

STATE OF TOWN SPEECH – MAYOR JACK MCDONALD

PALM BEACH CIVIC ASSOCIATION ANNUAL MEETING

MARCH 30, 2009

HELD AT THE HENRY MORRISON FLAGLER MUSEUM

GOOD MORNING AND WELCOME

I ALSO WANT TO RECOGNIZE RETIRING CHAIRMAN STANLEY M. RUMBOUGH, JR., FOR HIS 35 YEARS OF SERVICE BY PRESENTING HIM A TOWN PICTURE FRAME WITH ENGRAVED SEAL HOLDING A PICTURE OF (ME) - REALLY IT IS OF TOWN HALL. TO REMIND HIM OF ALL THE JOYOUS AND ENTERTAINING DAYS HE SPENT THERE. THIS FRAME IS SUITABLE FOR HOME OR OFFICE AND REFLECTS THE BEAUTY AND ELEGANCE SYNONYMOUS WITH PALM BEACH.

IN PREPARING THESE REMARKS THE PAST FOUR YEARS I HAVE ATTEMPTED TO BE PITHY AND FUNNY; BUT, DUE TO NUMEROUS RECENT DEPOSITIONS AND TRIALS MY TIME HAS BEEN LIMITED SO THIS YEAR I WILL DELIVER A MORE TRADITIONAL ADDRESS WITH A REVIEW OF TOWN OPERATIONS.

(MY COMMENTS WILL BE APPROXIMATELY 10 MINUTES).

FIRST I WANT TO RECOGNIZE OUR VOLUNTEER GOVERNMENTAL LIAISONS

(PLEASE HOLD YOUR APPLAUSE)

JAMES KARMAN THE MPO, MICHAEL FACH - THE AIRPORT ADVISORY BOARD
GERRY FRANK & DAN MCDONNEL, THE CITIES OF LAKE WORTH AND SPB AND OUR
NEW CITY OF WPB LIAISON DONALD SINGER.

(APPLAUSE PLEASE)

THEIR ATTENDANCE AT INTERGOVERNMENTAL MEETINGS PROVIDE CONSIDERABLE SUPPORT TO ME, AND DRAMATICALLY SUPPLEMENTS OUR TOWN STAFF.

AND I NOTE, ONE FORMER LIAISON WILLIAM DIAMOND WAS RECENTLY ELECTED TO THE TOWN COUNCIL.

PUBLIC SAFETY - POLICE -

THE DEPARTMENT HANDLED 35,586 CALLS FOR SERVICE DURING THE 2008

CALENDAR YEAR AND MADE 1,699 ARRESTS.

PART 1 CRIMES WERE DOWN BY PLUS 14%. WE HAD ONE HIGH PROFILE BURGLARY AND ONE GIGANTIC DRUG BUST. THE THEFT OF 2 PICASSOS FROM GALLERY BIBA ON WORTH AVENUE AND THE DISCOVERY OF 94 KILOGRAMS OF COCAINE BEING SMUGGLED THROUGH THE LAKE WORTH INLET. DUE TO GREAT POLICE WORK THE PICASSOS WERE RECOVERED AND THE DRUGS CONFISCATED.

THIS JANUARY ALSO ON WORTH AVENUE WE HAD A \$5 MILLION PLUS ROBBERY AT LEE HAVEN'S JEWELERS. ALTHOUGH A \$500,000 REWARD HAS BEEN OFFERED. THE INVESTIGATION IS CONTINUING.

IF YOU ARE INTERESTED IN HOW A ROBBER DRESSES THIS ONE WORE A BASEBALL CAP, SUNGLASSES AND HAD A BAG OVER HIS SHOULDER. REMIND YOU OF ANYONE?

THIS YEAR MARKS THE 30TH ANNIVERSARY OF CRIME WATCH. IT WAS THE FIRST CITIZEN PARTICIPATION GROUP OF ITS KIND IN PBC AND WORKS TO ACHIEVE CRIME PREVENTION, DOMESTIC SECURITY AND EMERGENCY PREPAREDNESS THROUGH COMMUNITY PARTNERSHIPS.

PUBLIC SAFETY - FIRE -

THE DEPARTMENT HAS IMPLEMENTED NEW STANDARD TREATMENT PROTOCOLS IN EMERGENCY CARDIAC AND STROKE CARE. ONE NEW TECHNOLOGY ALLOWS FOR THE TRANSMISSION OF ACUTE ELECTROCARDIOGRAM INFORMATION DIRECTLY TO THE RECEIVING EMERGENCY ROOM. OUR EMERGENCY RESPONSE TIME IS 4 MINUTES AND 39 SECONDS WHICH IS THE BEST IN PBC.

THIS SUMMER THE DEPARTMENT WILL BE EVALUATED BY THE INSURANCE SERVICE OFFICE. THIS HELPS INSURANCE COMPANIES MEASURE THE EFFECTIVENESS OF FIRE-MITIGATION SERVICES AND PROVIDES ECONOMIC BENEFITS IN THE FORM OF LOWER INSURANCE PREMIUMS FOR HOMEOWNERS. THE OFFICE ISSUES RATINGS FROM 1-10. WITH 1 BEING EXEMPLARY AND 10 BEING: HAS DIFFICULTY PUTTING A FIRE OUT. OUR RATING IS 2.

PUBLIC WORKS - PROJECT UPDATES

FLAGLER BRIDGE - CONSTRUCTION WILL START IN 2011 AND BE COMPLETE IN 2014. THE NEW BRIDGE WILL LAND AT THE NORTHERLY DRIVEWAY INTO THE ROYAL POINCIANA PLAZA. VERTICAL RETAINING WALLS WILL TAPER FROM A HEIGHT OF 20 FEET AT THE EXISTING SHORELINE TO ZERO AT THE PLAZA ENTRANCE. THERE WILL BE A PEDESTRIAN/BICYCLE PATH UNDER THE BRIDGE.

SAND TRANSFER PLANT - WE WERE SUCCESSFUL IN OBTAINING A 2ND FEDERAL FUNDING APPROPRIATION FOR A TOTAL OF ALMOST 2.3 MILLION. WE ARE NEGOTIATING AN AGREEMENT WITH THE ACOE THAT WILL ALLOW US TO SPEND THAT MONEY. IF WE ARE UNABLE TO AGREE THE TC HAS COMMITTED TO PROCEEDING AT TOWN EXPENSE. WE ARE ALSO DISCUSSING WITH THE PORT AND THE COUNTY PLANS TO BETTER MANAGE BEACH SAND AT THE INLET THAT WOULD PROVIDE MORE SAND TO US.

TOWN HALL - THE RENOVATION OF TOWN HALL IS UNDERWAY. IT INCLUDES BOTH INTERIOR AND EXTERIOR RESTORATION AND I THANK AND APPRECIATE THE GENEROSITY OF THE PRESERVATION FOUNDATION FOR MAKING THE EXTERIOR RESTORATION POSSIBLE.

I WANT TO RECOGNIZE AND THANK THE GARDEN CLUB FOR THEIR ONGOING ADVICE AND CONSIDERABLE EFFORT IN IMPROVING THE QUALITY OF LANDSCAPING THAT SYMBOLIZES PALM BEACH.

FINANCE AND TAXES - THE FY09 BUDGET WAS ADOPTED WITH A MILLAGE RATE REDUCTION OF OVER 3% FROM FY08 RESULTING IN A REDUCED PROPERTY TAX OF \$94.00 PER 1 MILLION OF ASSESSED VALUE. THERE ARE 38 MUNICIPALITIES IN PALM BEACH COUNTY AND WE PROVIDE THE HIGHEST LEVEL OF SERVICE WHILE HAVING THE FOURTH LOWEST TOTAL TAX RATE IN THE COUNTY. I BELIEVE THIS YEAR WITH INCREASED UNFUNDED MANDATES AND ESCALATION OF PENSION BENEFITS WILL MAKE THIS THE MOST DIFFICULT BUDGET YEAR IN MY 20 YEAR EXPERIENCE. THE LEGISLATURE CONTINUES TO INTRODUCE LEGISLATION TO HAMPER MUNICIPAL OPERATION. PROPOSED LEGISLATION DOES NOT PROVIDE FOR UNIQUENESS OR SELF DETERMINATION IN ANY COMMUNITY.

PB&Z - THIS DEPARTMENT IS THE FINANCIAL BAROMETER OF THE TOWN SO I WILL PROVIDE SOME COMPARISON DATA, USING THE FIRST 6 MONTHS OF THE 08 AND 09 FISCAL YEARS. FOR THE PERIOD OCTOBER 07 THROUGH MARCH 08 WE ISSUED 3347 PERMITS AND FOR THE SAME PERIOD IN 09 WE HAVE ISSUED 2,469 A DECLINE OF 25.4%. CONSTRUCTION VALUE WAS \$105, MILLION PLUS FOR 08 AND \$97, PLUS FOR 09; A DECREASE OF 7.6%. FEE INCOME HAS DROPPED FROM \$2 MILLION 668 TO \$2 MILLION 180. A DECREASE OF 18.3%.

RECREATION - HAD OVER 300,000 VISITS TO TOWN FACILITIES AND THE ANTICIPATED RENOVATION OF THE SEAVIEW PARK TENNIS CENTER WAS COMPLETED. ONE REVENUE BRIGHT SPOT WAS THE TOWN DOCKS - DURING FY08 THE DOCKS EXPERIENCED A REDUCTION IN TRANSIENT VESSELS. HOWEVER, THOSE THAT DID VISIT STAYED FOR LONGER PERIODS OF TIME, DUE MOSTLY TO THE HIGH FUEL PRICES AND COSTS ASSOCIATED WITH "CRUISING" IN ADDITION, THE VESSELS THAT STAYED FOR LONGER PERIODS INCLUDED A HIGHER PERCENTAGE OF "MEGA

YACHTS', WHICH INCREASES REVENUE. THIS, PLUS A FEE INCREASE FOR TRANSIENT DOCKAGE, RESULTED IN MORE REVENUE DURING FY 2008 THAN 2007.

ISSUE UPDATES:

PORT OF PALM BEACH UPDATE - DURING THE SECOND HALF OF LAST YEAR THE PORT ACCELERATED AN EFFORT TO DEEPEN AND WIDEN THE CHANNEL AND HARBOR. THE PORT HAS REQUESTED FEDERAL FUNDING FOR A FEASIBILITY STUDY TO BEGIN THIS EXPANSION. THE TOWN HAS LOBBIED ACTIVELY TO STOP FUNDING BECAUSE OF POTENTIAL NEGATIVE IMPACTS SUCH AS EROSION, POLLUTION, STORM SURGE, AND SAFETY DUE TO INCREASED SHIP TRAFFIC IN THE LAKE WORTH LAGOON.

TOWN WIDE UNDER GROUNDING OF UTILITIES HAS BEEN TABLED FOR ECONOMIC REASONS. BUT WE CONTINUE WORKING WITH SOME NEIGHBORHOODS THAT WANT TO MOVE FORWARD INDEPENDENTLY AT THEIR OWN EXPENSE. WE ALSO CONTINUE TO WORK WITH OTHER MUNICIPALITIES TO HAVE THE PSC ADOPT MORE FAVORABLE UNDERGROUND UTILITY CONVERSION RATES

THE ROYAL POINCIANA PLAZA WAS LANDMARKED IN NOVEMBER AND A DECISION REGARDING OPERATION OF THE THEATER IS SCHEDULED FOR APRIL 15TH.

SOME OTHER ITEMS:

WE HAD 2 PROJECTS THAT HIGHLIGHT COMMUNITY INVOLVEMENT.

1) THE COMPLETION OF IBIS ISLE PARK WHERE APPROXIMATELY 80 CITIZENS DONATED FUNDS TO TRANSFORM A VACANT LOT INTO A BEAUTIFUL AND ACTIVE NEIGHBORHOOD PARK AND

2) THE FORMATION OF A CITIZENS COMMITTEE LEAD BY RAYMOND FLOYD TO SPEARHEAD AN EFFORT TO RESTORE AND ENHANCE OUR FAMOUS PAR 3 GOLF COURSE. THE COURSE WILL CLOSE AFTER PLAY TOMORROW AND CONSTRUCTION WILL BEGIN ON APRIL 1ST. THE COURSE IS SCHEDULED TO RE-OPEN IN NOVEMBER AND A NEW CLUBHOUSE CONTINGENT ON ADDITIONAL FUND-RAISING IS EXPECTED TO BE CONSTRUCTED IN 2010. TO DATE \$2 MILLION 800 PLUS OF PRIVATE MONIES HAVE BEEN PLEDGED TO MATCH THE TOWN'S \$2 MILLION AND OVER \$2.5 OF THE PRIVATE MONIES HAVE BEEN RECEIVED.

KUDOS TO RAYMOND AND HIS COMMITTEE.

I WANT TO NOTE THE IMPORTANCE AND IMPACT OF THE LET US VOTE CHARTER AMENDMENT. 2 YEARS AGO I FORMED A PAC TO LEAD A COUNTYWIDE COALITION OF 38 MUNICIPALITIES IN AN EFFORT TO BRING MUNICIPAL HOME RULE TO PBC. I

FELT THAT IF THIS EFFORT WAS SUCCESSFUL IT WOULD BE THE MOST IMPORTANT EXTERNAL ACCOMPLISHMENT I COULD ACHIEVE FOR PALM BEACH.

WE WERE ABLE TO PLACE THE ISSUE ON THE NOVEMBER BALLOT AND IT PASSED COUNTYWIDE WITH A 75% VOTE. THIS AMENDMENT MEANS THAT IN THE FUTURE THE COUNTY CANNOT IMPOSE RULES AND REGULATIONS ON THE TOWN WITHOUT OUR PERMISSION.

TO CONCLUDE:

WHEN THINKING ABOUT OUR CHALLENGES, I REMEMBER A QUOTE FROM "THE LEOPARD." "IF WE WANT THINGS TO STAY AS THEY ARE, THINGS WILL HAVE TO CHANGE."

HOW WE MANAGE THAT CHANGE WILL TRULY TEST THE ABILITIES AND EXPERIENCE OF OUR PUBLIC OFFICIALS AND REQUIRE THE POSITIVE AND CREATIVE ENGAGEMENT OF OUR RESIDENTS.

I AM HAPPY TO REPORT FOR THE 5TH CONSECUTIVE YEAR. PALM BEACH REMAINS A SAFE, OASIS OF BEAUTY WITH EXCELLENT SERVICES, EXCELLENT EMPLOYEES AND EXCELLENT MANAGEMENT.

THANK YOU.