

**CITY OF DELTONA, FLORIDA
CITY COMMISSION WORKSHOP MEETING
MONDAY, JANUARY 27, 2014**

A Workshop Meeting of the Deltona City Commission was held on Monday, January 27, 2014 in the City of Deltona's 2nd Floor Conference Room at 2345 Providence Blvd., Deltona, Florida.

1. CALL TO ORDER:

The meeting was called to order at 5:30 p.m. by Vice Mayor Heidi Herzberg.

2. ROLL CALL:

Mayor	John Masiarczyk	Present
Vice Mayor	Heidi Herzberg	Present
Commissioner	Zenaida Denizac	Present
Commissioner	Webster Barnaby	Present
Commissioner	Nancy Schleicher	Present
Commissioner	Fred Lowry	Present
Commissioner	Chris Nabicht	Present
City Manager	William "Dave" Denny	Present
City Attorney	Becky Vose	Present
Deputy City Clerk	Mitch Honaker	Present

Also Present: Finance Director Robert Clinger, Building and Enforcement Services Director/Acting Deputy City Manager Dale Baker, and Acting Fire Chief Robert Rogers.

3. PLEDGE TO THE FLAG:

The City Commission and staff said the pledge to the flag.

4. BUSINESS:

A. Discussion regarding the City's Residential Rental Business Tax Program.

City Manager Dave Denny discussed the City's original intent to inspect rental homes to make sure everything was up to date, various types of complaints from residents, the 2007 Commission's decision not to inspect the inside of a residence, but to just have a rental license program, the approximate 30 percent of revenue that is generated from the residential rental license portion of the business tax program, as compared to the approximate 70 to 75 percent of the complaints/problems, and he stated that staff is seeking the Commission's guidance.

Finance Director Robert Clinger gave a presentation on the City's Residential Rental Business Tax Program from the program's inception in May, 2007, the current status of the program, the programs impact on City staff, advantages and disadvantages of the program, residential rental license statistics, and staff's comments on the program.

During the presentation the Commission and staff discussed the types of problems that renters call the City about, the adverse effect on the City, possibly hiring home inspectors, the City now having a local contact for most residential rental properties, the President of the West Volusia Board of Realtors stating that Deltona has the highest percentage of rental properties out of the 16 cities in Volusia County and the stigma that it gives Deltona, establishing a customer service training program for staff to deal with rental complaints, the number of foreclosed homes being purchased in groups by investors, either eliminating the program or getting more stringent with home inspections, being careful that the City does not become a rental management company, the City leading the way in the County's residential rental program, and a higher percentage of issues in a rental property as compared to home owners.

Some solutions discussed were to determine the level of service the City will provide, staff needing to determine a per residence cost to provide a quality residential rental program, pursuing the original objective of the program, possibly hiring two (2) property inspectors, staff determining what is needed to provide a quality program, developing measurable program goals for the residential rental program, evaluating the effectiveness of an ordinance in a more timely fashion, the effect of residential rental properties on economic development, finding a way to make the program work, using the property appraisers website to find out who property owners are, municipal property management versus the legal parameters that the City can and cannot use, giving staff the tools needed to deal with complaints.

Also discussed was the banks requirement to maintain property, the time period between the property owner that is in default of his loan until the bank becomes the owner, bringing the issue forward to Deltona's lobbyist, being proactive and strengthening the code enforcement department, a code enforcement officer needing the renter to invite them into a residence, the current ordinance not providing authority for a code enforcement officer to enter a residence, minimum number of inspectors needed to enforce the interior home inspection portion of the program, what happens to the family living in a rental residence if the owner loses their rental property license, having a local rental property manager to contact, possible legal suits if the City goes into a home to inspect and the City being looked at as a quasi-rental property management agency, staff developing a list of what the City is trying to accomplish, and can legally do with the residential rental program, the blighted state of some rental properties, and the National Fire Prevention Association (NFPA) not providing authority to enter a residential dwelling.

After discussion, the Commission concurred to have staff develop a list of what the City is trying to accomplish with the residential rental program, to include safety issues.

B. Discussion on grants application and management process.

City Manager Dave Denny discussed the original concept of the City's current grants policy management as addressed in Administrative Policy/Procedure Letter CW 2004-01, what is and is not working with the current grant policy, , and staff's proposed changes.

The Commission and staff discussed requirements for identifying and setting aside matching funds for capital projects, the current budget not having money set aside for matching funds, no money being budgeted for grant matching funds, not previously having a grant coordinator, changing the

“and/or” language found on page 21 of the agenda, under A. Pre-Application Considerations, paragraph 1, Operating grants will be reviewed by, to “and the City Manager”, not losing the opportunity to apply for unanticipated grants because matching funds were not budgeted, earmarking a certain amount of matching grant funds to be set aside in the annual budget, identifying grant matching fund requirements in the five year plan, identifying the need for a grant, identifying available grants, planning for matching grant fund requirements, the City being careful to review grants for attached hidden commitments, the new ECHO board review process, and the City Manager saying no to a suggested grant if there are too many commitments attached to the award of a grant.

After discussion, the Commission concurred to change the language found on page 21 of the agenda, under A. Pre-Application Considerations, paragraph 1, “Operating grants will be reviewed by” from “the Grants Coordinator and/or City manager” to “and City Manager”, to implement staff’s suggested changes, and to add pre-approved, budgeted matching funds verbiage to the policy.

C. Discussion re: Proposed Firefighter Pension (FFP) Board Ordinance.

City Manager Dave Denny discussed the Firefighter Pension Board proposed ordinance amending Chapter 46, Article II, of the Firefighters’ Pension Plan, the attached charts comparing the proposed enhancements to the Florida Retirement System (FRS)-General EE’s, and the Firefighter Pension FRS-Sp Risk Plan.

Commissioner Nabicht stated that he is receiving a pension from the retirement plan fund.

The Commission and staff discussed the Pension Board insuring that the Insurance Premium Tax (IPT) revenue is funding the enhancements, enhancement changes if the IPT revenue is decreased or not available, firefighters contributing eight (8) percent of their salary to the pension plan, the Cost of Living Allowance (COLA) of 2.35% and a member having to be in service for 21 years before they are eligible to receive a COLA, the need to have the pension board’s actuary provide COLA data from 21 years down to 12½ years of service, forwarding the proposed ordinance to go before the Commission for first reading, the time sensitivity and importance of forwarding the ordinance for first reading, the number of years a member has to be vested before being eligible for the Deferred Retirement Option Plan (DROP), DROP eligibility mirroring the Florida Retirement System (FRS) of five (5) years, determining what the future costs to residents will be to fund the proposed enhancements, the need to review the actuarial study data, data not being reviewed by the number, just being reviewed to see if it is “reasonable”, the need for a due diligence review to make any needed minor changes, if any, including verbiage in the ordinance that IPT revenue is being used to fund the enhancements, on page 4 of the ordinance, section 46-57 paragraph (1), have the City’s and FFP Plan’s attorneys jointly draft the verbiage to make it clear that members are fully responsible for the total contribution costs of purchasing prior military service, the City’s contractual minimum contribution of 16%, State of Florida IPT revenue funding the pension plan enhancements, the IPT amount varying from budget year to budget year, funding for the plan if the legislature does not provide sufficient IPT funds, scenarios for multiple requests to purchase credited service, eliminating the first sentence of Sec. 46-56. Retirement subsidy (RS) found on page 4 of the ordinance, where it mentions health benefits, looking at a lesser number of years of

service to be entitled to the COLA, the COLA not being used as an employee retention tool, a time line for reviewing the actuary data, and submission of the ordinance

After discussion, the Commission concurred to submit the Firefighter Pension Board ordinance amending Chapter 46, Article II, of the Firefighters' Pension Plan for first reading at the February 3, 2014 Regular Commission meeting agenda, changing the eligibility for DROP to five (5) years, removing the first sentence of Sec. 46-56. Retirement subsidy (RS).”, where it mentions “to help defray the cost of health insurance coverage”, and the Pension Board actuary to provide the Commission with COLA eligibility calculation data.

Christine Gallagher, 590 Outrigger Drive stated that the Fire Department has been trying to get pension enhancements approved for 15 years, the FFP fund having a such a high total revenue level that the State could possibly consider not providing anymore funds, the City's contribution going up if the State funds are lost, getting a COLA approved, letting the pension board establish the enhancements, and that payment for actuarial studies comes from the FFP fund.

Mayor Masiarczyk reminded everyone about the West Volusia Summit being held in DeLand on Saturday, February 2, 2014 at 8:15, and asked which Commissioners would not be in attendance. He discussed submitting an individual for the Volusia League of Cities award program, fire inspections on non-profit agencies that work from home, and ask if there were any fire inspection exceptions allowed in the ordinance.

The Commission discussed everyone having to follow the home business license rules.

Commissioner Denizac asked what needs to occur to put the public works property on the next Agenda and what it takes to put the property on the market, Mr. Denny replied that staff is looking at a couple of possible locations for the public works department and would brief the Commission at a later date.

Vice Mayor Herzberg suggested establishing a “City Future Plan” workshop, and to include what commercial property is available in the City as part of the workshop agenda.

Mayor Masiarczyk asked staff to provide a list of current City property that could be used as commercial property, and the need to replace facilities.

Commissioner Schleicher stated that tomorrow, January 28, 2014 at 7 o'clock, is a meeting on the proposed zoning change being held at Sterling Park HOA.

Commissioner Nabicht reminded everyone that the EMS/Military Expo is being held on Friday, February 1, 2014, starting at 8:30 a.m. at University High School.

5. CITY MANAGER COMMENTS:

Mr. Denny cautioned the Commissioners about attending the Sterling Park HOA meeting on Tuesday night, and discussed the zoning application scheduled to come before the Commission.

He discussed the Saint Johns Water Management District funding 40% of an upcoming project to interconnect the reclaimed water system in West Volusia County, Volusia County wanting to change an earlier agreement made on how water projects would be funded, which would cost Deltona an additional amount of approximately \$700,000 dollars, for a total project cost of \$1.3 million dollars, and the County cost would drop from 1.4 million dollars to \$495,000 dollars, he is not in favor of the County's change to project funding, the change possibly setting a precedence for future water project funding, has requested to meet with the County, being fair when it comes to funding projects, looking out for what is best for Deltona, and asked for Commission guidance.

After discussion, the Commission concurred that the City Manager is the City's and Commission's representative on these types of issues, and has their support.

Vice Mayor Herzberg asked what reasons were given to justify the County funding changes.

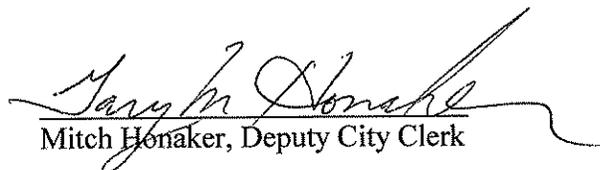
Mr. Denny stated the reasons provided to him why the County wanted to change the existing water project funding agreement were; the County insisting that the project funding formula use the demand for water at 100%, not 50% divided equally, the amount of line the County has to lay in areas where there is no customer base demand (Mr. Denny stated that Deltona has areas with no customer base too, but the City is still willing to live up to the original funding plan), that the County has known for two (2) years what the numbers would be, and that the County forgot to put money in their budget to fund the project, so they can't pay for it.

City Attorney Becky Vose stated that when a rezoning issue comes before the Commission they can only make their decision based upon what they hear at the Commission meeting, when a rezoning issue comes before the Commission they make a quasi-judiciary decision, and that Commissioners actually act as a judge.

Commissioner Denizac stated the Commission has to base their decision on facts, there used to be rezoning checklist in the Commission binders, and that she is getting tired of the go along to get along attitude with some external entities, the adverse effect of that mentality has on the City, and strongly suggested changing that attitude.

6. ADJOURNMENT:

There being no further business the meeting adjourned at 7:25 p.m.


Mitch Honaker, Deputy City Clerk