

**AT A SPECIAL MEETING OF THE BOARD OF
COUNTY COMMISSIONERS HELD IN AND FOR
GADSDEN COUNTY, FLORIDA, ON JULY 29, 2010,
THE FOLLOWING PROCEEDINGS WERE HAD,
VIZ**

PRESENT: Commissioner Eugene Lamb, Chairman
Commissioner Doug Croley, Vice-Chair
Commissioner Gene Morgan
Commissioner Sherri Taylor
Johnny Williams, County Administrator
Arthur Lawson, Assistant County Administrator
Ms. Helene Shuler, Assistant Finance Director – Clerk’s Office
Jean Chesser, Deputy Clerk

Call to Order:

Chairman Lamb called the meeting to order with a quorum present at 4:00 PM.

Administrative Coordinator’s Department: Charles Chapman

Mr. Chapman made a presentation on his proposed Departmental budget for 2010-2011 which included Garbage/Solid Waste, IT, Animal Control, Parks/Recreation, Recycling, Debt Service and Capital Projects.

Commissioner Taylor asked Mr. Chapman if the Board directed him to find \$10,000.00 that could be cut from his proposed budget where he would get it from without compromising services the County now offers.

Mr. Chapman said he would have to go back through his budget by line item and see if he could find \$10,000.00 and would bring that information back to the Board at their next budget workshop. He also responded to Commissioner Taylor that the \$82,000.00 shown in debt service is not a specific project (capital project). He explained this as the Bond that was taken out three years ago for major IT equipment purchased for the conversion of the servers, etc., that it is debt service only and IT is not requesting any additional equipment.

Commissioner Morgan asked if there was any of the IT equipment or services purchased in 2007 (approx \$800,000) that is not being used at this time and Mr. Chapman responded IT is using every bit of equipment they possibly can and if they are talking about 100% of the investment, he would say they are at 85%; that work is currently underway on the data transfer for the fiber optic network with the infrastructure already in place. He said by the end of the year they hopefully will be at full 100% capacity and using everything (equipment) they have.

Commissioner Morgan asked Mr. Chapman if there are any better ways of using the equipment now than there was when it was purchased three years ago, especially with the county trying to find ways to save and Mr. Chapman responded there are several ideas coming up on possible cost savings over the next 6 to 9 months that will be of great interest to the Board.

In response to Commissioner Taylor's questions on the approximate \$30,000 increase for animal control, Mr. Chapman said there are several things they are trying to do to make it a more humane environment at the shelter. They have had two veterinarians of shelter medicine visit the shelter as they have been having a problem controlling disease in the county's shelter. Even though the county's animal shelter is not a long-term care shelter, and by definition is just a euthanization shelter, most of the animals coming into the shelter are basically somewhat pets and if they contract a disease while in the shelter, the county is inevitably liable. There are things that were built into the shelter that did not prevent the spread of disease and some areas need to be addressed – drainage, ventilation and equipment replacement. The \$30,000 is needed just to bring the shelter up to the minimum required standards.

Other Governmental & Community Organizations:

County Administrator Williams explained there are four organizations not included in this proposed budget that were included in last year's budget; those being CRPTA, Opportunity Florida, Christian B. Doolin, Governance, Inc. There was a brief discussion among the Board concerning the need for possibly continuing some of these services, and it was the consensus of the Board to continue on at this time with other areas of the budget and bring these back up for further discussion at a later time.

Commissioner Morgan requested the budget office list all of the items/programs that have been cut from last year's budget so the Board will be able to better see what is and is not being funded.

Commissioner Taylor said there is \$84,000 which they feel could be saved by cutting some of the line items --cut \$50,000 from indigent hospital care, \$34,000 from attorney fees as well as a possible additional \$80,000 savings from utility services.

Planning & Community Development: Anthony Matheny

Commissioner Taylor noted Tourist Development has increased \$31,000.

Commissioner Croley noted overall budget for Planning & Zoning is down significantly.

Mr. Matheny explained that even though they don't have as much new activity coming in, they have tons of old activity that has been basically lost during transition of the previous two directors. He explained his department is basically working at a skeletal level and they are able to get by at this time. However, when the economy does pick back up, he will need to hire additional staff.

Commissioner Morgan asked if the level of customer service is staying high even though the activity is at a lower level and Mr. Matheny said he is pleased with what he has seen in the past couple of months from his staff and their customer service relationship with the public. He said his focus on customer service is dead serious and everyone in the department is exhibiting very good customer service relations and everyone is treated very professionally, whether via phone conversation or visits to the office.

Probation: Ms. Martha Chancey

Chairman Lamb asked if there were any questions on Probation's requested budget and there were none stated by any of the Commissioners.

CHP INSURANCE PROPOSAL: Mr. Terry Steaple, CHP Account Executive

Assistant County Administrator Lawson asked that Mr. Steaple be allowed to make his presentation prior to the Board getting into the Public Works portion of the budget workshop. Mr. Lawson said there will be an 8% increase in costs at the current level of healthcare coverage with CHP. He then turned the presentation over to Mr. Steaple.

Mr. Steaple explained there will be an 8% cost increase for the save level of coverage. He replied to Commissioner Croley's question as to whether or not there is any type of negotiations that can be done to improve the County's financial position regarding the 8%. He said CHP always has at least one additional option for their partners and this year that option for Gadsden County is at 4%.

In response to Commissioner Croley, Mr. Lawson said the alternative option which Mr. Steaple has addressed was reviewed by the county's insurance committee and it is the recommendation of that committee and management that the Board approve the proposed 8% increase in order to maintain the same level of coverage.

Mr. Steaple explained two co-pays have been added -- \$150 for outpatient in-hospital procedures and \$100 for non-hospital ambulatory procedures. Basic proposed difference is specialist co-pay going up to \$40; hospital admittance remains the same, \$250 regardless of length of stay and an 8% increase in their proposal to continue coverage at the same level, if approved by the Board.

Commissioner Croley said he would like to see as many options as possible for Board consideration as an 8% across the board increase is significant He also inquired if CHP is partnering with the Gadsden Hospital on any of the services and Mr. Steaple said if someone (having CHP insurance) goes to the Gadsden Hospital emergency room it will be covered by

CHP and as far as CHP covering costs for the out-patient testing services provided at the Gadsden Hospital as well as blood testing, he said he needs to check to be certain exactly what CHP's relationship with CRMC is on those services at the Gadsden Hospital Campus before answering that question. Commissioner Croley asked that Mr. Steaple provide that information to Mr. Lawson.

Commissioner Morgan said he has spoken with the CRMC Gadsden campus facility and they will honor what CHP has with CRMC.

PUBLIC WORKS: Robert Presnell, Director

Mr. Presnell reviewed his proposed budget and requested:

Fund 112 (0112-55100) -- Increase Office Supplies from \$1,200 to \$4,000.00. He said the Budget Director had zeroed out office supplies in all other departments and combined all under Fund 112 and it would need to be increased by \$2,800. There are no other increases requested for Fund 112.

Fund 112 (Department 0126) – Paved Road Maintenance -- Basically no increases, mostly decreases. Mr. Presnell asked that the Commission disregard the Capital item figures of \$231,990 shown in Department 0126 as he will have an over-all total capital outlay explanation at the end of his presentation.

Commissioner Croley asked that an explanation be given on where the one cent revenue funds were previously placed in the Public Works budget, and Mr. Presnell said historically it went into Fund 133 and was then budgeted out of 133 for capital projects. The one cent revenue was used strictly for capital projects – none of it was ever used for general operating expenses.

Mr. Presnell explained most of the figures are decreases – no increases in Dept 126. He said this is a bare minimal, “**get by budget**” and most of the new project funding he anticipates receiving from DOT is for resurfacing.

Commissioner Taylor said she would prefer to have the salaries/wages shown as a separate line item rather than being shown as part of the \$2.6 million, and she then raised questions on paved road maintenance as to what the \$2,613,625 requested by Mr. Presnell includes and Mr. Presnell explained that figure includes everything from salaries, projects, expenses, materials, uniforms, fuel, etc. that would be used in road paving maintenance. Commissioner Taylor asked if approximately only \$300,000.00 of the \$2.6 million would actually go towards the roads and Mr. Presnell explained the salary portion is \$1.1 million, leaving \$1.5 million for road maintenance. \$240,000 is budgeted in supplies for gravel, rock, etc. – materials that would be used on the roads but are not considered capital projects as they are not new projects but just the cost of maintaining

400 miles of roadway. \$231,000 is for capital outlay that the budget director used, but in reality to purchase the list of equipment Public Works requested, it would cost approximately \$ 530,000.

In response to further questions from Commissioner Taylor as to what the County can do in terms of going forward with what Mr. Presnell presented and if any plans had been made for roads that are now dirt – any plans for paving those roads, Mr. Presnell explained he had submitted with his budget proposal a “pavement management plan” --list of roads that have met the age or condition of resurfacing; a list for resurfacing, a list of a few dirt roads, a list of equipment replacement. He said these are submitted with his budget annually, but they don’t always make it through the process; for example, this year the one cent portion for Public Works was only \$2.1 million and that is where you have to begin. He said his recommendation to the Commission is that the County does the best they can with the funds available; that historically some of the line items are half of what they were three years ago. He also explained Public Works gets every penny they can; they have basically been living off grants and that this year he expects to receive approximately \$3 million from DOT in new grant projects. Most of the funding will be for resurfacing and does not deal with bridges or paving of dirt roads. Mr. Presnell said there is absolutely nothing in this budget for dirt road paving.

Chairman Lamb said a lot of people have a misconception and asked that Mr. Presnell explain that the roads being resurfaced in the outlying area of the County are not coming from County funds but rather from State funding; and Mr. Presnell explained no County funds have been used for resurfacing projects since approximately 2005 and all of the resurfacing funding has been through DOT grants.

Commissioner Taylor responded to the hair and to Mr. Presnell that there are dirt roads in her district that are within the city limits; roads that should not be dirt in 2010, and that there are some exceptions to that rule because Joe Adams Road was done through the County’s budgeting process rather than through grant funding and Mr. Presnell said that was correct.

Commissioner Croley requested that the County Administrator provide the Commission with the road list submitted by Mr. Presnell (3 pages/3 lists) with his proposed budget as it will be very helpful in seeing what would be considered a need in the county’s operations in the budget process. He also inquired about a citizen’s expressed concerns regarding mitered culverts and concreting the ends under the new Code that took effect January 1st and whether or not Public Works had to follow the same requirements for county work. Mr. Presnell said Public Works doesn’t have to. He said there may be a growth management reason about the Code and January 1st – but that Ordinance has been on the County’s books for years – it isn’t a new Ordinance and it may be that Growth Management just started enforcing it for homeowners on January 1st.

After additional discussion, Mr. Presnell said he has recommended to the County Administrator that the best way to alleviate this problem, rather than the County having this type of expense, is to stop requiring that residents put in a mitered culvert. He said it would cost the County approximately \$80,000-100,000/year plus two employees for the mitered culverts, based on having approximately 250 damaged culverts/year. He also explained if a culvert is damaged from work being done by the County, the culvert (whether mitered, concreted or brick headwall) is repaired/replaced back to its condition prior to any damage at no expense to any resident, and all of this type of repair work is covered in his budget. However, if the damage is not the fault of the County, then the repair expense is the responsibility of the resident. Commissioner Morgan asked if the Board were to consider looking at some of the services provided by Public Works and actually contracting some of those services out, would some of the current Public Works employees be able to tackle some of these areas (i.e. mitered culverts) where Mr. Presnell is short employees and Mr. Presnell responded affirmatively.

In response to Commissioner Taylor, Mr. Presnell said the one cent sales tax historically generated as high as \$2.4 million. This year's budgeted revenues is based on \$2.1 million being generated with \$1.3 million of that being designated for Public Works and approximately \$800,000.00 Fire Services, leaving a surplus of zero.

Mr. Presnell explained for Public Works to get to where they are today with this budget, he has brought forward \$350,000 from fund balance for revenues for this proposed budget and yet there are still 7 positions gone; that's how tight it is. He responded to Commissioner Taylor that the Public Works proposed budget is based on \$350,000 that was not used last year and is being carried forward.

Commissioner Taylor asked if he was balancing his budget based on uncertain revenues and he responded No, they balanced it by carrying forward \$350,000 above and beyond what the revenues are going to generate next year and that he knew they were luckily going to have that cash available to carry forward from their fund balance He also explained that of the seven positions that have been cut, they were done through attrition with some retirements, resignations, cutting back, etc., but no one has lost their job. He said then the budget director cut two critical positions which he said Public Works must have back.

Commissioner Morgan asked Mr. Presnell if the \$350,000 is not used, would it be considered Public Works reserve that could be used in the event of a catastrophic disaster and he also suggested possibility of moving the \$350,000 forward at this time to beef up the Transportation Fund One in the event of a catastrophic event, rather than moving it forward in the Public Works proposed budget. Mr. Presnell agreed with Commissioner Morgan but said they would have to

find \$350,000 to cut from the proposed budget. Mr. Presnell also agreed beefing up the Transportation Fund One is one of the greatest priorities they have; being able to respond in the event of a major disaster.

Ms. Helen Shuler, Assistant Finance Director from the Clerk's Office explained all of the gas tax revenues go into Fund 112. Mr. Presnell said just a few years back the balance was considerably higher than it is now and Commissioner Croley said according to the Clerk's Office the balance in Transportation One was \$1.3 million as of July 10th and that figure is behind, not current. Then, if the \$350,000 is taken from that, the balance will be well below \$1 million and Commissioner Morgan said that certainly is not enhancing and building reserves.

There was discussion on out-sourcing some of the services of Public Works and the possibility of re-bidding for the mowing in each district -- Last year the Board discussed appropriating \$120,000 for this with \$40,000 for each of three districts and the County would be responsible for only maintaining the other two districts. If this is re-bid, Mr. Presnell will have to come up with the guidelines, requirements, etc for the mowing contracts.

Commissioner Croley suggested Mr. Presnell review the Public Works current charges for services to determine whether or not those charges should be increased to generate more revenue.

Chairman Lamb suggested Mr. Presnell put together information (requirements, costs, projected possible revenue, etc.) for out-sourcing on some of the services currently provided by Public Works.

Commissioner Morgan agreed with the Chair, but recommended the County Administrator oversee that process, with Mr. Presnell submitting his costs for the services and the Administrator overseeing the responses received/brought forward so the Board can get a good comparison of what is going on.

Commissioner Morgan re-addressed the \$350,000 and asked how they were leaving this -- was it to move the \$350,000 to Transportation Fund One at this time, or to let Mr. Presnell carry it forward to balance his budget.

Commissioner Taylor said she felt Mr. Presnell needs that to balance his budget, and while understanding the need to be conservative, now may not be the appropriate time as there are other areas the Commission may have to look to that money for. She said the County has a jail that is in very poor condition and that building belongs to the County and it is their responsibility. Commissioner Morgan asked Mr. Presnell how he would have put together his budget had the \$350,000.00 not been there and Mr. Presnell said he would either have to take the funds allocated for capital outlay and would request it be used for operating, or cut services by \$350,000.

Commissioner Morgan explained he feels a budget should be put together for Public Works that would not include the \$350,000 because the Board could possibly be faced with that next year and the Board is not making a good move here by not reserving that money. He said the Board needs revised information to be able to make decisions concerning the budget – not enough information in this material tonight. There was additional discussion on the need to build up funds for a catastrophic event, as well as funding needed for roads, bridges, and ultimately funding needed for the jail.

Commissioner Taylor said money will be needed for roads, bridges, etc. and the Commission needs to get ready to spend some money and that in the event of a catastrophic event, this \$350,000 would not get the County through it and Commissioner Morgan responded that it may be the difference.

Mr. Presnell discussed the two positions that had been cut and must be replaced in the Public Works budget -- Sign Tech position (\$40-45,000) has to be reinstated and the County Administrator will make recommendation to Board to restore the position. Second position – in Public Works Shop (\$40-45,000/yr) also needs to be placed back in Public Works budget.

Chairman Lamb agreed with the comments of both Commissioner Morgan and Commissioner Taylor concerning the need to build a strong county and the need to be prepared for a catastrophic event; to use wisely what is available and to build a strong, solid foundation for the County. He added there are certain things the Board has to do; one of them is to take care of the jail and they are going to do that.

Commissioner Croley addressed paved road maintenance unit (Fund 112 – Department 126) and said the County would not be building any new paved roads unless they have the money. He said what he is trying to understand is that the paved road maintenance had basically been geared up in the past to pave dirt roads.

Mr. Presnell responded that was Fund 130 which was abolished two years ago, and the only thing he is recommending this year for road maintenance is one resurfacing project.

Commissioner Croley inquired if Mr. Presnell used the road maintenance crew to build up a dirt road (i.e. River Road) for the paving of that road and Mr. Presnell responded he used a work order and the County's maintenance crew for that; there is no longer a road construction crew or a budget for it.

Commissioner Croley asked if in getting a road ready for paving, the Public Works maintenance crew is used for the dirt work (building a road bed up) which meant the County's maintenance may not be getting done which is not a good situation, and Mr. Presnell responded, Absolutely – but he explained while it does take away from some of the enhancements for the County the

maintenance crews would be doing on a regular basis, it doesn't shut them down and if there is an emergency situation that arises, he pulls the maintenance crews off the road project to attend to the situation at hand.

Chairman Lamb said if Public Works didn't do the road build up work, they would have to pay someone else to do it and Mr. Presnell responded that was correct, that the County would never want to bid out that type of work as it would be far too costly.

On vehicle maintenance/equipment repair costs for fleet maintenance line item going up – Public Works is way over budget this fiscal year. Mr. Presnell explained the Board would continue to see these costs which will continue to rise as a result of the fleet equipment being older and it costing more to make necessary repairs. He said the 5 year buy-back program on equipment has been an excellent program for the County but that he didn't address it in this year's proposed budget because it would have been useless to do so because of the figures presented for him to work with. He explained the saving possibilities for the County from this buy-back program and the importance of the program and said he will come back with a plan on this for the Board in March to address the next 5 year buy-back, and he stressed to the Board the importance of them taking advantage of this program. Mr. Presnell said this is very important as the time on the first machines is coming up next summer and the guaranteed trade-in of \$1.7 million from Ring Power or CAT is coming up and if the equipment is kept one day past the guaranteed date or if they exceed the hours of operation on the equipment (which they have never done) then it becomes null and void. He explained Ring Power or CAT will issue the County a Check or give credit towards the purchase of new equipment. Mr. Presnell said the plan he will be coming back with in March is something the Board can certainly do, one which he believes the Board should take advantage of as they will have the \$1.7 million to begin a new plan. He said the plan will be somewhat different than the current five-year buy back plan as this buy-back will probably cost around \$500,000 for all new equipment, unless the Board wants to take it out of general revenue funds or possibly look at some type of revenue enhancement of the Transportation Fund or Fire Services.

Commissioner Croley said one thing that may also help is the possibility of refinancing at a lower interest rate the original \$10,000,000 road paving bond the County took out several years ago and recapitalize somewhat. He said he understands they can't make a decision tonight, but hopes the Board will be receptive to the idea that the Co. Administrator and the Clerk entertain the idea on refinancing the bond as it could possibly help on the capital needs. He said he believes the current interest rate is 5.3% and he believes they could get it down to within the 3% range.

Mr. Presnell reviewed funding he had requested for total capital projects of \$1.1 million. However, the amount allocated by the budget office was only \$231,990 for Department 126/Paved Road Maintenance, and \$141,320 for Department 129/Right of Way Maintenance, or a total of \$373,310 which has been dedicated for this budget.

Mr. Presnell then requested approval from the Board as follows:

(1) Basically forget the four dump trucks at this time and allow him to:

(2) Purchase a backhoe (\$84,000)

Replace the flatbed truck (\$74,516)

Replace three work crew pick-ups (\$79,938) --

(3) Use \$100,000 for resurfacing work on Fortune Blvd, (Fortune into the "t" and only a small portion of Commerce, just enough to go in front of the Motel) in Midway at the Hwy 90 Park. He said this particular situation is an embarrassment to the County as it is basically the gateway into the County with many businesses going into the Hwy 90 Park to conduct business, as well as the corporate office of the Motel that is complaining about the condition of the road. Mr. Presnell said he is requesting the use of the capital project funds for this purpose; as the situation is that important.

(4) Take the remaining \$34,794 and place it in a "capital guard rails line item". He explained this money will be used for repairs only to guard rails throughout the County.

Mr. Presnell further explained all of these funds (\$238,454 for equipment, \$100,000 for resurfacing road work, \$34,794 capital guard rails repairs) would come from the \$373,000 the County has allotted as capital money from the one cent tax. He also gave a brief recap of the County's need for services as well as addressing the cuts shown in the proposed Public Works budget. Again, he stressed the importance of the equipment plan which he will bring back in March. Reminded everyone this is a very minimal budget and it was the consensus of the Board that the County had to have striping funds and Mr. Presnell will go back and look again for an area of his budget that could be used to cover funding for striping of roads – a bare minimum of \$50,000 would be needed each year.

Chairman Lamb addressed the funds previously appropriated for the jail cell doors for capital outlay that has been spent for other items and said there had been discussions on replacing those funds from the one-cent sales tax, but it would have to be amended before the Board could do that.

Mr. Lawson said based on the current interpretation of the County's Attorney, the funds from the one-cent sales tax can be used only for Public Works and Fire Services. He explained there is not \$175,000 in Fire Services that can be used to replace the \$175,000 slated for cell doors at the jail. He explained the current Ordinance would have to be amended in order to use funds from the one cent sales tax. He said the Board has already spent that penny tonight with Public Works getting \$1.3 million and Fire Services getting \$800,000 so there is nothing left in the current scenario unless they can find \$175,000 in another fund.

Chairman Lamb said they need to try to find somewhere to come up with the \$175,000 to put it back in the jail for next year's budget. The Commissioners agreed this needs to be identified, if possible, by the Aug 12th public meeting.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD AT THIS TIME, THE MEETING WAS ADJOURNED AT 6:05 PM.



CHAIRMAN EUGENE LAMB



Jean Chesser, Deputy Clerk

