



MINUTES

SPECIAL FINAL BUDGET CITY COMMISSION MEETING

MONDAY, SEPTEMBER 23, 2019 AT 5:30 P.M.

CITY OF ST. AUGUSTINE BEACH, 2200 A1A South, St. Augustine Beach, FL 32080

I. CALL TO ORDER

Mayor George called the meeting to order at 5:30 p.m.

II. PLEDGE OF ALLEGIANCE

Mayor George asked to Commissioner Rumrell lead the Pledge of Allegiance.

III. ROLL CALL

Present: Mayor George, Vice Mayor England, Commissioner Kostka, and Commissioner Rumrell.

Commissioner Samora was absent.

Also present: City Manager Royle, Police Chief Hardwick, Finance Director Douylliez, City Clerk Raddatz, Building Official Law, and Public Works Director Tredik.

City Attorney Wilson was absent.

IV. PUBLIC HEARING FOR FISCAL YEAR 2020 BUDGET

- A. Ordinance 19-14, Final Reading, to Adopt Millage for FY 2020 (Presenter: Max Royle, City Manager)

Mayor George introduced Item IV.A. and advised the public that this item was to adopt the millage and then asked City Manager Royle to lead the discussion.

City Manager Royle advised that the discussion on the budget started in July when the Commission set the millage at 2.60, which is 14.57% over the roll back rate of 2.2694. He continued that on September 9th the Commission did a second review of the budget and the millage was lowered for first reading of the ordinance to 2.50 mills, which is 10.16% over roll back. He commented that staff is prepared to take the Commission's guidance whether to stay with the 2.50 mills or go lower. He explained that Commissioner Samora did send him, which he forwarded to the Commission, an email that he was comfortable with the 2.5 mills, but if the Commission wants to go to 2.45 mills, he would suggest waiting on the A Street project. He explained that Commissioner Samora advised that 2.45 was acceptable but not desirable because it lowers the contingency. He then explained that City Attorney Wilson was not here to read the ordinances.

Mayor George advised that she would read the ordinances. She commented that she would like to meet the core needs of the budget and had some suggestions. She explained that there needs to be enough money in the budget for hurricane impacts, needed projects, and to refurbish the

reserves. She commented that she wanted to bring the millage to 2.3992 and suggested having a discussion with the Commission on what they would propose and then she could take public comments. She started the discussion explaining that when talking with staff, she would suggest cutting the following items: 1) cutting the salary and benefits for an officer who is on military duty for six month while he is gone, which is \$33,877.87; 2) removing the computer improvements from the Police budget, which is \$35,000; 3) delaying the A Street drainage and sidewalk project and wait to see if St. Johns County would do that project since it is a beach access, which is \$60,000. She remarked that in order to get to the 2.3992 millage, there is another \$7,000 that the Commission needs to decrease in the budget. She suggested skimming the pavement projects in order to decrease the budget by \$7,000. She advised that paving needs to be done; however, \$7,000 out of \$215,000 budget could be done. She explained that if the City receives the FEMA reimbursements this year, the City could use that money. She then asked whether the City Manager needs to subscribe to the International City Manager's Association (ICMA) dues for \$1,000.

City Manager Royle advised that ICMA sends a bi-weekly newsletter, a monthly magazine, and a monthly ethical newsletter on manager's cases that have been heard, which are beneficial. He explained that he doesn't go to the conferences because of the expense; however, the information provided is valuable to him as a City Manager.

Mayor George asked if it was redundant information from the Florida City Manager's Association. She advised that she would defer to City Manager Royle's recommendation, but didn't know if it was beneficial to the organization.

City Manager Royle advised that ICMA was beneficial and he could supply Mayor George with information on ICMA.

Mayor George asked Public Works Director if he could cut \$8,000 from his paving projects to get to the 2.3992 millage rate.

Public Works Director Tredik advised that he could remove \$8,000 worth of paving, but the question would be whether the projects could be all completed with the \$8,000 cut. He explained that Mickler Boulevard needs paving due to cracking and 11th Street project needs to have the soil recompacted because it needed excavating for the piping. He explained that there is money for various locations that is necessary during the year, but that could be trimmed. He commented that he has change orders he is proposing at the October Regular Commission meeting to replace some of the sidewalk on Mickler Boulevard, which will cost \$20,000. He explained that he does not want to have half of the sidewalk new and the other half in disrepair.

Mayor George asked if he left a margin of error of 5 – 10 percent on the projects. She advised that she is looking for a 3 – 4 percent deduction in the projects.

Public Works Director Tredik advised that it could be possible, but until the pricing is given, he would not know.

Commissioner Rumrell asked Police Chief Hardwick if the computers are necessary and whether it would give a lag time in public safety. He explained that he would like to leave in the paving money but take out the Public Works facility conceptual design plans and commented that he believes the public would get more use out of paving, sidewalks, drainage and better roads. He explained that he was not trying to stop the Public Works facility forever but would like to keep the roads maintained. He explained that he would help contact other cities to get plans for the facility.

Police Chief Hardwick explained that the computer improvement line item came from the IT Department, which was on IT Department's rotation for the Police Department. He commented that the computers in the Police Department are fine, but this was based on parts and warranties of the existing computers. He remarked that he was asked to cut them out of the budget, and he did but if they break down he would have get loaners from other agencies.

Mayor George advised that she didn't ask Police Chief Hardwick to remove the computers but asked what if anything could be removed.

Police Chief Hardwick advised that that was his only capital improvement project except the server.

Commissioner Rumrell asked if St. Johns County can pay for the Nights of Lights.

City Manager Royle advised that the \$25,000 for the Nights of Lights is paid by the City from St. Johns County Tourist Development Council.

Commissioner Rumrell agreed with Mayor George regarding A Street project could wait.

Mayor George agreed with Commissioner Rumrell on the paving. She explained that the money could be moved around and if the Public Works facility conceptual plans come in lower than expected, then the remainder of the money could be moved into paving and vice versa.

City Manager Royle advised that he could only do that with the Commission's approval.

Mayor George advised that it would be fiscally irresponsible if we do not show where the trimming was in the budget and the Commission could move money from one account to another if bids come in for more money.

Vice Mayor England advised that she was for the cuts but was concerned about building up the reserves. She explained that she has talked to the IT Department and there are vendors that she would like to talk to, like Civic Plus, Edmonds, etc., to improve the IT Department software to make the City more efficient. She commented that the Commission needs to start putting away money in reserves to bring the IT Department up to date. She explained that the cost savings Mayor George has suggested are great, but keeping the millage rate the same will not build the reserves to maintain the City.

Mayor George advised that there were no reductions in the reserves. She explained that raising the millage would increase the money and that could be put in the reserves. She advised that staff did not budget for the reserves and their recommendation was to replenish the reserves in the other categories, not in regard to the \$136,000 suggested to cut. She suggested that once the FEMA money comes in, it can be moved into the projects needed.

Vice Mayor England suggested building up reserves for the Public Works Department for some of the salaries, for air conditioning in the Public Works facility, and other items that are needed. She commented that the cuts should be made but she needs to have a better comfort level before keeping the millage the same.

Mayor George asked Vice Mayor England if she was proposing to move the money from the cuts to the Public Works facility.

Vice Mayor England advised in the future the City needs to do the following: 1) a new Master Drainage Plan; 2) there are immediate drainage issues that need fixing; 3) the need for money for hurricanes; and 4) the need for more efficient software for the IT Department. She advised that

that was her concern in keeping the millage the same. She explained that if the millage remains the same all the Commission is doing is getting by and not saving for improvements and repairs.

Mayor George advised that the IT expenses have grown over the years and subscriptions to the software have increased per user. She commented that a server is \$150,000 and doesn't understand why it costs so much.

Vice Mayor England advised that the City should not piece meal the IT equipment but should investigate integrated vendors like Civic Plus, Edmonds, or Tyler. She explained that money needs to be put aside to get upgraded integrated systems. She asked to invest in the IT Department in the future.

Mayor George explained that the IT Department has been redefined and the City is making an investment. She agreed with doing a full evaluation of the software in order to be more efficient.

Commissioner Kostka commented that there has been good feedback in this discussion. She asked City Manager Royle what the last information from the ICMA subscription was implemented at the City.

City Manager Royle advised he could not recall.

Commissioner Kostka asked since the budget was so tight, could he give that up for a year.

City Manager Royle advised yes.

Commissioner Kostka suggested that ICMA subscription be cancelled. She explained that she also was concerned that the total salaries and benefits exceeds the proposed tax revenue by over \$1 million. She commented that she has never been in business where labor costs are higher than proceeds. She explained that the City didn't get here overnight, and the Commission made a commitment to the employees about a step program, but it was never discussed after that. She explained that this was the third year where she worked on the budget with no salary caps. She commented that every employee for the last ten years has received an increase in pay, whether it was the step program or CPI or some years both. She remarked that the Commission is cutting the benefits to the community and charging the community more. She asked that the step increase be eliminated for the City Manager and would like to donate half her salary for the upcoming year to the Public Works Department because that department has the most need and has been neglected the most. She suggested cuts of \$3,200 of her salary, \$1,000 cut from ICMA, and the City Manager's step increase, which would come out to approximately \$6,000. She suggested this upcoming year to focus on how long the step program would be in effect as well as the benefit package. She commented that Commissioner Snodgrass advised that the City would give benefits if the City could afford them and it maybe that time where we couldn't afford to do as much. She explained that the City's needs should come first, which includes the employees, but there is a bigger picture than just the City's employees.

Vice Mayor England advised that there are salary ranges for each position, and she has asked staff if anyone is over the range and staff has advised no. She explained that Finance Director Douylliez will be putting the percentage of where each employee is at in their salary.

Finance Director Douylliez advised that currently there is one employee who will be reaching their maximum salary next year.

Vice Mayor England advised that she wanted to make sure there was no misconception that any employee is getting paid in excess of what their position allows.

Mayor George advised that it is a great idea to cap the City Manager's position and doubt if he would leave the City over the \$2,400 increase.

City Manager Royle agreed.

Mayor George advised that if Commissioner Kostka wants to donate half her salary, that would be fine; however, she did not think that others would have to feel obligated to do so. She explained that she puts in a lot of hours on the Commission and gets paid about \$2 an hour. She commented that the Commission pays taxes and donates their time.

Commissioner Kostka advised that she would like to stand by her comment and wasn't suggesting that any other Commissioner do the same. She explained that she feels it would be the right thing for her to do.

Vice Mayor England advised that some of the Commissioners donate in other ways like Christmas parties and other City events.

Commissioner Kostka said that she wants it earmarked for the Public Works Department.

Public Works Director Tredik advised there are plenty of places to use that money.

Commissioner Kostka agreed that we need to replenish the reserves, but we also are charging the citizens for the debt fund and she is opposed to raising the taxes more than necessary.

Mayor George recapped the deductions as: 1) \$35,000 for the Police computers; 2) \$60,000 for the A Street sidewalk project; 3) \$33,877.87 for benefits and salary for the Police employee on military leave; 4) \$1,000 for ICMA subscription; 5) \$2,424 for City Manager step increase; 6) 3,294.42 earmarked for the Public Works Department; and 7) \$2,000 for paving on the Public Works facility conceptual design. She explained that keeps the City at 2.3992 millage rate.

Mayor George opened the Public Comments Section. The following addressed the Commission:

Eric Devita, 28 Oceanside Circle, St. Augustine Beach, FL, commented that he loves the City and thanked the Commission on their work to do justice for the tax payers.

Michelle Martin, PRIA representative, 220 S. Ridgewood Avenue, Daytona Beach, FL, advised that PRIA will save the City \$7,500 on insurance if they are selected.

Tom Reynolds, 50 Brigantine Court, St. Augustine Beach, FL, requested to add in the budget \$5,200 increase for the City Manager because he is doing two jobs. He then asked the Commission to have a private company pick up the solid waste disposal and collection.

Sally Marks, 334 South Ocean Trace, St. Augustine Beach, FL, asked what she is getting that is better than she would get from St. Johns County. She commented that the City just duplicates St. Johns County services.

Mayor George asked Ms. Marks to follow up with any questions to City Manager Royle. She explained that the City did not want to dissolve the Police Department in 2014 because there is a high response rate in a short amount of time. She advised that citizens could participate in the ordinances to distinguish the City from the County.

Jim Sutherland, 50 Ocean Wood Drive, St. Augustine Beach, FL, asked whether the City is going to fill in any more drainage ditches for six figures.

Mayor George advised that she believed that the drainage ditches have been completed.

Public Works Director advised that 3rd Lane ditch will be done next year for \$100,000.

Mr. Sutherland disagreed with filling in the drainage ditches.

City Manager Royle advised that most of the money for the ditches came from road impact fees, not the General Fund. He explained that road impact fees can only be spent on capital projects, not salaries or repairs.

Mayor George closed the Public Comments section and asked for any further Commission discussion. Being none, Mayor George read Ordinance 19-14 in its entirety and then made a motion.

Motion: to adopt the millage at 2.3992 for the fiscal year 19-20. **Moved by** Mayor George, **Seconded by** Commissioner Kostka. Motion passed unanimously.

Mayor George moved on to Item IV.B.

- B. Ordinance 19-15, Final Reading, to Adopt FY 2020 Budget (Presenter: Max Royle, City Manager)

Mayor George read Ordinance 19-15 in its entirety.

Mayor George asked for a motion.

Motion: to approve the budget as amended during this meeting. **Moved by** Vice Mayor England, **Seconded by** Commissioner Rumrell. Motion passed unanimously.

Public Works Director Tredik handed out his five-year capital outlay plan (Exhibit 1) and explained the projects projected.

Mayor George moved on to Item V.

V. Adjourn Public Hearing

Mayor George asked for a motion to adjourn the Public Hearing.

Motion: to adjourn the 2020 Budget meeting. **Moved by** Mayor George, **Seconded by** Commissioner Rumrell. Motion passed unanimously.

Mayor George adjourned the meeting at 6:44 p.m.

VI. OTHER MATTERS FOR SPECIAL MEETING

- A. Discussion of Proposals for Liability, Property, Vehicle and Workers Compensation Insurance from the Florida Municipal Insurance Trust and Public Risk Insurance Advisors (Presenter: Beverly Raddatz, City Clerk)

Mayor George introduced Item VI.A. and asked City Clerk Raddatz to give her report.

City Clerk Raddatz explained that staff's recommendation is to reject the bids at this time in order to rebid all of the City's insurance policies next year in order to get a better rate.

Mayor George asked if staff had enough time for the Request for Proposals.

City Clerk Raddatz advised that they did, but staff wanted to do all the City's insurances at once to see if the City could get more responsible rates. She then suggested that the representatives from the PRIA and FMIT address the Commission regarding their proposals and then she would go into more detail after their presentations.

Mayor George asked if the bids are rejected, would that mean that the City would keep FMIT.

City Clerk Raddatz advised yes. She explained that the renewal date is October 1, 2019, so there would not be enough time to bid for all the insurances now. She explained that the Request for Proposal was submitted on July 3, 2019 and the closing date was August 23, 2019. She explained that four companies asked for information and two submitted proposals. Staff had several meetings with each submitter. Since the Commission has also asked to do a Request for Proposal on the health insurance, staff felt it would be better to have all the City's insurances bid out together to get a reduced rate. She explained that FMIT did give a decrease in costs, which Brown and Brown said would happen. She commented that the effective date is October 1, 2019 and staff does not want any lapse in insurance and explained that it was up to the Commission to decide what direction they would like to go.

Vice Mayor England asked if it would be possible to consider these proposals if there is some savings.

City Clerk Raddatz advised that the Commission could go in any direction they would like. She explained that there was little difference in the quotes, but the Commission can decide whether to go with the bids or not and suggested that the companies make their presentations.

Mayor George asked Michelle Martin representing PRIA to come to the podium.

Michelle Martin, PRIA representative, 220 S. Ridgewood Avenue, Daytona Beach, FL, gave their history of PRIA and advised that they are a public brokerage and only do public entities in the State of Florida. She explained that staff did a good job on the Request for Proposal process but wanted to point out a couple of items. Preferred Governmental Insurance Trust has over 400 members currently, which include St. Johns County, St. Johns Sheriff's Department, Anastasia Mosquito Control District, and Clay County utilities, etc. She advised that they made over ten change coverage improvements in the City's program. She explained that there were five cover increases from \$1.5 million to \$2 million, but most significantly the cyber liability insurance was doubled. She decreased the windstorm deductible from 5% to 3% and advised that PRIA quoted two auto liability options of \$500,000 and \$1 million. She explained that the garbage trucks with the current policy would only receive market value, but PRIA is proposing different agree value coverage, so the City would get what is stated on the value on the trucks. She explained that the wooden structures on the beaches like the boardwalk at Ocean Hammock Park and the pier at Lakeside Park, which are not covered by FMIT for windstorm. She advised that PRIA would cover them and would pay a little over \$400,000 to the City if there was a windstorm event per her interpretation of the coverage.

Mayor George advised that the pavilion is owned by the County not the City.

Ms. Martin advised that she was referring to the pier or boardwalk at Lakeside Park. She explained that PRIA covered deadly weapon coverage for the Police Department and active shooter coverage for third-party liability and crisis management services. She explained that PRIA reduced the City's coverage by \$40,000 and they were the lowest bidder out of the two bids received. She explained that they will give a two-year rate guarantee. She explained that she would not think in the current insurance market that there would be decreases next year because the property market is increasing. She advised that she does business with the Trust, but also does business with outside insurance companies. She said that reinsurance for the Trust is going up as well as workers' compensation, cyber and liability insurances. She suggested the two-year rate for budget stability.

Mayor George asked if the City would be bound to the two-year contract.

Ms. Martin advised that the City could change to one-year, but if the City signs a two-year contract, there would be a 25% penalty. She explained that with this Trust, one company decided the penalty was worth it.

Commissioner Rumrell asked about the ambulance.

Finance Director Douylliez advised that the ambulance was sold a year ago.

Ms. Martin advised that the payment would decrease even more. She explained the additional resources that were available such as a risk control consultant, a safety meeting assistant, provide legal support for contractual risks, online training webinars, and an annual education day seminar, and inhouse training.

Vice Mayor England asked if PRIA has a program like Synergy.

Ms. Martin advised that Synergy is packaged very well, but they have a service that is a little different. She explained that she reaches out to her clients in case they have any problems.

Vice Mayor England asked if there is staff to come onsite to mitigate damage.

Ms. Martin advised that there are teams for emergencies, and they are available to their clients.

Commissioner Kostka asked if PRIA could do all the insurances for the City.

Ms. Martin advised yes.

Commissioner Rumrell asked if PRIA would be the same rate for both years.

Ms. Martin advised that the City could choose one- or two-year contracts. She clarified that if the City wants a two-year contract and then only wanted one year, then there would be a 25% penalty.

Commissioner Kostka asked what would happen if an item needed to be added.

Ms. Martin advised that it would be no problem; they would ask for yearly schedules and payrolls. She explained that it would be the same rate but would be adjusted accordingly. She advised that the bottom line with \$500,000 auto liability, all the increased coverages and including the windstorm on the wooden structures was \$154,963. She explained that FMIT was \$163,469, but they did offer wind coverage on the wooden structures for \$10,469 so the total amount for FMIT would be \$174,938, which is a difference of \$18,975 or 11%.

Vice Mayor asked if PRIA gives any rebates to their clients.

Ms. Martin advised no.

City Manager Royle advised that over the last three years FMIT has given \$10,639 in rebates to their clients.

Mayor George asked whether the \$2 million be over insuring the City.

Ms. Martin advised no, and it is not a large dollar amount difference to go to \$2 million. It is not an unreasonable amount of insurance.

Mayor George asked if PRIA offers litigation attorneys to handle liability and suing for unconstitutional ordinances.

Ms. Martin advise yes. She advised that PRIA may assign attorneys to individual Commissioners attorneys than the City if they were named in the suit.

Vice Mayor England asked if they would cover zoning challenges.

Ms. Martin advised yes.

City Manager Royle asked about the exclusion regarding the Bert Harris Act for public officials.

Ms. Martin advised that there are exclusions under public officials, but there is an inclusion under general liability. She advised that any elected officials or staff would be included under this policy. She explained that if it is not covered under the public officials, it would be covered under general liability.

Mayor George advised that is why the City has separate policies.

City Manager Royle advised that under the inland marine properties it excludes docks, piers, bulkheads, etc., but you said that the pier is covered.

Ms. Martin advised that it is covered under the property insurance policy, not inland marine policy.

Mr. John Legon, FMIT representative, P.O. Box 530065, Orlando, FL, advised that he is a stand in for Tom Conley who is out of the country right now. He commented that he appreciated the support the City has been to the Florida League of Cities (FLC) through the insurance program. He remarked that the lobbying efforts the FLC has done on the City's behalf is paid for by the support of the insurance programs. He explained that the general liability limits of \$1.5 million that the City has with FMIT is more than most of the cities purchase and explained that 70% of the cities purchase \$1 million. FMIT attorneys are not part of that limit so the City would have \$1 million for each and every claim. The difference between PRIA and FMIT is that FMIT does not have any aggregate limits in the program, so if there were ten claims at \$1.5 million, the City would have \$1.5 million for each claim. He advised that some cities ask why they should go over the sovereignty immunity limits in the Florida State Statutes and he explained that some federal cases are not protected by the sovereignty immunity limits. He commented that most of those claims are like the Bert Harris Act claims regarding land issues. He commented that cities who have a population of 50,000 or greater usually has the \$2 million coverage or they have a large police department. He remarked that the FMIT did quote a 3% windstorm deductible because FMIT does not have a windstorm deductible of \$10,000 like PRIA has. He commented that every property policy he has seen for piers, docks, etc. are excluded from wind coverage and suggested to get a clarification from PRIA on that coverage. The cyber liability with FMIT is \$1 million and the City can purchase more, but there have not been many claims on this issue. The Trustees for FMIT met this month and decided that they would give a couple of terabits of cloud storage with the policy. He explained that the cyber attacks come about when the City does not back up their data often enough. The Bert Harris Act claims are excluded in the main policy with FMIT; however, there is a separate endorsement included for \$300,000 coverage. He believed that PRIA only gives \$100,000 coverage for Bert Harris Act claims. He explained that the City's staff is happy with the service and what FMIT provides for disaster recovery. Synergy funds all the losses upfront for a disaster recovery and FMIT reimburses Synergy so it does not come out of the budget of the City except for the deductible. The City of St. Augustine changed from PRIA to FMIT after two years because of the coverage with Hurricane Matthew. FMIT has a guarantee rate as PRIA does but did not offer that because FMIT was told staff was going out to bid next year. He explained that it is a guarantee rate, not premium. The auto liability for FMIT is \$500,000 because the highest auto claim in 42

years was \$1.2 million total, which included attorneys' fees. He explained that the premiums were higher this year and FMIT did not pay a dividend this year on the property liability, but FMIT has given back \$78 million over the last ten years and explained that the hurricanes decreased the dividends this year. He commented that the staff likes the service and how the claims are handled.

Mayor George asked about accounts receivable coverage.

Mr. Ligon advised that it would be for services that would not be collected at another location.

Vice Mayor England asked if Synergy reached out for Hurricanes Matthew and Irma.

City Manager Royle advised that they might have, but it has been a while back.

City Clerk Raddatz advised that they did for Dorian.

Vice Mayor England asked about the other storms.

City Clerk Raddatz advised that Melissa Burns handled that when she was here, so she didn't know.

Mr. Ligon advised that Synergy has an assessment team that stays during the storm and they will take pictures and file the claims with FEMA for the municipality.

Vice Mayor England advised that the weir was damaged by Hurricane Matthew and Synergy did not come out to help the City file with FEMA.

Discussion ensued regarding why Synergy did not come to the City for the weir; whether a weir could be insured by FMIT or PRIA; whether the weir needs to have a specialize policy; FMIT covers wind-driven rain that gets in the buildings and causes damage; whether Synergy would replace drywall and rebuild or just mopping up; errors and omissions policy would be for items not shown on the schedule; whether the weir would be covered for \$100,000 under errors and omissions; and FMIT has safety grant training.

City Clerk Raddatz advised that Brown and Brown are brokers who contract with other insurance companies. She advised that she was concerned that PRIA does not guarantee any of their insurance contracts with other agencies, so if they go bankrupt the City could be uninsured until they replace the company.

Vice Mayor England advised that PRIA makes sure of the company.

City Clerk Raddatz advised that PRIA hires A- and above, she believed. She explained that PRIA has an umbrella of insurance companies that they pay percentages to.

Vice Mayor England asked what Preferred's rating was.

City Clerk Raddatz advised that Preferred is PGIT but was unsure of their rating now. She commented that PGIT was who the City of St. Augustine had during Hurricanes Matthew and Irma and they went back to FMIT after the two years. She explained that PGIT was not covering the wind-driven rain like FMIT did and heard from Ms. Martin that they had a lot of property not on their schedule and she was not sure which was correct. She explained that her concerns about the third-party claim administrators dealing with other insurance companies. She advised that she felt it would be beneficial to the City to have all the insurances with one company and the City would be able to hopefully get a reduction in all the insurances. She explained that FMIT has impeccable service and staff is very happy with them and was concerned that PRIA might not have the same service. She also felt that FMIT gave back to their clients and they come every year for

inhouse training which the Commission has requested staff to do. She commented that she respects the Commission's decision on whatever they decide.

Mayor George asked what the premiums have been in previous years and was intrigued by the two-year contract because insurances are going up.

Finance Director Douylliez advised that the premiums for fiscal year 18-19 were \$192,372, but the City just received the invoice for fiscal year 19-20 which was \$154,757. She explained that that is a \$200 difference from PRIA's quote.

Mayor George commented that the two policies are in competition with a third policy which is to continue the policy with FMIT. She asked if the insurance coverage was the same.

Finance Director Douylliez advised that she would have to go over the line items, but didn't believe there were any changes made.

City Clerk Raddatz advised that when a bid is done usually the price goes down according to Brown and Brown. She explained that Tom Conley from FMIT advised the coverage would remain the same. She explained that the proposals are the same as what the City has currently.

Mayor George asked what the fiscal year 17-18 premiums were.

Finance Director Douylliez advised \$178,536.

Mayor George thanked staff for bringing up the Request for Proposals, which is a big impact to the budget.

City Clerk Raddatz advised that she hopes by putting all the City's insurances together for one company costs would go down.

Mayor George advised that the Bert Harris Act coverage is the same between both companies.

Ms. Martin advised that there be different persons handling the different types of claims; however, she would be available if a claim has an issue. She advised that it happens automatically with the claims. She commented that PRIA has the resources to handle the claims and would give good service. She explained that PRIA handles the asset program for the City if they need to as well as the property appraisal process. She advised that she could research the wind-driven rain coverage to see if that is excluded in PRIA's policy. She explained that she does not have aggregate coverage on the Law Enforcement or General Liability coverages, but there are aggregate limits on the public officials and the employment practices for \$2 million per year.

City Clerk Raddatz advised that she has scheduled an audit for the property assets in October.

Vice Mayor England asked if we have a fixed asset program.

Finance Director Douylliez advised the City does have a fixed asset program.

Vice Mayor England suggested renewing with FMIT and going out to bid early next year for all the City's insurances because the due date is October 1st. She commented that the proposals are a lot of information to digest.

Mayor George advised that PRIA could do a one-year contract instead of a two-year contract.

Discussion ensued regarding whether to renew the FMIT contract and bid out all the insurances next year or to select a company tonight.

Commissioner Kostka commended staff for doing the Request for Proposal.

Discussion ensued regarding why the weir was not insured; why Synergy did not come to the City regarding the weir; time restraint of October 1st; checking to see if the weir was covered by FMIT and if monies could be received now for that damage; going out to bid for all the City's insurances early next year; newly required property less than \$2 million could change with the renewal; whether a specialize insurance company would be needed to cover the weir; whether the pumps at the weir were covered; Synergy could do an asset survey and appraisals over \$100,000; FMIT clients all have the same policies, which is different from PRIA; and an audit of assets has been scheduled.

Mayor George opened the Public Comments section. Being none, Mayor George closed the Public Comments section. She then asked for a motion.

Motion: to reject the bids and do the renewal with the figures from FMIT that the Finance Director received today. **Moved by** Commissioner Rumrell, **Seconded by** Commissioner Kostka. Motion passed unanimously.

Vice Mayor George thanked FMIT and PRIA for all the work they did on the bids and advised that the City is learning.

Mayor George asked both companies to participate in the Request for Proposals next year.

B. Determination of Projects for Which to Request County Funding (Presenter: Max Royle, City Manager)

Mayor George introduced Item VI.B. and asked City Manager Royle for his report.

City Manager Royle advised he provided a list of the projects and Commissioner Samora gave his list since he would not be able to attend tonight's meeting. He explained that the Commission would not get everything that the Commission wants and asked the Commission to prioritize the list and select the most important.

Commissioner Rumrell commented that a County Commissioner asked him to present the items; however, he would leave it up to Mayor George whether she has time to attend or not or if she would want to represent the City as Mayor.

Mayor George advised that both could attend as long as they do not respond to each other's comments.

It was the consensus of the Commission that if Mayor George could not attend the St. Johns County meeting, Commissioner Rumrell would be able to present the items on behalf of the City.

Commissioner Rumrell advised that the Commission could give him a prepared list of items on letterhead.

Mayor George explained that she would suggest park improvements so all the County residents could use it.

Vice Mayor England suggested the bathrooms at Ocean Hammock Park.

Commissioner Rumrell suggested the A Street project because it is a beach access that the County receives money for.

Mayor George advised that A Street gets a lot of traffic, which Police Chief Hardwick could get for the Commission.

Commissioner Kostka suggested a facelift for Ron Parker Park and agreed with A Street project.

Vice Mayor England asked to not make the list too long so the Commission can get the County support.

City Manager Royle remarked that the County should do Ron Parker Park because it belongs to the County. He suggested instead to research having enhanced crosswalks on A1A Beach Boulevard, which has a large public impact.

Mayor George asked City Manager Royle to draft a letter which she will sign in the morning.

Vice Mayor England explained that she received a letter from a resident on 13th Street for enhanced crosswalks.

Commissioner Kostka asked for a cost for the crosswalk enhancements.

Public Works Director Tredik advised that he would approximate the cost for crosswalk enhancements to be \$60,000 for 16th, 11th, and F Streets.

Mayor George suggested a covering for splash park. She explained the County methodology on the breakdown of the \$15.5 million. She asked the Commission if they would like to do a second-tier list to show the needs of the City.

Vice Mayor England suggested improving the public parking on A Street.

Mayor George suggested letting the County know to improve the pier.

City Manager Royle advised that after Beach Blast Off the County would be improving the pier and already has a contract to do so.

Mayor George advised that she liked Commissioner Samora's suggestion to put parking at Hammock Dunes Park.

Commissioner Rumrell asked if the money allotment for the projects should be shown so the County does not give the City less money.

Vice Mayor England explained that the City needs to go after its fair share of the money. The County should not want to know the exact dollar amount that would be spent.

Mayor George reviewed Public Works Director Tredik's list of projects.

After discussion, Mayor George recapped the list as: 1) Ocean Hammock Park restrooms, \$200,000; 2) A Street sidewalk project, \$150,000; 3) Enhanced crosswalks, \$60,000; 4) Splash Park sail shade; 5) A Street parking lot improvements, \$150,000; 6) Hammock Dunes parking lot construction, \$150,000; and 7) Ron Parker Park renovations.

Mayor George opened the Public Comments section. Being none, Mayor George closed the Public Comments section and asked for any further Commission discussion.

VI. ADJOURNMENT

Mayor George asked for a motion to adjourn.

Motion: to adjourn. **Moved by** Mayor George, **Seconded by** Commissioner Kostka. Motion passed unanimously.

Mayor George adjourned the meeting at 8:44 p.m.

Undine C. George, Mayor

ATTEST:

City Clerk