CITY OF APOPKA

Minutes of the City Council budget workshop meeting held on February 17, 2021, at 5:30 p.m., in the City of Apopka Council Chambers.

PRESENT: Mayor Bryan Nelson
Commissioner Doug Bankson
Commissioner Kyle Becker
Commissioner Alexander Smith
Commissioner Velazquez
City Administrator Edward Bass
City Attorney Michael Rodriguez

PRESS PRESENT: John Peery - The Apopka Chief

INVOCATION / PLEDGE – Mayor Nelson said we will forgo the formalities as this is a workshop.

DISCUSSION:
Edward Bass, City Administrator, said this is the workshop that we scheduled at the request of the Council in follow up to the Duke Energy Settlement Agreement. He said he will be going through a brief presentation and has a few slides and then we can have discussion and said that if during his presentation anyone has questions, that will be fine.

Edward said that as you recall, on January 20th, the Council approved the Duke Energy Settlement Agreement in the amount of $2.9 million dollars. He stated that those funds are in our bank account and were received as of February 1st. He provided the first slide and said this is a list that was in the agreement for discussion purposes and none of them were approved. He said this list of wants and needs from staff and the community and said this also contains some of the significant items that were heard during our budget hearing but were not included in our 2021 budget due to lack of funding. He said this list included the payoff of a couple of loans and we'll go through that as well. He said some of the other items include a bathroom at the Amphitheater; storage unit at the Fran Carlton; Fire Engine #11 needs to be replaced; welcome signs; drainage issues with some of our lakes, including Border Lake, Resource Center; Birding Park improvements and the Connolly property. He said there's a little more than $3.7 million dollars on this list and reiterated that this list was not approved or adopted.

Edward stated that he went through all of the debt service and identified 2 revenue notes that have relatively high interest rates. He said the recreation improvement revenue note, which matures in 2022 has an interest rate of about 3.9%. He said this loan was for the improvements that were made to the Northwest Recreation Complex and was a $7 million-dollar loan over 15 years. He stated that there is a principal amount of $610,000 which would be due in FY2022 and there would be interest associated with that in the amount of approximately $24,000. He said that next revenue note was a loan we took out in 2018 for a new tower truck; fire truck; ambulance and about 18 police cars and that note matures in 2025. He said this note has an interest rate of 2.9% and the balance owed on that is a little under $1.2 million dollars with interest of approximately $73,000. He said in the debt service for the FY22 budget would be approximately $361,000 for this loan. He said that the current interest rate that we're earning in our bank account and in our investments is 0.30%. He said he said there are a few more pieces of debt listed and several of them come off the books next year and there are others with interest rates below 2%.

Edward said that these slides here came from the final budget hearing presentation that we did in September when we adopted our FY21 budget and said that some of the things that were not included in our budget were Fire Station No. 6 and said that as you know we've tried a couple of times with the legislature to get some appropriations and will try again this year.

Mayor Nelson said that these are both in the House and Senate and for the last two years, it's been line item vetoed by the Governor.

Edward said that keep in mind, we do have impact fee monies that in that in our fire impact fee that will be part of the matching, should we get some funding for Fire Station No. 6. He said that if you recall, the Fire Chief spoke about adding a District Chief to his plan, which was not funded in FY21. He said there is a grant opportunity for funding that may help with this and will bring this to you as soon as it becomes available. He said that Police Officers are another item that we were unable to fulfill in FY21 but if you recall we discussed applying for the Cops grant and Chief McKinley is monitoring this every day and should be coming out very soon so we plan to apply for that grant when it becomes available.

Mayor Nelson added that the Cops grant is 100% funded for the first year to which Edward replied that yes, it's close to that and it gradually declines so that by year 3, the City is responsible for paying them.

Edward said that we received this grant about 5 years ago and added 5 new officers. He said that Chief McKinley will try and apply for 10 new officers this time and said a lot will be dependent on the monies that are available and who else applies.

Edward said the next item is for the Audio/Video for the Council Chambers, which was not funded in the FY21 budget is now funded. He said that Rob and his crew have been very efficient with their budget and some of their dollars they didn't spend last year will go toward funding this item. In addition, the next item on the list are the computer servers and said that again, Rob was able to fund this in his budget and this item has been taken care of.

Edward explained that the additional fields for the Northwest Recreation Facility is a big number as you know and said that we've had some talks on this and there may be something we can bring forward regarding a potential partnership as this item alone could run between 2-4 million dollars. He said this was in the CIP Plan which is a forecasted 5 year-plan. He said this is all in the budget book under your 5 year-Capitol.

Mayor Nelson said that one of the things we want to do as soon as we feel more comfortable with large crowds is to have the community out at the Northwest and have Mike Suver do an oversized map of the Northwest and give members of the public pins to put where they want things so we can get a consensus. This way the public can actively participate and then we'll have someone that designs those complexes based upon some of the ideas we gather from the public and their vision. He said we'd like to begin this process in April or May before it gets too hot out.

Commissioner Velazquez said one of the things she'd like to see at the Northwest Park is an area that is not being used by sports that would allow parents and families come and picnic. She said on the weekends, it's totally packed with sports and there's really no place on the weekend that families can come and enjoy the park other than the portion that's behind Wolf Lake Elementary. She said that the problem there is the bathrooms and they're too far away.

Edward agreed and said that's what the Mayor was talking about when he said he wants the community to come out and identify some of these wants. He said that lends itself to the next item which is the bathroom facilities at Northwest. He said we've been hearing a lot about this as the bathrooms nearest to the amphitheater are way up on the hill so one of the items that was in our Capitol budget was to build a bathroom facility with concessions down on the West side of the amphitheater. He said perhaps we need to look at additional bathrooms in other areas of the park. He said that as you know, over the last two years, we've funded a bathroom with concession in the field areas and they were funded and are currently being constructed so that will put bathrooms by the fields.

Edward said some of the other items on the list include a storage building for recreation and cemetery as the current building is falling apart. He said the new building for fleet and the streets division was estimated over $1 million dollars and since Jeff has come on, he has put a plan together and will bring this item back to you once completed, likely at budget time. He said next item is fiber replacement for the IT department as the fiber is old and they don't know where some of it's at. He said this is in IT's future budget and said that we may be able to use some of our streets crew to install this and perhaps save some money. The next item is street resurfacing and said there's never enough money for street resurfacing but we are doing a street assessment so at budget time, you'll have that report to consider. The report will assess all streets and their conditions. He said the last one is a really big one and said that we all know that flooding at Border Lake has been an issue for a while. He said this item is a big- ticket item and said that this is one that we've asked for appropriations on and said that this is a regional partnership program that will require funding from us and hopefully from our partners.

Mayor Nelson said Orange County sent us something to review which will make us 50/50 partners in the cost share for whatever we need to do on this. He said he would like to get Seminole County involved as well as FDOT.

Edward said that is all he had from a power-point stand-point and said that from a staff stand-point, it's very important that we continue to watch and said that with the sales tax number we're watching each month, we're down about a half-million dollars. He said it's important to also be looking forward but said these are the items that weren't funded in our budget and other items that we've heard from the community and things that people have talked about. He said the debt service is critical and said that those two pieces of debt service could free up almost $1 million dollars in your budget next year.

Commissioner Bankson said one of the first things I'm looking at is these that we carry a note on with a higher interest in what is typically out there right now. He said if we knock those out, we create $97,000 by doing so, which is a huge interest savings that won't be taken out of the budget. He said also we need to try and catch up our Police Department up.

Commissioner Smith said he took the wish list you gave us last time and put this together with the list we have today that was left unfunded from last years budget and looked at things that he felt would make the biggest impact both for the City and for our residents. He said he was looking at paying off the $1 million-dollar debt for the tower truck, police cars; funding the amphitheater bathrooms and concessions; the Fran Carlton storage building; replacement of the fire engine; the $250,000 for the drainage for Border Lake and Lake Page; the $150,000 for the Resource Center; the $150,000 for the birding park and $50,000 for the Connelly property. He said that comes to $2,885,000. and if we subtract this from $2.9 million, that leaves about $50,000, which would leave us enough to fund the fiber replacement for City Hall.

Edward said that on the fire truck, the $300,000, that only covers half the truck and the total is $600,000. He said we'll appropriate $300,000 in this year's budget which is for a deposit down toward it as it takes a year to build it so in your budget, instead of building in $600,000 next year, we only have to build in $300,000 for the difference.

Commissioner Becker asked Edward for clarification as to the debt service and said that he understood that we if we pay off debt service, it would free up $1 million dollars and asked if he heard that correctly.

Edward said that what he was saying was that budget wise, your budget for next year would have to fund almost $630,000 and $360,000 so by paying those debts off now, next year in your budget, the million dollars wouldn't need to be funded.

Commissioner Becker said he follows that. He asked about the note that has all of the vehicles comingled is all one note and not separate sub-notes to which Edward stated yes, it's just one note. He said that debt isn't necessarily a four-letter word and said as long as we're responsible and are keeping that percentage low regarding our total expenditures as a City however, if we get rid of that, your free up money that you would've spent on an annual debt service payment. He said is question is that obviously we tend to gravitate toward the big-ticket items and said where he wants to center in on is the $2.9 million dollars isn't just a windfall that we just discovered and said that it's monies that should've been coming to us over the last 2 years. He said we have other things like roofs, plumbing, in our facilities or fleet maintenance and asked what that figure looks like as well as some of these fringe items that are being requested.

Edward said that the roofs have all been funded and all of the leaky ones are done. He said Joe will be putting together a report to bring you before budget time to show you what the condition of everything is, He said we did apply for a grant for the police department. He said the plumbing issue at Fire Station No. 1 are old and we're working on that issue but all of that is all funded in the current budget. He pointed out that from a debt service, we're getting ready to study doing a new public service complex so we need to watch that as that will be a pretty big debt service payment that will come on so if we can make some changes in our debt service now, we can free up some of that so we can borrow the money we need to build the public service complex.

Commissioner Becker said that there is still a lot of stuff that needs to be done on some of our facilities and said we need dollars for infrastructure, water issues, road resurfacing, road restriping, street lighting and other issues. He said the final elephant in the room is Camp Wewa, which is an unknown at this point.

Commissioner Velazquez said she's glad that everyone else has gone and she has an idea of what the priorities are for each Commissioner. She said her concern is that we have this windfall but we have so many "low hanging fruits" and what happens is that we keep kicking he can down the road and now we have a list of larger projects but we haven't really taken care of the little ones that all add up. She said that some of these items are in the legislation up in Tallahassee including Fire Station No. 6 but she doesn't believe this will be funded due to all of the budget restraints, this is not a priority for them. She said water is a big deal and we're having a lot of flooding problems so that is a priority. She said she can see the improvements to Northwest as that's something that brings us a lot of revenue and is a good investment. She said the debt service, that frees up some money for the next budget and we can then fund some of the things we didn't fund in the last budget. She said Camp Wewa is a big commitment for us and said this $2.9 million will help us. She said that we can't depend on the grants and doesn't want to take funds out of other areas in order to meet that expense and thought that perhaps we should hold on to some of this money.

Commissioner Bankson said he doesn't want to leave almost $100,000 on the table that we would be paying to the banks and could use in the future. He said he's leaning toward those two items and the thought was that if we looked at the amphitheater, what would be the new loan on that and wondered if we could get a lower rate on that and said we could switch the higher loan for the rec loan to something and said that we're shifting to an interest rate that makes sense. He said he agrees with Commissioner Smith on a lot of these line items here and recognized Pastor Schorejs and his lovely wife. He said the Resource Center would be a tremendous help to the City and he's excited to have that in there. He agreed with Commissioner Velazquez and said maybe we should hold on to some of the money until we make our decision on how we're going to approach Camp Wewa.

Commissioner Becker asked if we could hear more about the resource center.

Mayor Nelson called upon Pastor Schorejs to come up and speak about the resource center.

Pastor Schorejs said he comes not as Pastor but as a resident of Apopka and said that he's lived here for about 6 years and said that in his role at the church, like every city, there is a homeless community. He said that even beyond that, down the street on Midland, there are a community of apartments that Spanish live in that we do a tremendous amount of ministry to them because they are hard-working residents just below the poverty line and need help. He said as we've watched this, we've found out that a lot of effort has gone into trying to help a homeless community, some of which does not want to advance and there are those that as long as they get a meal a day somewhere, they're ok. He said when all of our churches and agencies are working independently, there are enough smart people out there that go where they can go and get what they want but they'll never get better. He said we began to develop an idea where if we can get everybody working together out of one central location, we'll know who wants to advance and who is going to milk the system. He said the more of that we know, the easier it becomes to hold people responsible. He said on a Monday night he'll have 50-75 individuals that come over for food and get a change of clothing. He said when we're able, we can allow them to have a shower and get cleaned up and respectable but only a small percentage of them will go forward. He said that the problem is that he can't identify who's going where and what they're getting from other places as we're not networked.

He said if we have a resource center, that allows us to work together, when an individual comes to his church, he can direct them to the resource center and the case worker can evaluate that he or she so that one day, they'll be able to stand on their own and be able to get to a better place. He said the goal is for all of our 26 churches that have shown an interest in this and said that if we all work together and direct them to the same place so they can get help from a case manager and be able to help those individuals that want the help. Those that don't want the help will be identified and eventually, they'll drift off. He said he's not trying to push them out but they will eventually leave. He said this resource center will bring all of this together in a way that our City will be beneficial. He said he doesn't need this as a Church, he has plenty to do but that's why if we can get this resource center together and the City is in support of it, our businesses have already expressed that they're willing to help with it so we have a great business community here and when we all work together, we can fix this. He said it will never go away but we can help where we can and make an impact in some lives.

Commissioner Becker said that he's not trying to debate the charitable nature of this or the mission or desired outcome for people that are without means. He said that some of the flaws he sees are that with a resource center that everyone gravitates toward, then everyone has a place to go every day of the week and they know that so the motivation may not be there. He said the resource center won't make those daily services go away as his church does mana bags for homeless and they work with the Hope ministry the first Tuesday of each month. He said he gravitates toward the dollars and cents of the transaction versus the cause as he said he didn't think that anyone could disagree with the cause. He gave the example of the UCF Incubator and said we sunk hundreds of thousands of dollars into that and it didn't do anything that they said it was going to do. He said there is a number associated with this center but what is that money for?

Pastor Schorejs said the $150,000 is for the location however, the foundation has been set and said there's about $15,000 in the foundation that isn't being spent right now. He said there's a place on

Central right off Michael Gladden that can potentially be a good location. He said if the City could purchase it and lease it to the Next Step Foundation, that would be an opportunity. He said we were approached by Debbie Turner and they have to downsize so their building is available. He said that's in a location where there's a lot of activity for this and would be close to the Fire and Police Departments.

Commissioner Smith said that the Community Center is probably doing to make a great impact in our City and on our citizens and said not only will this be about food and clothing but even at our church, some of the people looking for assistance, need help that we're not able to provide. He said some need mental health counseling so by having a resource center where there's a case worker that's trained to do this kind of work, they can get referrals as to where we'll send them to go for the various needs that they have. He said by having a resource center, we can track where they're going and help them get housing, jobs, and other assistance. .

Commissioner Bankson said what he liked as he read through the resources available is the accountability factor and said that having been a Pastor for 25 years here in the City and heard the stories from many. He said in the long run this this will save the City and save the taxpayers in the longer run as it's helping people who really want help. He said rather than feeding a problem, we're really feeing people. He said he's longed to see that we can all work together as all of our churches and starts moving things off of the back of the government back to the churches where it's most natural. He said the fact that the diligence that you guys have put into this and the organization that you already have lends itself toward accountability and said that will really help people in the long run.

Commissioner Velazquez said you said you do minister that small development on Midland and said she's also dealt with a few of the different churches and said what she has found was that many of them seem to be working separately but are all doing the same thing. She stated that what you're asking us is to provide you the building but asked what if all of the churches involved could get together and buy the building. She said she's with Commissioner Becker and said a lot of residents that have reached out about this ask why the City is buying this building and leaving the taxpayers out of it. She said it feels like as a government, we're now overseeing this service.

Mayor Nelson said we're not overseeing this and that this is just to get a building, He said the operating costs next 20 years are going to be much higher than the cost of the $150,000 that we make. He said he hopes it will be a break-even situation and that the 20-30 churches that have been at every month's meeting up until Covid, that they will help support this community center. He said at that point, we may be able to get Advent Health to come in with the mental health counseling, with HIV testing, with shots for hepatitis and said this is a seed we need to get those churches together. He said they're committed to making this work.

Commissioner Smith said that some of those who need help are not just homeless but individuals that have jobs and just need some assistance to make ends meet.

Commissioner Bankson said that this money isn't going to the church and this is the misnomer and said we haven't yet seen the effects of what Covid has done fiscally to a lot of our own people and it's hurting them.

Commissioner Becker said if we spend this money and the City owns the building, there is risk and liability involved in that regard. He said what if there is a back log and you don't have the ability to service every person. He said he wants to know all of the details around this knowing that we have all of this stuff facing us in terms of scarcity of dollars.

Mayor Nelson said that over the last 3 months, Nicole Kennedy of our office has put together a resource booklet which lists all of the resources that are available either from Apopka Churches, Orange County or the State of Florida so that if someone was to come to the resource center, they can be directed to these services. He said they can also get help in getting their I.D. to be able to go to work as they can't go to work without an I.D. He said there are so many things that the resource center can really help people with. He said his thought was that between all of the different churches we have, they can take turns running the resource center so we'd have to train those people as to what to look for to help.

Edward said he available for any questions regarding this or any concerns or other ideas on anything.

Mayor Nelson asked if there are any further questions from anyone before closing the Meeting.

ADJOURNMENT - There being no further business the meeting adjourned at 6:45 p.m.

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Bryan Nelson, Mayor

ATTEST;

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Susan M. Bone, City Clerk