this was still the case. Mr. Ahnell explained that the City planned to reuse everything that is currently on the site. He also stated that Office Depot had purchased the land where the park is located. However, the dog park would remain open at that location until approximately mid-summer. Council Member Haynie also questioned whether IRIS water would be used at dog park and whether that water was safe for the dogs. Mr. Ahnell stated that the City had no plans to use IRIS water at this time. He also noted that plans for connecting the water pipes were as yet unfinished.

(Regular Agenda Item No. 8 – Ordinance No. 4773 / Related to General Obligation Refunding Bonds, Series 2004) Deputy Mayor Hager opined that the City was to be complimented on the arbitraging of the bonds. He then requested assurance that there was a system in place to evaluate optimum time periods for refinancing. Mr. Ahnell explained that the finance staff monitors the market, as do the City's bond consultants.

(Consent Agenda Item No. 3.g. – Resolution No. 60-2004 / Support in regard to the FACE Initiative) Mayor Abrams questioned how this program is currently funded. Mr. Ahnell advised that no City dollars go into this project. He then explained that algae blooms are occurring in the ocean, and while various agencies are researching this issue, the City's studies indicate that it has nothing to do with ocean outfalls. Mr. Ahnell concluded his remarks by advising that these studies would take approximately 5 to 7 years to complete.

b. Ordinance Nos. 4769 & 4770 and Resolution Nos. 35-2004 & 44-2004 (Regular Agenda Item Nos. 4-7), regarding the proposed Hidden Valley Planned Unit Development, located at 95 West Hidden Valley Boulevard

Development Services Senior Planner Alejandro Zurita gave the PowerPoint presentation. He explained that tomorrow night Council would consider an amendment to the Future Land Use Map of the Comprehensive Plan, a rezoning request, site plan approval, the PUD master plan and tentative plat, for the proposed Hidden Valley residential community project. Location, surrounding streets and properties, environmental land, and a scrub area were identified. Of the 9.56-acre site, 8.36 acres would be developed. Current and proposed zoning, and the proposed future land use designation, were outlined.

Mr. Zurita stated that this project requires four affirmative votes, followed by transmittal to the Department of Community Affairs (DCA) for review. He then explained that staff had reviewed this Comprehensive Plan Amendment and found that it met the criteria for consistency, compatibility, and concurrency.

Both the Environmental Advisory Board (EAB) and the Parks and Recreation Board reviewed this project and approved same with conditions. He noted that 10 out of 25 conditions imposed by the EAB related to the environmental lands. The Planning and Zoning Board recommended denial of this project, voicing concerns regarding building height and density. However, staff believed the transition to be compatible with surrounding land uses and zoning designations.

The petitioner proposed to construct a 90-unit gated residential community consisting of 50 two-story villas and 40 three-story townhomes. A technical deviation is needed for the inbound reservoir distance to the gated entrance. A roundabout would be constructed at the intersection of Hidden Valley Boulevard and Country Club Boulevard. Open space would be comprised of 48% of the site or 4.62 acres, which equates to approximately 201,000 square feet.

Mr. Zurita provided closing remarks, stating that this proposed project provided for a good planning standard in terms of transition. The townhomes would be constructed closer to the railroad tracks; single-family homes would be built closer to other neighboring residences. The plans also provided for preservation of environmental lands. In conclusion, staff recommended approval. Mr. Zurita then answered questions from Council, focusing on the roundabout, a proposed paved walkway near the Rosemary Ridge Preserve, and proposed sale prices for the homes. Council also questioned whether the petitioner would actually build these homes or sell the land should the rezoning be granted. Mr. Zurita confirmed with Council that the North Federal Highway Steering Committee had reviewed this project and endorsed same.

4. FUTURE AGENDA MATTERS/ITEMS OF COUNCIL/PUBLIC CONCERN:

a. 1) Comprehensive Annual Financial Report (CAFR)

Deputy Director of Financial Services Celeste Lucia gave the PowerPoint presentation. She explained that the CAFR for the Fiscal Year ending 9/30/2003 was comprised of four parts: Introductory, Financial, Combining & Individual Funds, and Statistical. On the subject of assessed property values, Ms. Lucia stated that Boca Raton has the highest values in Palm Beach County. Information was then provided in each of the above categories; graphs outlined Government-Wide Net Assets, expenses and revenues for Governmental Activities and Business-Type Activities, and a comparison of Governmental Expenditures. Ms. Lucia mentioned that Governmental expenses increased primarily due to implementation of security/safety measures. Details were also provided in regard to the City's Current Year Debt Activity. Combining & Individual Funds were outlined, and graphs reflecting General Fund Activity and a General Fund Budgetary Comparison were reviewed. Ms. Lucia then concluded her presentation and answered questions from Council.

2) Management Letter

Ken Deon, an auditor with KPMG, provided opening comments. He explained KPMG's obligations to the City. Overall, their responsibility is to audit the City's financial statements and express an opinion of same; details were provided. Mr. Deon then introduced his colleague, Brett Friedman, who would report on the management letter.

Mr. Friedman reviewed comments related to the Auditor Management Letter. Implementation of an Internal Audit Function was suggested to ensure accuracy of financial information, ensure adherence to internal controls, ensure conformance with City policies, obtain operational improvements and efficiencies, and provide training to new personnel. Overall, Mr. Friedman reported that the internal controls were in good shape. However, KPMG did detect two issues last year, which warranted additional attention. The first related to excessive access privileges regarding the Information Technology (IT) system. This problem was rectified by limiting access to the Budget Adjustments menu to OMB staff only. The second issue related to centralized grant management program procedures; while the problem was not yet resolved, improvement was noted. Goals for this item included ensuring accurate accounting across grant years and funds, ensuring compliance with grant requirements, and enhancing grant monitoring; additional details were provided. Mr. Friedman then concluded his presentation. Mr. Ahnell, Mr. Deon, and Mr. Friedman answered questions from Council as requested. Attention focused on the feasibility of hiring an internal auditor.

3) Annual Investment Report

Treasury Manager Carol Himes gave the report on the status of the City's investment portfolio as of the Fiscal Year Ending September 30, 2003. The value of the portfolio increased from \$180 million in FY 2002 to \$203 million at the end of FY 2003, due primarily to the issuance of bonds to construct the new western library and to build/renovate City fire stations. Ms. Himes then outlined distributions by investment type and maturity; interest rate trends were also identified. Ms. Himes noted that the portfolio was more liquid than she would prefer; however, as opportunities become available, appropriate investments are made. She then concluded her report and answered questions from Council.

4) Long-Range Financial Plan

Director of Financial Services Mervyn Timberlake explained that KPMG had just finished a five-year contract with the City. A new contract for auditors would be forthcoming in several months. Mr. Timberlake spoke positively regarding KPMG and stated that the field had become very limited; it was becoming increasingly difficult to find a CPA firm specializing in government work.

He then gave the PowerPoint presentation on the financial plan, beginning with assumptions related to 1) the new fire stations, recreational parks, and libraries, and 2) Mizner Park debt service. Annexation services were included in this plan; it was noted that other operating costs for capital improvements, such as fire apparatus, were not funded in this plan. Mr. Timberlake then outlined General Fund average revenue increases over the last five years, as well as General Fund expenditure history. Revenue growth assumptions, projected expenditures, pension costs, designations for the Planned Fund Balance, and Resources Forward were also detailed. A chart showing total General Fund expenditures and total available funds to 2008 was reviewed. Mr. Timberlake advised that the City has a very strong fund balance. Council voiced concern regarding the projected shortfall of approximately \$8 million by 2008. Mr. Timberlake then compared 2003 property taxes between Boca Raton, West Palm Beach, Delray Beach, Boynton Beach, and Coral Springs; Boca Raton had the lowest rate and provided the most services. He advised that Boca tax rates include sanitation costs whereas the other cities do not. Recommendations were reviewed and details were provided in regard to the Water and Sewer Fund, Water/Sewer Revenue, the Transportation Fund, the Beautification Fund, Stormwater Utility Fund, Golf Course Fund, and the Cemetery/Mausoleum Fund. Mr. Timberlake explained that this last fund, which is a small one and not very remunerative, had continued to give the City some problems; transfers from Perpetual Care funds were required during FY 2002. He concluded by stating that the cemetery fell short of budget projections. The Perpetual Care Fund was then outlined. Recommendations for improving performance of the Cemetery/Mausoleum Fund were provided; opening up the cemetery to non-City residents was suggested. He then concluded his presentation.

5. CITY MANAGER REPORTS:

The City Manager had nothing to report at this time.

6. CITY ATTORNEY REPORTS:

The City Attorney had nothing to report at this time.

7. MAYOR AND COUNCIL MEMBER REQUESTS AND REPORTS:

Council Member Haynie requested an update regarding the traffic signal to be located at NW 13 street and NW 9th Court. Mr. Ahnell explained that this item was in the design phase; an installation date would be provided at a later date. Ms. Haynie then referenced the repaving of SW 12th Avenue and inquired as to the status of the bike lane project. Mr. Ahnell is to follow up. Last of all, Ms. Haynie asked for an update on the geotube at the Chalfonte condominium. Again, Mr. Ahnell is to follow up and will advise Council accordingly.

The regular workshop meeting of the City Council of the City of Boca Raton, Florida, adjourned at approximately 3:40 p.m. on Monday, April 12, 2004.

Vanessa Hines, Assistant City Clerk