

**CITY OF VERO BEACH, FLORIDA
OCTOBER 7, 2014 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

The invocation was given by Minister Tracy Moore of the Vero Beach Church of Christ followed by the Pledge of Allegiance to the flag.

1. CALL TO ORDER

A. Roll Call

Mayor Richard Winger, present; Vice Mayor Jay Kramer, present; Councilmember Pilar Turner, present; Councilmember Amelia Graves, present and Councilmember Craig Fletcher, present **Also Present:** James O'Connor, City Manager; Wayne Coment, City Attorney and Tammy Vock, City Clerk

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption

Mayor Winger asked for a moment of silence for Cole Coppola who was recently killed in a tragic accident.

Mayor Winger requested that item 9-4) be moved up and heard with item 2C-1), that item 9B-2) be moved up and discussed with item 2C-2, and item 9-1) be moved up and heard with item 2C-3). He also would be bringing up a Resolution that the Treasure Coast Council of Local Governments agreed on concerning All Aboard Florida, which he will talk about later on in the meeting.

Mrs. Turner made a motion to adopt the agenda as amended. Ms. Graves seconded the motion and it passed unanimously.

B. Proclamations

1. Mental Illness Awareness Week – October 5-11, 2014

Mr. Kramer read and presented the Proclamation.

2. National Domestic Violence Awareness Month – October 2014

Ms Graves read and presented the Proclamation.

3. Veteran's Council to make Presentation to the City Council

Mr. Tony Young, on behalf of the Veterans Council, presented a painting of Memorial Island to the City of Vero Beach.

C. Public Comment

1. Chief David Curry to introduce Officer Anna Carden who is the City's new Neighborhood Watch Officer

Police Chief David Curry introduced Police Officer Anna Carden who is the City's new Neighborhood Watch Officer.

At this time, item 9B-4) Discussion of possible barriers on 17th Street bridge was moved up on the agenda and discussed.

Mr. Kramer commented that there are some safety problems with the 17th Street Bridge and it is a shame that an accident that recently occurred on that bridge had to bring this to the forefront.

It was the consensus of the City Council that something needed to be done on this bridge to make it safer.

Mr. Kramer wanted the public to know that the City was looking into this.

Mayor Winger added that it used to be that the Barber Bridge had the majority of the traffic going over it, but that does not seem to be the case anymore. He sometimes rides his bike over the 17th Street bridge and does not always feel safe doing it. He said there are people driving over that bridge that are going much too fast.

Mrs. Turner commented that living on the base of that bridge, she has seen an increase in police surveillance of traffic. She stated the bridge is the responsibility of the Florida Department of Transportation (FDOT) and not a Vero Beach road. She said in order to have a barrier installed there has to be sufficient right-of-way that does not exist. If there is something else they could do to improve the safety on the bridge, she would be open to it.

Ms. Graves reported that staff is working with FDOT and they have some ideas. She agrees that the word needs to get out to the public that speeding over that bridge is not acceptable.

Mr. Fletcher agreed that this was a FDOT facility and the City could not do anything without going through them first.

Mr. Monte Falls, Public Work's Director, explained that he has been in contact with FDOT, who have told him that they will be coming to Vero Beach to look at the bridge. He said that in two weeks he should have some recommendation from them (FDOT) on

what can possibly be done. After the City receives FDOT's recommendations, then they will know where they stand.

Mr. Fletcher wanted to have FDOT's answers in writing.

Police Chief Curry expressed that speeding over that bridge is a complaint that they always get and they will continue to police the area and try to schedule surveillance more often. He said the recent incident where the person was killed while riding a bike is still under investigation and they have not determined if speed was a factor in that accident.

Mr. Falls reiterated that as soon as he receives something from FDOT, he will get it to the City Council.

Mr. Fletcher reiterated that they want something given in writing from FDOT on what can or cannot be done.

2. Attorney Schef Wright to give an update on utility litigation

Mr. Schef Wright, Attorney, gave an update on the sale of the utilities to Florida Power and Light (FPL). He said there is nothing new regarding the sale and no one has any new ideas.

Mayor Winger reported that in Sunday's paper the word "hope" was used in regards to the sale. He asked Mr. Wright if he feels that there is still hope and has this Council and previous Councils' done all they could do in trying to sell the electric.

Mr. Wright stated that in his estimation, this City Council has done everything they could, as well as previous Councils' in trying to close this deal. He said that he has done everything that he can in moving this deal forward. He cannot see any hope of closing the transaction with the contract that is on the table. However, the contract with FPL is still alive and they can't say there is no hope. He said they could get the deal done if they could find another municipal utility who could step into their shoes under the three support contracts (Stanton, Stanton II and St. Lucie) in the way they had hoped OUC would do. He said there are a couple of utilities out there that might be willing to take a certain amount of money to do it. He recalled early on in the process, Florida Municipal Power Agency (FMPA) polled all of their members and asked them if they would be interested in taking on any of the City's contract mega wattage. He said the two utilities that could do it would be Jacksonville and Gainesville utilities. The other potential option would be for FMPA to take back or assume the City's economic positions under the contract. FMPA is an organization of cities and the costs are what they are and the risks are what they are. He said if one member drops out, then all the other members will have to take on cost risks and other long term risks and they don't seem to want to do this. He mentioned what some of the long term risks were.

Mayor Winger asked what the value of the risk is.

Mr. Wright stated it is a big number. He said just for making sure all fixed costs are covered, you could be looking at \$387 million. If he was the attorney for one of these cities, he would say there is an environmental risk, early shut down risk, nuclear regulatory risk, and long term decommissioning cost risk. He said according to reports FPL has an adequate decommissioning reserve, but he has heard that no nuclear project has ever come in under budget.

Mrs. Turner commented that at least with the St. Lucie project, there is a decommissioning reserve. However, with the projects that are being run by OUC, there are no decommissioning reserves. Also, they are aware of the coal regulations coming up and right now the City of Vero Beach is predominantly dependant on coal. She said the new environmental regulations are huge. She said they can forget about the debt being paid up when they will have to meet these requirements.

Mr. Wright understood that and said that all they would be doing is adding on to the long term fixed cost risk that they are asking others to take on.

Mr. Wright reported that the second Conflict Assessment meeting was held on September 26th. He said the meeting did not last long. There was some public comment and the Town of Indian River Shores and Indian River County continued to say that they want rates that are close to FPL. He has told them that they (the City) would like that also, but he does not think that is realistic. He went over a list of potential rate reduction measures and the biggest rate reduction item that they have is to renegotiate the 2008 Power Purchase Agreement with OUC. He has been told by OUC that we (the City) should have a Memorandum of Understanding (MOU) in about 4 weeks. He talked to the OUC's general counsel and asked him to please expedite the process. Mr. Wright said that himself and Mr. O'Connor will be meeting with OUC again on Friday and he hopes they will see a proposal with some numbers. His plan is to discuss this information with the Council at their City Council meeting on October 21st.

Mrs. Turner recalled that she attended the last Conflict Assessment meeting that was held and she is confused about what their strategy is.

Mr. Wright stated that their strategy is to get OUC to reduce the capacity payments as much as they will and to do everything else that they can, which may include the other items on the list that they distributed (on file in the Clerk's office).

Mrs. Turner felt at the Conflict Assessment meeting it appeared that they were delaying and trying to get them to have another meeting increasing legal costs. She would not agree to walk into a meeting without any financial numbers and a schedule. She said before they go into mediation with all the Elected Officials she wants to have some firm numbers and some implementation times. She asked how much is the capacity charge with OUC.

Mr. Wright thought that for the current fiscal year it was \$13,205 per mega watt month (13.20 per kilo watt month).

Mayor Winger explained that when they are negotiating with someone like OUC, you can't say to them that we have to have what we want the day we want it. He does not feel at that Conflict Assessment meeting that it was reasonable to have to have a final answer.

Mr. Wright continued by saying the capacity charge with OUC will ultimately go to \$14,950 per mega watt month. He said within a couple of years it will be up to \$15,000. The annual demand for this year is approximately 95 mega watts.

Mrs. Turner commented that at the Conflict Assessment meeting she heard Mr. Wright say that the City cannot get to FPL rates, but they should be able to close the gap between Vero Beach Electric rates and FPL rates by 50%. She said looking at round numbers this means that they would need a reduction of \$12 million. She did not believe that a 12% reduction was possible. She wants to see all the backup material for this, which includes the numbers and the timing prior to going into their mediation meeting, scheduled for October 28th.

Mayor Winger told Mrs. Turner that they could not negotiate by a time schedule.

Mrs. Turner agreed when it comes to OUC, but she asked what about all of the other items outlined on the preliminary list of potential cost reduction measures.

Mayor Winger pointed out that one of the items was mothballing the City Power Plant and replacing it with purchased power.

Mrs. Turner said that the financials and the timing can be given for that cost reduction measure.

Mr. Wright reiterated that he expects to have real numbers from OUC on Friday. He plans to be back in Vero Beach on Monday and work with Mr. O'Connor in coming up with a definitive plan. His plan is to have something in writing to Council by October 17th. He said that the City does not have any legal rights to force OUC to renegotiate their contract. In his opinion, OUC has been very accommodating.

Mrs. Turner said so what they are saying is that the City of Vero Beach has no realistic way to reduce rates other than hoping that OUC will be willing to renegotiate with them.

Mr. Wright said he would not say it that way. He said assuming that they can mothball the Power Plant and replace it with an inexpensive peaking product, that they would be able to probably save a couple million dollars and through optimization they could probably save some more money. The big ticket item is what they can do on the capacity costs and he will continue negotiating with OUC on this.

Mrs. Turner recalled that early on in this whole process with the sale, Mr. Kramer proposed a partial sale (not having Indian River Shores or outside customers part of their utilities). She would like to see that scenario of the City only covering their operation

costs. She has also heard Mr. Kramer say that he would like to let Indian River Shores go and if that is the case, then why are they even continuing to argue this. She wanted to see what the financial operations would be if Indian River Shores were not their utility customers. Council needs to see what the implication would be to the City.

Mayor Winger said he could provide that information to Mrs. Turner. He said that FMPA costs 10% more than OUC. He said with the inefficiencies that they have, they will not be able to get rid of all the utility employees. They would have to raise utility rates to the City customers 20% if they didn't have the outside customers. Additionally, if they did not have the return on investment and they received \$2 million in property taxes instead of \$5 million from property taxes and the electric utility, they would have to raise taxes of the City residents 75% immediately from \$2.04 per \$1,000 taxable value to \$3.58. He said if you think he is going to vote for anything that is going to raise the taxes for City residents up 75% and is going to raise their power bill by 20%, she has another thing coming.

Mrs. Turner asked staff to prepare an operational budget of what this would look like. She realizes it won't be finely tuned, but she felt it was information that everyone needs. She would like to see numbers on running the electric without Indian River Shores, and also looking at it as City only, what the operation fallout would be to the City.

Mr. O'Connor stated that he would run some of those numbers and work with Mr. Wright on this. He said that they need to remember that this lawsuit is not just with Indian River Shores. He said Indian River County has joined in on this.

Mr. Wright continued by talking about the conflict resolution process that they are in. He asked the Town of Indian River Shores and Indian River County to have one more meeting so that they could have a more definitive rate reduction proposal and they both declined. So the next steps would be for there to be a joint public meeting, which is scheduled for October 28th. All 15 Elected Officials will be at the meeting. He is exchanging emails with the Town of Indian River Shore's attorney to see if they can identify a mediator or facilitator for that meeting. After the joint public meeting, the next step in the process (assuming they don't reach a resolution at that meeting) would be to have a formal mediation of the conflicting governmental entities. He said the time frame as specified in the Statute for that meeting will be around the beginning of December.

Mrs. Turner asked Mr. Wright that before the meeting on October 28th, he takes the preliminary list of potential cost reduction measures and add the estimated cost reductions and the time to implement those actions. Mr. Wright said it was always his intent to give that to Council a week from Friday.

Mr. Wright reported that there is no change in the County's declaratory statement with the Public Service Commission (PSC). He said staff of the PSC is scheduled to enter their recommendation on November 13th and the Commission is scheduled to vote on the issue at their meeting on November 25th.

Mayor Winger asked if there were other avenues that the City/City Council could take legislatively or legally that would have any chance of success.

Mr. Wright answered no. He did not see how they could break any of their contracts. He does not believe the Courts of Florida are going to touch or interfere with these contracts that were validated by them (Courts of Florida). He also does not believe the Florida Legislature is going to mess with their power supply contracts for the exact same reason. He expressed that the City chose to enter into these projects.

Mr. Kramer commented that it seems they have been at this for seven (7) years and they have gotten to where they are now. He agreed with Mrs. Turner that he would like to see the numbers on these options. It is Council's responsibility to get these rates down and he appreciated Mr. Wright in moving in that direction.

Ms. Graves said that she was looking forward to seeing the numbers come back from OUC and then they can go from there.

Mr. Kramer asked if the numbers they get back from OUC are good and if they want to negotiate with them, how the contract that they have with FPL will interfere in that process.

Mr. Wright explained in July, the City, OUC, and FPL, signed a three-way waiver letter allowing the negotiations to take place. These negotiations with OUC would manifest in an amendment or new contract with the City. He said FPL does have the right to say that it is in violation of their signed contract with the City, but he did not believe they would do that.

Mr. O'Connor commented that Mr. Wright and himself are working with OUC and they feel that there will be some movement. He personally felt that OUC showed a lot of positive emotion in the discussions that they had with them. They (OUC) have toured the Power Plant and talked to Mr. Richards in working out some numbers. The City's position is that they would like to have those capacity charges put back in to what is the marketing price today and provide them with the flexibility that if the market changes then the City would also have to be flexible. He commented that, if the City should lose 60% of their customers, it would not be a viable business and they would need to show OUC that they are going to have some type of customer base that could make this work. He was not sure that they could isolate the Town of Indian River Shores in all of this discussion. They also need to keep in mind that Indian River County is going through this whole mediation process. He pointed out that this mediation is not something by choice. It is required by State law that they must do. He also pointed out that the City is not in litigation with either one of those parties. They don't get into litigation unless mediation breaks down and they don't have results at the end of this process.

Mr. Kramer asked if you lose 60% of your base, but you get rid of 60% of your expenses, would you be better off.

Mr. O'Connor answered no. He said the City is tied into long term contracts and it is not like they can set the price because they don't control the price of their product.

Mr. Kramer did not think you can say that if you lose 60% of your base, that you cannot still stand. Mr. O'Connor said that you could still stand. Mr. Kramer continued by saying that if the City pays off the debt service and gets rid of the Power Plant, the City will become more efficient.

Mayor Winger pointed out that the FMPA entitlements represent 40% of their power and 40% of their customers reside in the City. The power costs that they currently have with FMPA are 10% more than OUC. He said the reality is if they make a new deal with OUC, they could bring down the weighted average of the very high cost of FMPA power by bringing in a lower cost with OUC.

Mr. Kramer pointed out that early on, FMPA was willing to doing some of those things as mentioned by the Mayor. He said it is foolish to argue about it now because FPL does not want those types of things. He said back then FMPA was amendable to working with the City, but now since they have been polarized, they won't do anything with the City.

Mr. O'Connor reported on the OUC cost as discussed earlier. He said in 2014, it is \$12,673 and in 2015, it will be \$13,205.

Mayor Winger felt that they were between a rock and a hard place and don't have any way of getting rates down to where they want them at. He agreed they could get them lower, but not where they want them to be at.

At this time, Council took a ten-minute break and the meeting reconvened at 11:10 a.m.

3. Attorney Susan Trevarthen to give up an update on the COVB vs Carroll appeal

Ms. Susan Trevarthen, Attorney representing the City in the COVB vs Carroll case, was at today's meeting to report on the recent outcome of this case. She said they have received a ruling in that proceeding. The ruling of the opinion does not give much to go on. She went over the history of this case. She explained back on July 2, 2013, the City issued a code enforcement citation to Mr. and Mrs. John Carroll for operating a guesthouse and transient quarters in a residential zone, pursuant to Sections 60.111 and 60.02 of the City Code of Ordinances. The citation indicated that the property owned by Mr. and Mrs. Carroll was a residence located at 530 Camelia Lane and was being advertised and held out as available for transient rentals for compensation and was occupied and used as temporary quarters by transients. The Carrolls contested the citation and requested a hearing before the Code Enforcement Board, which was heard on August 14, 2013. At that meeting, the Carrolls argued that the Code Enforcement Board should disregard the Planning and Development Director's interpretation. On August 28, 2013, the Code Enforcement Board entered an order in which it found the City Code is vague on this issue and therefore there was not a violation in this case. On September 25,

2013, the City appealed the Code Enforcement Order to the Appellate Division. In its briefs, the City argued that the Code Enforcement Board is authorized as a fact-finding body only, and that it exceeded its jurisdiction in finding the Code vague and unenforceable and in disregarding the Director's interpretation. On September 24, 2014, the Appellate Division rejected the City's appeal and affirmed the Code Enforcement Board's order. It entered a "PCA" or "per curium affirmed" decision without a written decision. The deadline for the City to seek review of the PCA decision at the Fourth District Court of Appeals is October 24, 2014.

Mrs. Turner thought earlier that Ms. Trevarthen had said that the deadline for the City to seek an appeal was October 9th.

Ms. Trevarthen stated that the actual date for the City to seek appeal is October 24th.

Mrs. Turner asked Ms. Trevarthen at this time, do they have any basis to seek an appeal.

Ms. Trevarthen said in her opinion they do. She has discussed with the City Manager and the City Attorney about the possibility of having an executive session to discuss the strategy of the appeal.

Mrs. Turner expressed that no one wants short term rentals. She understands the City cannot do anything with their Code unless there are some Legislative changes made.

Ms. Trevarthen explained the Legislation was enacted to all cities in the State and preempted them from additional regulations in this area. She said that this Legislation was modified last spring. She is currently talking to City staff about what they can do to make some potential Code changes going forward and how that will impact their ability to enforce this in the future.

Mrs. Turner commented that they have spent somewhere around \$40,000 on legal fees for this case. She asked Ms. Trevarthen if they were to move forward in filing a petition, what would be required.

Ms. Trevarthen explained the filing would be the same documents that they have pulled together for the proceeding in the Appellate Division, but more of a reframing of what they already have pulled together. She said the fee would not be doubled to what has already been spent, but an incremental increase to that amount.

Mayor Winger asked if it was true that there was no ruling to their Code, but to only this particular incident.

Ms. Trevarthen explained she is currently evaluating the scope of this decision and how it may affect the City's ability to enforce against others in the future. She thinks there is an argument that could be made about the limited scope of the decision, which is a factor for the Council to consider when deciding to move forward with an appeal.

Mr. Fletcher asked Ms. Trevarthen if she had a feeling for the probability of success if they do appeal.

Ms. Trevarthen felt that the basic principle of their argument is sound. She said in this case, they were in an unusual "posture." She said normally when cities take action they are not the ones bringing the lawsuit. They tend to be the ones defending their actions. This case was very unique because the City was taking on the Code Enforcement Board. The standard is narrow and she is in no means guaranteeing that the Fourth DCA would find in the City's favor, but she feels there is a good faith basis to appeal and it is possible they would find in the favor of the City based on the arguments that have been raised.

Mayor Winger does not like how their Code Enforcement Board is set up. He would have liked to see a Magistrate handle code enforcement cases rather than having a Board hear them. He asked if there was anything that prohibits them from changing the rules of the Code Enforcement Board. He is not used to a Board being able to overrule the City Council.

Ms. Trevarthen said the answer was no because the way the Code Enforcement Board operates has nothing to do with the preemption of vacation rentals. She said there is no law on the meaning of this preemption Statute.

Mayor Winger thought that there should be ways in their existing Code in order to define transient.

Mr. Coment stated that their Code does not describe the word "transient."

Ms. Trevarthen commented that usually the first place that a Court will look at in defining an undefined term is plain meaning.

Mayor Winger stated that he had no particular interest in going after Mr. and Mrs. Carroll, but was interested in protecting their neighborhoods from rentals.

Ms. Graves asked if the City appeals this case and it doesn't go their way, don't they presently have more wiggle room to deal with this problem than if they get an appeal that upholds what the Legislature is upholding. She said the opinion given was not in their Code, but about the Code Enforcement Board's ruling and if they leave it alone, they still have some wiggle room to deal with this issue.

Ms. Trevarthen explained it is a stronger argument that there is room for enforcement to continue then if they had a Fourth DCA writing a very explicit decision.

Mr. Graves said she would rather stay with the wiggle room that they presently have rather than continuing to challenge this.

Mayor Winger wondered if they should table this matter until the next City Council meeting so they have time to think about it. He expressed that he does not like holding shade meetings.

Ms. Trevarthen explained that because of the nature of this filing and it not just being a one page notice of appeal, it would be impossible for her if they waited until October 21st and expected her to prepare a quality product for them three days later. She would need to have the authority before then to be able to adequately represent the City in preparing those papers for an appeal. She said that she could start the process and then Council could decide at their October 21st meeting not to proceed, but she wanted to be clear on this.

Mr. Fletcher made a motion to not take this matter any further. Mrs. Turner seconded the motion.

Mrs. Turner said as far as dealing with the Code on short term rental issues, she asked the Mayor if he could attend a conference that the Florida League of Cities is offering that will be discussing this issue. She felt they need to join with these other cities/groups in pressuring the Legislation on this.

Mayor Winger had no problem attending as long as it did not occur the same time as his Policy Committee meets.

Ms. Trevarthen noted that other cities around the State are gearing up for the next Legislative sessions.

Mr. Kramer asked if there was some type of groundwork that they could do so the next time this comes around they will be a little stronger. He asked if the word “transient” could be defined so that the next time this comes up they will be in a better position.

Ms. Trevarthen explained that is precisely the kind of Code changes she is working with staff on in order to put the City in better posture.

The motion passed 4-1 with Mr. Kramer voting no.

4. Florida Enterprise Zone program – Mrs. Helene Caseltine, Economic Development Director

Mrs. Helene Caseltine, Economic Director with the Chamber of Commerce, and Enterprise Zone Coordinator, asked Council for their support in asking the Florida Legislature to reauthorize the Florida Enterprise Zone Program, which is currently set to sunset on December 31, 2015. She said since the enterprise zone was designated in 2005, 390 new jobs have been created in the enterprise zone and over \$7.5 million has been invested in the enterprise zone by private businesses. She asked Council if they would consider passing a Resolution to reauthorize this program for another 10 years. She said

the Economic Enterprise Committee would like to see this program continue and the County will be passing a similar Ordinance at their next meeting.

Mr. Kramer who is the City's liaison on the Economic Development Council, complimented this program and expressed that it does bring business to this community. He made a motion to pass a Resolution and send a message to the Legislation. Ms. Graves seconded the motion and it passed 5-0.

Mayor Winger went over the purpose of Public Comments. He said it is for the public to relate their concerns or give information to the City Council and generally the Council does not respond.

Mr. David Hunter, 3702 Eagle Drive, addressed the topic of short term rentals. He was disappointed at the outcome of the recent appeal and the impact that it may have on short term rentals in the City's residential areas. He was encouraged by what he heard Ms. Trevarthen indicate that they still may have some wiggle room going forward to clarify their Code. He asked Council to think about some clarifications to the Code that could be useful. Such as the definition of transient rentals and clarify in their Code that they are in accordance with the State of Florida's Business Regulations Department, which has a specific term for vacation rentals. This Department requires a license for anyone to operate a vacation rental issued by the State. He said someone should show that license before they begin operating in the City. This license for vacation rentals clearly states that it is for a business that would operate renting out properties for less than 30 days. He brought up the issue of internet ads for promoting vacation rentals. He said in the State of Arizona and Hawaii they have in their local Ordinances, that any renting out of a property as a vacation rental is shown on website advertising it could constitute a fine of up to \$2,500 for advertising over the internet for a property that is not properly licensed in a zoned area for conducting these businesses. He said maybe City staff could investigate what is the possibility of restricting internet advertising unless there is a business license. Mr. Hunter said since this is a business and not a landlord renting property, why not require them (people renting out for short terms) to have a City of Vero Beach business license. His closing remarks were that code enforcement needs to be looked at. It bothers him that it takes such a long time before they have accumulated enough evidence in order to shut down one of these operations. He encouraged the City to explore what kind of evidence is necessary and larger fines could be enforced.

Mr. Charlie Wilson, 2134 18th Avenue, stated that he had three (3) questions to ask. The first question he asked the City Manager was if there have been talks about layoffs at the Power Plant. He was approached by an employee who has been told that he will be laid off on January 31st. Mr. O'Connor told him that he has not heard of any layoffs at the Power Plant. However, there have been discussions of reorganization at the Power Plant. He continued by saying that it was aware that the bill was coming due now for the behavior that they have seen over the last two (2) years and those who have been opposed to the sale of the utilities. He noted that when the Mayor said this morning that he would not be in favor of raising taxes or utility rates, that he already did that on March 4th when he voted not to end FMPA's agreement. He heard Mr. Wright say earlier that there were

no options for the sale and little hope. Mr. Wilson believed that this was incorrect and there were several things that Mr. Wright did not mention. He said Mr. Wright did not mention a ballot initiative, he did not mention electrical reorganization, etc. Nor did he mention when speaking of the Supreme Court decision regarding the bonds was not the issue. The issue is not that they are legal, but that they are in FMPA's possession. He applauded any rate reductions that they could do, but expressed it will not settle the suit with Indian River Shores. He referred to the meeting being held on October 28th between all of the Elected Officials, and asked what the direction is being given to the attorneys. Is it to fight FMPA or to fight Indian River Shores? Mr. Wright has said that he has not been given any direction.

Mr. Wilson commented that he has been researching septic tanks in Vero Beach. He wanted to make the City an offer where they can start working together on some things. He said if the electric plant is sold he will set aside, along with the City, three million dollars of the proceeds from that sale to go towards converting septic tanks to the hybrid system. He said let's work together on the sell, because the sell will help the Lagoon.

Mr. Ken Daige, 1846 21st Avenue, brought up the tragedy that occurred on one of their bridges. He said that he runs the bridge early in the morning and has noticed that there are some lights not working on the bridge. He asked that the light bulbs be replaced and in the morning when the Police Department makes their shift changes that they observe the bridge to make sure all the lights are working.

Mr. O'Connor said that he would look into those lights that need to be replaced.

Mr. Kramer commented that he heard Mr. Wilson say that he promised Indian River Shores that he would make a motion to let them out of their contracts as being City utility customers. He said that he never promised Indian River Shores this, but has said that while they are under contract, they cannot do that. He agrees that they need to help Indian River Shores, but they cannot go against the contract.

3. CONSENT AGENDA

- 1. Regular City Council Minutes – September 16, 2014**
- 2. Special Call City Council Minutes – September 16, 2014**
- 3. Public Access Easement #2014-EG-0150 – Harbor Community Bank – 3900 20th Street**

Mr. Kramer made a motion to adopt the consent agenda. Mr. Fletcher seconded the motion and it passed unanimously.

4. PUBLIC HEARINGS

A) ORDINANCES

A) **An Ordinance of the City of Vero Beach, Florida, amending the Text of the Land Use Element of the Vero Beach Comprehensive Plan to include an objective and policies for the Original Town Neighborhood and Technical Appendix IV; Providing for Conflict and Severability; Providing for an Effective Date. – Requested by the Planning and Development Director**

B) **RESOLUTIONS**

A) **A Resolution of the City of Vero Beach, Florida, approving the Transmittal to the State of Florida Department of Economic Opportunity of a Proposed Ordinance amending the Text of the Land Use Element of the Vero Beach Comprehensive Plan; Providing for Conflict and Severability; Providing for an Effective Date. – Requested by the Planning and Development Director**

Mayor Winger read by title only, the Resolution and the Ordinance together 4-A) and 5-A).

Mr. Tim McGarry, Planning and Development Director, reported that this Ordinance will go to the State before a final adoption of the Ordinance occurs. He then gave a Power Point presentation (attached to the original minutes).

Mayor Winger opened up public comments at 12:07 p.m.

Mrs. Linda Hillman thanked the neighborhood and the Church for getting their neighborhood to where it is today. She said that Original Town neighbors have been working on this Ordinance for many years and are proud as to where they have come. The neighborhood feels that the people who own their homes have a right to be a part of this neighborhood. She will continue to fight for her neighborhood, fight for code enforcement, and wants to move forward with this. She said let's start with this plan for the neighborhood.

Mr. Gene Waddell, current moderator of the Community Church, said that it was heartwarming to hear what Mrs. Hillman just said. He said the Church has tried to be a good neighbor. The Community Church was formed in 1924 in this neighborhood so they are all for preserving the neighborhood. He asked Mr. McGarry how the State is involved in this process.

Mr. McGarry explained that if Council passes the Resolution, then the Ordinance is sent to the State for their approval and then the Ordinance comes back to Council for a final public hearing.

Mr. Waddell asked that in the future, could Community Church please be notified of the meetings taking place regarding their neighborhood. He said they were not aware that these meetings were occurring. He said they fully support generally where this is going and they want this area to thrive. He said as a private property owner, since he was not at those meetings, we would still like some time to digest all of those different items that

Mr. McGarry pointed out to find out how they will be effected. He read a verbatim statement into the record (please see attached). He said they will do everything possible to work with the neighborhood. He hopes to have some time to comment after the Church reviews this.

Mr. McGarry explained that there is time to make changes to the Ordinance after it comes back from the State.

Mrs. Turner asked Mr. McGarry to review the process for the neighborhood to get to this point.

Mr. McGarry said that he thought he had notified the Church about these meetings. He said that they advertise notice of the meetings and he will make sure that the Church is on their mailing list for the future.

Mr. Fletcher made a motion to approve the Resolution to authorize transmittal to the State. Mr. Kramer seconded the motion and it passed 5-0 with Mr. Fletcher voting yes, Ms. Graves yes, Mrs. Turner yes, Mr. Kramer yes, and Mayor Winger yes.

At this time Council took a lunch break and the meeting reconvened at 1:30 p.m.

**5. ORDINANCES AND RESOLUTIONS FOR FIRST READING BY TITLE
(FUTURE PUBLIC HEARING REQUIRED)**

A) An Ordinance of the City of Vero Beach, Florida, Amending the Land Development Regulations, Part II of the Code of the City of Vero Beach, relating to Medical Marijuana Dispensaries; Providing for Conflict and Severability; Providing for an Effective Date. – Requested by City Council

Mayor Winger read the Ordinance by title only.

Mr. McGarry went over the proposed Ordinance. He said protection is given to sensitive land uses from the potential adverse impacts of medical marijuana dispensaries through separation requirements and requirement that such dispensaries may only be located in M, Industrial District. Specific site development standards are established for medical marijuana dispensaries to provide a safe and secure environment for employees and for patients and their caregivers who need access to medical marijuana for legitimate health reasons. If adopted, this Ordinance puts the City in a stronger and more favorable position to assert and protect its home rule zoning and land use powers should the Florida Legislature decide to partially or fully vest local zoning ordinances regulating medical marijuana in effect prior to promulgation of State laws and regulations. The Ordinance provides the opportunity for the City to be pro-active on addressing this issue of significant concern to the community. Mr. McGarry showed on the doc cam the proposed area where the dispensaries would be allowed. It is located in the southern part of the City following the railroad tracks. He said that all business must be conducted within the dispensary building except for onsite parking, the dispensary is not to be

located within 1,000 feet of any school, child day care facility, public park, or other existing medical marijuana dispensary or within 200 feet of any residentially zoned property, it will meet all on-site parking requirements for a medical clinic; there will be signs posted on the building that no loitering is allowed on the property, no drive-thrus, there will be no consumption of marijuana or alcoholic beverages on the property, a person under the age of 18 will not be allowed in the medical dispensary and an armed security guard must be on the premises at all times the dispensary is open for business. The Planning and Zoning Board met and made two (2) changes to the Ordinance they are on page 4 they added “and waste receptacles” in number (1) and on page 5, they added the words “or accept”. These changes will be inserted in the Ordinance.

Chief Currey commented that the Florida Police Chiefs, as well as the Florida Sheriff’s Association are opposed to the amendment. He said they all remember the pill mills and don’t want to go back to those days. He agreed with the Ordinance and the restrictions placed in it. His job is to protect their citizens.

Mayor Winger asked if sales needed to take place on Sunday.

Mr. McGarry said they could eliminate that. He said there is nothing that says that sales have to take place on Sunday and he agreed with not allowing sales on Sunday.

Mayor Winger brought up there have been five (5) Senators authorized (not yet billed) for medical marijuana in the State.

Mr. McGarry explained that it is five (5) organizations and there have been some challenges in the rule making. He said this Ordinance would affect that, but he felt it was a conservative approach.

Ms. Graves brought up in the Ordinance where someone under the age of 18 is not allowed in the medical marijuana dispensary at any time. She said that in Colorado they weigh the person to find out how much marijuana should be given and they are accompanied by their caregivers or parent.

Mr. McGarry understood that their doctor would be prescribing the prescription. What they are trying to do is prevent problems by saying children under 18 would not be allowed in the building.

Mr. Ken Daige, 1846 21st Avenue, asked if the dispensary could be located somewhere else. He has not heard what the hours of operation would be, only that the dispensary would not be open on Sundays. Mr. Daige was told the hours of operation are located on page 7 of the proposed Ordinance. He knows the purpose of the Ordinance is to protect the public health, safety and welfare of their community. He asked where it states 200 feet of any residentially zoned property that it be increased to 800 feet. He noted this type of drug comes in a pill and liquid form and could be very easy to sell. He recalled some years back, they had a situation here where they had a facility open to sell drugs to people with pain and most people know that story. He said this type of stuff can get out

of hand and bringing in this element (criminal aspect) is not so nice. He was not happy with the location where this dispensary will be allowed.

Mr. Fletcher asked Mr. Coment if they checked with other cities in drafting this Ordinance. Mr. Coment answered yes.

Mr. McGarry added that they looked at a report created by a Sheriff in California and the problems they are dealing with out there. He expressed this is very broad.

Mr. Fletcher asked if they found anywhere in the definition as to who is going to control these dispensaries.

Mr. McGarry explained that the Department of Health has the primary responsibility, but there will be some things locally that they will be able to control. They have put in strict zoning so there won't be these kinds of businesses all over the City.

Mr. O'Connor expressed that no matter what marijuana is an illegal drug. He said one of the issues cities are facing who already allow this is people gathering around in the parking lot in front of the dispensary building and sitting. Also, a lot of the dispensaries will have doctors writing prescriptions right at the door. Some dispensaries are located in the main streets of small cities. He said zoning is critical, as well as the hours of operation.

Mr. Kramer asked how the borders of this got decided.

Mr. McGarry said it was based on the zoning.

Mr. Kramer asked how close this is to the High School.

Mr. McGarry said the zoning location is over the 1,000 feet as outlined in the Ordinance. He had no problem with changing the 200 feet to 500 feet from any residentially zoned property shown on page 4, (2) in the proposed Ordinance.

Mrs. Turner asked with this being a conditional use, can the Planning and Zoning Board enforce further regulations. Mr. McGarry answered yes.

Mrs. Turner made a motion to move the Ordinance to a public hearing and heard on October 21, 2014. Ms. Graves seconded the motion and it passed 5-0 with Mr. Fletcher voting yes, Ms. Graves yes, Mrs. Turner yes, Mr. Kramer yes, and Mayor Winger yes.

B) An Ordinance of the City of Vero Beach, Florida, Abandoning all of the 15' Alley shown on the Plat of The Ocean Corporation Subdivision lying between Tract D and Tract E and lying between the East right-of-way of State Highway A1A and the West right-of-way of the abandoned Coral Avenue as recorded in Plat Book 4 at Page 81 of the Public Records of Indian River County, Florida; retaining a Utility Easement; Providing for Conflict and

Severability; Providing for an Effective Date. – Requested by the Public Work’s Director

Mayor Winger read the Ordinance by title only.

Mr. O’Connor reported that the City received an application for the abandonment of a 15’ wide alley between 1410 and 1400 Highway A1A to facilitate the redevelopment of the property at 1410 Highway A1A. The application was routed to all utility providers and approved with the condition that an easement be retained as they have facilities located within the alley. He would recommend approving the abandonment of the 15’ wide alley in Ocean Corporation Subdivision, Unit 2 between Highway A1A and Coral Avenue in the block lying south of Turtle Cove Lane. The City will retain an easement over the alley for utility purposes.

Mayor Winger opened and closed the public hearing at 1:54 p.m., with no one wishing to be heard.

Mr. Kramer made a motion to set the public hearing to hear this Resolution on October 21, 2014. Ms. Graves seconded the motion and it passed 5-0 with Mr. Fletcher voting yes, Ms. Graves yes, Mrs. Turner yes, Mr. Kramer yes, and Mayor Winger yes.

6. CITY CLERK’S MATTERS

A) Code Enforcement Lien Reduction – Request from KTLC 2661, LLC for 1546 26th Avenue, Vero Beach, FL 32960

Mr. McGarry reported that Mr. Joseph Schlitt submitted an application for a code enforcement lien reduction of \$13,581.39, which is \$2,500 less than the full lien amount of \$16,081.39. He said after the application was submitted, Mr. Schlitt offered to lower his lien reduction request by another \$500, making for a net lien reduction request of \$14,081.39. Mr. McGarry recommends that the amount of lien be reduced from \$16,081.39 to \$4,223.89.

Mr. Kramer made a motion to approve staff’s recommendation. Ms. Graves seconded the motion and it passed unanimously.

7. CITY MANAGER’S MATTERS

A) Update on All Aboard Florida

Mr. O’Connor reported that the High Speed Rail Commission (HSRC) will be meeting on Monday (October 13th) and the Chair of the Commission has asked the members to be prepared to discuss the Environmental Impact Study (EIS). He provided Council with a copy of the Comparison of Environmental Effects of Alternatives, which came out of the EIS, as well as some information on the creation of “sealed corridors.” He wanted to make it clear that there are no fences that are installed as a safety feature for sealed

corridors. In the walkthrough that consisted of Engineers and All About Florida, it was recommended that there be two (2) railroad closures in the City of Vero Beach, but the City has not endorsed either one of those closings and would not do that until they brought it to City Council. As long as the City is paying for the crossovers they will continue to remain there. He just wanted it made clear to the public that the City administration have not endorsed anything.

Mr. Falls added that he has drafted a letter and told them that the City is not interested in those closures and he will be mailing that letter out. He also will be meeting with the County consultants hired to comment on the EIS, as well as the City of Sebastain and will discuss the results at that meeting with the HSRC on Monday.

Mayor Winger reported at the last Treasure Coast Council of Local Governments (TCCLG) they passed a Resolution to reject the funding as requested by AAF. As soon as the Resolution has been prepared, Council will receive a copy of it. Also, the public comment meeting for the EIS will be held on November 5th at the Richardson Center. He reported that the HSRC will sunset in the beginning of December and he would like their recommendations, as well as possibly hearing from the AAF representatives and someone from MPO. He said that the Council could discuss this further at their October 21st meeting. He said dealing with federal transportation authorities will be difficult. He proposed spending some time discussing this item at their next meeting.

Ms. Graves suggested holding a Special Call meeting, which would allow them to give the public more time to be heard.

Mayor Winger agreed with that suggestion.

Mr. O'Connor suggested holding a joint meeting with the HSRC. He said that they are scheduled to meet on Monday, October 13th.

Mr. Ken Daige, Chairman of the HSRC, thought that it would be a great idea to have their next meeting as a joint City Council/HSRC meeting. He expressed that the community wants to hear from their Elected Officials on this issue. The deadline for the community to make comments on the EIS will be December 3rd so they need to have their ducks in order.

Ms. Graves requested that an update be given on where the County is on the issue.

Mr. Falls said that they could invite Mr. Phil Matson/MPO to the meeting to give an update.

Mr. Daige said that he would have Mrs. Vock send out a memo to the HSRC letting them know that their meeting will be a joint meeting. He said concerning the closures of the crossings, the public is not in favor of doing that.

Mayor Winger recalled that they received a copy of the plans (on file in the Clerk's office) for the beach sand for the future. He said the City has not gotten any sand for a long time even though they contribute 56% of the bed tax. He said before Council meets again, the Beach and Shores Committee are going to recommend where the sand should go. He is concerned about this because they rate portions of the beach around Sexton as critically eroded. They are also talking about structures in the water, which can be useful. He said the structure they have off of the Ocean Grill has been useful. He asked if the City was raising their voice.

Ms. Graves, liaison to the Beach and Shore Preservation Committee, explained that as the plan was being put together there were a couple of public meetings where these issues were raised. She said the consultants recommended plan is beach fill, so she did not foresee structures going on their beach. She said that there has been a lot of work done in Sector 3, post Sandy and the other Sectors are covered by the Sebastian Inlet District. There are no other Sectors up for renourishment because there is no public beach assess, so there is no public benefit to those beaches. She said the City's Sector (Sector 5) has been identified as the most critically eroded so she does believe they are in line for some renourishment, which will probably be a dune project. There has also been a request from the Army Corp of Engineers to look at their beach to discuss the renourishment project.

Mayor Winger asked if they need something such as a Resolution to support this.

Ms. Graves felt it might be a little early for that. She suggested continuing to work with the County on this and if Council wanted to send something in support of the Beach Preservation Plan prepared by CB&I Coastal Planning & Engineering that would be fine. But she felt they were on the right track with this issue.

Mayor Winger recalled that he was a member of the Beach and Shore Preservation Committee for two (2) years and at that time the sand went in front of Indian River Shores.

Mr. O'Connor commented that he would recommend that the Beach and Shores Preservation Committee adopt this plan at their next meeting because it recognizes where the issues are. The City Attorney has also provided a letter concerning this plan (please see attached). He reiterated that this is a good report. Once the Beach and Shores Preservation Committee adopt the plan, then it will go to the County Commission for final adoption.

Ms. Graves agreed that she was happy with the way this plan came out.

Mr. Falls is going to request that the wording of "beach fill" be changed to "dune renourishment." He will also recommend sand replacement every four (4) years for the whole portion of Sector 5 that is eroding. He said that he was pleased with the plan with the exception of these few changes to the wording.

Mayor Winger asked the status of the RFP for the utility rate structure.

Mr. O'Connor reported that the Evaluation Committee met and narrowed down the proposals to three (3) firms, which they will be interviewing. The RFP for the Optimization Study has been put out and proposals are due back by October 21st. He said that the Chairman of the Utilities Commission will serve on the Evaluation Committee.

Mayor Winger asked if there has been any reply from the County about helping the City enforce their fertilizer ordinance.

Mr. O'Connor said that he has not received any response.

Mayor Winger asked about the status of the Dodgertown golf course.

Mr. O'Connor reported that staff is working on putting an agreement together for the City and the County to sign.

Mayor Winger complimented Ms. Cindy Lawson for receiving the Government Finance Award for Achievement.

Mr. O'Connor agreed that Ms. Lawson does a great job, but it is a "team" effort.

8. CITY ATTORNEY'S MATTERS

1) Authorization for Multiple Representation – *Foudy v. COVB; Orshowitz v. COVB*

Mr. Coment explained that there is a need for authorization to allow attorney David Lane and his law firm to continue representing the City simultaneously with the police officers involved in the *Foudy v. COVB; Orshowitz v. COVB* cases. He said both cases relate to claims regarding accessing driver license records of the plaintiffs. There does not currently appear to be a conflict in the multiple representations. He asked Council to give approval to the Mayor to execute the authorizations on behalf of the City.

Mrs. Turner commented that in reviewing the backup material, there is nothing that tells the Council what the issues are.

Mr. Coment explained that it involved police officers accessing records improperly.

Mr. O'Connor added that there are multiple agencies involved in the same claim. It just happened to be an officer from another agency that has made the claim.

Mr. Kramer asked how much money they are talking about.

Mr. Coment said there would be a minimum penalty of \$2,500 each time the records were accessed. He said the “City” are small fish in this pond and not many accesses occurred and they have already paid for the attorney.

Mr. Fletcher made a motion to allow attorney David Lane and his law firm to continue representing the City simultaneously with the police officers involved in each case. Mayor Winger seconded the motion and it passed unanimously.

2) Discussion of Lease Agreement between the Orlando-Orange County Expressway Authority and All Aboard Florida

Mr. Coment commented that Councilmember Graves brought this up. He said there is a contract between AAF and Orlando County Expressway Authority. Senator Altman has requested a Florida Attorney General opinion concerning provisions of the lease agreement. Indian River County passed a Resolution supporting this and if Council wants to, they could pass a similar Resolution.

Mrs. Turner made a motion to move forward with having a Resolution. Mayor Winger seconded the motion and it passed unanimously.

Ms. Graves felt that Council should support State Representatives in this area who are doing things for them.

9. CITY COUNCIL MATTERS

A. Old Business

1) Next Step on Limiting Daily and Weekly Rentals of Homes in Residential Neighborhoods – Requested by Mayor Richard Winger

B. New Business

This item was heard earlier in the meeting.

2) Indian River Shores Mediation Review – Requested by Councilmember Pilar Turner

This item was heard earlier in the meeting.

3) Conversion of septic systems to sewer – Requested by Councilmember Pilar Turner

Mrs. Turner explained that she put this item on the agenda because she wanted to see if staff would gather information from other communities who have been successful in converting their septic systems to sewer. Some of the information she was looking for was the number of homes, total cost, cost to homeowner, cost to ratepayer, how it was

financed and how it was implemented. She said if they (City) decide to go to a hybrid system the cost is \$8,000 per homeowner. She knows that everyone wants to move forward in protecting the Lagoon, but it needs to be done in the most cost effective way for their ratepayers. She wanted to explore other options and gather more information so that the City can decide which would be the best way for them to move forward on this.

Mr. O'Connor commented that staff has been monitoring Stuart who probably has the largest impact on the Lagoon because of their septic systems. He explained their system was a little different than what the City of Vero Beach is looking at. They are going to a grinder system and are actually putting City employees on private property. However, the financing and system itself is similar to what the City wants to do. Staff has been looking at Stuart's incentive program, such as waiving of impact fees and some other things to bring the costs down as much as they can. He said Stuart has far exceeded the number of homeowners who have wanted to convert than what they thought the number would be. He expressed when a homeowner has their septic tank inspected and there is a problem for the City, it is good news because it helps clean up possibly a Lagoon issue, but to the homeowner it could cost them money.

Mr. Rob Bolton, Water and Sewer Director, reported that the City of Stuart has probably been the most proactive City concerning the septic tank conversion. They have roughly 2,000 homes on septic tanks. They started their program about two (2) years ago and they are running lines out to the street and have run these lines to 780 homes. They are now working on their next basin. He said out of the 780 homes, there have been 490 homeowners who have signed up. He said Stuart is going on private property and doing the installation work.

Mr. O'Connor expressed that when you start working on private property, then you become the owner of that and if down the road something happens or goes wrong then it is the City's fault and they are trying to stay away from that.

Mr. Bolton explained the key difference between Stuart's program and the City of Vero Beach's program is they are doing the grinder system and our City is looking at the hybrid step system. Also, Stuart hired contractors to do the work in the rights-of-way and then they are doing the work using City staff on private property. He said Vero Beach is doing just the opposite. They will be doing work in the rights-of-way and then looking at contractors to do the work on the private property. He said that Stuart offered a \$2,000 rebate if you sign up within the first year, then they said if you pay cash you can get another \$1,000 off and if you don't pay cash, then they will finance it over a ten year period with no interest charged. The City is looking at sign up for this program to begin the first of the year and if the homeowner pays cash, then the impact fee will be waived. Also, if they sign up within the first year and pay cash then not only is the impact fee waived, but the cost that took place in the City rights-of-way is also waived. All the property owner would be responsible for is the cost of installation on their property itself. He said they are looking at approximately \$6,300 for each property owner. He will bring the Resolution and Ordinance on the step hybrid program to Council at their October 21, 2014 meeting.

Mrs. Turner commented that it looks like all the permitting is being done.

Mr. Bolton said they are permitted for the Bethel Creek area and he knows of a six-unit multi-family complex that they are working on getting connected and another home at the end of Bahia Mar who is interested in getting connected.

Mr. O'Connor noted that staff provided documents to the Council concerning this matter (on file in the Clerk's office).

Mr. Kramer appreciated all the work that staff has done on this. He asked to be given a financial term sheet on the cost of implementing this.

4) Discussion of Alma Lee Loy Bridge – Requested by Councilmember Jay Kramer

This item was heard earlier in the meeting.

10. INDIVIDUAL COUNCILMEMBERS' MATTERS

A. Mayor Richard Winger's Matters

- 1. Correspondence**
- 2. Committee Reports**
- 3. Comments**

None

B. Vice Mayor Jay Kramer's Matters

- 1. Correspondence**
- 2. Committee Reports**
- 3. Comments**

Mr. Kramer reported that he attended the Vero Beach Police Department's Night Out. He reminded Council that the grand opening of the Dog Park will be on November 8th, Art-tini Night will be on October 16th and the new fishing tournament will be coming up on October 18th and it is a no kill fishing tournament.

C. Councilmember Pilar Turner's Matters

- 1. Correspondence**
- 2. Committee Reports**
- 3. Comments**

Mrs. Turner commented that she came across a very interesting report. She said the Leroy Collins Institute of Florida State University has put out a report card on municipal pensions. She said the current unfunded pension obligations, with employment benefits, is now close to \$100 million. She said with over 400 cities in Florida, that Vero Beach

did manage to make the report and unfortunately the news is not good. She said originally their pension had been graded a "C" and it is now a "D". This just shows that they must continue to make modifications to their pension plan.

Mrs. Turner reported that she attended the FMPA, ARP Board meetings and the main item on that agenda was the Taylor Swaps liquidation. She explained this is a financial instrument that FMPA entered into and it is currently about a \$100 million liability. The matter has to be resolved by October 2015 and Vero's share could be between one to three million dollars. Hopefully by the end of December they will have a better idea as to what the actual number is.

Mrs. Turner stated that FMPA has committed to reviewing their wholesale power costs and comparing them with FPL's wholesale costs, which should be discussed at their October 16th meeting.

Mrs. Turner commented that she attended the ghost tour that was held to benefit the lifeguards, and she thanked all the City employees who gave up their Saturday morning for United Way Day of Caring.

D. Councilmember Amelia Graves' Matters

- 1. Correspondence**
- 2. Committee Reports**
- 3. Comments**

None

E. Councilmember Craig Fletcher's Matters

- 1. Correspondence**
- 2. Committee Reports**
- 3. Comments**

None

11. ADJOURNMENT

Today's meeting adjourned at 2:47 p.m.

/tv