CITY OF VERO BEACH, FLORIDA
APRIL 5, 2011 9:30 A.M.
REGULAR CITY COUNCIL MEETING
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

A G E N D A

1. CALL TO ORDER

A. Roll Call
B. Invocation – Pastor Kent Hawkins/Cornerstone Christian
C. Pledge of Allegiance

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption
B. Proclamations

1. Vero Beach Art Club – 75th Anniversary
2. National Telecommunicators Week – April 10-16, 2011
3. Hibiscus Festival Weekend – April 15-16, 2011
4. Certificate to be presented to Dyer Auto Group

C. Public Comment
D. Adoption of Consent Agenda

1. Regular City Council Minutes – March 15, 2011
2. Council Approval for Utility Easement – Three Avenues – 2001-2095 Indian River Boulevard – Electric T&D Director
3. License to Use City Property #2010-LA-145 – Vero Beach Sports Village - Public Works Chief Surveyor

(The matters listed on the consent agenda will be acted upon by the City Council in a single vote unless any Councilmember requests that any specific item be considered separately.)

3. PUBLIC HEARINGS

A) An Ordinance of the City of Vero Beach, Florida, amending Article III, "Boards and Committees," of Chapter 2, "Administration," of the Code of the City of Vero Beach; providing Clarification and Consistency in the Regulations for the City's appointed Commissions and Boards; amending the number of members for Commissions and Boards; deleting references to the Board of Adjustment and adding the Youth Advisory Commission; clarifying the Purpose and Duties of each Commission and Board; clarifying the duties of the City Clerk and City

Attorney in regard to Commissions and Boards; providing for transition and severability; providing for an effective date. – Requested by Council

4. RESOLUTIONS FOR ADOPTION WITHOUT PUBLIC HEARING

A) A Resolution of the City Council of the City of Vero Beach, Florida, abolishing the Board of Adjustment and terminating the term of office of current Board members; providing for the Planning and Zoning Board of the City of Vero Beach to exercise the powers and duties enumerated for the Board of Adjustment for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05: providing for transition; providing for conflict and severability; providing for an effective date. – Requested by Council

B) A Resolution of the City Council of the City of Vero Beach, Florida, implementing changes to the organization, membership, and duties of the Planning and Zoning Board of the City of Vero Beach for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05: terminating the term of office of current Board members, except for the County School Board representative; providing for appointment of Board members and their respective terms of office; providing for the Board to exercise the powers and duties enumerated for the Board of Adjustment; providing for conflict and severability; providing for an effective date. – Requested by Council

C) A Resolution of the City Council of the City of Vero Beach, Florida, implementing changes to the organization and membership of the Utilities Commission of the City of Vero Beach for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05: terminating the term of office of current Commission members, except for the Town of Indian River Shores representative; providing for appointment of Commission members and their respective terms of office; providing for conflict and severability; providing for an effective date. – Requested by Council

D) A Resolution of the City Council of the City of Vero Beach, Florida, implementing changes to the organization and membership of the Finance Commission of the City of Vero Beach for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05; terminating the term of office of current Commission members; providing for appointment of Commission members and their respective terms of office; providing for conflict and severability; providing for an effective date. – Requested by Council

5. FIRST READINGS BY TITLE FOR ORDINANCES AND RESOLUTIONS THAT REQUIRE A FUTURE PUBLIC HEARING

6. CITY CLERK'S MATTERS

A) Appointments to the Planning and Zoning Board, Finance Commission and Utilities Commission – Requested by the City Clerk

7. CITY MANAGER'S MATTERS

A) Rotary Nautical Flea Market – Requested by Interim City Manager
B) Change in the Electric Service – Fuel Cost – Requested by Customer Service Manager
C) Beachland Cleaning Services Contract – Requested by Manager of Purchasing and Warehouse Operations

8. CITY ATTORNEY'S MATTERS

A) Update – Florida Public Service Commission Docket No. 090524-EM Complaint of Faherty and Heran against City of Vero Beach for unfair Electric utility rates and charges. – Requested by the Acting City Attorney

9. CITY COUNCIL MATTERS

A. Old Business

1. Water and Wastewater Financials – Requested by Vice-Mayor Turner
2. Filling personnel vacancies in Finance Department – Requested by Vice-Mayor Turner
3. City Personnel Policies – Requested by Vice-Mayor Turner
4. Quarterly Financial Review – Requested by Vice-Mayor Turner
5. FPL Report – Requested by Councilmember Heady
6. OUC Contract – Requested by Councilmember Heady
7. Avoiding Federal Lawsuits – Requested by Councilmember Heady
8. Water and Sewer Update – Requested by Councilmember Heady
9. Discussion on consideration of Charter Officer positions – Requested by Councilmember Heady

B. New Business

1. Search for City Attorney – Requested by Mayor Kramer
2. Required Documentation form for Council members to add agenda items to Council meetings – Requested by Councilmember Carroll
3. League of Cities Legislative Day Report – Requested by Councilmember Heady
4. Dissolution of City – Requested by Councilmember Heady

10. INDIVIDUAL COUNCILMEMBERS' MATTERS

A. Mayor Jay Kramer's Matters
   1. Correspondence
   2. Committee Reports

3. Comments

B. Vice Mayor Pilar Turner's Matters
1. Correspondence
2. Committee Reports
3. Comments

C. Councilmember Tracy Carroll's Matters
1. Correspondence
2. Committee Reports
3. Comments

D. Councilmember Brian Heady's Matters
1. Correspondence
2. Committee Reports
3. Comments

1. Any item or items removed from meeting agenda

E. Councilmember Craig Fletcher's Matters
1. Correspondence
2. Committee Reports
3. Comments

11. ADJOURNMENT

Council Meetings will be televised on Channel 13 and replayed.

This is a Public Meeting. Should any interested party seek to appeal any decision made by Council with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings and that, for such purpose he may need to ensure that a record of the proceedings is made which record includes the testimony and evidence upon which the appeal is to be based. Anyone who needs a special accommodation for this meeting may contact the City's Americans with Disabilities Act (ADA) Coordinator at 978-4920 at least 48 hours in advance of the meeting.

CITY OF VERO BEACH, FLORIDA
APRIL 5, 2011 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

1. CALL TO ORDER

A. Roll Call

Mayor Jay Kramer, present; Vice Mayor Pilar Turner, present; Councilmember Craig Fletcher, present; Councilmember Brian Heady, present and Councilmember Tracy Carroll, present **Also Present:** Monte Falls, Interim City Manager; Wayne Coment, Acting City Attorney and Tammy Vock, City Clerk

B. Invocation

Councilmember Fletcher gave the invocation.

C. Pledge of Allegiance

The audience and the Council joined in the Pledge of Allegiance to the flag.

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption

Mr. Wayne Coment, Acting City Attorney, requested that item 4-A) be pulled from the agenda.

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

B. Proclamations

1. Vero Beach Art Club – 75th Anniversary
2. National Telecommunicators Week – April 10-16, 2011
3. Hibiscus Festival Weekend – April 15-16, 2011

Mayor Kramer read and presented all three proclamations.

4. Certificate to be presented to Dyer Auto Group

Mayor Kramer presented a certificate to Mr. John Dyer of Dyer Auto Group thanking them for their contributions that they have made towards the Recreation Department.

C. Public Comment

Mr. Charlie Wilson commented that this is a wonderful day and a long time coming (referring to the Letter of Intent that the City received from FP&L). He was at today's meeting to thank a number of people. He said that without Dr. Faherty and Mr. Heran and all of their hard work none of this would have to come to light. He applauded Mr. J. Rock Tonkel for his citizen movement. He thanked Mayor Kramer for his first vote and making it clear that the sale of the Plant would be a serious consideration and he wanted to move forward. He also thanked the Mayor for allowing people to speak. He recalled that previous Councils' would make Dr. Faherty and Mr. Heran sit down and be quiet. Mr. Wilson thanked Mrs. Turner for her search in getting financial data. Mr. Fletcher was instrumental in passing a motion when he first got on Council saying that the policy of this City is that there would be a sale of the electric plant. He especially wanted to thank the City Council point person and that is Mrs. Carroll. He remembers standing in the street at the last Downtown Heritage Festival and getting about 1,000 petitions signed from people that wanted to see this happen. He then thanked Mr. Heady for his help in getting them this far. He said that there are many people to thank. He mentioned that this is an opportunity not to be missed. He felt that this is an opportunity for everyone to come together and that this was good for the City of Vero Beach. He briefly pointed out why they could not delay moving forward. He mentioned that Indian River County would save somewhere around one million dollars in their electric rates if this is done. There will be enough money in the City to eliminate furlough days if they move forward.

Mr. Rusty Braggs was concerned about selling the utilities and quoted $300 million dollars as the price (premium) that they should be getting and also was concerned that their taxes would go up. He could handle paying a couple more dollars for his electric bill, but is afraid if taxes go up that his landlord would start charging him $100.00 more a month in rent.

Mr. Heady told Mr. Braggs that if he has inside sources giving him an estimate of $300 million dollars for the utilities then he would like a copy of where he gets this information from.

Mrs. Turner explained to Mr. Braggs that he needs to look at the total package for this offer. She felt that there may be some problems with his math if he thinks that his rent would increase by $100.00 a month.

Mr. Heady commented that when someone comes to the podium and throws numbers out often the public perceives those numbers as being accurate. It is a disservice to the public if the Council does not correct something that is wrong. He was in no way criticizing Mr. Braggs.

Mr. Braggs reiterated that his concern was giving the Plant away. He felt that this was a matter that should go referendum.

Mr. Bob Blumstein, member of the Utilities Commission, mentioned that a lot of work has been done on this process (selling of the utilities) and initiated before a lot of people here. He is one-hundred percent for free enterprise if it is at fair value. He hopes the

Letter of Intent is presented to the Utilities Commission and the Finance Commission to study so that we (the City) get a good deal. He mentioned that in the new Utilities Commission Mission Statement that solid waste is now being included and that was never there before. He felt that a statement needed to be added to the mission statement to keep everyone on the same page. He referred to the new mission statement and read where it states that the Commission with the staff and the approval of the City Council will create a list of those items that require submission to the Commission and recommendations to accompany is a little off. He said that the items that are important enough to go through the Utilities Commission should get their recommendations before they are presented to the City Council. He felt that emergency items should be approved. He said that in the past there have been years that they have been presented with the budget and other years the budget never came before them. He does not approve of the new election process for the Finance Commission and Planning and Zoning Board. He felt that all the Commissions are dedicated to making good decisions for the good of the City. He said that people serve on these Commissions to give back to the community. The Council has the right to fire anyone (Commission member) and put a new member in. He encouraged Council not to set up the structure where City Council can totally load a commission. He said they will not get people to serve. He heard a statement made by this Council that they need to get people on the Commissions that think like they do. He does not think that is a good attitude. He thinks everyone on the Utilities Commission now is for the good of the City and the customers. He is sure that the Utilities Commission will look at these proposals (Letter of Intent) once they get them for the good of the customers and the City. He is disappointed that each Councilmember gets to appoint someone to some of the Commissions. He said by doing it this way they would end up with a member who has allegiance to a Councilmember and can be removed after an election. He felt that on all the Commissions that the members should be elected at large. He thought by not doing it that way it could possibly be illegal and felt that it was unethical. He mentioned that they have been sent applications for anyone wanting to remain on the Board would need to reapply. He said that he would remain on the Board, but would not fill out a new application. He was not interested in applying for a job that he has already been appointed to do. His qualifications are on the record and have been for the last six years and there is not much updating. He told Council that they are welcome to look at them if they want to. Mr. Blumstein referred to the two (2) letters that they received from Warren Winchester. He said that Mr. Winchester analyzed the situation very well. He doesn't mind if they wind up with FP&L as long as it serves all of them.

Ms. Bea Gardner, a County resident, commented that she read today's agenda and it disturbed her that one item on the agenda was entitled "Dissolution of City." She looked up the definition of dissolution in the dictionary to make sure that she knew what it meant. She didn't feel that this Council should allow this matter to be brought up to the public unless there is backup provided. She was coming to today's meeting to discuss that subject until she read in the paper that a Letter of Intent to purchase City utilities had been received by FP&L. She is a County resident who has City utilities and her bills are very high. She said that in January her bill was $600.00, but the bill has come down since then. She realizes she is paying more money because she is a County resident and

the County charges a 6% franchise fee (another tax). She spoke to Mr. Baird and Commissioner Flescher about this issue and they told her that they are charging it because they can. That doesn't make her feel any better paying those high bills. The figure that she has heard over the years is the Plant is worth between $300 to $350 million dollars. She doesn't know if that is a correct figure or not, but she doesn't know where Dr. Faherty and Mr. Heran get their figures either. She told Council that they, as Councilmembers, represent the City of Vero Beach and have to do what is right for the City. Instead of taking the offer from FP&L, they need to find out how much the utilities are worth. She knows that it is up to the County people who are being charged this 6% franchise fee to fight it.

Mr. Ken Daige stated that he has a vested interest in the City. He told Council in the next few weeks there will be a lot of pressure from the media to go the way of FP&L. He reminded them that they (City Council) represent the citizens and taxpayers of Vero Beach. There are a lot of people struggling to make ends meet and the previous City Council worked very hard to get the rates where they are now. He was in agreement with Mr. Blumstein's thoughts. If they reduce their utility rates in a few weeks that will bring them down even lower. He sent Council an email, which he went over some of the points in his email (please see attached).

Mr. Blumstein asked for a copy of the Letter of Intent. He was told that the Clerk would provide him with a copy.

Mr. Glenn Heran stated that it is a glorious day. He would be happy to plug in the numbers that are real. He wished Council good luck with their decision. He knows they will be under a lot of pressure, but this is a tremendous opportunity for the City. He said that the Public Service Commission (PSC) will rule on what FP&L can offer. He felt that it was prudent to let the PSC be the final arbitrator. He suggested using them instead of the consultant. They are a body that has to rule with fair market value.

At 10:37 a.m., Council took a five-minute break.

D. Adoption of Consent Agenda

1. Regular City Council Minutes – March 15, 2011
2. Council Approval for Utility Easement – Three Avenues – 2001-2095 Indian River Boulevard – Electric T&D Director
3. License to Use City Property #2010-LA-145 – Vero Beach Sports Village- Public Works Chief Surveyor

Mr. Heady pulled item 2D-3) off of the consent agenda.

Mr. Fletcher made a motion to adopt the remainder of the consent agenda. Mrs. Carroll seconded the motion and it passed unanimously.

2D-3) Item pulled off of the consent agenda

License to Use City Property #2010-LA-145 – Vero Beach Sports Village – Public Works Chief Surveyor

Mr. Heady commented that there are some questions that he has with regards to this property and giving someone a license without any revenue whatsoever. He said that there is no opportunity for the City to receive something for what they are giving out. He has some questions that he has raised with staff as to when these particular signs went up on City property. The signs were put up without permission. The document in front of them resolves that issue. He had some questions as to what happened to their signs. The signs that were left by the Dodgers belonged to the City and were taken by this entity and he wanted to know whether or not they have been returned to the City. He said that they are City property. Because of all the questions that he had he wondered if they wanted to table this item and bring it back at another regular Council meeting.

Mr. Monte Falls, Interim City Manager, stated that to his knowledge the existing Dodgertown signs have been removed and are in storage at the facility on the premises. He said that they have not been taken away. He said if it is the will of the Council that this could be delayed until the next meeting.

Mr. Heady wanted to put this item off until the next meeting and wanted the City to be in possession of those old signs.

Mrs. Carroll asked who owns the signs.

Mr. Falls explained that previously when those signs were installed they were on property owned by the Dodgers. When the property was sold then they were on property owned by the new owners. He said that subsequent to the City purchasing that property, an additional right-of-way was donated to Indian River County and those signs were located on the right-of-way portion. When the signs were removed they were on public right-of-way.

Mrs. Carroll wanted to make it clear that in all of the agreements they have for this property that there was no stipulation as to who owned the signs.

Mr. Falls said not to his knowledge. He said that when the City took ownership of the property, the right-of-way had already been dedicated to Indian River County and the signs were not located on property that the City owned.

Mrs. Carroll commented then, in essence this license agreement is a good well gesture towards Sports Village by the City allowing them to locate their signs on City property without any sort of payment or lease.

Mr. Falls told Mrs. Carroll that was correct. He said since there is no payment to the City it would be seen as that and it also protects them should there be any harm to someone because those signs are located on City property.

Mrs. Carroll stated so this license agreement is similar to the license agreement that they will be putting together with the Senior Resource Association for the bus shelter near Publix.

Mr. Falls answered yes.

Mr. Heady commented that a couple of things have been said that the property was by the prior owner was deemed to be right-of-way and granted to the County. Mr. Falls told him that it is a public right-of-way, but 43rd Avenue is a County maintained roadway. Mr. Heady said if it is not City property then why would the City be issuing a license. He asked what right does the City have to give them a license.

Mr. Falls reiterated that the Sports Village signs are located are on City property. The previous Dodgertown signs are on the parcel that was cut out as additional right-of-way for 43rd Avenue.

Mr. Heady asked who owns the right-of-way property.

Mr. Falls stated that it is dedicated to the public.

Mr. Coment added that the signs were originally on property owned by the Dodgers. When this became public right-of-way the signs were removed and at no time were the old signs on City property.

Mr. David Gay, City Chief Surveyor, explained that the right-of-way parcel where the old signs were located was actually deeded to the County by the previous owner for additional right-of-way for traffic impact credits.

Mr. Heady understood that the County has ownership rights to the signs.

Mr. Gay said that they could have them if they make a claim that they want them.

Mr. Falls added that the signs were never located on property owned by the City.

Mr. Heady stated that with respect to the ownership of the signs that is an issue that he needs to take to the County staff or County Commission. His second question was in respect to granting to any corporate entity a right to erect signs on City property. It seems to him that is nothing at all like the example that Mrs. Carroll gave when she talked about public transportation, which does the public good. These signs that they are discussing today are going up to do a corporation some good. He does not have a problem with helping other entities at all. He thinks that if the public is going to give up something, which they are, then it would be fair that the public be compensated. In this agreement there is no compensation for the public. He said if Publix decided that they wanted to put a sign up advertising one of their stores then he does not think that this kind of agreement would be before them. He gave another example, which was if 32963 decided that they wanted to advertise their newspaper and they wanted to put a big sign up on the

Dodgertown golf course he doesn't think that it would come before the Council. He said that this is a private entity that wants to use City property and they want to use it for free, which he thinks is wrong.

Mr. Coment expressed that typically the City does not charge for license agreements like this one. He said that it would be a policy decision for this Council if they want to charge rental rates. He explained that typically if it is a license then the City would not charge for it. However, if it is a lease then they would charge. He said that there are some exceptions to that, which he briefly went over. This is something that could be addressed in the future and some rates could be set by Resolution.

Mrs. Carroll commented that they have seen and continue to see the benefits of Vero Beach Sports Village in regards to economic development to their community. They have seen the Treasure Coast Sports Commission come in with various numbers which show how many people utilize local hotels, the increases to their businesses and restaurants from sports teams coming in and utilizing the Vero Beach Sports Village. She made a motion that they approve the License to Use City Property #2010-LA-145 for Vero Beach Sports Village. Mrs. Turner seconded the motion for discussion.

Mrs. Turner concurred that they (the City) are 10% owners in the Vero Beach Sports Village complex and they have a vested interest in the success of this organization.

The motion passed 4-1, with Mr. Heady voting no.

3. PUBLIC HEARINGS

A) An Ordinance of the City of Vero Beach, Florida, amending Article III, "Boards and Committees," of Chapter 2, "Administration," of the Code of the City of Vero Beach; providing Clarification and Consistency in the Regulations for the City's appointed Commissions and Boards; amending the number of members for Commissions and Boards; deleting references to the Board of Adjustment and adding the Youth Advisory Commission; clarifying the Purpose and Duties of each Commission and Board; clarifying the duties of the City Clerk and City Attorney in regard to Commissions and Boards; providing for transition and severability; providing for an effective date. – Requested by Council

The City Clerk read the Ordinance by title only.

Mr. Coment reported that certain provisions of the Code of Ordinances dealing with the City's Industrial Waste Pretreatment Program provide for appeal review by the Board of Adjustment. That program is overseen by the Florida Department of Environmental Protection. It has come to his attention that any changes to that Pretreatment Program require 45 days notice to the Department prior to making the amendment to their program. He recommended that the Resolution abolishing the Board of Adjustment be

removed from the Council's agenda and postponed pending providing the necessary notice to the FDEP and any approval required by the agency.

Mayor Kramer opened the public hearing at 11:04 a.m.

Mr. Heady stated that fundamentally he would like to see government smaller. He typically tries to see what he can do by reducing burden to the taxpayers by cutting things out. By passing this Ordinance it would add to the public burden by creating another Commission. He is concerned as to the performance of the Youth Advisory Board and how they will operate. He said that they also have to be concerned with the Sunshine Law. By passing this Ordinance it will add another advisory commission, which will be more work for the City Clerk and City Attorney's offices, they don't know how many members will serve on it, do they have to be City residents or not, what the age of the youths will be, will they need parental consent, their duties, responsibilities, etc. It will add to the size of government. If they need a Youth Advisory Commission, he sees no problem with getting a group of youths together to come to the podium and deem whatever they feel is necessary. He just feels they are going in the wrong direction.

Mrs. Carroll disagreed with Mr. Heady's comments. She feels that there is a need in their community to look at issues of youth and families in their City. She recalled that previous City Councils' have said perhaps that the Recreation Commission can cover youth and that was discussed in a number of meetings. They (City Council) have made the decision to go forward with this.

Mrs. Turner felt by having the Youth Advisory Commission it will give them a chance to reach out and honor their youths. She mentioned that civics is not being taught in their schools any more. However, she does share Mr. Heady's comments about economic times. However, they will be eliminating the Board of Adjustment and they have sunsetted the Architectural Review Commission so therefore they are being fiscally responsible with this Ordinance.

Mrs. Carroll brought up the Sunshine Law and felt that the youths of this Commission would be sixteen years old or older and have the responsibility of having a drivers license so she felt that they would understand the ramifications of the Sunshine Law.

Mr. Coment added that before they prepare the Resolution for the Youth Advisory Commission they will want to have more input from the Council.

Mrs. Peggy Lyon, Assistant City Attorney, referred to page 16 of the Ordinance, where it talked about the makeup of this Commission.

Mr. Fletcher felt that this was a great opportunity for their youths to participate in government.

Mr. Fletcher made a motion to approve the Ordinance with the exception of the Board of Adjustment. Mrs. Turner seconded the motion.

Mr. Ken Daige was in favor of the Youth Advisory Commission and felt that it was a win/win situation for the community.

The Clerk polled the Council on the motion and it passed 4-1 with Mrs. Carroll voting yes, Mr. Heady no, Mr. Fletcher yes, Mrs. Turner yes, and Mayor Kramer yes.

4. RESOLUTIONS FOR ADOPTION WITHOUT PUBLIC HEARING

A) A Resolution of the City Council of the City of Vero Beach, Florida, abolishing the Board of Adjustment and terminating the term of office of current Board members; providing for the Planning and Zoning Board of the City of Vero Beach to exercise the powers and duties enumerated for the Board of Adjustment for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05: providing for transition; providing for conflict and severability; providing for an effective date. – Requested by Council

This item was pulled from the agenda.

B) A Resolution of the City Council of the City of Vero Beach, Florida, implementing changes to the organization, membership, and duties of the Planning and Zoning Board of the City of Vero Beach for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05: terminating the term of office of current Board members, except for the County School Board representative; providing for appointment of Board members and their respective terms of office; providing for the Board to exercise the powers and duties enumerated for the Board of Adjustment; providing for conflict and severability; providing for an effective date. – Requested by Council

The City Clerk read the Resolution by title only.

Mayor Kramer had some concerns that if they each chose one member to serve on the Commission that they would be politizing the Planning and Zoning Board and he did not want to do that. He mentioned that they did not receive a ton of applications from people wanting to serve on this Board.

Mr. Coment explained to the Mayor that they just passed the Ordinance that would allow Council to choose their own person to serve on the Planning and Zoning Board and the Finance Commission.

Mrs. Carroll asked Mr. Coment to comment on some of the things mentioned by Mr. Blumstein earlier that it would be illegal to do this.

Mr. Coment could not find any Statute or local Ordinance that would make it illegal for Council to each appoint someone to a Board.

Mrs. Carroll mentioned that this occurs in many cities throughout the State of Florida.

Mr. Fletcher brought up that it is also the practice of the County.

Mrs. Turner made a motion to approve the Resolution. Mrs. Carroll seconded the motion and it passed 5-0 with Mrs. Carroll voting yes, Mr. Heady yes, Mr. Fletcher yes, Mrs. Turner yes, and Mayor Kramer yes.

C) A Resolution of the City Council of the City of Vero Beach, Florida, implementing changes to the organization and membership of the Utilities Commission of the City of Vero Beach for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05: terminating the term of office of current Commission members, except for the Town of Indian River Shores representative; providing for appointment of Commission members and their respective terms of office; providing for conflict and severability; providing for an effective date. – Requested by Council

The City Clerk read the Resolution by title only.

Mrs. Turner made a motion to approve the Resolution with the amendment that the effective date be on April 6, 2011. Mrs. Carroll seconded the motion and it passed 5-0 with Mrs. Carroll voting yes, Mr. Heady yes, Mr. Fletcher yes, Mrs. Turner yes, and Mayor Kramer yes.

D) A Resolution of the City Council of the City of Vero Beach, Florida, implementing changes to the organization and membership of the Finance Commission of the City of Vero Beach for consistency with the Code of the City of Vero Beach as amended by Ordinance Number 2011-05; terminating the term of office of current Commission members; providing for appointment of Commission members and their respective terms of office; providing for conflict and severability; providing for an effective date. – Requested by Council

The City Clerk read the Resolution by title only.

Mrs. Turner made a motion to approve the Resolution with the amendment that the effective date will be April 6, 2011. Mr. Fletcher seconded the motion and it passed 5-0 with Mrs. Carroll voting yes, Mr. Heady yes, Mr. Fletcher yes, Mrs. Turner yes, and Mayor Kramer yes.

5. FIRST READINGS BY TITLE FOR ORDINANCES AND RESOLUTIONS THAT REQUIRE A FUTURE PUBLIC HEARING

6. CITY CLERK'S MATTERS

A) Appointments to the Planning and Zoning Board, Finance Commission and Utilities Commission – Requested by the City Clerk

Planning and Zoning Board

There are five full time positions and two alternate positions open on the Planning and Zoning Board. Each Councilmember will choose one full time member and the Council, as a whole, will choose two alternate members.

Mrs. Carroll chose Mr. Keith Pelan; Mr. Heady chose Mr. Brian Curley; Mr. Fletcher chose Mr. Mark Mucher; Mayor Kramer chose Mr. John Shupe and as a whole the Council appointed Mr. Scott McCracken to serve as Alternate #1 and Mr. Harry Howle to serve as Alternate #2.

Council unanimously approved the new Commission members to serve on the Planning and Zoning Board.

Finance Commission

There are five full time positions and two alternate positions open on the Finance Commission. Each Councilmember will choose one full time member and the Council, as a whole, will choose two alternate members.

Mrs. Carroll chose Mr. Noah Powers; Mr. Heady chose Mr. Bill Teston; Mr. Fletcher chose Mr. Bill Fish; Mrs. Turner chose Mr. Dick Winger and Mayor Kramer chose Mr. Peter Gorry. The Council asked the Clerk to get more applications in order to fill the two alternate positions.

Council unanimously approved the new Commission members to serve on the Finance Commission.

Utilities Commission

There are five full time positions and two alternate positions open on the Utilities Commission. Council polled their top choices to fill those positions (ballots on file in the Clerk's office). The following is the list of new members on the Utilities Commission:

Mr. Herb Whittall – four year term
Mr. Scott Stradley – four year term
Mrs. Jane Burton – four year term
Mr. Bob Blumstein – three year term
Mr. Duane Wasmuth – two year term
Mr. Tom Burkett – Alternate #1

Mr. Bill Jenkins – Alternate #2

Council unanimously approved the new Commission members to serve on the Utilities Commission.

7. CITY MANAGER'S MATTERS

A) Rotary Nautical Flea Market – Requested by Interim City Manager

Mr. Heady made a motion to approve the request from the Rotary Club of Vero Beach in regards to their Nautical Flea Market. Mrs. Carroll seconded the motion.

Mr. William Pomeroy, Chair of the Event, thanked Council for their support and approving the permit for last year's event, which was their first one. He said that once again they are requesting from the Council to be allowed to have a beer and wine tent at their Nautical Flea Market. They will erect a fence around the Oaks area and it will be guarded by volunteers of the Sherriff's Department. They will have trained licensed bartenders serving the alcohol so that no one is over served. Their goal is to hold this effective fundraising event and abide by all the rules and regulations.

Mrs. Carroll disclosed for the record that she was a member of Rotary International.

The motion passed unanimously.

B) Change in the Electric Service – Fuel Cost – Requested by Customer Service Manager

Mr. John Lee, Customer Service Manager, noted that on the second line of most electric bills is the "Electric Service – Fuel Cost," which represents the cost for the generation, transmission and fuel necessary to provide electric service. He said that these costs vary due to changes in the market for the fuel that is used to generate electricity, especially natural gas. When necessary the City adjusts the "Electric Service – Fuel Cost", based on a four step evaluation. Step one is the current pricing as well as future price projections for natural gas and is evaluated by the Power Plant staff based on information obtained from the Florida Municipal Power Pool (FMPP). Step two is the maintenance requirements for the Power Plant and Transmission and Distribution Departments, which are reviewed to insure that all planned maintenance projects are on schedule. Step three is the Electric Design staff provides an update on any new projects that have been planned for the current fiscal year, as well as any unplanned project that may impact the budget. Step four is the Finance Department reviews the status of the Working Capital to insure that the City is maintaining between 45 and 60 days of working capital. The working capital is projected to exceed 60 days and all of the other factors are positive so it is impossible to reduce the "Electric Service – Fuel Cost" portion of the electric bills. Mr. Lee showed a spreadsheet detailing the changes in the electric billing from December 2009 to present (on file in the Clerk's office).

Mrs. Turner was still concerned about any potential fuel cost adjustment.

Mr. Lee explained that they are being careful to hit soft bottom so they don't have to bounce back up. He said right now they are approaching 70 days working capital. He said although prices at the gas pumps keep going up, they are not seeing that in natural gas. There is more than enough supply. However, if things should change dramatically then he will come back to City Council. He said it looks like they will be going through the summer season at the lowest rates they have seen in many years.

C) Beachland Cleaning Services Contract – Requested by Manager of Purchasing and Warehouse Operations

Mrs. Turner was confident that Beachland Cleaning Service provides a good service, but felt that they should go out for competitive bidding.

Mayor Kramer agreed with Mrs. Turner. He wondered how many other companies in the area offer this service.

Mr. John O'Brien, Purchasing Director, said that they could go out to bid and contract to this company on a month to month basis. He mentioned that since he has worked for the City, the City has had five janitorial contracts. He knows a good contract is when you don't see or hear from the company. This company supports the recreation facilities and if a building is not cleaned up after an event then they will come in and clean the building no matter what time of the night that they are called. He thinks that there is some value in having someone who is doing a good job.

Mrs. Turner wanted to make it clear that she was not taking anything away from Beachland Cleaning Service she just thought that they should open it up.

Mayor Kramer agrees with competition.

Mr. Heady did not disagree with Mrs. Turner's position. His only concern was having way too many balls in the air and staff has been given their fair share of things to do. He doesn't want to add one more thing when they have a contractor who is doing a good job. He suggested staying with Beachland Cleaning Service.

Mr. O'Brien commented that sometimes when you go with the lowest bid then that is what you will get.

Mrs. Turner said that she was not saying to go with the lowest bid. She made a motion to send these services out for competitive bid.

Mrs. Carroll suggested that they may want to look at reducing how many days of the week that they clean each building. Her private company has someone come in once a week and not every day.

Mr. O'Brien felt that would depend on the department. He gave the example of Customer Service who has about 100 people walk through every day. He could not determine how often a department needs to be cleaned. That would be up to each individual department.

The motion died for lack of a second.

Mr. Falls suggested issuing a one year contract and then taking a look at this. He said that in the meantime they could talk about service levels internally.

Mr. Fletcher made a motion to approve Beachland Cleaning Services for one year. Mrs. Carroll seconded the motion and it passed 4-1 with Mrs. Turner voting no.

At this time Council adjourned for lunch (12:00 p.m.) and will return for a 1:30 p.m. Special Call meeting.

After the Special Call meeting was held the regular meeting reconvened at 3:23 p.m.

8. CITY ATTORNEY'S MATTERS

A) Update – Florida Public Service Commission Docket No. 090524-EM Complaint of Faherty and Heran against City of Vero Beach for unfair Electric utility rates and charges. – Requested by the Acting City Attorney

Mr. Coment said there is a meeting with the PSC on April 12, 2011 and staff will be attending telephonically. There is a list of eight items that they will be discussing. He reported that the County Commission adopted a Resolution today supporting the complaint made by Dr. Faherty and Mr. Glenn Heran to the PSC. He recommended that the City reengage Mr. Robert Scheffel Wright, Attorney, to represent the City. He felt that the City really could use Mr. Wright's expertise in this matter.

Mrs. Turner asked is there any Councilmember that would object to electric customers outside the City not being served by the City's electric utility. She said that the basis of the complaint is for the customers outside the City limits wanting to be removed from the City's electric utility.

Mr. Heady did not have an objection as long as they pay for the infrastructure.

Mrs. Turner asked is she correct that the whole point of this suit is to give them the right to do it.

Mr. Coment read to Council the eight items they plan to discuss at the meeting. He said there are a lot of things that could come back to haunt the City if they don't properly defend this.

Mrs. Turner asked could they come back and haunt the City and in what way. She asked does the PSC have the ability to fine the City.

Mr. Coment said that he was not sure and that was the reason they need to have Mr. Wright represent them.

Mr. Heady felt that Mrs. Turner was onto something. He felt rather than spend taxpayer dollars, they could probably sit down with the complainants and work out most of these issues. Particularly in light of the fact that they have an FP&L offer, which would essentially end this. It seemed to him rather than engage legal counsel, it would be much more productive and cost effective for the taxpayers to sit down with the complainants and see what they can do. He felt that they could settle this issue. He said that one and a half years ago he did exactly that (sat down with the complainant) and saved tens of thousands of dollars in legal fees over the objection of the then City Attorney and the then City Manager.

Mayor Kramer asked what is the time frame.

Mr. Coment said there is a meeting with the PSC staff on April 12th who would be making decisions on what to bring to the Commission. He said that this is a litigation, which the Court so to speak is in charge of. Therefore, unless they were to withdraw their complaint or put it in abeyance again it would be tough to put a stop on things that have to be taken care of by the PSC. The PSC is in charge of this now. Not Dr. Faherty and Mr. Heran.

Mr. Fletcher said this has already past the point of discussing it with Dr. Faherty and Mr. Heran. It is in the system now and they better have someone there that knows the system to protect the City.

Mr. Heady said it is never to late to sit down with an adversary.

Mr. Fletcher said they could sit down with them, but that does not have one inch of an entrance on this issue that is taking place on April 12th.

Mr. Heady said it is never too late to sit down with them.

Mr. Fletcher said that he did not say it was. He was saying that they are two separate entities. The meeting on April 12th is going to take place whether they like it or not.

Mayor Kramer asked when is the next Council meeting. He was told April 19th. Mayor Kramer said therefore Council does not have another opportunity to make a decision on this.

Mrs. Vock said there is a Special Call meeting scheduled next week.

Mr. Coment said that they need time to prepare for the meeting with the PSC.

Mayor Kramer asked could they start preparing and if they are successful in a stay of their action they could pay for the work that was done.

Mr. Coment said that they would stop work if they receive an abeyance or if the complainants withdraw their complaint.

Mr. Fletcher said the PSC is going to take action on April 12th whether the City is in attendance or not and they need someone in attendance to protect the City's interest.

Mr. Heady said they could have a Special Call meeting this week as early as Thursday or Friday and sit down with the complainants. If they could resolve this issue rather than lawyering up they are going to save the taxpayers a ton of money. He felt that there was some common ground, particularly in light of the FP&L proposal that is before them. He felt that they could comparably settle these issues. He thought that is where Mrs. Turner was going with this and that they need to look at that.

Mrs. Carroll asked Mr. Coment is it his legal opinion that if they do what Mr. Heady is suggesting and the complainants call the PSC to let them know they reached an agreement and don't feel the need to go forward with the April 12th meeting, would that be possible or does he think that it has gone too far.

Mr. Coment said that he could not speak for the PSC. If they were to withdraw the position, he would presume the PSC would stop their actions. He said the PSC has done a lot of work on this.

Mayor Kramer did not want to get the City behind on this issue. He would like see them go ahead to make sure they cover a worst case scenario. If the complainants want to hold back on their suit, that would be great and is worth going after. He just did not want to risk getting behind on this issue.

Mr. Heady said if Council is in agreement that they could sit down with the litigants, they could call the attorneys and tell them to be on line. But if they want to schedule a Special Call meeting they could do it in short order assuming the plaintiffs are willing to sit down with the Council they could do this on Thursday afternoon. The attorneys don't have to start before Thursday afternoon. They are not going to lose anything between Tuesday and Thursday. He felt that there was some middle ground where they could probably solve this and not have to spend thousands of taxpayer's dollars. He said that would meet the requirements of having the lawyers stand by and the requirements of those who want to try to resolve the issue before they spend thousands of dollars.

Mr. Fletcher said the attorneys are only going to have about three days if they don't reach an agreement. They need to give the attorneys time to get their studies done so when and if they have to go before the PSC they would be ready.

Mr. Heady asked what legal notice would they need from the City Clerk.

Mrs. Vock answered 24 hours.

Mr. Heady said then they could have a meeting tomorrow.

Mr. Fletcher asked what is going to change between now and tomorrow.

Mr. Heady said the opportunity to sit down with the litigants.

Mr. Lee said that he spoke with both Dr. Faherty and Mr. Heran about this complaint. They did sit down with them about one year ago and they agreed to hold this in abeyance. But, they were told by the PSC that their time limit was closing and they had to refile. He said that they understand a possible sale to FP&L is on the table, but they wanted all kinds of different things. If they withdrew this they would lose that opportunity. He felt that this has to go forward and sitting down with them would not change a thing.

Mr. Heady asked Mr. Lee if he spoke with them since the FP&L offer.

Mr. Lee answered no.

Mr. Heady said to Mr. Lee as he stands here today, he does not know whether or not that offer has changed their opinion. He said a Special Call meeting would make that determination as to whether or not they need to spend legal dollars if Council came to a settlement with them. He said that Mr. Lee is saying that he does not think they are willing to settle, but he has not discussed this with them since the FP&L offer.

Mr. Lee said that is correct.

Mayor Kramer saw some risk in doing that.

Mr. Heady asked Council to allow him five minutes to leave the meeting and make a telephone call.

Mr. Tom Cadden, Mayor of Indian River Shores, said that when he was termed out as Mayor of Indian River Shores, he was asked by the Town Council to look at both the electric and water and sewer because their franchise agreements were running out. He said that he met with FP&L two years ago and the Town used outside counsel for this. He reported that they were going to go before the PSC in Tallahassee and Attorney Chester Clem advised them that if they were going to do business with the PSC that they do it with Tallahassee attorneys. He said that is what they did. He said that if the City is going to have anything to do with the PSC that they have a Tallahassee attorney. He said that Dr. Faherty and Mr. Heran have a date with the PSC, which takes 12 or 18 months to get. Therefore, Dr. Faherty and Mr. Heran are either going to go forward with this or drop it completely. He said the Town was surprised that Dr. Faherty and Mr. Heran even received a date from the PSC without it being thoroughly investigated.

Mr. Heady said that Mayor Cadden said they were surprised that Dr. Faherty and Mr. Heran received anything from the PSC. He felt that if they read between the lines, that would tell them something about where the PSC is leaning with respect to this issue. He felt that if they look at that and understand that they may be in trouble with the PSC that they may already have looked at this and have some concerns or they at least acknowledge that the complainants have some general grounds for a complaint. He reported that he spoke with the complainant when he stepped away from today's meeting and they are willing to sit down with the Council tomorrow. He felt this made a whole lot of sense. Whatever the Councils' pleasure, it is what it is. But, they do have a willingness from the complainants to sit down.

Mrs. Turner said that Council has interviews tomorrow.

Mrs. Vock reported that Council had an executive session and interviews in the afternoon.

Mr. Fletcher made a motion to authorize the City Attorney to retain Mr. Wright to represent the City at the hearing. Mayor Kramer seconded the motion.

Mr. Coment wanted to make it clear that this meeting is with the PSC staff. They would be making the determination as to what, if anything would go before the Commission. The Commission is not involved yet.

Mr. Fletcher said the City's attorney could make a motion to dismiss certain portions of the complaint.

Mr. Coment said there currently is a motion to dismiss, which was tabled and could be reactivated.

Mayor Kramer liked the idea of a parallel track on this. If they (complainants) could be brought to the table he would be willing to work with them.

Mr. Coment said the issue of whether or not the City should have had a referendum to determine if the customers of the electric utility wanted to have a Utility Authority, he did not know how they could settle that with the complainants. He did not think it was possible to resolve this issue with them.

Mr. Heady asked Mr. Coment if he has spoken with the complainants.

Mr. Coment answered no. But, unless they were willing to drop it he did not think this Council was ready to have a referendum.

Mr. Heady did not say they were willing to drop it. He said that they were willing to sit down and he thought that there were some common grounds. He said that Mr. Coment is saying that he doesn't think that is possible yet and he has not spoke with the complainants. Mr. Heady said that he has spoke with them and they said they think it is

possible. He felt that the legal opinion is always lets lawyer up and they always get that opinion from lawyers. He felt that the taxpayers need to be protected in this instance and in this instance they have complainants who are trying to do what they believe is in the best interest of the citizens. They have a City Council who doesn't even want to sit down with them and see if they could resolve this before they spend tens of thousands of dollars in legal expenses. In his way of thinking, that is outrageous.

Mr. Coment said that his job is to protect the client and that is what he is advising them today. That is exactly what Mr. Heady is talking about, which is the taxpayers, the ratepayers, the City Council and the citizens of the City of Vero Beach.

Mr. Heady said with all due respect, he understands Mr. Coment's position and he has listened to his advice on more than one occasion. He has sat at Council meetings when Mr. Coment refused to give Council a legal opinion on some basic simple terms, such as estoppel.

Mayor Kramer said the point is that they have two gentlemen who have pushed this to the limit and the Council has to respond.

Mr. Heady said that he wants to respond. But, he wants to respond in a cost effective way for the taxpayers, which is to sit down tomorrow with the complainants to see if there is some common ground where they could agree to some things without going through a huge legal expense.

Mayor Kramer could not agree more, but unfortunately they don't know what the outcome of the meeting is going to be and they have to cover all bases.

Mr. Heady said he is asking for 24 hours.

Mr. Fletcher said Council is saying to do a parallel effort. He called the question.

Mrs. Turner asked if they did hold that meeting tomorrow, they have an Executive Session in the morning and interviews in the afternoon. Therefore, the only time she could see Council could do that would be at 8:00 a.m.

The City Clerk advised Council that would not give her enough time to notice the meeting.

Mr. Heady suggested holding the meeting at 4:00 p.m.

Mrs. Carroll said that she would not be available at 4:00 p.m. tomorrow.

Mr. Heady asked are there enough Councilmembers to attend a meeting at 4:00 p.m. tomorrow. He said that he could. Mrs. Turner said that she could attend. Mr. Fletcher said that he would not be available.

Mrs. Turner felt that the complainants options may be limited considering where they are with the PSC. She felt that without a commitment from Council that they are going to proceed with a sale to FP&L they would be reluctant to withdraw their complaint on a permanent basis.
Mrs. Carroll said that she spoke with Mr. Heran on that issue and his discussion with her factored mainly on the point that they were going to pursue this in both ways. They were still hoping for a deal with FP&L, but work towards this simultaneously.

Mrs. Turner said in the event that they proceed with legal representation, she would like to place a dollar amount.

Mr. Coment reported that Mr. Wright was last contracted at $225 an hour. He said that he did not know what time Mr. Wright would have to put into this. He suggested that Council cap it at 10 hours for now.

Mr. Fletcher amended his motion to authorize the City Attorney to retain Mr. Wright to represent the City before the PSC at a 12 hour cap. Mrs. Carroll seconded the amended motion. Mr. Kramer withdrew his second to the first motion. The motion passed 4-1 with Mr. Heady voting no.

9. CITY COUNCIL MATTERS

A. Old Business

1. Water and Wastewater Financials – Requested by Vice-Mayor Turner

Mrs. Turner referred to her repeated requests for financial information regarding the City's water and wastewater system. She felt that they are continuing to face significant challenges in this area. Unfortunately, she has not received the numbers that would allow her to verify whether the adjustments that staff made to the City's budget in order to avoid the rate increases recommended by PRMG on if those adjustments were actually being achieved. She asked Council to concur with her in requesting from the Finance Department the financials to verify rate adequacy. She said that she has not seen any numbers on where they are to date in the Water and Sewer Department as far as monthly salaries, etc. She asked Mr. Falls if he has seen any financials for the Water and Sewer Department for this six month period.

Mr. Falls reported that on March 21st he forwarded to the City Clerk and to members of some of the Commissions, updates for February 2011 General Fund Electric, Water and Sewer, Airport, Marina and Solid Waste funds. He asked Mrs. Turner if she received this information.

Mrs. Turner answered yes. She said that every time she requests information she receives it in a different format. That is why she laid out specifically what she wants to look at. She said that these are the items that she could compare the adjustments that she was told were made to the budget so that the City would not need the increase. Specifically, that

shows that they made the reductions in the operating salary that was promised, that they are achieving the reductions and assurance, that the employee count is what they said it was going to be, etc. She did not think the City could afford to wait until next year's CAFR report to get these numbers to confirm where they are.

Mr. Maillet said the information the Council received in March was in the format that was requested before and then attached to that were income statements. All the information that Mrs. Turner mentioned today is news to him and to Mr. Bolton that she wants this.

Mrs. Turner said that she asked for monthly financial reports of budget verses actual in November.

Mr. Maillet said that this information was sent in March and Mrs. Turner keeps saying that she doesn't get it so he does not know where it is going.

Mrs. Turner asked Council to support her in requesting the financial data that would allow them to evaluate the rate adequacies for the City's water and sewer.

Mrs. Carroll asked Mr. Maillet if he has the staff and time necessary to provide this information in this format requested by Mrs. Turner.

Mr. Maillet said that he would work with Mr. Bolton to get these numbers. This is a he said, she said. He did not want to be disrespectful, but he has been sending Mrs. Turner what she has been requesting. If this is the format that she would like, they (he and Mr. Bolton) would produce numbers in this format.

Mr. Heady asked Mr. Maillet is this information something they could give Council within a few days.

Mr. Maillet answered yes.

Mr. Heady was in support of Mrs. Turner to have this information by the week's end.

Mr. Bolton said they said in the past if Council wanted the General Ledger they would be glad to give them that every month, but no one wanted the General Ledger.

Mrs. Turner said that she did not want the General Ledger. She wanted the format that they started out with. She said that she received one copy in November. She asked in November about looking at what the water system would look like without Indian River Shores and without the County. She figured that this would be about a 40% reduction in the City's income, which considering the condition of the City's system that would certainly not be viable and guessed that was why Mr. Bolton has not responded. She said that in December Mr. Bolton stated that he was working on this, but she has not received anything.

Mr. Bolton said that he stated in December that he was working on this, but he also stated that he was working on a report so that he would know what their volume and sales and needs were for just the City of Vero Beach. He said that a lot of the operating costs deal with power chemicals, etc. He explained that unless he knows those volumes he cannot prepare revenues, personnel reductions, etc. He reported that he was still waiting on that report. He hoped that he would receive it in the near future.

Mrs. Carroll asked if he was waiting on staff to provide this information.

Mr. Bolton said that he is waiting on the Consultant to respond to information technologies because that is who handles the City's billing system. The Consultant is Cayanta, who has not responded with a time frame.

Mrs. Carroll asked when was that request made.

Mr. Bolton said the request was originally made in October or November.

Mrs. Carroll was concerned that this was a Consultant that the City hired and are refusing to provide documents the City is asking for.

Mr. Lee explained that the City's utility billing system contains a great deal of information and Mr. Bolton wants it in specific order. The City does not have a report writer because when that person left it was decided not to fill that position because of budgetary reasons. Therefore, they requested that Ceyenta write a custom report, which takes a long time. He said that the billing system is very complex. It has 1,600 different tables in it that bills every night. He said that you have to understand the system in order to create a report. It could be another month or two before they can give Mr. Bolton the information he is requesting.

Mrs. Carroll asked isn't there a custom fields where they could just go through addresses and print a report.

Mr. Lee explained that when the City purchased this software they had an option to either spend $750,000 or $3.4 million dollars depending on how complex they wanted to be. The City Council made the decision to spend $750,000 so all they received was the "can" reports. They have a complex billing system and if they want anything different from it they have to contract with the software vendor to do it. It was never put into position to do this kind of thing. It was put into position to take the meter readings, bill the customer, and keep a history.

Mrs. Turner said they have a meeting scheduled with the County on April 29, 2011 to review regionalization. However, at this time all the City has are two activists who presented a concept to the City Council on regionalization. She asked for a motion from Council to request that the County give them a proposal for regionalization that they could review.

Mr. Heady made that motion. Mrs. Carroll seconded the motion.

Mr. Coment asked Council if they were aware of the action that the County Commission took today.

Mr. Heady said the County took action to remove those customers from the City of Vero Beach.

Mr. Coment reported that the County approved sending a letter of intent not to renew the franchise agreement for South beach and that they support regionalization.

Mr. Heady said South Beach and Indian River Shores combined are 40% of the City's customers. He did not know the percentage for Indian River Shores.

Mrs. Turner answered about 20%.

Mr. Heady said based on the County Commission's action taken today, that are pretty sure that 20% of the City's customers are history.

Mr. Bolton explained that the City has a franchise agreement with the County, but there also is an overlying service territorial agreement that was signed in 1989 that clearly defined the boundaries. The only way to change the service territory is to have a mutual agreement. Therefore, the City has the right to continue to serve the South Beach area forever because there was no sunset on the agreement.

Mrs. Carroll asked Mr. Coment to provide Council the contract documentation Mr. Bolton is speaking about.

Mr. Maillet asked Mr. Coment to explain to Council that if the franchise agreement is allowed to lapse, what would ensue after that.

Mr. Coment said that the case law he is familiar with came out of an electric case from Winter Park. He explained that their franchise agreement lapsed or wasn't renewed and the electric company was correct when they kept collecting the franchise fee and paying it. He said it resulted in a lawsuit and they won. He felt that those same rules would apply here.

Mrs. Turner said that she would proceed with a letter to the County requesting a formal proposal.

Mayor Kramer asked are they offering themselves up for sale to the County.

Mrs. Turner answered no. She explained that all they were doing was requesting that the County present a proposal for regionalization.

Mr. Fletcher was not in favor of this. He felt that the City had a strong stance in the agreement as it is. He said the County can write all the letters they want, but it is the City's service area.

Mrs. Turner asked Mr. Fletcher if he has looked at the financials of the City's water and sewer.

Mr. Fletcher said that he made his stance clear.

Mrs. Turner asked Mr. Fletcher if he appreciated where the City is financially in the water and sewer area.

Mr. Fletcher answered yes.

Mr. Heady felt that Mrs. Turner was asking a legitimate question.

Mr. Fletcher said whether Mr. Heady thinks it is a legitimate question or not is irrelevant because it is between himself and Mrs. Turner.

Mr. Heady said the County is clearly looking for regionalization. All Mrs. Turner is asking for is to have the County submit to the City what they are looking for. That is not an unreasonable request.

Mayor Kramer said the County does not need a request from the City. They are the drivers of the regionalization, not the City.

Mr. Heady said let's ask the County to give them a proposal on what it is that they are offering, what they are asking, etc.

Mr. Fletcher said if the County wants to propose something let them propose it. The City does not need to ask for it.

Mr. Falls passed out to Council information on the water and sewer system that shows the City is building cash in the water and sewer utility. He understood that Council was just receiving this information and if they want staff to go over it they can.

Mayor Kramer felt this was kind of like an ambush.

Mrs. Turner said that she knows the water and sewer has been building some cash, but they have been in a drought. She felt that has helped in the water sales. Now they are at the time of year for rain and the revenues will be declining.

Mr. Maillet said that he was not trying to ambush the Council. If Council does not want to discuss this today, that is fine with him. They were just giving Council additional information.

Mrs. Carroll said Council discussed earlier the appraisal of the electric plant and the assets. There is a total property plant and equipment net at six million dollars listed. She asked where did that number come from.

Mr. Maillet said that is the historical cost. He said there would be similar numbers on the electric system.

Mr. Heady thanked Mr. Maillet for the information. He didn't think there was any ambush going on. He said there has been, in the past, different entities that presented different numbers and one of the shortcomings is failure to answer them. If the County has the idea that they need regionalization, he felt that without seeing any of the numbers, what comes to his mind is that they (the County) are looking for more customers, for more income. He asked why. He said that he wants to see the County's numbers and the City's numbers. If the County can propose a more cost effective way of providing water, sewer, or whatever it is, then he would like see what their proposal is and he would like to see staff's response. He said this has been in very short where they get meaningful response back. There are people who come up to the podium and give Council a presentation. He said that he could not tell them whether their presentation is right, wrong, or indifferent until he receives numbers back from staff and then he could do an independent analysis. He felt that need numbers from both sides so they could make informed decisions.

Mayor Kramer said that when he looks at the books he comes up with a completely different perspective. He was of the opinion that they were making too much money if anything. He sees these numbers and thinks as a utility, they are probably doing too well. He said that at the end of 2013 they have the opportunity to drop rates. He sees significant improvements and the only problem he sees is that they are probably doing too well and they need to pay the debt off and cut back. He said a plan was laid out a few months ago to build the cash up, pay off the debt, and then decrease the rates. He said that he could see this happening. He felt that the numbers show it and the CAFR shows it.

Mr. Bolton reported that they received a check yesterday for reimbursement of the Deep Injection Well, which would give them about $3.7 million dollars in equity. This gives them about 80 days.

Mrs. Turner said that includes the $2 million dollar loan the City took out in December.

Mr. Bolton said they have not drawn down fully on the $2 million dollars.

Mr. Maillet said the money from that loan would also be reserved for paying down the debt in June.

Mrs. Turner said that was with the intention of the approval of the Finance Commission.

Mr. Bolton thought that he showed some projections that they would have four and a half or five million dollars and they would pay down three or four million dollars in the year 2013. That would drop them down to the two million dollars and they would build it back up. The following year they could go into a rate decrease because they would have dropped a debt service payment. He said that is the goal they are working towards.

Mr. Daige said the actual system works very well and it is generated cash. He was hoping for the rate reduction. He said that he has heard from some of the commercial customers both inside and outside the City limits that there has never been a problem with people complaining about the rates. They love the service. There have been some people from the County who are pushing for a County takeover of the City's system. He said if the County wants to send something to the City, let them do it on their own. He said that Mrs. Turner is requesting more financial information, which she has made it very clear what she wants.

Mayor Kramer felt that in looking at the finances, time is on the City's side. He did not think that they needed to hurry this along.

The motion passed 3-2 with Mr. Fletcher and Mayor Kramer voting no.

2. Filling personnel vacancies in Finance Department – Requested by Vice-Mayor Turner

Mrs. Turner asked for an update on filling the position of Finance Director.

Mr. Falls reported that the Assistant Finance Director, Mr. Gonzales, started working on Monday. He stated that Mr. Gonzales would be working with the Mrs. Jackie Mitts for the next few weeks. He said that Mrs. Mitts is instrumental in working on the FEMA audit and he would like her to continue, but not full time. He said that he would give Council a deadline within the next week (when Mrs. Mitts would no longer be needed and retire).

Mr. Heady asked if there is someone present for today's meeting who could call Mr. Gonzales to come to introduce himself.

Mr. Falls asked if they could have him attend another Council meeting so he could give him a little notice.

Mayor Kramer asked Council to do personal introductions.

Mr. Falls reported that there were about 60 applicants for the Finance Director position and they were still receiving applications. He asked Mr. Anderson to close the position at the end of business yesterday. They have conducted nine telephone interviews and are scheduled to do three more. Once they have interviewed them all, they would short list them to the top three candidates. Once they have the top three candidates, they would hold another interview and choose the top candidate, which they would ask that he or she

visit the City and they would make an offer at that time. He said that he would like to have an offer made by the end of the month and then hoped to have them on board sometime around the first of June.

3. City Personnel Policies – Requested by Vice-Mayor Turner

Mrs. Turner said that she would like to move forward with policy changes requesting the City Attorney to prepare an Ordinance. She said this would institute an appraisal system as well as limiting the retirees returning back on the City's payroll.

Mr. Coment said that would be placed in the Personnel Rules and then adopted by Resolution.

Mr. Robert Anderson, Human Resource Director, reported that they have done a lot of work revising the personnel Rules as a whole. The specific items Mrs. Turner is requesting has not been discussed and would need to be put into a Resolution and passed by Council.

Mrs. Turner requested a motion to request the City Attorney's office to prepare a Resolution to include those two revisions to the Personnel Rules.

Mayor Kramer said it states under no circumstances may a retiree's employment exceed 60 days. He asked is it possible that they could put in some type of wording that the City Council would have to approve it every 60 days.

Mrs. Turner and Mr. Fletcher agreed.

Mayor Kramer said that he would support this.

Mr. Coment asked were they talking about all employees having appraisals.

Mrs. Turner said her proposal is for all employees.

Mr. Coment asked would that come into play with collective bargaining with the Union.

Mr. Anderson answered yes. He said that the Teamsters Union expressed willingness to work with the City on developing performance appraisals.

Mrs. Carroll read from the Personnel Rules and from the Teamsters Contracts. She said that with an annual written appraisal, she did not see how they would impacting working conditions or wages.

Mr. Fletcher felt that they should go ahead with this and if the Union has a broader view of this they could talk about it at that time.

Mr. Coment said the first step would be to draft the rules and bring them back to the Council and provide them to the Union.

Mrs. Turner made a motion to move forward with policy changes by requesting the City Attorney to prepare a Resolution to the proposed personnel policy revisions. Mrs. Carroll seconded the motion.

Mr. Heady said one of the things they have is that a retired employee may not be employed without notification to the City Council. He has heard from other Councilmembers in the past that when they read something in the newspaper that they were not aware of that they get upset. He said that in the 32963 paper there was an article about Vero's staff double dipping and being prearranged. He remembered a Council meeting where a bonus was being offered for City employees to take their pension and retire, which was going to save the taxpayer's money. Then they find out one year later that it was arranged for these employees to set their retirement in motion, collect bonuses that were tens of thousands of dollars and they retired on a Friday and at their same desk at the same job performing the same service on Monday morning. They were essentially being paid the same, but as a contract employee rather than an employee of the City. He said that he has a difficult time trying to figure out how this was not a fraud to the taxpayers.

Mrs. Turner said in the absence of a clear set policy these things happen. That is why she is requesting Council's concurrence in moving forward with this Resolution.

Mr. Heady said that she would definitely get his concurrence on this, but he did not think they need a policy to tell staff that they aren't to defraud the Council.

Mr. Fletcher said that without this in writing, they can and will do it.

Mr. Heady disagreed. He felt that when a Council debates an issue and staff gives them information that leads them to believe something that is not true, that is grounds for termination of the employees. He expects to be told the truth. When he is told that an employee is retiring effective on a Friday and then find out one year later that they had a prearranged deal with the City Manager to come back on the payroll on Monday morning at the same rate of pay as a contracting employee and sometimes at an increase in pay, he does not know they could define that as anything other than fraud to the taxpayers.

Mr. Fletcher said because it is not on the books.

Mayor Kramer said let's put something in writing that defines this.

Mr. Heady disagreed that it is not on the books. He felt that defrauding and lying to decision makers is something that is a fireable offence. He felt this is against the law. At one point they had a City Manager testify to the State's Attorney something that turned out to be totally not true. He said that he was not referring to the current City Manager. He said that these things are fraud.

Mrs. Carroll asked what is the new wording for the retirement.

Mrs. Turner said something that includes 60 days without notice to the Council. She said that the City Attorney's office would incorporate wording in the Resolution for Council to approve.

The motion passed unanimously.

Mrs. Turner said they received an outside legal opinion regarding sick leave and annual leave. She reported that any benefits employees have accrued in those benefits they would retain no matter what changes are made in the future.

Mrs. Carroll asked would the annual written appraisal be developed by the City Manager and Human Resource Director.

Mrs. Turner said it was intentially left vague.

4. Quarterly Financial Review – Requested by Vice-Mayor Turner

Mrs. Turner said they are now halfway through their financial year and it is critical for getting ready for their budget to have a quarterly financial review scheduled for the next Council meeting.

Mrs. Carroll said on November 8th the Council required monthly financial reports. She said that she has not seen them. She asked Mr. Falls for his comments on this.

Mrs. Turner asked Mr. Falls if he is receiving monthly financial reports regarding actual verses budget.

Mr. Falls said yes in the monthly statements he receives where they are with each fund as a percentage of what was in the budget.

Mrs. Turner asked Mr. Falls, are you getting a breakdown as far as salaries, expense items, etc., or are you receiving just a bottom line number.

Mr. Falls said that every department receives a monthly status update on where each of the expense accounts are on what they budgeted for that year and what percentage they have spent.

Mrs. Turner asked Mr. Falls if he can give Council where they stand to date. She said that she has not seen anything since December.

Mr. Falls said a City Council meeting is scheduled next week to talk about pensions, insurance and the budget sessions. If Council would like to discuss it at this meeting they could.

Mrs. Turner asked Mr. Falls if he is aware where the City stands to date.

Mr. Falls said that he briefly looks at each fund. He asked Mr. Maillet to speak to Council regarding the monthly update the Finance Department sends to each Department.

Mr. Maillet explained that each department receives their portion of the general ledger.

Mrs. Carroll felt that the point she was hearing was that the backup for this information includes monthly budget summary, the monthly actual is dated December 31st. She said if this was the last document the Council has seen, where is January, February and March. It states at the top of the document that it is a monthly budget summary, but the Council is not receiving these.

Mr. Maillet said that he would like to change the procedure. He said that he sends it to the City Clerk. He sent information on March 21st, which covered year to date through February.

Mrs. Carroll showed Mr. Maillet the monthly general ledger stating that is what the Council has not received.

Mr. Falls said that they would start sending the monthly general ledger to each Councilmember.

5. FPL Report – Requested by Councilmember Heady

Mr. Heady said on April 4th FP&L delivered to the Mayor a letter with a proposal on their interest with some possible terms. He didn't know where they could go from here today, other than he was happy to have this from FP&L. He asked what is their next step in regards to this proposal.

Mr. Fletcher said that they originally discussed that anyone who has questions that they would write them down and give them to Mr. Falls who would then put them into a single document to be sent to FP&L.

Mrs. Carroll said that Mr. Falls would be forwarding the questions to FP&L as soon as he compiles them so perhaps FP&L could have answers for the meeting on April 19th.

Mr. Falls said the sooner he receives the questions the better so they could give FP&L time to look at them before the meeting on the 19th.

Mr. Heady asked if they could get a letter from the Mayor in the short term to Pam that they appreciate the proposal that they sent and that they are currently compiling questions that Council has. He said that way FP&L knows that the Council's interest is peaked and that they are doing something.

Mayor Kramer agreed.

Mr. Heady read from the Letter of Intent to purchase from FP&L dated April 4, 2011 for the record (please see attached). He asked that this letter be placed on the City's website. He said that Council is responding to this letter and FP&L has their interest. It was his understanding that FP&L would be attending the next regular City Council meeting. He asked at that meeting, does anyone envision any action or do they envision that meeting more of an informative meeting with FP&L.

Mr. Fletcher envisioned the meeting as having dialogue.

Mr. Heady asked and then action by the Council will happen sometime after that meeting.

Mr. Fletcher answered yes.

6. OUC Contract – Requested by Councilmember Heady

Mr. Heady said questions that seem to be never ending are even more important in terms of what the contract is. He said that he contacted a couple of lawyers and they discussed the circumstances surrounding the contract that came into being. He said the legal opinions that he is getting is that it is clear there is a contract and the City is contractually bound to the contract that was voted on April 15th and that contract is not the one evidenced in the file. He said that he was not going to belabor that at this time, but would put it back on another Council agenda for discussion.

7. Avoiding Federal Lawsuits – Requested by Councilmember Heady

This item was not discussed.

8. Water and Sewer Update – Requested by Councilmember Heady

Mr. Heady said that Council covered a lot of this with Vice Mayor Turner's item. He felt that it was important to recognize the action taken by the County Commission today and it sounded like Council would get some answers back.

9. Discussion on consideration of Charter Officer positions – Requested by Councilmember Heady

Mr. Heady said that he was chastised a little bit at the last Council meeting for not having more information. He suggested at that time that there be some consideration by the Council about having control over an additional Charter Officer and that Charter Officer being the Chief Financial Officer rather than have that position be under the care, control, and custody of the City Manager. He felt that it was important that the Financial Officer of the City is a Charter Officer under the control of this Council.

Mayor Kramer asked doesn't the County have something similar to this with Mr. Jeff Barton, Clerk of the Court.

The City Clerk answered no. She reported that Mr. Barton is a Constitutional Officer.

Mr. Maillet said that the Finance Director and the Finance Department is under the Clerk of the Court. Under the County Commission is the County Administrator.

Mayor Kramer said the Clerk of the Court is an elected position.

Mr. Maillet said that is correct.

Mrs. Carroll asked staff if they are aware of other municipalities that have a Financial Officer who is a Charter Officer.

The City Clerk answered the City of Venice.

Mrs. Carroll asked would this require an addition to the Charter, which would have to go to referendum.

Mr. Coment answered yes.

Mrs. Turner suggested that they defer any discussion on this while they are interviewing City Manager candidates. She said that they may have a City Manager that has a strong financial background and may not need this position. She asked Mr. Heady if he would be amicable to deferring this discussion until they have completed the City Manager search or did he want something specific he wanted action on.

Mr. Heady said that he didn't need action on this today, but felt there could be some deadlines. This was something of interest to Council on if they want the Chief Financial Officer of the City to be a Charter Officer. This is something that would need to go before the voters in November. The reason he was bringing it up in April was to give Council time to think it over and debate on if this was something that they would like to do. Then it would give the City Attorney and the City Clerk time to put it on the ballot for November. Whether or not they have a City Manager that has financial ability or expertise he did not think changed his concern. His concern is that Council currently has control over the City Attorney, the City Clerk and the City Manager and yet the dollars are out of their control in terms of the Financial Officer. He felt that adding an additional Charter Officer does not change the expense of the taxpayers. It does not cost anyone additional money, but it does give the Council more control over the finances of the City.

Mayor Kramer requested that they put this on the next Council agenda. He noted that as a rule, he likes to separate the financial from executive to make sure they have checks and balances.

Mrs. Turner said that she spoke with Mrs. Lesley Swann, Supervisor of Elections, regarding Charter revisions and she was told that they need to submit them by July 1, 2011.

Mr. Coment said that would entail an Ordinance, which they would need about one month.

Mr. Heady said that they are coming up to a time where if Council is interested in this that they would need to make the decision by the first meeting in May. He said that if they make the decision in May and hold the public hearings in June, they could have the information to the Supervisor of Elections by July 1st.

Mr. Falls requested direction on this if he was going to be hiring a Finance Director. He said that if Council was thinking of having the Finance Director a Charter Officer, that would be important information for the candidates to know before they make a decision.

Mr. Heady said the choice that Mr. Falls makes may be the person that Council would choose to be their Charter Officer.

Mr. Falls explained that it would afford the candidate the opportunity to factor that into his decision whether they wanted to come to the City as a Department Head or as a Charter Officer.

Mr. Heady said depending on how they look at it, it would give them more or less security.

The Council took a five-minute break at 5:01 p.m.

Ms. Eleanor Morton, City resident, said there were a lot of things going on that concerned her. She said that she has lived in Vero Beach for almost 60 years and was concerned about people who have been here for a short time who are trying to completely change the City. She said that she didn't know whether the City should sell their electric or not, but she would like to leave it to whoever she feels are the experts to do it. All she has heard them speak about is Mr. Heran and Dr. Faherty. She asked how do they know that somewhere Mr. Heran didn't accidently do something wrong. She felt like they were rushing. She knows the rates are slowly coming down and she would rather pay a little more for her utilities and know that when she calls the City that they would be there to repair any problems within the half-hour. She said during the hurricanes the City of Vero Beach finished way before FP&L and she knew that the City was very concerned about their employees. She said that her husband was working for the City at that time and working and the City made sure that their employees received one hot meal each day. She hates to see things changing. In her mind, she did not think selling the utilities was the best. She was upset with how much time is given to one Councilmember, even more than the Mayor. Her problem with that was if they disagree with something, a lawsuit is threatened. She knew there recently was a lawsuit and it came up where the City had the choice on making him pay, which she thought it was decided not to make him pay. She

asked if there is another lawsuit, does that mean that her tax dollars are again going to support the lawsuit. She felt that they should be forced to pay their own expenses and not the taxpayers.

Mr. Heady did not think this Council was working on an Mr. Heran or Dr. Faherty plan. He felt that what they were working on was the proposal from FP&L. This was not Mr. Heran, Dr. Faherty, or any other member of the public that is orchestrating this. It is FP&L. Regarding the lawsuits, she was referring to him and he paid his own legal fees. The City paid legal fees to defend against the suit.

B. New Business

1. Search for City Attorney – Requested by Mayor Kramer

Mayor Kramer said that he would like a consensus from Council on if they could put out the word for a City Attorney. He spoke with Mrs. Lyon about the possibility of putting the word out with the Bar Association. He felt that it would be a good idea to get the word out and begin collecting resumes and interest for people who are interested in the position.

Mrs. Turner said that she would like the opportunity to review the City Attorney's job description before they put the word out. She said that an addition that she would like to make is that they manage all outside counsel, work scope and costs. She said that other Councilmembers may want to make some modifications prior to posting this position.

Mr. Coment said that Human Resources has a labor attorney, as well as someone who specializes in workman compensation and they typically report to Human Resources. The City Attorney's office often does not know about this. This is something that has never gone through the City Attorney's office in the past. The City Manager, historically, has sometimes hired outside counsel without it going through the City Attorney's office. He said that if Council wants these changes, they would need to instruct the other departments that this is what they want done. He asked Council to keep in mind that this does add more work on the City Attorney.

Mrs. Turner was surprised to hear that individual departments other than the Human Resources are hiring outside counsel.

Mayor Kramer said Council could make these changes at any time. He would like Council's direction on putting this out.

Mrs. Carroll disagreed. She felt that they need to set this in stone prior to putting this out. She felt this was imperative.

Mr. Fletcher said that they could get the process going and still nail it down at the same time.

Mrs. Turner asked Mr. Coment is there any urgency that he would want Council to resolve this issue. She asked Mr. Coment if he no longer is willing to continue in this position.

Mr. Coment said that he originally agreed with the Council that he would fill the position for four months. He also indicated that he was willing to extend that if that is what Council wished.

Mr. Heady referred to Mrs. Turner's comment regarding other departments hiring an attorney. He said that any legal work at all, certainly the City Attorney should know whether or not there is an attorney being hired for some purpose for the City. The City Attorney should at least have some oversight if there is counsel. He said the City Attorney's oversight may be little or it may be a lot. But, to not have oversight by the City Attorney's office on legal matters seemed to him to be a wrong approach. He agreed with Mrs. Carroll that this was something that needed to be in the job description. He said that any legal matters at all are somewhat under his oversight, unless Council hires someone for a specific purpose and they remove that responsibility from the City Attorney's office.

Mr. Fletcher suggested that they get a consensus from Council to putting this in the job description. He said that he was in favor of it. Mrs. Carroll seconded that.

Mrs. Turner said that would be that the City Attorney's office manages all outside workscopes. She felt that they needed more wording.

Mr. Heady said that they (City Attorney) have overall oversight on all legal matters. He said that if they add those few words, that would cover it and would allow them to start to advertise.

Mrs. Carroll referred to the job description that she printed from the City's website on March 21st, which states under the primary function that they insure that citizens do not speak more than four-minutes and 30-seconds during the public comment portion (of Council meetings). She asked Mr. Coment if he is currently timing citizens of the public.

Mr. Coment answered no.

Council agreed to remove that from the job description.

Mr. Coment said that normally cities advertise in the Florida Bar newspaper that comes out twice a month.

Mrs. Carroll said that Mrs. Turner was given a number of various advertisements that were used to advertise the County Attorney position. She felt that this was a great way to get started. She would like to discuss what Council plans on doing. She asked do they plan to utilize an Human Resource firm to go through the applications as they come in or is the Council going to look at them in total.

Mayor Kramer said that he would like to put it out to see what kind of volume they receive. It there is a high number of applications, then they would probably have to do an RFP to hire a firm.

Mrs. Carroll said that she has seen a few emails from individuals in the community who were interested in the position. She did not know if the City has received any resumes.

Mr. Anderson said that he has not received any resumes for City Attorney. He said that Council needs to decide the process on how they want to do this, such as do they want the Human Resource Department to collect the applications, etc.

Mrs. Turner felt that this was going to require more thought. She suggested that they defer this item to the next Council meeting.

Mr. Heady said that was not a problem, but they have identified that they could cross out the time requirement and add that they have general oversight. Based on those two things, he felt that the current City Attorney could put it in the weekly law review (Florida Bar newspaper).

Mrs. Turner said that they have to establish the way to collect the resumes. She said that they need to think through this process before putting it out on the wire.

Mr. Heady said that he did not have a problem waiting and he does not have a problem with the Human Resource Department collecting the applications either.

Mayor Kramer said that they would put changes in there and put this item back on the agenda for the next Council meeting.

2. Required Documentation form for Council members to add agenda items to Council meetings – Requested by Councilmember Carroll

Mrs. Carroll said at the December meeting Council voted to require documentation forms for Councilmembers to add agenda items to Council meetings. She said the Council voted 3-2 to require an agenda form to be filled out. There have been a number of discussions since then and the Mayor brought up the fact that he wanted to revisit the documentation necessary. She said that the form she filled out included some additional items that may be utilized for that. She said that the decision needs to come from Council, rather than her suggestion. The Mayor has not required that the format be followed and they end up having items on the agenda, such as item 9-B) – Dissolution of City, Requested by Councilmember Heady, on today's agenda. She said that she could not imagine that a person from the public reading this would have any concept on what Mr. Heady planned on bringing forth. She said as stated by a member of the public earlier today, dissolution was the process of breaking up or destroying an organization or an institution. She said that in order to alleviate those types of things from taking place and a Councilmember choosing to make what may be a mockery of an agenda item, these

are her suggestions on modifications of that (please see attached). If Council feels necessary that they continue utilizing an addendum to the agenda format, they could continue to do so. If a Councilmember or the Mayor is going to require that, then it is a waste of time.

Mayor Kramer said that he did want to review this and go back over it. He felt that what happened the last time they spoke about this they did not capture the full discussion of what they wanted in the motion. He said that the motion did not have all the elements in it.

Mrs. Carroll said the motion did have all the items she listed in small print and it has not been upheld by the Mayor.

Mayor Kramer said technically the form was filled out. He agreed with Mrs. Carroll, but wanted to make sure that they follow a motion that insures the form is filled out the way they want it filled out.

Mrs. Carroll asked the Mayor if he would like this item tabled to the next Council meeting so he would have the opportunity to read it.

Mr. Heady felt that allegation that the Mayor was not enforcing this was nonsense. He said the documentation is there and obviously is not satisfactory to Mrs. Carroll. He said that the City has survived for 90 years without a form to put things on the agenda and could survive longer. Regarding a Councilmember not putting items on the agenda properly was an allegation from a Councilmember. He said their case in point, the Chief Financial Officer being a Charter Officer, there is no backup, it is an idea. There are no relevant City Charter updates of past decisions or past statements. It is an idea.

Mrs. Turner asked Mr. Heady would it be so difficult for him to say this is an idea and that he would like to discuss Council's opinion of the idea. She said if he could just state what action he wants from Council, it would be a big help for them to prepare for their meetings.

Mrs. Carroll said one thing she put on this was that Councilmembers wishing to bring up items of a general interest for informational purposes only, where debate is not required and no vote is anticipated should do so under Councilmember comments. She said agenda items are action items. She said that she would table this to the next Council meeting to give the Councilmembers a chance to read it over.

Mr. Fletcher asked Council to keep in mind that the base line concept is Council's fiduciary responsibility to allow the public to know what is going to be going on during the meeting.

3. League of Cities Legislative Day Report – Requested by Councilmember Heady

Mr. Heady said that he was given a ton of information, which he would give to the City Clerk the 2011 Issue Briefs to be given to Council. Also the League of Cities had some flyers that were given out and they asked that they bring them to the local representatives. He said that Councilmembers at the local level that understand what is going on and they are the ones who debate issues on a daily basis and who understand what the public wants. He said that the League gave them talking points on what the Councilmembers needed to say to their representatives and what they should say.

4. Dissolution of City – Requested by Councilmember Heady

Mr. Heady said meeting after meeting they hear people come up and accuse Councilmembers of working to dissolve this City. He put this on the agenda for discussion because he did not think there was any Councilmember who has an open or hidden agenda for intent to dissolve the City. He felt that they have issues on the agenda with respect to FP&L and perhaps a consolidation on water and sewer. These items are not meant to dissolve the City or tear it apart brick by brick. He wanted the opportunity to have it on the public record and in the minutes and give any Councilmember who was so inclined an opportunity to make a Resolution if that is what they wanted. He did not think that was what they intend to do or try to do. He felt that the efforts by the Councilmembers were to provide for the City residents essential services in the most cost effective way. He thought that this would give the opportunity to put this popular rumor to bed. He said it was not his desire or his intent. He said that this is on a portion of the agenda if someone wanted to make a motion then they could. This is the reason this was placed on the agenda.

Mayor Kramer could not imagine anyone signing up for this job with the idea of dissolving the City.

Mr. Heady asked don't you hear that. Don't you hear constantly that all they are trying to do is tear this City apart brick by brick.

Mrs. Turner said that she would never question anyone's love of the City of Vero Beach serving here. She said that is why they were there.

Mr. Heady said they hear it from the podium and this provides the opportunity to put to rest this kind of silliness. It is just not true. If someone said that they are trying to do that, there is no one who made that motion and they had the opportunity, so stop the silly nonsense.

10. INDIVIDUAL COUNCILMEMBERS' MATTERS

A. Mayor Jay Kramer's Matters

1. Correspondence

2. Committee Reports

3. Comments

Mayor Kramer reported that he attended two Saint Patrick's Day parades, Open House at the Castle, participated in the Mayor's for Meals Day with the Senior Resource Association, attended two fundraisers – the Rowing Club and Right to Life five-mile walk, he spoke at the Republican Woman of the Treasure Coast. He reported that the City of Vero Beach received the Torchbearer Award from the United Way.

The City Clerk reported that the City received the Torchbearer Award for raising more than $12,000 for the United Way and the City should be proud of that.

Mayor Kramer reported that the City also received an award from the Salvation Army for the Angel Tree Participation.

B. Vice Mayor Pilar Turner's Matters

1. Correspondence
2. Committee Reports
3. Comments

Mrs. Turner reported that she attended the Open House at the Mental Health Association's Walk-in Clinic. She requested that the City Clerk, City Manager and the Mayor not schedule a Committee meeting in the middle of their regular Council meetings in the future, unless it is an emergency.

C. Councilmember Tracy Carroll's Matters

1. Correspondence
2. Committee Reports
3. Comments

Mrs. Carroll reported that she attended a meeting of individuals who are interested in creating a boathouse on the river. She said participating in the meeting were the Sailing Organization, Crew Organization, the Recreation Department, Marina, the City Manager and the Planning Department. It is now back in the hands of the Sailing and Crew organizations to look at various locations on the riverfront. She attended the Gainesville League of Cities program for newly elected officials and learned a great deal of information that she hoped would improve their effectiveness as Councilmembers. She attended the United Way event as a representative of the Girl Scouts. She reported that the Girl Scouts would be celebrating their 100 birthday in 2012. She attended the Airport Commission meeting and a drowning prevention program at Beachland Elementary School. She reported that Riverside Children's Theatre is holding a show "How to Become a Pirate."

D. Councilmember Brian Heady's Matters

1. Correspondence
2. Committee Reports
3. Comments

No report given.

E. Councilmember Craig Fletcher's Matters

1. Correspondence

2. Committee Reports

3. Comments

No report given.

11. ADJOURNMENT

Mr. Fletcher made a motion to adjourn today's meeting at 5:45 p.m. Mayor Kramer seconded the motion and it passed unanimously.

SPECIAL CALL JOINT CITY COUNCIL/FINANCE COMMISSION/UTILITIES COMMISSION MINUTES
TUESDAY, APRIL 5, 2011 1:30 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

PRESENT: Jay Kramer, Mayor; Pilar Turner, Vice Mayor; Craig Fletcher, Councilmember; Brian Heady, Councilmember and Tracy Carroll, Councilmember **Also Present:** Monte Falls, Interim City Manager; Wayne Coment, Acting City Attorney and Tammy Vock, City Clerk

UTILITIES COMMISSION: Members: Herb Whittall, Robert Blumstein and Jane Burton

FINANCE COMMISSION: Chairman, William Teston and Vice Chairman, Richard Winger

Utilities Commission Excused Absence: Edward Wiegner
Utilities Commission Unexcused Absence: Jason Fykes
Finance Commission Excused Absence: Bill Fish
Finance Commission Unexcused Absence: Laura Torres

1) ITEM FOR DISCUSSION:

A) GAI Consultants' Proposal for Electric System Valuation, FPL Proposal Evaluation and Technical Assistance for City Response

Mr. Monte Falls, Interim City Manager, reported that when he wrote the memorandum included in their backup he had requested that they hold GAI's proposal in abeyance until they receive a proposal from FP&L. The City has now since received a Letter of Intent from FP&L. Mr. Jerald Hartman, Vice President of GAI Consultants, has not had a lot of time reviewing this information as he just received it during lunch today. Mr. Falls said that he was concerned with FP&L's proposal not being for the entire system and Mr. Hartman's proposal that he has laid out in his scope of services was. Therefore, it is more in line with what they received from FP&L.

Mr. Hartman went over his proposal with the Council, which was provided to staff on March 25, 2011 (on file in the City Clerk's office). He said that they received all the information that FP&L received from the City and did an analysis on some of that information. He said that one of their observations in comparison to the market is that the City should not be in the power production business. The City does not attain the economy of scale in generation of electric power that is accomplished. The City does not need the generation capacity for inside City customers. They looked at, each as a group, the South Beach area, the Town of Indian River Shores, inside the City limits, the mainland outside the City limits, and then the entire T&D system. When they put the entire system together there are different economies verses components of those systems. These give four answers. The fifth is the generation capacity, which should be understood. There are various markets relative to generation capacity. One that the City uses it for, which in their research it did not look highly utilized, and it could be utilized more by another entity that sells peaking power. He explained that when they did this work they did not have the Letter of Intent to purchase from FP&L. This letter seems to indicate FP&L's approach to lease the generation assets until such time that they are no longer needed and then

FP&L would pay for the dismantling of those assets and then the land would go back to the City. In appraisal terms, the assets are restricted to limited use and ultimately salvaged. Salvage value is one of the lowest values in USPAP appraisal terms. There is a forced liquidation and then there is salvage. That may not be the type of evaluation prudency for the City's stakeholders for recouping value. He noted that before you sell something you want to know what it is worth. The first thing they would need to know is the condition to understand the long term value and the useful life. He then went over the Team and the fees with the Council, which is included in the backup information. He reported that the appraisal of the electric system would take 132 days. The City would receive briefings at 45 days, 75 days, and 105 days during the appraisal. The City has a defined scope of work that covers the areas they requested. There are other areas that the City may want to pursue, such as optimization, rate and charge analysis, competitive market assessment, etc.

Mayor Kramer asked Mr. Hartman if he thought there was a competitive market for the City's system.

Mr. Hartman answered yes.

Mayor Kramer asked if he saw a lot of people aggressively looking for this.

Mr. Hartman answered yes.

Mr. Heady asked Mr. Hartman if he thought there was someone other than FP&L that would be interested in purchasing the system.

Mr. Hartman said that he could not speak for other entities, but he knows of many other entities that look into acquisitions. He said that Reliant purchased the OUC Power Plant, which was a $200 million dollar transaction. He noted that the service area around the City is FP&L and it would be more problematic for someone else to come in, but they could.

Mr. Heady asked why would it be problematic for someone else to come in.

Mr. Hartman said they would have to connect and have split service areas etc., that may not be as advisable.

Mr. Heady said that they would have to use FP&L transmission lines.

Mr. Hartman answered absolutely.

Mrs. Turner said the Letter of Intent from FP&L was for the complete system and not a piece mill approach. She felt that until the City hears from FP&L that they would be interested in purchasing solely the assets outside the City, they have to move forward in looking at this as a whole. She also was concerned with the appraisal taking 132 days. She asked is this something that they could accelerate.

Mr. Hartman answered yes, they could accelerate it some.

Mrs. Carroll was also concerned with the appraisal taking 132 days as FP&L brought this offer to the City in less than 132 days and a lot of that time was City staff providing FP&L the documentation needed. She said that this information has been provided to GAI Consulting and therefore they have a leg up on this.

Mr. Hartman said the Letter of Intent was not an appraisal. If Council is asking him to come up with an approach to an acquisition in less than 132 days on behalf of the City, then yes absolutely. But, they were not answering the questions for the City's customers as to what they were selling and how much it is worth. FP&L is not saying how much it is worth, so they have not appraised it. FP&L is saying that their due diligence portion would not be done until July. He felt that GAI Consultants was accomplishing the tasks that are in the proposal much faster than FP&L.

Mr. Heady said the statement was made that they must look at this whole. He asked why. He said the City has a Letter of Intent from FP&L. He asked why must they look at this as a whole.

Mrs. Turner felt that they needed to ascertain whether FP&L would be interested in purchasing solely the operating area outside the City. She said if they are interested then she would say to continue to pursue all the options. But at this point, the City has no indication that FP&L is interested in anything other than the total package of the City's utility service.

Mr. Heady said in the City's conversations with FP&L so far has been that the City was looking at selling the utility as a whole. The City has not had a meaningful conversation with FP&L as to whether or not pulling back within the corporate limits was a viable option.

Mr. Hartman advised the Council to understand the City's components as well as the whole, because there may be things that they could work with to help in negotiations.

Mr. Heady said one of the reasons that Council sought Mr. Hartman's advice was because he has some expertise. He asked what has the taxpayers spent so far in terms of Mr. Hartman's fees.

Mr. Hartman answered $4,000, which was approved by Council on March 1st.

Mrs. Turner clarified that was for electrical services only.

Mr. Robert Blumstein, Utilities Commission member, asked was there a time limit from FP&L.

Mr. Hartman said answered July 1st was the date FP&L stated that they would have their due diligence completed, but not the date to execute an agreement.

Mr. Heady said then there is not a deadline for the City.

Mrs. Turner said that she did not see a defined negotiation period.

Mr. Heady agreed that it was not defined, but asked Mrs. Turner if she agreed that the City Council had an obligation to do something in the short term.

Mrs. Turner answered absolutely.

Mr. Wayne Coment, Acting City Attorney, read from the Letter of Intent, "the party shall negotiate in good faith through July 1, 2011."

Mrs. Carroll asked Mr. Hartman if July 1st is the deadline for the negotiation period, how does that effect his timeline.

Mr. Hartman said that they would complete their work before then. He said that July 1st is FP&L's deadline for due diligence. He said that what FP&L is trying to do is to have active negotiations. Nothing that he stated in his presentation was to the contrary of that. He explained that negotiations could change the conditions in the Letter of Intent.

Mrs. Turner said the City would be moving forward in good faith.

Mr. Hartman explained that his intent was not to delay, it was simply to provide information to have a well founded decision.

Mr. Heady said one thing that was said was that the City was not the best entity to be in the electric production business. He asked Mr. Hartman to elaborate why.

Mr. Hartman explained that the City does not have the economy of scale on the production assets. The generation assets are not sufficient with customer contracts, sales, etc., to give a long term low production cost from that asset. Not necessary from the City's agreements. The agreement with OUC has a very good production cost associated with it. When they plan the stewardship of that asset itself it does not factor into the mix for the City cost effectively when someone else could use it more cost effectively or salvaged and recovered.

Mr. Heady asked is that because the City's production assets are not efficient and there are more efficient units on the market, because of the economy of scale or is it a combination.

Mr. Hartman said the assets are not as efficient because of the economy of scale, the type of assets they are, the utilization of those assets, the full generation capacity, etc. There are many facets that go into it.

Mr. Falls said that he had this conversation with Mr. Hartman and the way he was able to understand it a little better was that the City's power production facility is very important to the system during peak times. But the Cities utilization of that system is only during the peak and Mr. Hartman explained to him that there are entities that sell peaking power that may be able to utilize more of the time for their peaks, rather than the small amount of time that the City has peaks.

Mr. Heady said that means that the City's assets are saleable and have some value.

Mr. Hartman said the concept that is related to is correct.

Mr. Richard Winger, Finance Commission Chairman, felt that the next step would be a response letter from the City Council showing interest in this and footnoting any concerns. He also felt that time was of the essence and they need to go forward with the study. The problem they are going to have is that some taxpayers are going to think that the utilities are worth more. He did not think the City has time to go with anyone other than Mr. Hartman.

Mr. Glenn Heran said there is a suggestion that FP&L is in fact just taking his advice and that he controls FP&L. That is a ridiculous notion. He said that he does not know what Mr. Hartman's experience is, but asked what difference does it make what Mr. Hartman says. He said that FP&L is regulated by the PSC who has to look at the purchase price. FP&L is not allowed to pay a price higher than fair market value because in doing so it would negatively impact their existing customers. He said instead of spending money on a consultant, let the PSC do it as they will be the final arbitrator.

Mr. Heady asked does the PSC have to approve any final deal.

Mr. John Lee, Customer Service Manager, said that in the deal between the City of Winter Park and Progress Energy they arbitrated the value of the system before it went to the PSC. The PSC did not arbitrate the value of the system. He was not stating that Mr. Heran was wrong, all he was stating was that in the last example that he was aware the two parties decided the deal before it went to PSC. What the PSC is supposed to do is look at both sides of the deal to make sure that neither party is harmed by the deal. He thought that the PSC expects them to do the diligence and bring that to them first with an agreement between the parties to make sure it is calculated properly.

Mr. Heady said that if he is hearing this correctly, the PSC would not allow FP&L to pay too little or too much because they are going to regulate a fair market value.

Mr. Lee said if FP&L pays more than they should, they cannot impact their current customers. Therefore, they would have to apply a surcharge to the new customer base they are bringing on for a period of time to pay down whatever debt they had to finance to do it.

Mr. Heady said in the offer from FP&L, they are saying that the City customers would be offered the same rate as the current FP&L customers. Therefore, it is correct to assume that once the PSC looks at that number that is the number that is not going to negatively impact their customers.

Mr. Lee said that is a reasonable assumption. What they have done is determine the maximum they could pay without impacting their native customers. They have not based it on the value of the system. They based it in on their cost and how it effects them.

Mr. Heady asked Mr. Lee, with his experience with the PSC, would it be possible for FP&L to come in and offer such a lowball number that it would have the opposite effect.

Mr. Lee did not think that would be possible because FP&L has a rate of return that they receive from the PSC. If they were to acquire an asset that is well below the value, that would affect FP&L's rate of return.

Mr. Heady asked can the PSC be asked to come in and arbitrate a fair value of the system.

Mr. Lee said that he did not know. He has never seen that happen.

Mr. Falls said that Mr. Hartman is an expert in this field. He asked him to address these points.

Mr. Hartman said the PSC does not value assets. They check in the documentation the value you say your assets are. He said that rate base is not fair market value. He said the PSC is a regulator of the quality of service and rates. They approve the transactions based on the ability to run the system, financial integrity or capability and proven track record to run a system. He said that he had accepted by the PSC as an expert witness. He did not project a tremendous problem with the PSC approving FP&L's ability to acquire the system. They have the ability, economy of scale and the equity.

Mr. Rusty Bragg felt that this was a lowball offer. He did not feel comfortable with it. He felt that this should go to referendum because the citizens should have a say in this.

Mr. Heady said if Mr. Bragg did not have a say then the Mayor would not have allowed him to speak. He felt that it was unfair for Mr. Bragg to categorize this Council as not allowing him to have a say. That was just not true.

Mr. J. Rock Tonkel asked Mr. Hartman if he has ever had one of his appraisals questioned or revised.

Mr. Hartman said because he does appraisals in condemnation and litigation settings yes, he has had his appraisals challenged. His track record relative to his appraisals on an average over the past 35 years the outcome has been about 11% overall. That is because in litigation one side would be at one number and another side at another number and he is equal on both sides. He said that he has been recognized nationally for what he does. He noted that to his knowledge, he has not had a dissatisfied customer.

Mr. Tonkel said that Mr. Hartman suggested that Council felt some assets might be purchased by other jurisdictions or power providers. Mr. Tonkel said the former City Council looked for Letters of Intent from six or eight established utilities in the State and no one was interested. He asked Mr. Hartman how he could support his statement that there might be other purchasers for a portion or all the City's assets.

Mr. Falls thought that the City asked for power providers.

Mr. Lee said that the City sent letters to FP&L, Jacksonville Electric Authority, Tampa Electric, FMPA, OUC, and a few other utilities asking them if they were interested in buying all or part of the City's electric system.

Mr. Hartman asked Mr. Lee was a letter sent to Reliant.

Mr. Lee answered no.

Mr. Hartman said this is an FP&L service area so they would be the one responding. There are several companies that do peaking power and the market is not that great. But that is a total different market than what they were talking about.

Mr. Tonkel felt that the PSC was not likely to undertake the kind of support that the City may need. He felt that Mr. Hartman passed Council's criteria, standards, tests, etc. He also felt that Mr. Hartman was worth the money in order to meet the objective of looking at the system and coming up with figures Council would be comfortable with. He felt that the people he represents would be supportive in moving in that direction if Council decides it is necessary.

Mr. Peter Gorry asked what is the rate of return if it were calculated for Vero Beach. He felt that would go to the issue of whether it is over value or under value based on the rate of return. He asked what is FP&L permitted to earn verses if Vero Beach was done on the same basis. What would be the comparative rates.

Mr. Hartman said that FP&L has a greater rate of return than the City of Vero Beach. He said that a higher rate of return is a lower valuation because one way is to discount cash flow. That is one of the methods. He said that is a major factor. Other factors are economy of scale, utilization, teaming assets, etc. He said that FP&L's rate of return may be higher than the City's rate of return and produce a lower value, but their efficiencies may also be greater than the City's which would compensate that situation.

Mr. Gorry asked how does the Council approach getting a negotiation team together and from where.

Mr. Blumstein said the City has not received an offer from FP&L. The City received a Letter of Intent. He felt that it still behooved the City to find out what they have to sell so they could be in a negotiation position when the offer arrives. He felt that the City needed to get moving on evaluating the system and what they want to get for it and Mr. Hartman could do that. In parallel, the City needs to get the Commissions, Boards, Council and staff to read the information in the Letter of Intent in detail.

Mr. Herbert Whittall, Utility Commission member, said that he has not read the Letter of Intent, but it appears to him that FP&L wants the City's T&D system and not the generation system. It seemed to him that FP&L was saying that the City's generating system was a wash. He asked Mr. Hartman when speaking of someone else using the City's peaking system, would they use the system here or take it to where they are located.

Mr. Hartman said in the Letter of Intent, FP&L would lease the City's assets, take on the cost of dismantling it, and the property would revert back to the City. There is an undetermined period of time that FP&L would lease the Power Plant assets, so they do need them. He said that a peaking power entity looks to sell peaking power on the grid and that entity would look at those

assets differently than FP&L. He said that if someone wanted the peaking power, they would use it here. They would not take it to where they were located.

Mrs. Carroll asked the Commission member how they would answer to the public regarding spending $230,000 (referring to the quote on GAI Consulants' fees noted in the backup information).

Mr. Winger felt that was a small amount of money. He said that is an investment that they would have to do. He said there were several pros and cons that need to be considered.

Mrs. Jane Burton, Utilities Commission member, felt that it was important to remember that $100 million dollars is a figure. She asked how are they going to sell this to the stockholders to let them know that they received a fair market value if they don't have a value. She felt that with the amount of work that is going to need to be done, this looked like a fair figure.

Mr. Heady said the Utilities and Finance Commission has had some oversight in the electric utility for many years. He asked is there anyone on either Commission that has an idea of the current value.

Mrs. Burton said that she has only been on the Utilities Commission for 18 months. She noted that her expertise is water and wastewater. She said that she does not have a figure based on current market conditions.

Mr. Heady asked is there anyone on staff that has a reasonable number with respect to the fair market value of the electric utility.

Mr. Whittall said that he heard that Mr. R.B. Sloan, past Utilities Director, had said it should be about $5,000 per customer on T&D, which for 33,000 customers that would be about $165 million dollars.

Mr. Blumstein said if they take the five to six million dollars they give the City as a profit point and multiply that by 20, which would be a reasonable bond the City could purchase and then the City could pay off the debt. That would be at about $150 to $200 million dollars. He said the price they are talking about today is about point two percent of the deal.

Mayor Kramer said that if FP&L could improve the deal by one-half of a percentage point, it would pay for itself.

Mr. Hartman advised Council as the State advises relative to purchase and sale of assets, that they understand the book value, revenue and expenses, the value as an appraisal, the aspects of the impacts on the City's customers both positive and negative, the impacts on the City as an entity, positive and negative. He noted that these are written in the Florida Statutes. He is generally concurred with the comments that were made today.

Mayor Kramer asked is there a consensus among the Finance and Utilities Commission.

Mr. Teston spoke on behalf of the Finance Commission members present for today's meeting stating that the City has to go ahead with the proposal and hire GAI Consultants to give the City information that they have to have before they can consider if they want to sell or not. He said that they have to know the bottom line for the stockholders (citizens) and how they are going to be affected short term and long term.

Mr. Whittall said that he had a couple of hesitations. One was that the City could look at $100 million dollars and decide if this was somewhere in the area they could accept and live with. The second was that the City could wait until their meeting with FP&L on April 19th so that they could have a better understanding of what FP&L is looking at. If both of those work out then he would agree with going forward.

Mrs. Burton said the City is getting an independent unbiased opinion (GAI Consultants). She did not see any point in waiting on this issue. It is not going to go away, even if Council decides they want to take the $100 million dollars they are still going to have to convince the stockholders that they made a good decision. If they don't go with FP&L, they are still going to need to know the value of the assets.

Mr. Blumstein felt that they should move forward.

Mr. Fletcher said that they did not need to wait 19 days (referring to the Council meeting with FP&L) to find out what the Letter of Intent says. He would like Council and the Commission members to give the City Manager their questions so that he can send a letter to FP&L asking for clarification. Mr. Fletcher said this could be done right away. He said parallel to that, the City Manager should begin a response letter to FP&L. He felt that it was absolutely necessary to have this evaluation done so they have some knowledge so that they cover their basis and do their due diligence. They have to have a professional appraisal on the value of the system.

Mr. Heady said a few people have weighed in that they have had evaluations and he has asked privately and publically if there is any evaluations that are from staff, the electric utility, the Finance Department, the City Manager, etc. He said that if there are any evaluations, he would like to see them. He asked Mr. Lee and Mr. Falls are there any internal evaluations from any date that they know of that gives a value for this asset.

Mr. Lee answered no. He said that to the best of his knowledge the City has never done a formal appraisal of the system so they have no real value.

Mr. Heady asked Mr. Falls is that his understanding.

Mr. Falls said that he would have to yield that question to Mr. Lee.

Mr. Heady asked Mr. Coment.

Mr. Coment said that the assets are insured, but he did not know how they calculate the assets for insuring them. He said that they would need to check with Risk Management.

Mr. Heady asked do you know what that number is.

Mr. Coment answered no.

Mr. Heady asked can Council get that number. He said that he would like to know what the value is for insurance. He asked Mr. Maillet if he knows the number.

Mr. Steve Maillet, Finance Director, said that lines and the land are not insured, but the structures that can be insured are.

Mr. Heady said then there is nothing in the public records anywhere or anyplace that puts any real meaningful evaluation on the City's electric utility other than the insurance value.

Mr. Maillet said that was correct.

Mrs. Carroll asked Mr. Hartman is it typical for municipalities to have evaluations done on their utility assets if they are not done in a sale mode.

Mr. Hartman answered no. He said that is not a mismanagement thing at all. Usually they value assets when considering purchase and sale of the assets.

Mr. Heady said that there was not an allocation that there was mismanagement. He thought that it was more that there are statements from the public that there were internal evaluations and he wanted to clear this up for the public record. He said if there are internal evaluations then he would like to see them.

Mr. Lee said that he spoke with Mrs. Barbara Morey, Risk Manager, who stressed that the insurance is for replacement value of the City's facilities. It does not cover their lines, transformers, the land, etc. He said that as an appraisal for the system it is useless.

Mr. Heady asked what is the number.

Mr. Lee answered somewhere between $220 and $230 million dollars.

Mr. Bragg asked what are the tax ramifications to fill the void from the revenue stream that comes into this utility.

Mrs. Turner said that is information that they are going to have to provide to the citizens before they can go forward with anything.

Mr. Heady said there is some concern about making sure that they have an independent evaluation. He said that they all have their bias. He asked Mr. Hartman what is his current client base.

Mr. Hartman said 60% of his firm's revenue is in the electric sector. In the electric sector, 75% to 80% is from investor owned utilities and 25% from municipal or government utilities. The water and wastewater sector it is flip-flopped.

Mr. Heady said Mr. Hartman made some comments about the value of the generation assets and there are terms in the document from FP&L. It seemed to him (Mr. Heady) that the generation asset value is very short term that if he reads between the lines or what is in front of them, FP&L's long term goal is to decommission that Plant.

Mr. Hartman said that is what is stated, but more specificity is needed. There are questions. He noted that the lease payment was not stated in the document.

Mr. Heady asked Mr. Hartman in his experience, are the generation assets that the City has something that is salable to someone else.

Mr. Hartman said there is a salvage market for some of the equipment, such as the copper. He said there is a resale market for some of the equipment. He said there is a lot of cost associated with the site. He noted that there is not a lot of value in salvage.

Mr. Heady asked are the generators a marketable item.

Mr. Hartman answered yes, but it is not a high market.

Mr. Heady said one of the things about the equipment the City currently owns is that they are old. They build generators that were capable of burning things that current generators cannot (because of the thickness). He asked does this add some value.

Mr. Hartman said compared to generation market and value of megawatt per megawatt of generation in today's market value, it is very low.

Mr. Winger felt that the City should ask FP&L how long they want to lease the Power Plant and at what price.

Mr. Falls said that he would collect the questions from the Council and from the Finance and Utilities Commission and some of those questions they may want to ask during their meeting on the 19th.

Mr. Fletcher said they need to present the questions in a formal letter.

Mayor Kramer asked is it the consensus of the Council to do this.

Mr. Fletcher and Mrs. Carroll answered yes.

Mrs. Turner would like the questions presented to FP&L prior to the meeting on the 19th.

Mr. Falls asked that the Council and Commission members get their questions to him as quickly as possible and he would draft a letter to FP&L.

Mr. Heady asked Mayor Kramer to explain what he was asking for a consensus from Council for.

Mayor Kramer said it is to have the Council and the Commission members give their questions to Mr. Falls so that they could ask for more clarity from FP&L on their Letter of Intent.

Mr. Fletcher made a motion to move forward with GAI Consultants. Mayor Kramer seconded the motion.

Mr. Heady could see the need for some of this, but questioned the need for other things. For example, under the fee schedule there is a real estate appraisal. He asked does it really make a difference because FP&L's Letter of Intent has nothing to do with the real estate. He asked do they really need to spend taxpayer's dollars on a real estate appraisal.

Mr. Coment said one thing that it does is give the City a value to base their lease on.

Mr. Heady said the lease payment they would be entering into would involve more than the real estate.

Mr. Coment said FP&L would be purchasing the assets.

Mr. Heady said FP&L would own the equipment.

Mr. Coment said that was correct.

Mr. Heady said because FP&L owns the equipment that also obligates them, and they have offered, to decommission the Plant.

Mrs. Turner asked Mr. Coment if they move forward with this, would he be willing to supervise the legal services. She was concerned that there have been past contracts with consulting services that the legal portions of the contracts were not supervised or monitored. She would like Mr. Coment to be accountable for the legal services.

Mr. Coment answered yes, with the help of the City Manager.

Mrs. Carroll said that under the team GAI Consultants is proposing, she would like the City Manager to appoint someone on staff to be the lead person for Council to ask questions.

Mr. Falls said they would put together a staff team and Council is welcome to contact either himself or any person they appoint to the team.
The motion to accept GAI Consultants passed unanimously.

2. ADJOURNMENT

Today’s meeting adjourned at 3:11 p.m.

/sp

2D-2)

City Council Agenda Item
Meeting of April 5, 2011

TO: Mayor Jay Kramer
Vice Mayor Pilar Turner
Councilmember Brian Heady
Councilmember Craig Fletcher
Councilmember Tracy Carroll

FROM: Monte K. Falls, P.E. - Interim City Manager MKFalls 3/28

DATE: March 28, 2011

SUBJECT: **Council Approval for Utility Easement – Three Avenues – 2001-2095 Indian River Boulevard**

REQUESTED BY: Electric T&D Director

The following is requested as it relates to the above-referenced agenda item:

✓ Request Council review and approval based on the attached supporting documentation.

____ Request Council review and possible action.

____ No action required. (Information only)

Electric T & D

OFFICE OF THE DIRECTOR

RANDALL MCCAMISH

DEPARTMENTAL CORRESPONDENCE

TO: Monte K. Fall, Interim City Manager

FROM: Randall McCamish, Electric T & D Director

DATE: 03/24/2011

Re: Council Approval for Utility Easement-Three Avenues-2001-2095 Indian River Blvd.

Recommendation:

Place this on the City Council agenda for April 5, 2011 for the Council's approval.

Background:

Due to renovations at the above referenced address, we have designed a new underground utility system that requires abandonment of an existing easement and creating a new easement that will allow the new construction to be re-energized.

RM/la

Received
MAR 2011
City Mgr.'s Office

DEPARTMENTAL CORRESPONDENCE

RECEIVED
2011
T&D/MS

TO: Distribution

FROM: David R. Gay, PSM, Chief Surveyor
DEPT: Public Works

DATE: March 16, 2011

RE: Utility Easement
Three Avenues

Attached for your signatures please find the referenced Deed of Easement, along with Exhibit "A". This easement grants the City of Vero Beach a utility easement to relocate underground lines for the Three Avenues property.

We have attached the *original* Deed, which has been executed by the property owner, for your review and signature. Once complete, we request the City Attorney's Office have same recorded and forward the original recorded document to the City Clerk with a copy to our department.

Should you have any questions please advise.

DISTRIBUTION:

Randall McCamish, Director
Transmission and Distribution

Monte K. Falls, Interim City Manager

Tammy Vock, City Clerk

Wayne Coment, Acting City Attorney 3/23/11

Attachment

MKF/jb

T:\REVIEWS\Easements Granted\2010-EG-0082 Three Avenues\Routing_COVB_Mar 16 2011.docx

Received
MAR 2011
City Mgr's Office

Prepared by and return to:
Office of the City Attorney
P.O. Box 1389
Vero Beach, FL 32961-1389

UTILITY AND ACCESS EASEMENT DEED
(2010-EG-0082)

THIS INDENTURE made and entered into this _____ day of _____ 20__, by and between ABG5 LLC, a Florida limited liability company (the "Grantor"), whose mailing address is P.O. Box 644397, Vero Beach, FL 32964, and the CITY OF VERO BEACH, a Florida municipal corporation (the "Grantee"), whose mailing address is P.O. Box 1389, Vero Beach, FL 32961-1389:

(Wherever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and their respective heirs, legal representatives, successors and assigns.)

WITNESSETH:

That Grantor is the owner in fee simple of that certain real property (the "Property") lying, situate and being in Indian River County, Florida and more particularly described as:

Indian River County Parcel ID #33-39-01-00001-0000-00012.0, as recorded in Official Record Book 01722, Page 01040 of the Public Records of Indian River County, Florida.

That Grantor, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants to the Grantee, its successor and assigns, a non-exclusive easement in perpetuity for utility purposes for relocation of underground lines, more particularly described in Exhibit "A" (the "Easement Premises"), attached hereto and incorporated herein by reference, which shall run with and be a burden upon the Property.

[THIS SECTION INTENTIONALLY LEFT BLANK]

Grantor hereby reserves for itself, its successors and assigns, the right to use the Easement Premises for purposes not inconsistent with the easement granted herein, including without limitation, the right of ingress, egress and passage by Grantee and its employees, agents, customers, and invitees, on, over, under, across, and through the Easement Premises, and the right to pave, sod and install minor landscaping (but not trees) within the Easement Premises. Notwithstanding the foregoing to the contrary, Grantor shall not install, nor allow the installation of trees, buildings, or other vertical structures within the Easement Premises. In addition, Grantor shall coordinate with Grantee the location and installation of any other utility lines and/or facilities to be placed in the Easement Premises and any additional utility lines and facilities to cross and intersect the Easement Premises in order to facilitate the orderly development of Grantor's Property and avoid damage or disruption to the utility facilities and lines provided for in this grant of easement. Should the Grantor plant or construct improvements which interfere with the Easement rights granted herein, such improvements shall be subject to removal or destruction by the Grantee, without liability or responsibility thereof on the part of the Grantee.

Grantor further grants to the Grantee, its agents, employees, contractors, and assigns, a general ingress/egress easement over and across its driveways, parking, common and open areas of the Property for the purpose of access to, and/or maintenance of, any of the Grantee's utility lines, equipment, and facilities. Grantee shall not be otherwise responsible for maintenance of the Easement Premises.

[THIS SECTION INTENTIONALLY LEFT BLANK]

The undersigned hereby covenants and warrants that Grantor owns the said land described herein and the undersigned, as or on behalf of Grantor, has the right to grant this easement.

IN WITNESS WHEREOF, the Grantor has duly authorized and caused this Indenture to be executed in its name as of the day and year first herein written.

GRANTOR (ABG5 LLC, a Florida limited liability company):

By: 33 CORPORATION, a Florida profit corporation, as Managing Member

Sign: _____
Print: Peter S. Parker
Title: President

WITNESS:

Sign: _____
Print: Michael J. Engler

Sign: _____
Print: Tdyne DeMells

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this 15 day of March, 2011, by Peter S. Parker, as President of 33 Corporation, Managing Member of ABG5 LLC, as Grantor. He is **[circle one]** **personally known to me OR produced [describe ID shown]** _____ **as identification**, and **[circle one]** **did OR did not** take an oath.

DESIREE MARIE LINDAHL
MY COMMISSION # DD710262
EXPIRES August 29, 2011
(407) 398-0153 FloridaNotaryService.com

NOTARY PUBLIC

Sign: _____
Print: Desiree Lindahl
State of Florida at Large
My Commission No: DD710262
My Commission Expires: 8/29/11

ACCEPTANCE OF CONVEYANCE

The foregoing conveyance is hereby accepted by the City of Vero Beach, Florida, as evidenced by the signature of the undersigned, who is authorized to accept this conveyance.

ATTEST:

_____
Tammy K. Vock
City Clerk

CITY OF VERO BEACH

_____
Jay Kramer
Mayor

[CITY SEAL]

Date: _____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Acceptance of Conveyance was acknowledged before me this _____ day of _____, 201__ by Jay Kramer, as Mayor, and attested by Tammy K. Vock, as City Clerk, of the City of Vero Beach, Florida. They are both known to me and did not take an oath.

NOTARY PUBLIC

Sign: _____
Print: _____
State of Florida at Large
My Commission No.: _____
My Commission Expires:

Approved as to form and legal sufficiency:

Wayne R. Coments
~~Charles P. Vitunac~~
Acting City Attorney

Approved as conforming to municipal policy:

Monte K Falls
Monte K. Falls
Interim City Manager

Approved as to technical requirements:

Joseph R. McCamish
Director, T&D Operations

S:\DWG\EASEMENTS\2010-EG\ABG5.LLC.Three.Avenues.jan.2011-wrc-rev1.doc

EXHIBIT "A"
PROPERTY DESCRIPTION
UTILITY EASEMENT #2010-EG-0082
THREE AVENUES SITE
PARCEL # 33-39-01-00001-0000-00012.0

Situated in the State of Florida, County of Indian River, City of Vero Beach and being a part of Section 1, Township 33 South, Range 39 East and of Section 6, Township 33 South, Range 40 East and being more particularly bounded and described as follows:

Commencing at the southwest corner of Government Lot 2 in Section 6, Township 33 South, Range 39 East;

Thence north 00°33'12" east along the west line of said Government Lot 2 for a distance of 632.11 feet;

Thence north 89°38'43" west for a distance of 328.99 feet to a point on the south right-of-way of 21st Street, said point being the northwest corner of the Three Avenues Parcel and the Point of Beginning;

Thence south 89°38'43" east along said south right-of-way for a distance of 2.91 feet to the beginning of a curve to the northwest;

Thence thru said curve having a radius of 440.00 feet, a central angle of 24°19'15" and a chord bearing and distance of north 78°11'17" east, 185.46 feet;

Thence north 66°01'18" east along said south right-of-way for a distance of 152.26 feet to the beginning of a curve concave to the southwest;

Thence thru said curve having a radius of 60.00 feet, a central angle of 106°03'19" and a chord bearing and distance of south 60°57'03" east, 95.87 feet to a point on the west right-of-way of Indian River Boulevard;

Thence south 07°55'23" east along said west right-of-way for a distance of 50.42 feet;

Thence south 82°07'45" west for a distance of 20.00 feet;

Thence north 07°52'15" west for a distance of 10.00 feet;

Thence north 82°07'45" east for a distance of 10.00 feet;

Thence north 07°55'23" west for a distance of 40.41 feet to the beginning of a curve concave to the southwest;

Thence thru said curve having a radius of 50.00 feet, a central angle of 106°03'19" and a chord bearing and distance of north 60°57'03" west, 79.89 feet;

Thence south 66°01'18" west for a distance of 152.26 feet to the beginning of a curve concave to the northwest;

Thence thru said curve having a radius of 450.00 feet, a central angle of 24°19'59" and a chord bearing and distance of south 78°11'17" west, 189.68 feet;

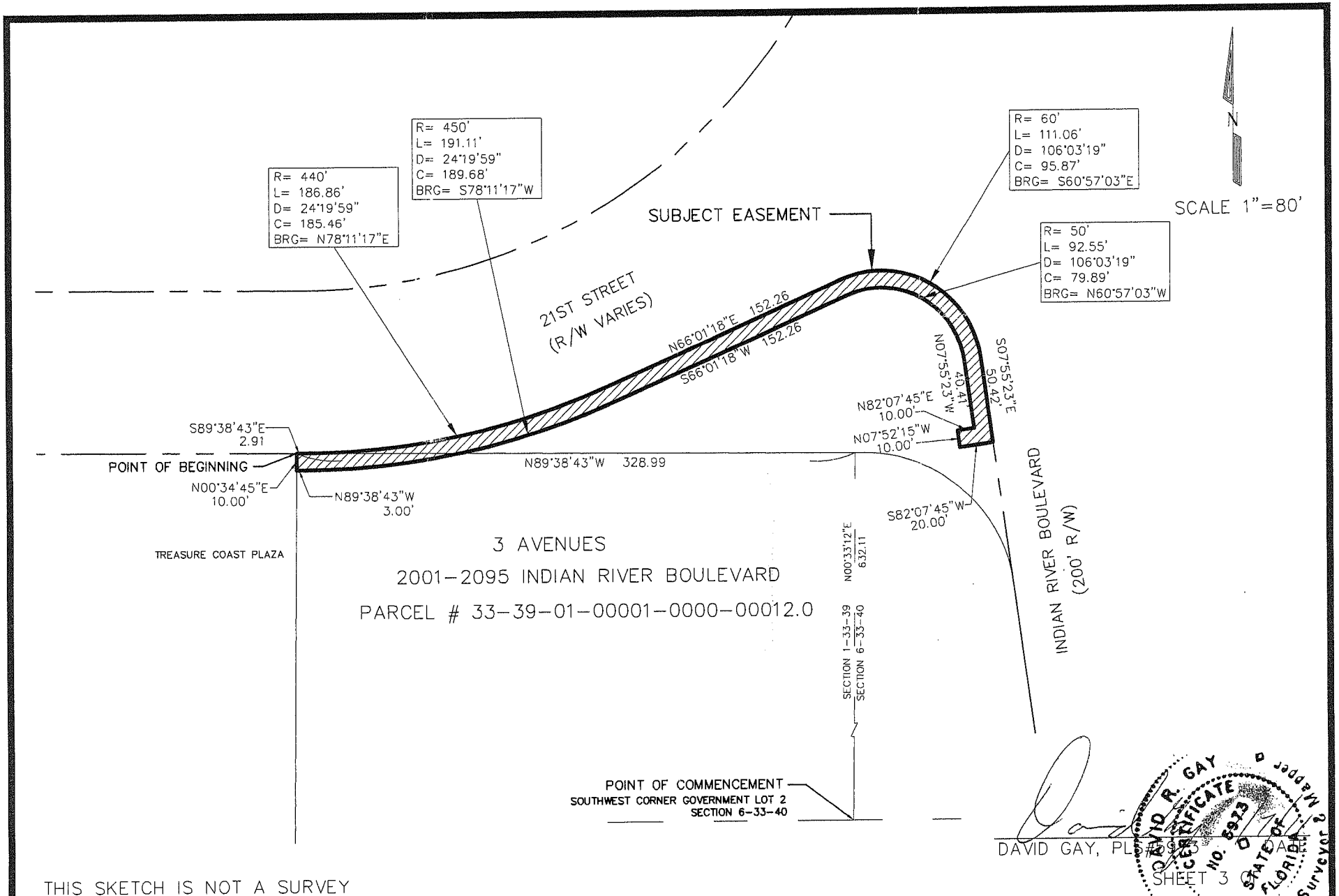
Thence north 89°38'43" west for a distance of 3.00 feet to a point on the west line of said Three Avenues Parcel;

Thence north 00°34'45" east for a distance of 10.00 feet to the Point of Beginning;

Containing 5,064 square feet more or less.

David R. Gay, PSM #5973

S:\Property Descriptions\2010\2010-EG-0082_Three Avenues_Dec 22 2010.doc



THIS SKETCH IS NOT A SURVEY

CITY OF VERO BEACH	SKETCH OF PROPERTY DESCRIPTION	EXHIBIT "A"		REV. NO.	AUTHRZD. BY
DEPARTMENT OF PUBLIC WORKS AND ENGINEERING	UTILITY EASEMENT	CITY PROJECT NO. 2010-EG-082		DRWN. BY	DATE
SURVEY DIVISION	PORTIONS OF SECTION 1, TOWNSHIP 33S, RANGE 39 E & SECTION 6, TOWNSHIP 33S, RANGE 40 E	DATE 12/10	DRWN BY BMM	CHKD BY DG	DESCRIPTION

2D-3)

City Council Agenda Item
Meeting of April 5, 2011

TO: Mayor Jay Kramer
Vice Mayor Pilar Turner
Councilmember Brian Heady
Councilmember Craig Fletcher
Councilmember Tracy Carroll

FROM: Monte K. Falls, P.E. - Interim City Manager MK Falls 3/29

DATE: March 29, 2011

SUBJECT: **License to Use City Property #2010-LA-145 – Vero Beach Sports Village**

REQUESTED BY: Public Works Chief Surveyor

The following is requested as it relates to the above-referenced agenda item:

✓ Request Council review and approval based on the attached supporting documentation.

____ Request Council review and possible action.

____ No action required. (Information only)

DEPARTMENTAL CORRESPONDENCE

TO: Monte K. Falls, Interim City Manager
DEPT: City Manager

FROM: David R. Gay, PSM, Chief Surveyor
DEPT: Public Works

DATE: March 29, 2011

RE: License to Use City Property #2010-LA-0145
Vero Beach Sports Village

Received
MAR 2011
City Mgr.'s Office

Recommendation:

- Place this item on the City Council's agenda for April 5, 2011;
- Approve a License Agreement for the Vero Beach Sports Village to place signs on City property along 43rd Avenue and 26th Street.

Funding:

No funding is required for this request.

Background:

In December 2010 Curt Oxford of Curt Oxford Woodcarver, Inc. submitted a request to replace the existing "Dodgertown" signs with Vero Beach Sports Village signs on behalf of MiLB Vero Beach, LLC. At that time it was determined that the existing "Dodgertown" signs were now located in the right-of-way of 43rd Avenue since additional right-of-way was deeded to Indian River County by Dodgertown Ventures, LLC, a former owner of the property. Since signs are not allowed within the right-of-way MiLB is requesting that the Vero Beach Sports Village signs be allowed on the former Dodgertown golf course property, currently owned by the City.

Since signs have typically been located along 43rd Avenue to direct fans to Dodgertown, and as the county facility is an asset to the community we prepared a License Agreement which would be required for sign placement in these particular locations.

The signs were delivered and placed in their proposed locations. They are currently braced in a temporary fashion while awaiting final approval from the City. Once

approved a concrete footer will be poured to secure the signs that are engineered to withstand 140 mile per hour winds.

The general purpose of license agreements is to allow use of City property or right-of-way for a specific purpose in areas in which have been determined to not affect the public use of the area or be in conflict with utilities. License agreements also indemnify the City of liability in such areas being used by the grantee and are revocable by either party.

The proposed signs meet the criteria for granting a license, and as such we recommend approval.

Cc: Craig Callan, Vice President, Vero Beach Sports Village

Attachments

DRG/jb

T:\License Agreements\2010-LA-0145_VB Sports Village\Agenda Recommendation_MFalls_Mar 29 2011.docx

#4280

DEPARTMENTAL CORRESPONDENCE

TO: Distribution

FROM: David R. Gay, PSM, Chief Surveyor DRG
DEPT: Public Works

DATE: March 18, 2011

RE: License for Use of City Property
Vero Beach Sports Village
3901 26th Street

Attached for your signatures, please find the referenced License, along with Exhibit "A". This License is for the installation of business signs constructed within City property for Vero Beach Sports Village.

We have attached the *original* License which as been executed by the property owner for your review and signature. Once complete, we request the City Attorney's Office have same recorded and forward the original recorded document to the City Clerk with a copy to our department.

Should you have any questions, please advise.

DISTRIBUTION:

Monte K. Falls, Interim City Manager MKF 3/21

Tammy Vock, City Clerk J.V. 3/21/11

Wayne Coment, Acting City Attorney WRC 3/21/11

Attachment

DRG/jb

T:\License Agreements\2010-LA-0145_VB Sports Village\Routing_COVB_Mar 18 2011.docx

Received
MAR 2011
City Mgr.'s Office

This instrument prepared by
and return to:
Office of the City Attorney
City of Vero Beach
P.O. Box 1389
Vero Beach, FL 32960-1389

LICENSE AGREEMENT #2010-LA-0145
FOR USE OF CITY REAL PROPERTY (SIGNS)

This License Agreement (hereinafter "Agreement") was made and entered into the date last written below by and between the **City of Vero Beach, Florida**, a Florida municipal corporation, having a mailing address of **P.O. Box 1389, Vero Beach, FL 32961-1389** (hereinafter "City"), and **MILB Vero Beach LLC**, a Florida limited liability company, having a mailing address of **P.O. Box A, St. Petersburg, FL 33731** (hereinafter "Licensee"). For and in consideration of the mutual promises, covenants, and understandings herein contained, the parties agree as follows:

1. *Premises.* Licensee has requested permission to occupy and use certain real property owned by the City that is situated along 43rd Avenue, Vero Beach, Indian River County, Florida, the location and description of such City real property being as more fully described in Exhibit "A" attached hereto and incorporated herein (hereinafter "Premises"), for the purpose of installation of signs for Vero Beach Sports Village.

2. *License.* City hereby grants a license to Licensee on an ongoing basis to occupy, utilize, and maintain the Premises for the purposes specified in section 1 above and pursuant to the terms and conditions of this Agreement (hereinafter "License"). The license granted herein shall include a limited right of ingress and egress of the Premises. The City Manager shall administer the terms and conditions of this Agreement and License for and on behalf of the City, including but not limited to extensions and termination. Licensee shall provide and keep the City Manager informed of Licensee's representative and contact person for purposes of administration of this Agreement and the License.

3. *Use of Premises.* Licensee shall occupy, use, and maintain the Premises only for the purposes specified in section 1 above and shall not occupy, use, or maintain or permit the occupation, use, or maintenance of the Premises or any part thereof for any unlawful or illegal purpose, or in such manner as to constitute a nuisance of any kind, nor for any purpose or in any way in violation of any existing or future code, law, rule, requirement, order, ordinance, regulation, or this Agreement.

4. *Improvements.* No improvements, installations, or equipment of any kind or nature shall be constructed or permanently installed on the Premises without prior review and written approval by the City, as well as compliance with all other reviews, permits, and approvals required by any applicable code, ordinance, law, rule, or regulation. Upon written notice from the City and unless otherwise agreed by the parties in writing, Licensee shall, at its own cost and expense, immediately remove any improvement, installation, or equipment

made or installed without first obtaining all required approvals and permits and repair, clean, and restore the Premises to a reasonably good condition acceptable to the City.
5. *City Right of Entry.* The License granted hereunder shall be subject to and shall in no way whatsoever diminish the City's right of entry to the Premises by City's employees, contractors, and agents in performance of their duties or exercise of the City's rights or obligations at any time.

6. *Maintenance.* Licensee shall be solely responsible, at its own expense, for maintaining the Premises and all improvements, installations, and equipment in good order and repair, in a safe, clean, secure, sanitary, and presentable condition, and in compliance with the provisions of all applicable codes, ordinances, laws, and regulations. City shall have no responsibility whatsoever for the maintenance of the Premises or any improvements, installations, or equipment thereon during the term of this Agreement and License.

7. *No Assignment.* Licensee shall not directly or indirectly, in any manner whatsoever, assign, lease, rent, sublease, hypothecate, sell, mortgage, encumber, or otherwise transfer this Agreement or License or any interest in this Agreement or License or use of the Premises.

8. (a) *Assumption of Risk.* Licensee accepts the condition of the Premises and the ingress and egress thereto as is and recognizes and hereby expressly and fully assumes all risks, known and unknown, which arise or might arise incidental to or in any way connected with the condition of, use of, or access to the Premises. Licensee acknowledges and agrees that the City has not made and makes no warranty of any kind as to the condition of the Premises or the access or fitness thereof for any particular purpose.

(b) *Release and Indemnification (Premises).* Licensee hereby release and forever discharges the City, its elected officials, officers, employees, and agents (hereinafter "Released Parties"), and agrees to indemnify and hold harmless the Released Parties from and against any and all liabilities, claims, demands, damages, actions, lawsuits, costs, and expenses, of any kind or nature whatsoever, including, but not limited to, costs of investigation and attorneys' fees and costs through trial and appeal, arising out of, incidental to, or in any way connected with the condition of or use of the Premises or access thereto, any improvement, installation, or equipment thereon or therein, or otherwise arising under this Agreement or the License. LICENSEE UNDERSTANDS AND AGREES THAT THIS RELEASE AND INDEMNIFICATION INCLUDES ANY AND ALL CLAIMS BASED ON THE NEGLIGENCE, ACTIONS, OR INACTION OF THE CITY OR ANY OTHER RELEASED PARTY AND INCLUDES ANY CAUSE OR CONDITION WHATSOEVER, AND COVERS, BUT IS NOT LIMITED TO, ANY CLAIMS FOR BODILY INJURY, DEATH, OR PROPERTY DAMAGE.

(c) *Indemnification (Use).* Licensee agrees to indemnify and hold the Released Parties harmless from and against any and all liabilities, claims, demands, damages, actions, lawsuits, judgments, penalties, losses, costs, or expenses, of any kind or nature whatsoever, including, but not limited to, costs of investigation and attorneys' fees and

costs through trial appeal, arising out of, incidental to, or in any way connected with Licensee's use, occupancy, or maintenance of the Premises or access thereto, or any act or omission of Licensee or any of Licensee's employees, representatives, agents, guests, invitees, contractors, or sub-contractors, or otherwise arising under this Agreement or the License.

(d) *Intent and Effect.* It is the intent and effect of the provisions contained in this section, and a condition in consideration for approval of this Agreement and granting of the License by the City, that Licensee's release and indemnification shall be and include a full and total release and indemnification of the Released Parties against any kind or nature of claim whatsoever that is or may be asserted by reason of or as a consequence of the City having granted permission to Licensee to occupy, use and maintain the Premises and the access thereto. Licensee's release and indemnification obligations shall survive the termination or revocation of this Agreement and the License for any matter arising prior to the effective date of the termination or revocation or the date Licensee no longer occupies, uses, or maintains the Premises, whichever is later.

9. *Insurance.* Licensee shall at all times during the term of the License and at Licensee's own expense, procure and maintain general liability insurance coverage against personal injury and property damage from an insurance company authorized to do business in the State of Florida and satisfactory to the City, providing protection for Licensee and the City against any and all claims for damages to persons or property as a result of or arising out of the occupancy, use, or maintenance of the Premises and the access thereto, or the improvements, installations, and equipment in connection therewith or located thereon. The insurance policy shall be endorsed to include the "City of Vero Beach" as an additional insured with limits of coverage not less than $1.000,000.00 per occurrence combined single limit for bodily Injury liability and property damage liability. Licensee shall cause written proof of such endorsement, acceptable to the City, to be provided to the City before and as a condition of approval of this Agreement and granting of the License. Licensee shall also ensure, without any notice or request from the City, that acceptable proof is provided to the City for each and every subsequent term of insurance coverage and Licensee acknowledges that should Licensee fail to do so the City may assess and Licensee agree to promptly pay all applicable City administrative fees and costs incurred in obtaining Licensee's compliance with the provisions of this section. Licensee understands and acknowledges that the obligation to provide and maintain the required insurance and endorsement is a continuing responsibility of Licensee and failure to do so will be deemed detrimental to the public interest and can result in revocation of this Agreement and the License.

10. *No Interest in Premises.* The License granted herein provides Licensee with no leasehold or any other property interest in the Premises, but merely provides permission, personal to Licensee, to temporarily occupy, use, and maintain the Premises as stated herein solely at the risk of Licensee and at the City's sufferance and convenience. This Agreement may be recorded in the public records of Indian River County at Licensee's expense. Licensee agrees to promptly reimburse the City for the costs of recording plus any administrative fees should it be recorded by the City.

11. *Termination.* Both parties shall have the right and discretion to terminate this Agreement and License at any time with or without cause pursuant to the following:

(a) Except as provided otherwise in this Agreement, the terminating party shall provide the other party written notice of termination at least Thirty (30) days prior to the effective date of the termination.

(b) Should the City determine that the public interest requires expedited termination of this Agreement and the License, which determination shall be solely in the City's discretion, the City shall endeavor to provide Licensee written notice of termination at least Fourteen (14) days prior to the effective date of such expedited termination. However, the City may dispense with or reduce the aforesaid notice period should the City determine that more immediate termination is necessary for protection of public health, safety, or welfare.

12. *Restoration of Premises.* Except as otherwise agreed by the parties in writing, Licensee shall, at Licensee's own cost and expense on or before the termination effective date, remove or cause to be removed from the Premises all improvements, installations, equipment, and materials and repair, clean, and restore the Premises to a reasonably good condition equal to or better than the condition of the Premises immediately prior to approval of this Agreement and acceptable to the City.

If Licensee fails or refuses to remove or cause the removal of any improvement, installation, equipment, or materials and/or fails to repair, clean, and restore the Premises or the access thereto by the specified or agreed termination effective date, or fails or refuses to do so when such improvement, installation, or equipment was made or installed without all required written approvals or permits, or if the City has determined that the public interest requires expedited or immediate removal the City may, at Licensee's expense, complete the removal and repair, cleaning, and restoration of the Premises or contract for all or any part of such work. Licensee agrees to pay the City for such expenses when billed and waives any and all right to contest the City's right to recover all such removal, repair, cleaning, and restoration costs and expenses from Licensee. The provisions of this section shall survive termination and revocation of this Agreement and the License.

13. *Notices.* Any notice or request required or permitted pursuant to this Agreement shall be in writing and may be delivered personally, by courier such as FedEx, UPS, or U.S. Priority Mail, or by U.S. First Class registered or certified mail return receipt requested. Such notices and requests may be provided to the respective party at their address set forth above. Any notice or request the delivery of which is refused by the recipient shall be deemed given as of the date it is mailed or sent.

14. *Entire Agreement.* This Agreement and all related attachments set forth all the promises, agreements, conditions, and understandings between the City and Licensee relative to the Premises and access thereto and the License granted hereunder. No subsequent alteration, amendment, change, addition, or deletion to this Agreement shall

be binding on the City or the Licensee unless in writing and authorized and signed by them and made a part of this Agreement by direct reference.

IN WITNESS HEREOF, the parties has executed this Agreement on the date last entered below and the parties hereby warrant and represent that their respective signatory whose signature appears below has been and is on the date of execution of this Agreement duly authorized to execute this Agreement.

MILB Vero Beach LLC (Licensee)

By: NATIONAL ASSOCIATION OF PROFESSIONAL LEAGUES, INC. as managing member

ATTEST:

D. Scott Poley

Print Name: D. Scott Poley
Secretary

By: Pat O'Conner, President
Pat O'Conner
President

(CORPORATE SEAL)

Date: 3/15/11

STATE OF FLORIDA

COUNTY OF Pinellas

The foregoing License Agreement was acknowledged before me this 15th day of March 2011 by Pat O'Conner, as President, and D. Scott Poley, as Secretary, of National Association of Professional Leagues, Inc.. They ✓ are personally known to me OR _____ produced _____ _____as identification.

LOUIS D. BROWN III
Notary Public - State of Florida
My Comm. Expires Nov 2, 2014
Commission # EE 39425
Bonded Through National Notary Assn.

NOTARY PUBLIC
Print Name: Louis D. Brown III
Commission No.: EE 39425
My Commission Expires: 11/2/14

ATTEST:

City of Vero Beach

_____
Tammy K. Vock
City Clerk

By:_____
Jay Kramer
Mayor

(CITY SEAL)

Date:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing License Agreement was acknowledged before me this ____ day of _____ _____ 2011 by Jay Kramer, as Mayor, and attested by Tammy K. Vock, as City Clerk, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:

Commission No.
My Commission Expires:

Approved as to form and legal sufficiency:

Wayne R. Coment
Acting City Attorney

Approved as conforming to municipal policy:

Monte K. Falls
Interim City Manager

EXHIBIT "A"
PROPERTY DESCRIPTION
LICENSE TO USE CITY PROPERTY
PORTIONS OF DODGERTOWN PARCEL 1A & 3A
Parcel # 32-39-26-00011-0230-00001.3 and #32-39-26-00011-0230-00001.1

Situated in the State of Florida, County of Indian River, City of Vero Beach, and being a part of Section 3, Township 33 South, Range 39 East and being more particularly bounded and described as follows:

License Area "A":

Commencing at the Northwest corner of Section 3, Township 33 South, Range 39 East;

Thence South 00°00'47" West along the West line of said Section 3 for a distance of 45.00 feet;

Thence South 89°45'39" East and parallel with the North line of said Section 3 for a distance of 77.72 feet to a point on the South line of the proposed 26th Street right-of-way, said point also being the Point of Beginning of License Area "A":

Thence continue South 89°45'39" East for a distance of 18.00 feet:

Thence South 00°00'47" West for a distance of 20.00 feet;

Thence North 89°45'39" West for a distance of 30.00 feet

Thence North 00°00'47" East for a distance of 8.00 feet

Thence North 45°07'21" East for a distance of 16.94 feet to the Point of Beginning;

Said License Area "A" containing 528 square feet more or less.

License Area "B":

Commencing at the Southwest corner of Dodgertown Parcel 3A as described in Official Record Book 1961, Page 968 of the Public Records of Indian River County;

Thence North 00°00'47" East along the East right-of-way line of 43rd Avenue for a distance of 128.00 feet to the Point of Beginning of License Area "B";

Thence continue North 00°00'47" East along said East right-of-way for a distance of 20.00 feet;

Thence South 89°59'13" East for a distance of 25.00 feet;

Thence South 00°00'47" West for a distance of 20.00 feet;

Thence North 89°59'13" West for a distance of 25.00 feet to the Point of Beginning;

Said License Area "B" containing 500 square feet more or less.

David R. Gay, PSM #5973

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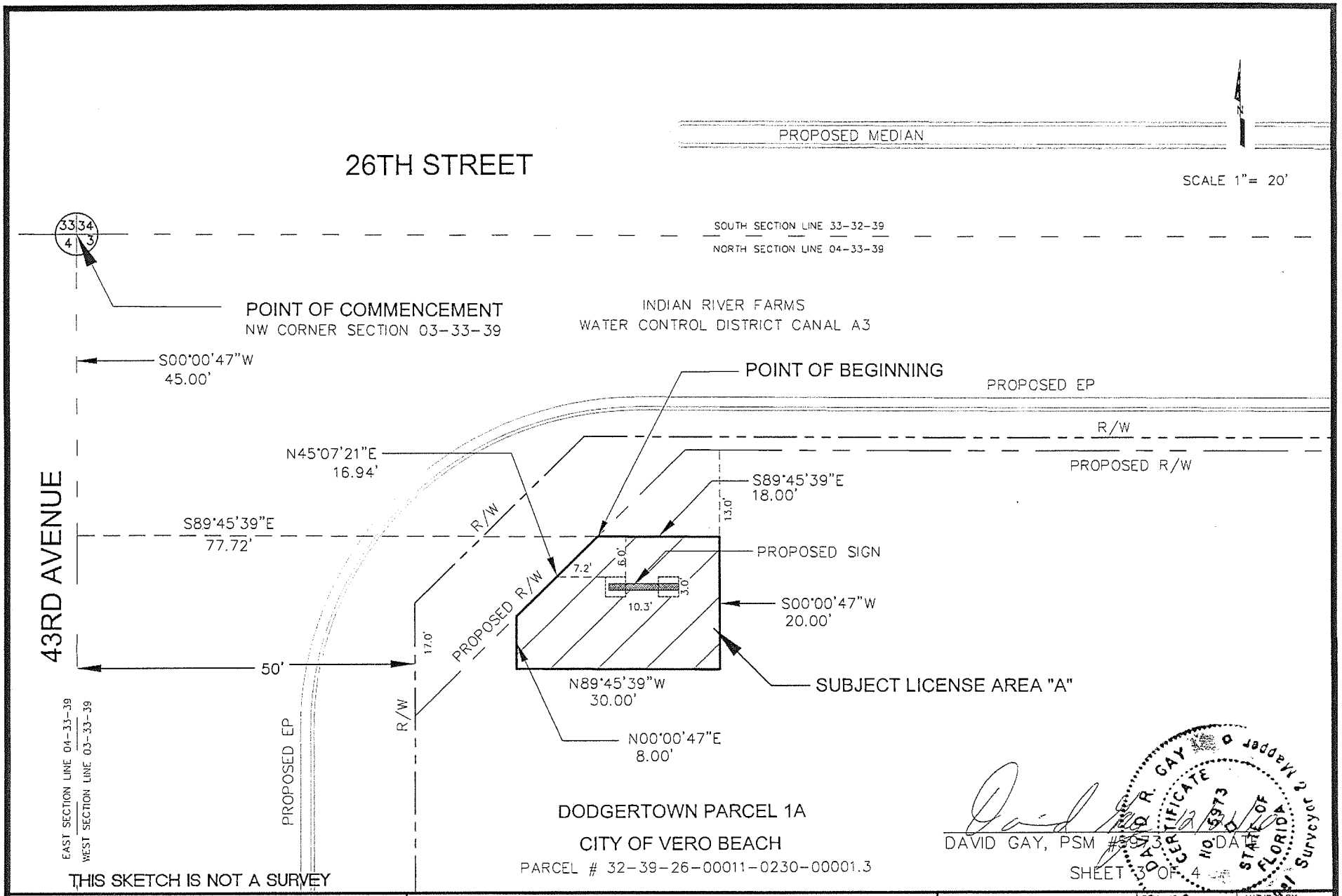
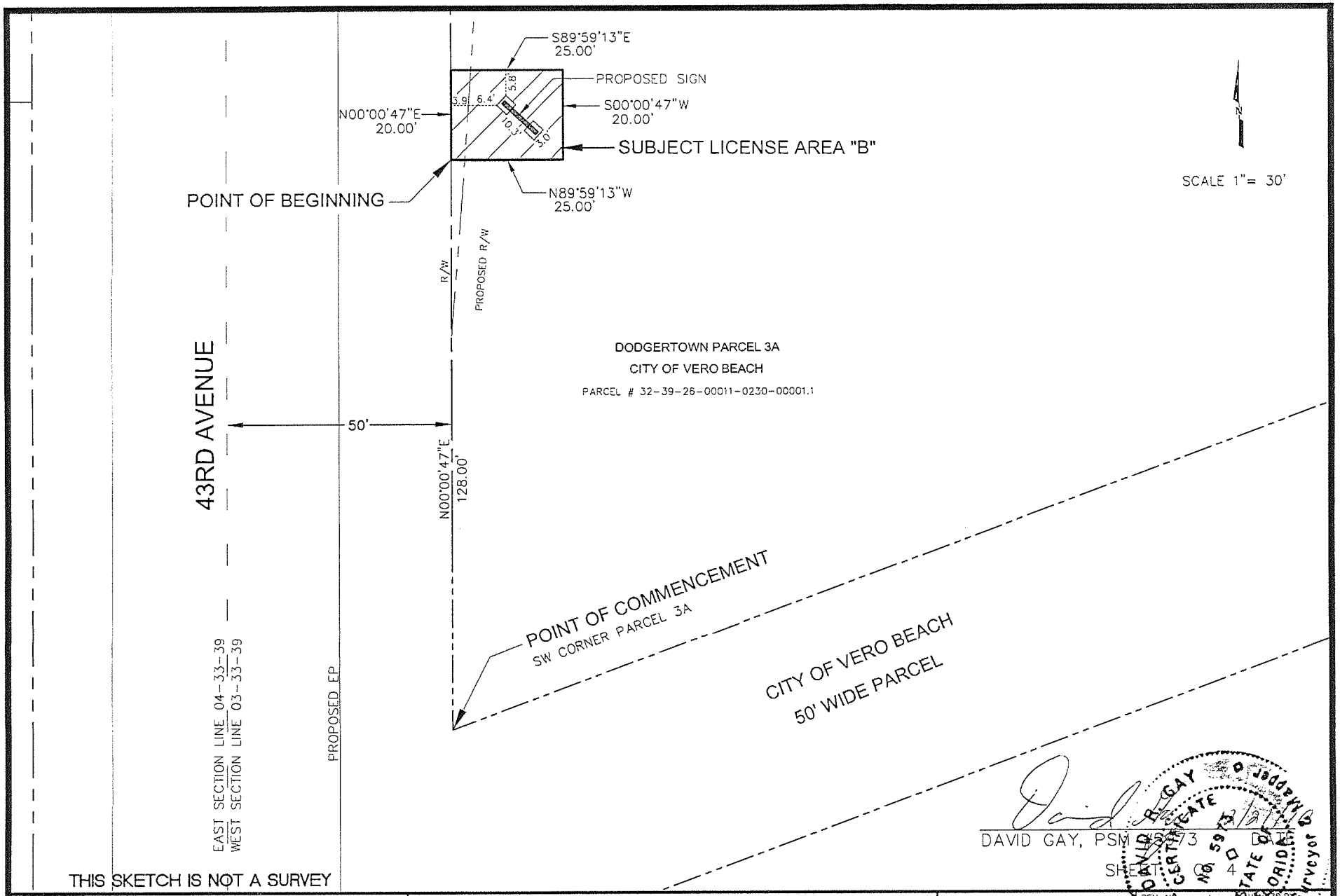


CITY OF VERO BEACH	SKETCH OF PROPERTY DESCRIPTION LICENSE TO USE CITY PROPERTY DODGERTOWN PARCEL 2A PORTION OF SECTION 03-33-39	EXHIBIT "A"			REV. NO.	AUTHORIZED BY
DEPARTMENT OF PUBLIC WORKS		CITY PROJECT NO. 2010-LA-145			DRWN.BY	DATE
SURVEY DIVISION		DATE 12/2010	DRWN BY DG	CHKD BY MKF	DESCRIPTION	



DAVID GAY, PSM #5973 DATE

SHEET 1 OF 4

CITY OF VERO BEACH	SKETCH OF PROPERTY DESCRIPTION LICENSE TO USE CITY PROPERTY DODGERTOWN PARCEL 2A PORTION OF SECTION 03-33-39	EXHIBIT "A"		REV. NO.	AUTHR'D BY
DEPARTMENT OF PUBLIC WORKS		CITY PROJECT NO. 2010-LA-145		DRWN BY	DATE
SURVEY DIVISION		DATE 12/2010	DRWN BY DG	CHKD BY MKF	DESCRIPTION

3-A)

MEMORANDUM

To: Mayor and City Councilmembers

Via: Wayne Coment, Acting City Attorney WWC

From: Peggy Lyon, Assistant City Attorney PL

Subject: Ordinance amending the Boards and Commissions section of the Code at Article III, Chapter 2, "Administration."

Date: April 5, 2011

The proposed ordinance was before the City Council for first reading at the January 18, 2011 City Council meeting and is before the City Council for public hearing at the April 5, 2011 City Council meeting. The proposed ordinance amends Chapter 2 of the Code to implement the city council's requested changes to the make-up and function of the boards and commissions as well to clarify and better organize the chapter. Attached is a Memorandum dated February 18, 2011 from Vice Mayor Pilar Turner with changes that have been incorporated into the proposed ordinance since the January 18, 20011 City Council meeting.

As an integral part of the City Council effort to amend the boards and commissions section of the Code, four resolutions are also on the agenda for the April 5, 2011 meeting. These resolutions implement the proposed ordinance changes to the Planning and Zoning Board, the Finance Commission and the Utilities Commission, and abolish the Board of Adjustment as the Planning and Zoning Board is charged with exercising those powers and duties. The resolutions require only one reading and will be read after the public hearing for the proposed ordinance. Also as part of the process to amend Chapter 2 of the Code, the City Council will appoint members to the newly reconstituted Planning and Zoning Board, Finance Commission and Utilities Commission.

ORDINANCE NO. 2011-_____

AN ORDINANCE OF THE CITY OF VERO BEACH, FLORIDA, AMENDING ARTICLE III, "BOARDS AND COMMITTEES," OF CHAPTER 2, "ADMINISTRATION," OF THE CODE OF THE CITY OF VERO BEACH; PROVIDING CLARIFICATION AND CONSISTENCY IN THE REGULATIONS FOR THE CITY'S APPOINTED COMMISSIONS AND BOARDS; AMENDING THE NUMBER OF MEMBERS FOR COMMISSIONS AND BOARDS; DELETING REFERENCES TO THE BOARD OF ADJUSTMENT AND ADDING THE YOUTH ADVISORY COMMISSION; CLARIFYING THE PURPOSE AND DUTIES OF EACH COMMISSION AND BOARD; CLARIFYING THE DUTIES OF THE CITY CLERK AND CITY ATTORNEY IN REGARD TO COMMISSIONS AND BOARDS; PROVIDING FOR TRANSITION AND SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Vero Beach has numerous commissions and boards established by the City Council to advise and make recommendations to the City Council on matters coming before the City Council and to perform various local government functions; and

WHEREAS, the City Council has determined that the City's Board of Adjustment is underutilized and its functions can be readily assumed by the Planning and Zoning Board, serving to streamline City government and make it more efficient; and

WHEREAS, the City Council has also determined that there is currently no commission or board dedicated to providing the City Council with advice and recommendations regarding matters and issues of specific interest to and affecting the youth and families of the City and such a commission would be helpful to the City Council in consideration of such matters; and

WHEREAS, the City Council also finds that the number of commission and board members currently required by the various applicable provisions of the Code of the City of Vero Beach is excessive and makes the commissions and boards less efficient and often cumbersome in operation while adding to the City's operating expenses; and

WHEREAS, the City Council finds that the amendments provided for in this ordinance are necessary in order to implement the City Council's desired modifications to its commissions and boards and to otherwise clarify, make consistent, and better organize the Code provisions addressed; and

WHEREAS, the City Council finds that the amendments provided for in this ordinance are in the public interest in that they will serve to promote and improve efficiency in the operation of the city government;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, THAT:

Section 1 – Amendment of Article III Boards and Committees, Chapter 2 Administration.

The Code of the City of Vero Beach is hereby amended to delete in its entirety the current language provided in Article III, Boards and Committees, of Chapter 2, Administration, and replace it to read as follows:

~~**CHAPTER 2 ADMINISTRATION**~~

~~**ARTICLE III. BOARDS AND COMMITTEES**~~

~~**DIVISION 1. GENERALLY**~~

~~**Sec. 2-101. General provisions.**~~

~~The city council may establish commissions and boards to advise the city council with respect to certain matters coming before the city council. Commissions that only give advice to the city council are designated "advisory". Boards that take governmental action and give advice to the city council are designated "regulatory". Boards that are created and operate strictly pursuant to Florida Statute are designated "statutory." All~~

~~future advisory commissions and regulatory boards shall be created by resolution instead of by ordinance. The city clerk shall keep a binder containing copies of all resolutions creating current and future advisory commissions and regulatory boards, and all past historical ordinances creating advisory commissions and regulatory boards, including a current roster of their membership.~~

~~Sec. 2-102. Term, reappointment and vacancies.~~

~~Unless otherwise provided by state law, the Charter or this Code, the regular term of office shall be four years, although members may continue to serve until their successors are appointed. Members may be reappointed. Vacancies shall be filled for the unexpired term.~~

~~Sec. 2-103. Alternate members.~~

~~Each commission and board shall have at least one alternate member who shall be appointed in the month designated for appointment to that commission or board. Alternate members shall be interviewed for this position when they are first appointed. The alternate member shall sit on the commission or board in the absence of any regular member or members and shall be appointed as a regular member when a position becomes available.~~

~~Sec. 2-104. Number of members.~~

~~The planning and zoning board shall have nine members; the recreation commission, the board of adjustment, the board of building appeals, the finance commission and the utilities commission shall each have seven members; and all other commissions and boards shall each have five members, unless designated otherwise.~~

~~Sec. 2-105. Appointment dates.~~

~~(a) Appointment dates for boards and commissions shall be as follows:~~

~~TABLE INSET:~~

~~Commission or board~~	~~15th of the month~~
~~Finance commission~~	~~May~~
~~Architectural review commission~~	~~June~~
~~Historical preservation commission~~	~~June~~
~~Tree and beautification commission~~	~~June~~
~~Utilities commission~~	~~June~~

~~Board of building appeals — June~~

~~Veterans Island Memorial Sanctuary Committee — June~~

~~Marine commission — October~~

~~Planning and zoning board — October~~

~~Airport commission — November~~

~~Recreation commission — November~~

~~Board of adjustment — November~~

~~Fire pension board — January~~

~~Police pension board — April~~

~~(b) The present term of all commission and board members in office at the time of adoption of the ordinance from which this section is derived shall expire at the normal expiration date as established by prior ordinance. The initial term of future commission and board members may be extended or shortened, and the normal appointment terms of four years may be shortened, to coincide with appointment dates as set forth in this section by the council.~~

~~(c) At the time a new commission or board having five members is created, the council shall appoint as follows:~~

~~(1) One member shall initially be appointed for a term of two years;~~

~~(2) One member shall initially be appointed for a term of three years;~~

~~(3) Three members shall initially be appointed and each member thereafter shall be appointed for terms of four years; and~~

~~(4) Council shall appoint two members to the fire pension board and police pension board every two years. The other members of these boards are chosen according to F.S. chs. 175 and 185.~~

~~(d) At the time a new commission or board having seven members is created, the council shall appoint as follows:~~

~~(1) One member shall initially be appointed for a term of two years;~~

~~(2) Three members shall initially be appointed for terms of three years; and~~

~~(3) Three members shall initially be appointed and each member thereafter shall be appointed for terms of four years.~~

~~Sec. 2-106. Removal.~~

~~Members shall serve at the pleasure of the city council and may be removed from office by the majority vote of the full council. The chair of the board or commission is responsible for reporting to the city clerk any member's failure to meet attendance requirements, inability to serve because of a long-term illness or health problem lasting for a year or more and inability or refusal to work in a cooperative manner with fellow board and commission members and city staff. The city clerk shall then relay the report to the city council for appropriate action.~~

~~Sec. 2-107. Absence of members.~~

~~(a) Absence of any member or alternate member from two consecutive meetings or more than 25 percent of the scheduled meetings within one year, without approval of the commission or board, shall constitute an abandonment of the office by such member.~~

~~(b) A member's absence from a meeting can be considered as an excused absence only if the member has notified the city clerk's office at least two hours in advance of the scheduled meeting. Should a member miss two or more consecutive meetings or more than 25 percent of the scheduled meetings within one year without approval of the board or commission, the city clerk shall relay that information to the city council for appropriate action.~~

~~(c) A member of a commission or board will be considered absent if not present at the time the meeting commences, unless such absence is with the approval of the commission or board. An alternate who has been seated at the commencement of a meeting due to the absence of the member may not be removed during the meeting, but shall instead sit in the place of the regular member for the duration of that meeting. A tardy member may not be seated after the meeting begins unless other regular members are absent.~~

~~Sec. 2-108. Advisory capacity; formal annual report on recommendations to the city council; procedures for submission of reports to the city council.~~

~~(a) Commissions and boards shall act only in an advisory capacity to the city council except as otherwise provided.~~

~~(b) Pursuant to the procedure outlined in subsection (c), below, each commission and board shall submit to the city council annually, by the end of the calendar year, a formal written report summarizing commission or board concerns, recommendations, or other information pertinent to the commission or board's purpose.~~

~~Additional advisory reports determined necessary by each commission or board may be submitted to the city council at anytime throughout the year, pursuant to the procedure outlined in (c), below.~~

~~(c) The required annual report to the city council by each commission and board, and additional advisory reports, shall be submitted to the city council by each commission and board after discussion by the commission and board members and a formal vote taken pursuant to section 2-114. This provision is not intended to prevent input to the city council from individual commission or board members speaking on behalf of themselves.~~

~~Sec. 2-109. Compensation.~~

~~Members of commissions or boards shall receive no salary, but the city council may make provision for the payment of any expenses necessary to the proper functioning of the commission or board.~~

~~Sec. 2-110. Meetings.~~

~~All meetings shall be given public notice by the city clerk, shall be open to the public, and shall generally be held in the city hall. Unless provided otherwise, the city clerk shall act as secretary of all commissions and boards and shall keep minutes and a permanent record of their proceedings. A copy of the minutes shall be forwarded by the city clerk to the city council. All commissions and boards shall meet whenever necessary, at the call of the chair, or as directed by council.~~

~~Sec. 2-111. Election of officers.~~

~~Beginning in November of 2008, each commission and board shall elect a chair and a vice-chair annually in the month of November, or at its next meeting if no meeting is held in November. The chairs and vice-chairs of each commission and board elected in March of 2007 shall continue in office until the November 2008 election.~~

~~Sec. 2-112. Rules of procedure.~~

~~Each commission and board shall follow such appropriate rules of procedure as are set forth by this Code for the city council.~~

~~Sec. 2-113. Quorum.~~

~~A majority of members of any commission or board shall constitute a quorum.~~

~~Sec. 2-114. Commission or board action.~~

~~Any matter, motion, or application before any commission or board with five members must receive the affirmative vote of at least three members for passage. Any matter, motion, or application before any commission or board with more than five members must receive the affirmative vote of at least four members and a majority of those present for passage. Any matter, motion, or application which is voted for approval on and which receives less than the number of votes required for passage shall be deemed to have been denied.~~

~~Sec. 2-115. Appointment of resident and nonresident members.~~

~~Unless provided otherwise by this Code, a majority of members of each commission or board shall be residents of the city.~~

~~Sec. 2-116. Applicants for commission or board seats.~~

~~All applicants for appointment to all boards and commissions shall submit a fully completed application to the city clerk listing their qualifications, areas of interest, current residence address and telephone number. Applicants shall make themselves available to city council members for personal interviews prior to appointment. Each commission or board chair who has one or more member seeking reappointment will be responsible for submitting to the city clerk the names of those wishing to be reappointed, statistics detailing the individual's attendance records, including the number of excused absences during the past 12-month period, and may make a statement as to whether or not the chair considers the individual warrants being reappointed. Anyone applying to be on one of the commissions or boards must have lived in the county for at least one year. The city council shall consider the knowledge, relevant experience and education of the applicant in its appointments. Appointments to the code enforcement board shall not have had an adverse finding from such board for a period of one year prior to appointment. No person serving as a commission or board member may simultaneously serve as an advisory board member or elected official of any other local government unless approved by council.~~

~~Sec. 2-117. City attorney's annual meeting.~~

~~The city attorney, with the assistance of the charter officers, shall host a meeting one time each year for the purpose of briefing commission and board members on their purpose and duties, procedures, and legal requirements. All current commission and board members are encouraged to attend. All newly appointed persons who have never been briefed on duties, procedures, and legal requirements shall attend.~~

~~Sec. 2-118. Legal advice.~~

~~The city attorney shall provide legal advice and assistance to each commission or board upon the request of its chair.~~

~~**Sec. 2-119. Title and purpose of advisory commissions.**~~

~~(a) *Airport commission.* The purpose of the airport commission shall be to recommend measures to the city council in all phases of aviation and airport matters relating to the Vero Beach Municipal Airport. To the extent practicable, at least three members of the airport commission shall be residents of the city.~~

~~(b) *Finance commission.* The purpose of the finance commission shall be to recommend measures to the city council in financial matters affecting the city, including selection of an accounting firm, selection of bond counsel, and review of investments. All members of the finance commission shall be residents of the city.~~

~~(c) *Marine commission.* The purpose of the marine commission shall be to recommend measures to the city council in all phases of marine activities affecting the city. To the extent practicable, at least three members of the marine commission shall be residents of the city.~~

~~(d) *Recreation commission.* The recreation commission shall advise the city council with regard to matters pertaining to recreational activities affecting the city and meet routinely with a similar county recreation commission to coordinate efforts. The recreation commission shall be composed of seven members and, to the extent practicable, at least four members shall be residents of the city.~~

~~(e) *Tree and beautification commission.* The tree and beautification commission shall be composed of five voting members and three nonvoting members. At least one member of the nurserymen's association and one member of garden circles shall be voting members of the tree and beautification commission. The three nonvoting members shall be the director of planning, director of public works and engineering, and director of recreation, or their designee. The tree and beautification commission shall fulfill the following functions:~~

~~(1) Advise city council on all matters concerning trees and the beautification needs of the city;~~

~~(2) Recommend action necessary and desirable to maintain the city as a member in good standing of "Tree City, U.S.A.", and~~

~~(3) Hear and decide all applications for trees planted in honor of individuals, groups and/or organizations and dedicated to the city (hereinafter referred to as "dedication trees") within the city and monitor the planting of approved dedication trees.~~

~~a. The tree and beautification commission shall produce a list of species and specifications of suitable and desirable trees, types and specifications of memorials and/or plaques and related materials and~~

~~planting methods that shall be utilized for dedication trees with associated estimated fees to accomplish such tree dedication. This list, to be known as the dedication tree's specifications and fees list, shall be considered and adopted by resolution of city council and may be changed from time to time by city council. The dedication tree's specifications and fees list shall also prescribe the tree dedication application fee.~~

~~b. The city manager, or his designee, shall accomplish all purchasing, planting and maintaining of approved dedications submitted to the tree and beautification commission.~~

~~c. Applications for dedication trees shall be filed with the department of public works and engineering in accordance with the procedures and fees set forth in the dedication tree's specifications and fees list.~~

~~(4) Advise the city council regarding beautification and the preservation of natural beauty in the city.~~

~~(f) *Utilities commission.* The purpose of the utilities commission shall be to recommend measures to the city council in all phases of the operation and management of the city's utilities. As long as the Town of Indian River Shores receives utility services from the City of Vero Beach under a franchise, at least one member of the utilities commission shall be a resident of the Town of Indian River Shores. To the extent practicable, at least three members shall be residents of the city.~~

~~(g) *Veterans Memorial Island Sanctuary Advisory Committee.* The purpose of the Veterans Memorial Island Sanctuary Advisory Committee is to review documentation for memorials proposed to be constructed on the island, and to make recommendations to the city council. The committee shall also consider and advise the city council on such other matters as may be referred to the committee by the city council. The committee shall be composed of five members, one each from the Veterans Service Office and the Veterans Council of Indian River County, and three civilian members to be nominated by the city council.~~

~~(h) *Architectural review commission.* The purpose of the architectural review commission is to provide guidance and recommendations on the quality of architecture and urban design to work toward preserving and enhancing the city's unique character and attributes as outlined in the city comprehensive plan, vision plan, and other district and small area plans as may be adopted by the city council, as more fully provided in Chapter 77 of this Code. The commission shall also consider and advise the city council on such other matters as may be referred to the commission by the city council. The commission shall be composed of seven members with an additional two members as alternates. The members and alternates shall be architects, engineers, or landscape architects, or have related training or experience. A majority of the commission shall be~~

~~city residents, or those who own real property or work in the city. There shall be no meeting without at least one member of the quorum being an architect.~~

~~Sec. 2-120. Title and purpose of regulatory boards.~~

~~(a) *Planning and zoning board.* The purpose of the planning and zoning board shall be to carry out the procedures, duties, and functions set forth for it in section 65.03 of this Code. All members of the planning and zoning board shall be residents of the city. The planning and development department shall provide the secretary to the planning and zoning board.~~

~~(b) *Board of adjustment.* The purpose of the board of adjustment shall be to carry out the procedures, duties, and functions set forth for it in the zoning ordinances. All members of the board of adjustment shall be residents of the city.~~

~~(c) *Board of building appeals.* The purpose of the board of building appeals shall be to conduct public hearings on appeals from decisions of the building official in the application and interpretation of the state building code and other technical codes. Detailed procedures, duties, and functions of the board of building appeals are provided in the building ordinances. The board of building appeals shall be comprised of at least one architect, one civil engineer, one person with an engineering background, and one general contractor. The building and zoning department shall provide the secretary to the board of building appeals.~~

~~(d) *Historic preservation commission.* The purpose of the historic preservation commission is to develop and administer a comprehensive historic preservation program, and to identify and maintain the city's historic resources for the benefit of both present and future residents, as more fully described in Chapter 76 of this Code. The commission shall also consider and advise the city council on such other matters as may be referred to the commission by the city council. The commission shall be composed of seven members with an additional two members as alternates. At a minimum, one member shall be an architect, one member shall be a planning and zoning board member, and one member an architectural review commission member. Other members and alternates, to the extent practicable, shall include professionals in the fields of architecture, architectural history, urban planning, landscape architecture, archaeology, history, cultural geography, real estate, law, engineering, building construction, cultural anthropology, interior design or have related training or experience.~~

~~Sec. 2-121. Statutory boards.~~

~~(a) *Code enforcement board.* The code enforcement board of the city is created pursuant to the authority of F.S. ch. 166, F.S. ch. 162, and Fla. Const., art. 8, § 2(b), and shall carry out the duties, functions, and procedures set forth for it in the code enforcement ordinance of the city.~~

~~(b) *Fire pension board.* The fire pension board operates pursuant to the provisions of F.S. ch. 175, as amended.~~

~~(c) *Police pension board.* The police pension board operates pursuant to the provisions of F.S. ch. 185, as amended.~~

~~**Secs. 2-122--2-135. Reserved.**~~

~~**DIVISION 2. LOCAL PLANNING AGENCY**~~

~~**Sec. 2-136. Designated.**~~

~~Pursuant to F.S. § 163.3174, the planning and zoning board is the local planning agency for the city.~~

~~**Secs. 2-137—2-160. Reserved.**~~

CHAPTER 2 ADMINISTRATION

ARTICLE III. COMMISSIONS AND BOARDS

Sec. 2-101. General provisions.

(a) *Commissions and boards generally.* The city council may establish commissions and boards from time to time to assist and advise the city council with respect to matters coming before the city council and to perform various other municipal duties and functions found by the city council to be necessary or beneficial to the operation of the city or that are otherwise required by law. Such commissions and boards may be established as ongoing or temporary in nature. The city council may modify or reconstitute commissions and boards as the city council finds necessary or beneficial. The city council may abolish any commission or board not otherwise required by state law.

(b) *Scope and application.* The provisions of this article shall apply to and govern the subject matter of this article except as provided otherwise by the Charter, this Code, an ordinance or resolution of the city council, or state law.

(c) *Establishment and abolishment.* Commissions and boards may be established or abolished by resolution of the city council.

(d) *Classification.* Commissions and boards established by the city council are classified as follows:

(1) *Advisory commissions* are those member panels established primarily to study and report on matters within their expertise and provide advice thereon to the city council.

(2) *Regulatory boards* are those member panels established primarily to exercise certain municipal powers and take governmental action. Such boards may also study and report on matters within their expertise and provide advice thereon to the city council.

(3) *Statutory boards* are those member panels established and designated to operate pursuant to state law and this Code and may exercise certain municipal powers and take governmental action. Such boards may also study and report on matters within their expertise and provide advice thereon to the city council.

Sec. 2-102. Advisory commissions.

The city's advisory commissions and their designated purpose shall be as follows:

(a) *Airport commission.* The airport commission shall function as an advisory commission to the city council in order to facilitate the understanding of and commitment to the appropriate and sustainable funding, functioning, operation, and managed growth of the Vero Beach Municipal Airport. Duties of the commission shall include, but are not limited to, the review of and report to the city council on airside and non-airside leasing contracts, FAA and FDOT-funded projects involving airport funds, airport budgets, including capital investments and infrastructure projects, and preliminary items to be brought to the city council by airport staff for consideration; keeping abreast of current and new legislation regarding public use airports; and preserving the history of the airport.

(b) *Architectural review commission.* The architectural review commission shall perform those duties set forth in Chapter 77 of the land development regulations and provide guidance and recommendations on the quality of architecture and urban design in the city and work toward preserving and enhancing the city's unique character and attributes as outlined in the city comprehensive plan, vision plan, and other district and small area plans as may be adopted by the city council. The commission shall consider and advise the city council on such other matters as may be referred to the commission by the city council. The regular and alternate members shall be architects, engineers, or landscape architects, or have related training or experience. To the extent practicable, a majority of the commission members shall be city residents, or those who own real property or work in the city. No meeting of the commission shall be held without at least one member of the quorum being an architect.

(c) *Finance commission.* The finance commission shall review city monthly financial statements and reports and advise the city council of any negative trends;

review and advise the city council on any loans; review and make recommendations as to budget formats; make recommendations as to selection of accounting firms and bond counsel; and review city investments. The finance commission may be called upon from time to time by the city council to provide oversight of any transaction. The finance commission may consult with the finance director and other city department heads and employees as it finds necessary. In performing its mission, the finance commission shall initiate its own proposals, make recommendations, and provide alternatives to the city council. Any regular voting commission member may request the city clerk to coordinate with the commission chairman the placement of items on the commission agenda and/or request a commission meeting. Meetings may also be called by the city council to review issues prior to city council deliberations. The finance commission shall meet at least once every quarter. An annual review of pension funds will be performed by the finance commission with recommendations made to the city council. All members of the finance commission shall be residents of the city.

(d) *Marine commission.* The marine commission shall study and make recommendations to the city council on all phases of marine related activities and marine tourism affecting the city.

(e) *Recreation commission.* The recreation commission shall advise and assist the city council regarding the leisure needs and interests of the citizens. In its advisory capacity, the commission shall conduct open public meetings as a means of identifying and delivering recommendations to the city council concerning the extensive programs and usage of parks managed by the city recreation department.

(f) *Tree and beautification commission.* The tree and beautification commission shall advise the city council on all matters concerning trees and the beautification needs of the city, including preservation of the natural beauty of the city and recommending actions necessary and desirable to maintain the city as a member in good standing of the "Tree City, U.S.A." program. The commission shall also hear and decide applications for dedication trees to be planted in the city pursuant to resolution of the city council. To the extent practicable, the commission shall be composed of at least one member of the nurserymen's association and one member of a local garden circle.

(g) *Utilities commission.* The utilities commission shall provide recommendations and advice to the city council on all matters related to the administration and operation of the city's utilities, including finances and accounting; efficient and economic operations; maintenance; expansion and contraction of service areas; rates and fees, including taxes; improvements; and other matters specifically relating to the electric, water and sewer, and solid waste enterprise funds. The commission may seek counsel with the city manager and the other charter officers from time to time, as well as city department heads and employees as the commission finds necessary. In performing its mission, the commission shall initiate and provide its own proposals, recommendations, and alternatives to the city council. In addition, the commission shall also review and constructively critique all proposals from city staff, consultants, and the public and make

its own independent recommendations on such proposals in order to provide the best and most complete information possible to the city council. Any commission member may request the city clerk to coordinate with the commission chairman to place items on the commission agenda and/or request a commission meeting. Meetings may also be called by the city council to review issues prior to city council deliberations. The utilities commission shall meet at least once every quarter. The commission is expressly charged with representing and considering all utility customers of the city in its activities, including city resident and non-resident customers alike. As long as the Town of Indian River Shores receives utility services from the City of Vero Beach under a franchise, at least one member of the utilities commission shall be a resident of the Town of Indian River Shores.

(h) *Veterans Memorial Island Sanctuary advisory committee.* The Veterans Memorial Island Sanctuary advisory committee shall study and review documentation for memorials proposed to be constructed on the island and make recommendations to the city council. The committee shall also consider and advise the city council on such other matters as may be referred to the committee by the city council. The committee shall include one member from the Veterans Service Office and one member from the Veterans Council of Indian River County.

(i) *Youth advisory commission.* The youth advisory commission shall study and provide advice and recommendations to the city council on matters and issues affecting the youth and families of the city.

Sec. 2-103. Regulatory boards.

The city's regulatory boards and their designated purpose shall be as follows:

(a) *Planning and zoning board.* The planning and zoning board shall carry out the procedures, duties, and functions set forth for it in this Code. The planning and zoning board is also designated as the local planning agency pursuant to F.S. § 163.3174. All members of the planning and zoning board appointed by the city council shall be residents of the city.

(b) *Board of building appeals.* The board of building appeals shall conduct hearings on appeals from the decisions of the building official in the application and interpretation of the state building code and the other technical codes adopted by the city, as well as those other duties and functions as provided by law. The board shall be comprised of at least one architect, one civil engineer, one additional person with an engineering background, and one general contractor.

(c) *Historic preservation commission.* The historic preservation commission shall develop and administer a comprehensive historic preservation program to identify and maintain the city's historic resources for the benefit of both present and future residents, as more fully described in this Code. The commission shall also consider and advise

the city council on such other matters as may be referred to the commission by the city council. At a minimum, one member of the commission shall be an architect and the other members, to the extent practicable, shall include professionals in the fields of architecture, architectural history, urban planning, landscape architecture, archaeology, history, cultural geography, real estate, law, engineering, building construction, cultural anthropology, interior design, or similar training and experience. All members of the historic preservation commission shall be residents of the city.

Sec. 2-104. Statutory boards.

The city's statutory boards and their designated purpose shall be as follows:

(a) *Code enforcement board.* The code enforcement board of the city is created pursuant to the authority of F.S. ch. 166, F.S. ch. 162, and Fla. Const., art. 8, § 2(b), and shall carry out the duties, functions, and procedures set forth for it in the code enforcement ordinance of the city and as otherwise provided by law. All members of the code enforcement board shall be residents of the city.

(b) *Fire pension board.* The fire pension board operates pursuant to the provisions of F.S. ch. 175, as amended.

(c) *Police pension board.* The police pension board operates pursuant to the provisions of F.S. ch. 185, as amended.

(d) *Local planning agency.* The planning and zoning board is designated as the local planning agency for the city pursuant to F.S. § 163.3174 in addition to its regular authority and duties, and shall convene as such when called upon to perform those duties and functions.

Sec. 2-105. Commission and board members.

The following provisions shall generally regulate the administration of commission and board member appointments and the office of such members:

(a) *Number of members.* Each commission and board shall generally have five (5) regular voting members and two (2) alternate members, except the code enforcement board shall have seven (7) regular voting members pursuant to F.S. ch. 162; the planning and zoning board, when convened as the local planning agency, shall have a representative of the county school board as an additional non-voting member pursuant to F.S. § 163.3174; the utilities commission shall have a representative from the Town of Indian River Shores as an additional voting member pursuant to section 2-102 (g) of this Code; and the Youth Advisory Commission shall have seven (7) regular voting members.

(b) *Appointment of regular members.* The regular members of each commission and board shall generally be appointed by the city council, except as follows:

(1) The city council shall appoint two (2) members to the fire pension board and two (2) members to the police pension board. The remaining members of those boards shall be appointed as provided in F.S. chs. 175 and 185.

(2) Each councilmember shall individually appoint one (1) regular voting member to each of the following:

a. Finance commission.

b. Planning and zoning board.

Should a vacancy occur in the office of any councilmember prior to the end of the councilmember's term of office, then the councilmember appointed or elected to complete the term of such office shall either retain the previously appointed commission or board member or shall appoint a successor for the remainder of the term of office coinciding with such councilmember's term of office. In the case of an unfilled vacancy in the office of a councilmember or a refusal to retain or appoint a commission or board member under this subsection, the city council may make such retention or appointment of the commission or board member.

(3) The county school board shall appoint one (1) representative to the planning and zoning board in its capacity as the local planning agency to serve as a non-voting member pursuant to F.S. § 163.3174. The school board shall determine the term of office of such representative member.

(4) The town council of the Town of Indian River Shores shall appoint an Indian River Shores resident as a representative to the utilities commission to serve as a voting member pursuant to section 2-102 (g) of this Code. The town council shall determine the term of office of such representative member.

(c) *Appointment of alternate members.* The alternate members of each commission and board shall be appointed by the city council.

(d) *Reappointment.* Any regular or alternate commission or board member may be reappointed for an unlimited number of terms.

(e) *Vacancies.* Appointment to fill a vacancy in office occurring during the term of any commission or board member shall only be for the remainder of such member's unexpired term.

(f) *Residency.* Except as otherwise provided for a specific commission or board, a majority of regular members of each commission and board shall be residents

of the city. All members shall have resided in Indian River County for at least one year immediately preceding their application for appointment.

(g) *Compensation.* Commission and board members shall serve without compensation, however, the city council may make provision for the payment of any expenses found necessary or beneficial by the city council for the proper functioning of the commission or board.

(h) *Removal.* Each commission and board member shall serve at the pleasure of the city council and may be removed from office at any time by majority vote of the full city council. In addition, each commission and board member individually appointed by a councilmember shall serve at the pleasure of such councilmember or the councilmember's successor and may be removed from office and replaced at any time.

(i) *Application for appointment; interviews.* All applicants for appointment to any commission or board shall submit a fully completed application to the city clerk listing their qualifications, experience, areas of interest, current residence address, and telephone number. Applicants shall make themselves available to city councilmembers for personal interviews prior to consideration for appointment.

(j) *General qualifications.* The relevant knowledge, education, training, and experience of each applicant shall be considered in making appointments to the various commissions and boards. Persons appointed to the code enforcement board shall not have had an adverse finding from such board for a period of one year prior to appointment. Unless approved by the city council, no person may serve as a commission or board member while simultaneously serving as a commission or board member or elected official of any other state or local government.

(k) *Dual office holding.* No person shall be appointed to any commission or board if such appointment will cause a violation of state law restrictions on dual office holding.

(l) *Appointment dates.* The regular appointment dates for commission and board members shall be as follows:

TABLE INSET:

Commission or board	15th of the Month
Airport commission	November
Architectural review commission	June
Board of building appeals	June

Code enforcement board	October
Finance commission	December
Fire pension board	January
Historical preservation commission	June
Marine commission	October
Planning and zoning board	December
Police pension board	April
Recreation commission	November
Tree and beautification commission	June
Utilities commission	December
Veterans memorial island sanctuary advisory committee	June
Youth advisory commission	September

(m) *Term of office.* The term of office for commission and board regular and alternate members shall generally be four (4) years, except as provided for staggered initial terms. The term of office for members of the police pension board and the fire pension board shall be four (4) years as permitted by state law. The term of office for commission and board regular members appointed individually by each councilmember shall be two (2) years and coincide with the term of office of the appointing councilmember. However, all commission and board members may continue to serve and discharge their duties until their successors are appointed.

(n) *Terms to be staggered.* The term of office for commission and board regular members appointed individually by each councilmember shall be staggered consistent with the term of office of the appointing councilmember. Whenever a commission or board is initially established or reconstituted, the term of office for the members of each such commission and board appointed by the city council shall be staggered as follows:

(1) For commissions and boards having five (5) regular voting members:

a. One (1) member shall be appointed for a term of two (2) years.

b. One (1) member shall be appointed for a term of three (3) years.

c. Three (3) members shall be appointed for terms of four (4) years.

(2) For commissions and boards having seven (7) regular voting members:

a. One (1) member shall be appointed for a term of two (2) years.

b. Three (3) members shall be appointed for terms of three (3) years.

c. Three (3) members shall be appointed for terms of four years.

(3) Alternate members shall be appointed for terms of four (4) years.

(4) The term of office for commissions and boards having more than seven (7) members shall be staggered as provided by ordinance or resolution.

(o) *Adjustment in length of term.* The city council may provide by ordinance or resolution for the early or later expiration of the term of office of any commission or board members. The initial term of newly appointed or reappointed commission and board members may be extended or shortened and the regular term of office may be shortened in order to coincide with the appointment dates established in this article for each respective commission and board.

Sec. 2-106. Commission and board procedures.

(a) *Meetings.* All meetings of each commission and board shall be open to the public and shall generally be held in the city hall. Each commission and board shall meet whenever necessary, at the call of the chair, the call of the vice-chair in the chair's absence, the call of at least three regular members, or as directed by the city council.

(b) *Quorum.* A majority of members of a commission or board shall constitute a quorum.

(c) *Alternate members.* An alternate commission or board member shall sit as a regular member on such commission or board in the absence of a regular member or members, in which case such alternate member shall be counted in establishment of a quorum. Alternate members shall replace absent regular members in the order of seniority of those alternate members present. An alternate member who has been seated at the commencement of a meeting due to the absence of a regular member shall not be removed during the meeting, but shall instead sit in the place of the regular member for the duration of that meeting.

(d) *Officers.* Each commission and board shall elect a chair and vice-chair annually from among the regular voting members in attendance at the first meeting of the commission or board during the month of December or at its next meeting if no meeting is held during such month. A newly established or reconstituted commission or

board shall elect officers at its first meeting. Any commission or board may elect a chair pro tempore from its regular voting members in attendance to serve in the absence of the chair and vice-chair.

(e) *Rules of procedure.* Each commission and board shall follow such appropriate rules of procedure as are set forth by this Code for the city council.

(f) *Commission or board action.* Any matter, motion, or application before any commission or board with five members must receive the affirmative vote of at least three members for passage. Any matter, motion, or application before any commission or board with more than five members must receive the affirmative vote of at least four members and a majority of those present for passage. Any matter, motion, or application which is voted for approval on and which receives less than the number of votes required for passage shall be deemed to have been denied.

(g) *Limitation of member authority.* Any member of a commission or board who appears as a applicant, appellant or witness in any matter, application, case, appeal, or other proceeding before such commission or board shall be disqualified to act in their official capacity therein.

(h) *Absence of members.*

(1) The absence of a commission or board member from a meeting shall be considered an excused absence only if the member has notified the city clerk's office at least two hours in advance of the scheduled meeting. Should any regular or alternate member miss two or more consecutive meetings or more than 25 percent of the meetings scheduled within any one year period without approval of the commission or board, it shall constitute an abandonment of the office by such member. The city clerk shall relay that information to the city council for appropriate action.

(2) A commission or board member shall be considered absent if not present at the time the meeting commences, unless such absence is with the approval of the commission or board. A tardy member shall not be seated after the meeting begins unless the full designated number of regular members for the commission or board has not been seated after the inclusion of the alternate members.

(i) *Annual report to city council; procedure for submission.* In December of each year, each commission and board shall submit to the city council a formal written report summarizing commission or board concerns, recommendations, and other information pertinent to the purpose of the commission or board. Additional advisory reports as may be determined necessary or beneficial by each commission or board may be submitted to or requested by the city council at any time throughout the year. All such reports shall be submitted after discussion and adoption by the commission or board

members. This provision is not intended to prevent input to the city council from individual commission or board members speaking on behalf of themselves.

Sec. 2-107. City clerk.

(a) *Commission and board clerk.* The city clerk or designee shall generally be clerk to each commission and board and shall provide those clerical and administrative services as may be reasonably required for the proper performance of their duties. The city clerk shall keep minutes and a record of the proceedings of each commission and board. A copy of the minutes for each commission and board meeting shall be forwarded by the city clerk to the city council.

(b) *Records; membership roster.* The city clerk shall keep a binder containing copies of all ordinances and resolutions creating and dissolving all past, current, and future commissions and boards. The city clerk shall also maintain a current membership roster for all commissions and boards and a record of attendance of members.

(c) *Member appointments and reappointments.* The city clerk shall receive applications for commission and board member appointments and coordinate applicant interviews. The city clerk shall advise the city council on applications for appointment to commission and board vacancies and those commission and board members seeking reappointment from time to time.

Sec. 2-108. City attorney.

General counsel. The city attorney or designee shall be general counsel to each commission and board and shall provide legal advice and services as may be necessary from time to time.

Secs. 2-109—2-160. Reserved.

Section 2 – Transition.

Nothing in this ordinance shall be construed so as to affect any past or pending action or order of any commission or board, all of which shall continue in full force and effect as if this ordinance had not been adopted.

Section 3 – Severability.

If any provision of this ordinance is held to be invalid, unconstitutional, or unenforceable for any reason by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this ordinance.

Section 4 – Effective Date.

This ordinance shall become effective upon final adoption by the city council, except that those provisions regarding the number of members and residency requirements shall become effective as to each respective commission and board at such time as the city council adopts a resolution reconstituting each such respective commission and board.

****

This ordinance was read for the first time on the _____ day of _____, 2011, and was advertised in the Indian River Press Journal on the _____ day of _____, 2011, for a public hearing to be held on the _____ day of _____, 2011, at the conclusion of which hearing it was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted by the following vote of the City Council:

Mayor Jay Kramer _____

Vice Mayor Pilar E. Turner _____

Councilmember Brian T. Heady _____

Councilmember A. Craig Fletcher _____

Councilmember Tracy M. Carroll _____

ATTEST:

_____
Tammy P. Vock
City Clerk

(CITY SEAL)

CITY OF VERO BEACH, FLORIDA

_____
Jay Kramer
Mayor

Approved as to form and legal sufficiency:

Wayne R. Coment
Acting City Attorney

Approved as conforming to municipal policy:

Monte K. Falls
Interim City Manager

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

MEMORANDUM

RECEIVED

FEB 21 2011

CITY ATTORNEY'S OFFICE

TO: Mrs. Peggy Lyon, Assistant City Attorney

FROM: Mrs. Pilar Turner, Vice Mayor

DATE: February 18, 2011

RE: Commission and Board Ordinance

Prior to the public hearing of this Ordinance, please make the following changes:

- Page 12, Section 2-102 (a) Airport Commission

  * In the first sentence, delete "interface between Airport staff and" from the first sentence and revise it to "The Airport Commission shall function as an Advisory Commission to the City Council ...."

  * In the second sentence, replace the word "outside" with "airside" and "non-outside" with "non-airside."

- Page 13, Section 2-102 (g) Utilities Commission

  * Delete in its entirety the second sentence, "The Commission may also be designated to provide recommendations and advice to the City Council on other enterprise funds of the City from time to time."

  * Revise the seventh sentence as follows:
    "Meetings may also be called by the City Council to review issues prior to City Council deliberations."

- Page 12, Section 2-102 (c) Finance Commission

  * In the sixth sentence, delete "a City Councilmember or City staff" and revise the sentence to read "Meetings may also be called by the City Council to review issues prior to City Council deliberations."

Councilmembers should be allowed to individually remove their appointed designees to the Finance Commission and the Planning and Zoning Board. Please address this issue.

Thank you for your interest and attention to these issues. I believe with clear missions our Boards and Commission will be more efficient.

PT/sp

4-A)

MEMORANDUM

To: Mayor and City Councilmembers

Via: Wayne Coment, Acting City Attorney WPC

From: Peggy Lyon, Assistant City Attorney PL

Subject: Resolution abolishing the Board of Adjustment, moving powers and duties to the Planning and Zoning Board

Date: April 5, 2011

The proposed Resolution serves as an integral part of the City Council effort to amend the boards and commissions section of the Code by abolishing the Board of Adjustment and charging the Planning and Zoning Board with exercising the abolished Board's powers and duties. This resolution requires only one reading.

RESOLUTION NO. 2011- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, ABOLISHING THE BOARD OF ADJUSTMENT AND TERMINATING THE TERM OF OFFICE OF CURRENT BOARD MEMBERS; PROVIDING FOR THE PLANNING AND ZONING BOARD OF THE CITY OF VERO BEACH TO EXERCISE THE POWERS AND DUTIES ENUMERATED FOR THE BOARD OF ADJUSTMENT FOR CONSISTENCY WITH THE CODE OF THE CITY OF VERO BEACH AS AMENDED BY ORDINANCE NUMBER 2011-05; PROVIDING FOR TRANSITION; PROVIDING FOR CONFLICT AND SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Vero Beach has numerous commissions and boards established by the City Council to advise and make recommendations to the City Council on matters coming before the City Council and to perform various local government functions; and

WHEREAS, the City Council has determined that the City's Board of Adjustment is underutilized and its functions can be readily assumed by the Planning and Zoning Board, serving to streamline City government and make it more efficient; and

WHEREAS, the City Council of the City of Vero Beach adopted Ordinance No. 2011-05 on April 5, 2011, amending the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, in order to improve and promote efficiency in the operation of city government,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, AS FOLLOWS:

Section 1. Abolishment of Board of Adjustment.

The Board of Adjustment of the City of Vero Beach shall be and is hereby abolished and the term of office of each current regular and alternate member of the Board of Adjustment shall be and is hereby terminated as of the effective date of this Resolution.

Section 2. Assumption of powers and duties of Board of Adjustment by Planning and Zoning Board.

In addition to the powers and duties of the Planning and Zoning Board enumerated in the Code of the City of Vero Beach, said Board shall exercise those powers and duties of the Board of Adjustment as enumerated and specified in the Code as of the effective date of this Resolution and continue to do so until otherwise provided or amended by ordinance or resolution adopted by the City Council.

Section 3. Direction to City Clerk.

Pursuant to Section 2-201 of the Code, the City Clerk is hereby directed to include a copy of this Resolution, once adopted, in the official "City of Vero Beach Ordinances and Resolutions Establishing Boards and Commissions" binder.

Section 4. Transition.

Nothing in this resolution shall be construed so as to affect any past action or order of the Board of Adjustment entered prior to abolishment of the Board as provided herein, all of which such actions and orders shall continue in full force and effect as if this resolution had not been adopted.

Section 4. Conflict and severability.

The provisions of this Resolution shall control over those provisions of previously adopted resolutions in conflict herewith. If any provision of this Resolution is held to be invalid, unconstitutional, or unenforceable for any reason by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions.

Section 5. Effective Date.

This Resolution shall become effective upon adoption.

****

This resolution was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted on the _____ day of _____, 2011, by the following vote:

Mayor Jay Kramer	_____
Vice-Mayor Pilar E. Turner	_____
Councilmember Tracy M. Carroll	_____
Councilmember A. Craig Fletcher	_____
Councilmember Brian T. Heady	_____

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____
Tammy K. Vock
City Clerk

_____
Jay Kramer
Mayor

Approved as to form and legal sufficiency:

Wayne R. Coment
Acting City Attorney

Approved as conforming to municipal policy:

3/29

Monte K. Falls
Interim City Manager

This instrument prepared by the
Office of the City Attorney
City of Vero Beach
PO Box 1389
Vero Beach, FL 32961-1389

4-B)

MEMORANDUM

To: Mayor and City Councilmembers

Via: Wayne Coment, Acting City Attorney WMC

From: Peggy Lyon, Assistant City Attorney

Subject: Resolution reconstituting Planning and Zoning Board

Date: April 5, 2011

The proposed Resolution serves as an integral part of the City Council effort to amend the boards and commissions section of the Code by reconstituting the Planning and Zoning Board. This resolution requires only one reading.

RESOLUTION NO. 2011- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, IMPLEMENTING CHANGES TO THE ORGANIZATION, MEMBERSHIP, AND DUTIES OF THE PLANNING AND ZONING BOARD OF THE CITY OF VERO BEACH FOR CONSISTENCY WITH THE CODE OF THE CITY OF VERO BEACH AS AMENDED BY ORDINANCE NUMBER 2011-05; TERMINATING THE TERM OF OFFICE OF CURRENT BOARD MEMBERS, EXCEPT FOR THE COUNTY SCHOOL BOARD REPRESENTATIVE; PROVIDING FOR APPOINTMENT OF BOARD MEMBERS AND THEIR RESPECTIVE TERMS OF OFFICE; PROVIDING FOR THE BOARD TO EXERCISE THE POWERS AND DUTIES ENUMERATED FOR THE BOARD OF ADJUSTMENT; PROVIDING FOR CONFLICT AND SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Vero Beach adopted Ordinance No. 2011-05 on April 5, 2011, amending the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, in order to improve and promote efficiency in the operation of city government; and

WHEREAS, said ordinance includes amendments to the number of members of the Planning and Zoning Board of the City and the manner of appointment of such members; and

WHEREAS, the Board of Adjustment of the City of Vero Beach is being abolished by the City Council by separate Resolution and the aforementioned amendments to the Code of the City of Vero Beach delete reference to the Board of Adjustment with the intent of the City Council that the powers and duties of said Board be assumed by the Planning and Zoning Board of the City; and

WHEREAS, the City Council of the City of Vero Beach desires to otherwise reconstitute the Planning and Zoning Board and thereby implement the changes provided for the organization, membership, and duties of such board;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, AS FOLLOWS:

Section 1. Reconstitution of Planning and Zoning Board.

The City Council of the City of Vero Beach hereby reconstitutes the Planning and Zoning Board (hereinafter "Board") as provided herein in order to bring the organization, membership, and duties of said Board into compliance with the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, as amended by Ordinance No. 2011-05.

(a) Termination of current Board members' terms of office. The term of office of each current regular and alternate member of the Board shall be and is hereby terminated as of the effective date of this Resolution. The School Board representative to the Board is excluded from such termination and shall continue to be appointed for such term as determined by the Indian River County School Board.

(b) Appointment of Board members. Each City Councilmember shall individually appoint one (1) member to the Board. The City Council shall appoint by a majority vote two (2) alternate members.

(c) Term of office of newly appointed regular Board members. The term of office of each regular Board member individually appointed by a Councilmember shall commence upon appointment and shall be shortened and staggered to run consistent and end with the term of office of the appointing Councilmember. However, as provided in

section 2-105 of the Code, as amended, Board members may continue to serve and discharge their duties until their successors are appointed.

(d) Term of office of newly appointed alternate Board members. The term of office of each alternate Board member shall commence upon appointment by the City Council and shall be for an initial term ending December 15, 2014. Thereafter, the term of office shall be four (4) years. However, as provided in section 2-105 of the Code, as amended, such alternate Board members may continue to serve and discharge their duties until their successors are appointed.

(e) Organizational meeting. The newly reconstituted Board shall elect a chair and vice-chair at its first meeting as provided by section 2-105 of the Code, as amended. The Board may also provide for a chair pro tempore in its discretion.

(f) Assumption of powers and duties of Board of Adjustment. In addition to the powers and duties of the Board enumerated in the Code of the City of Vero Beach, the Board shall exercise those powers and duties of the Board of Adjustment as enumerated and specified in the Code until otherwise provided or amended by ordinance or resolution adopted by the City Council.

Section 2. Direction to City Clerk.

Pursuant to Section 2-201 of the Code, the City Clerk is hereby directed to include a copy of this Resolution, once adopted, and a current roster of the Board, in the official "City of Vero Beach Ordinances and Resolutions Establishing Boards and Commissions" binder.

Section 3. Conflict and severability. The provisions of this Resolution shall control over those provisions of previously adopted resolutions in conflict herewith. If any provision

of this Resolution is held to be invalid, unconstitutional, or unenforceable for any reason by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions.

Section 4. Effective Date.

This Resolution shall become effective upon adoption.

****

This resolution was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted on the _____ day of _____, 2011, by the following vote:

Mayor Jay Kramer	_____
Vice-Mayor Pilar E. Turner	_____
Councilmember Tracy M. Carroll	_____
Councilmember A. Craig Fletcher	_____
Councilmember Brian T. Heady	_____

ATTEST:

_____
Tammy K. Vock
City Clerk

Approved as to form and legal sufficiency:

Wayne R. Coment
Acting City Attorney

CITY OF VERO BEACH, FLORIDA

_____
Jay Kramer
Mayor

Approved as conforming to municipal policy:

Monte K. Falls
Interim City Manager

This instrument prepared by the
Office of the City Attorney
City of Vero Beach
PO Box 1389
Vero Beach, FL 32961-1389

4 - C)

MEMORANDUM

To: Mayor and City Councilmembers

Via: Wayne Coment, Acting City Attorney WPC

From: Peggy Lyon, Assistant City Attorney PL

Subject: Resolution reconstituting the Utilities Commission

Date: April 5, 2011

The proposed Resolution serves as an integral part of the City Council effort to amend the boards and commissions section of the Code by reconstituting the Utilities Commission. This resolution requires only one reading.

RESOLUTION NO. 2011- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, IMPLEMENTING CHANGES TO THE ORGANIZATION AND MEMBERSHIP OF THE UTILITIES COMMISSION OF THE CITY OF VERO BEACH FOR CONSISTENCY WITH THE CODE OF THE CITY OF VERO BEACH AS AMENDED BY ORDINANCE NUMBER 2011-05; TERMINATING THE TERM OF OFFICE OF CURRENT COMMISSION MEMBERS, EXCEPT FOR THE TOWN OF INDIAN RIVER SHORES REPRESENTATIVE; PROVIDING FOR APPOINTMENT OF COMMISSION MEMBERS AND THEIR RESPECTIVE TERMS OF OFFICE; PROVIDING FOR CONFLICT AND SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Vero Beach adopted Ordinance No. 2011-05 on April 5, 2011, amending the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, in order to improve and promote efficiency in the operation of city government; and

WHEREAS, said ordinance includes amendments to the number of members of the Utilities Commission of the City; and

WHEREAS, the City Council of the City of Vero Beach desires to otherwise reconstitute the Utilities Commission and thereby implement the changes provided for the organization and membership of such Commission;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, AS FOLLOWS:

Section 1. Reconstitution of Utilities Commission.

The City Council of the City of Vero Beach hereby reconstitutes the Utilities Commission (hereinafter "Commission") as provided herein in order to bring the organization and membership of said Commission into compliance with the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, as amended by Ordinance No. 2011-05.

(a) Termination of current Commission members' terms of office. The term of office of each current regular and alternate member of the Commission shall be and is hereby terminated as of the effective date of this Resolution. The Town of Indian River Shores representative to the Commission is excluded from such termination and shall continue to be appointed for such term as determined by the Town of Indian River Shores.

(b) Appointment of regular and alternate Commission members. The City Council shall appoint by a majority vote the regular and alternate Commission members.

(c) Term of office of newly appointed regular Commission members. The term of office of each regular Commission member shall commence upon appointment by the City Council and shall be shortened and staggered as follows:

1. The initial term of office for one regular Commission member shall end on December 15, 2012; and

2. The initial term of office for one regular Commission member shall end on December 15, 2013; and

3. The initial term of office for three regular Commission members shall end on December 15, 2014.

Thereafter the term of office shall be four years. However, as provided in section 2-105 of the Code, as amended, such regular Commission members may continue to serve and discharge their duties until their successors are appointed.

(d) Term of office of newly appointed alternate Commission members. The term of office of each alternate Commission member shall commence upon appointment by the City Council and shall be for an initial term ending December 15, 2014. Thereafter, the term of office shall be four (4) years. However, as provided in section 2-105 of the Code, as amended, such alternate Commission members may continue to serve and discharge their duties until their successors are appointed.

(e) Organizational meeting. The newly reconstituted Commission shall elect a chair and vice-chair at its first meeting as provided by section 2-105 of the Code, as amended. The Commission may also provide for a chair pro tempore in its discretion.

Section 2. Direction to City Clerk.

Pursuant to Section 2-201 of the Code, the City Clerk is hereby directed to include a copy of this Resolution, once adopted, and a current roster of the Commission, in the official "City of Vero Beach Ordinances and Resolutions Establishing Boards and Commissions" binder.

Section 3. Conflict and severability. The provisions of this Resolution shall control over those provisions of previously adopted resolutions in conflict herewith. If any provision of this Resolution is held to be invalid, unconstitutional, or unenforceable for any reason

by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions.

Section 4. Effective Date.

This Resolution shall become effective upon adoption.

****

This resolution was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted on the _____ day of _____, 2011, by the following vote:

Mayor Jay Kramer	_____
Vice-Mayor Pilar E. Turner	_____
Councilmember Tracy M. Carroll	_____
Councilmember A. Craig Fletcher	_____
Councilmember Brian T. Heady	_____

ATTEST:

_____
Tammy K. Vock
City Clerk

Approved as to form and legal sufficiency:

Wayne R. Coment
Acting City Attorney

CITY OF VERO BEACH, FLORIDA

_____
Jay Kramer
Mayor

Approved as conforming to municipal policy:

Monte K. Falls
Interim City Manager

This instrument prepared by the
Office of the City Attorney
City of Vero Beach
PO Box 1389
Vero Beach, FL 32961-1389

4-D

MEMORANDUM

To: Mayor and City Councilmembers

Via: Wayne Coment, Acting City Attorney WRC

From: Peggy Lyon, Assistant City Attorney PL

Subject: Resolution reconstituting the Finance Commission

Date: April 5, 2011

The proposed Resolution serves as an integral part of the City Council effort to amend the boards and commissions section of the Code by reconstituting the Finance Commission. This resolution requires only one reading.

RESOLUTION NO. 2011- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, IMPLEMENTING CHANGES TO THE ORGANIZATION AND MEMBERSHIP OF THE FINANCE COMMISSION OF THE CITY OF VERO BEACH FOR CONSISTENCY WITH THE CODE OF THE CITY OF VERO BEACH AS AMENDED BY ORDINANCE NUMBER 2011-05; TERMINATING THE TERM OF OFFICE OF CURRENT COMMISSION MEMBERS; PROVIDING FOR APPOINTMENT OF COMMISSION MEMBERS AND THEIR RESPECTIVE TERMS OF OFFICE; PROVIDING FOR CONFLICT AND SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Vero Beach adopted Ordinance No. 2011-05 on April 5, 2011, amending the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, in order to improve and promote efficiency in the operation of city government; and

WHEREAS, said ordinance includes amendments to the number of members of the Finance Commission of the City and the manner of appointment of such members; and

WHEREAS, the City Council of the City of Vero Beach desires to otherwise reconstitute the Finance Commission and thereby implement the changes provided for the organization and membership of such Commission;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, AS FOLLOWS:

Section 1. Reconstitution of Finance Commission.

The City Council of the City of Vero Beach hereby reconstitutes the Finance Commission (hereinafter "Commission") as provided herein in order to bring the organization and membership of said Commission into compliance with the Code of the City of Vero Beach, Chapter 2, Administration, Article III, Commissions and Boards, as amended by Ordinance No. 2011-05.

(a) Termination of current Commission members' terms of office. The term of office of each current regular and alternate member of the Commission shall be and is hereby terminated as of the effective date of this Resolution.

(b) Appointment of Commission members. Each City Councilmember shall individually appoint one (1) member to the Commission. The City Council shall appoint by a majority vote two (2) alternate members.

(c) Term of office of newly appointed regular Commission members. The term of office of each regular Commission member individually appointed by a Councilmember shall commence upon appointment and shall be shortened and staggered to run consistent and end with the term of office of the appointing Councilmember. However, as provided in section 2-105 of the Code, as amended, Commission members may continue to serve and discharge their duties until their successors are appointed.

(d) Term of office of newly appointed alternate Commission members. The term of office of each alternate Commission member shall commence upon appointment by the City Council and shall be for an initial term ending December 15, 2014. Thereafter, the term of office shall be four (4) years. However, as provided in section 2-

105 of the Code, as amended, such alternate Commission members may continue to serve and discharge their duties until their successors are appointed.

(e) Organizational meeting. The newly reconstituted Commission shall elect a chair and vice-chair at its first meeting as provided by section 2-105 of the Code, as amended. The Commission may also provide for a chair pro tempore in its discretion.

Section 2. Direction to City Clerk.

Pursuant to Section 2-201 of the Code, the City Clerk is hereby directed to include a copy of this Resolution, once adopted, and a current roster of the Commission, in the official "City of Vero Beach Ordinances and Resolutions Establishing Boards and Commissions" binder.

Section 3. Conflict and severability. The provisions of this Resolution shall control over those provisions of previously adopted resolutions in conflict herewith. If any provision of this Resolution is held to be invalid, unconstitutional, or unenforceable for any reason by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions.

Section 4. Effective Date.

This Resolution shall become effective upon adoption.

****

This resolution was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted on the _____ day of _____, 2011, by the following vote:

Mayor Jay Kramer	_____
Vice-Mayor Pilar E. Turner	_____
Councilmember Tracy M. Carroll	_____
Councilmember A. Craig Fletcher	_____
Councilmember Brian T. Heady	_____

ATTEST:

_____
Tammy K. Vock
City Clerk

CITY OF VERO BEACH, FLORIDA

_____
Jay Kramer
Mayor

Approved as to form and legal sufficiency:

Wayne R. Coment
Acting City Attorney

Approved as conforming to municipal policy:

Monte K. Falls
Interim City Manager

This instrument prepared by the
Office of the City Attorney
City of Vero Beach
PO Box 1389
Vero Beach, FL 32961-1389

6-A)

MEMORANDUM

TO: Mayor Kramer and City Councilmembers

FROM: Tammy K. Vock, City Clerk

DATE: March 30, 2011

RE: Commission/Board Openings

Please Note: The names with an asterisk are interested in more than one Commission/Board.

Planning and Zoning Board

There are five full-time positions and two alternate positions open on the Planning and Zoning Board. Each Councilmember will choose one full-time member and the Council, as a whole, will choose two alternate members. The following is a list of people who are interested in serving on the Planning and Zoning Board.

Keith Pelan	(City Resident)
Richard Kennedy	(City Resident)
Scott McCracken	(City Resident)
Brian Curley	(City Resident)
John Schupe	(City Resident)
Harry Howle	(City Resident)
*Noah M. Powers	(City Resident)

Finance Commission

There are five full-time positions and two alternate positions open on the Finance Commission. Each Councilmember will choose one full-time member and the Council, as a whole, will choose two alternate members. The following is a list of people who are interested in serving on the Finance Commission.

Bill Fish	(City Resident)
Richard Winger	(City Resident)
*Noah M. Powers	(City Resident)
*Peter Gorry	(City Resident)

Utilities Commission

There are five full-time positions and two alternate positions open on the Utilities Commission. The following is a list of people who are interested in serving on the Utilities Commission. Please refer to the attached form in making your selections for the Utilities Commission.

*Peter Gorry	(City Resident)
Herb Whittall	(City Resident)
Scott Stradley	(County Resident)
Jack Kissner	(County Resident)
Alexander Snodgrass	(County Resident)
Thomas Burkett	(County Resident)
Jane Burton	(County Resident)
Barbara Bunney	(County Resident)
Duane Wasmuth	(County Resident)
Robert Young	(County Resident)
Carol Lewis Buffum	(County Resident)
Charles (Bill) Jenkins	(County Resident)

TKV/sp

UTILITIES COMMISSION SELECTION FORM

Please list your top five (5) choices for the Utilities Commission. The top three choices will serve for the (4) four year term, and then one member will be appointed to serve a (3) year term and one member will be appointed to serve for a 2 (year) term. The residency requirement for this Commission is that a majority of regular members of each commission and board shall be residents of the City. The Town of Indian River Shores has appointed Mr. Edgar Wiegner to remain on the Utilities Commission as a voting member.

1)

2)

3)

4)

5)

ALTERNATE MEMBERS

1)

2)

7-A)

City Council Agenda Item
Meeting of April 5, 2011

TO: Mayor Jay Kramer
Vice Mayor Pilar Turner
Councilmember Brian Heady
Councilmember Craig Fletcher
Councilmember Tracy Carroll

FROM: Monte K. Falls, P.E. - Interim City Manager MK Falls 3/18

DATE: March 16, 2011

SUBJECT: **Rotary Nautical Flea Market**

REQUESTED BY: Interim City Manager

The following is requested as it relates to the above-referenced agenda item:

✓ Request Council review and approval based on the attached supporting documentation.

____ Request Council review and possible action.

____ No action required. (Information only)

MEMORANDUM

TO: The Honorable Mayor Jay Kramer, Vice Mayor Pilar Turner, Councilmember Brian Heady, Councilmember Craig Fletcher and Councilmember Tracy Carroll

FROM: Monte Falls, P.E. - Interim City Manager

DATE: March 16, 2011

SUBJECT: **ROTARY NAUTICAL FLEA MARKET**

Attached is correspondence from William E. Pomeroy, President of the Vero Beach Rotary, requesting permission for a "Secure Beer and Wine Tent" at the Rotary Nautical Flea Market, which is planned for December 10 and 11, 2011.

It is the recommendation that the Council approve the above-referenced request.

Monte K. Falls, P.E.

JMG:jav
Attachments

xc: Rob Slezak
Don Dexter
Don Dappen

N:\AGENDA\RECREATION\2011\ROTARY NAUTICAL FLEA MARKET.DOCX

THE ROTARY CLUB OF VERO BEACH
875 Island Club Lane, Vero Beach, Fl 32963
1-772-633-3936

Mr. Monte K. Falls
Interim City Manager, The City of Vero Beach
City Hall
P.O. Box 1389
Vero Beach, Florida 32961

January 24, 2011

Reference: Rotary Nautical Flea Market

Dear Mr. Falls,

Rob Slezak, Director of Recreation, instructed me to send you this letter relative to the Rotary Nautical Flea Market we are planning for the weekend of December 10th and 11th, 2011.

Rob has been a tremendous help in pulling me along and advising me what procedures must be followed in order to obtain approval for our event.

I have attached a copy of our application for the event.

My purpose in writing is to secure an audience with the City Council relative to the "Secure Beer and Wine Tent" that we would like to have in conjunction with the event, together with any other required Council approvals.

Would you please arrange an interview with the Council at which time I will present the nature and purpose of the event.

Any and all advice and guidance from your office would be much appreciated. We hope to raise significant funds for local charities, while bringing lots of folks to Vero for shopping and dining.

With Jim Gabbard's help, we had a very successful event last November. We look forward to your assistance this year!

William E. Pomeroy
Chair, Administration
The Vero Beach Rotary Club Nautical Flea Market

Received
2011
City Mgr's Office

To C.M.	Called App.	To Guards	Notified	Paid	Special Notes

APPLICATION AND FORMAL REQUEST TO HOLD A PUBLIC EVENT ON RIVERSIDE PARK GROUNDS

Original applications need to be submitted at least 90 days before the proposed event. Submit applications to 1725 17th Avenue, Vero Beach, Florida, Monday thru Friday, 9:00am to 5:00 pm. Once your request is reviewed, you may be contacted by a Recreation staff member who will be happy to go over your event information and inform you of any additional requirements, fees, or limitations.

Today's Date: **24 January 2011**

Name of Organization: **The Rotary Club of Vero Beach**

Website address: **http://www.rotaryclubofverobeach.com**

___Profit **X** Non-Profit (Please attach a copy of your State of Florida Certificate of Exemption)

Name of Event: **Vero Beach Rotary Nautical Flea Market**

Type of Event: **Charitable Fund Raiser**

Do you feel the Event has civic or cultural value? (Describe) **This event will raise funds for local charities. It will have cultural value in that nautical art will be a part of the program.**

Expected number of people attending the Event: **10,000**

Proposed Activities: **We will have vendor booths, food venues, a secured beer tent, and music performances.**

Proposed Date(s) **December 10th and 11th, 2011** Set-up time: **Friday December 9th**

December 10th, 8 am – 5 pm Event time: **December 11th, 8 am – 3 pm**

December 12th Clean-up time: **8 am – 1 am**

Event Hours for Attendees and Spectators: **See Event Time above**

Area of Use: **X** The Oaks Area ($300.00 damage deposit required)
___Unimproved Area ($300.00 damage deposit required)
____ Other Area(s): _____

Utilities: **X** Electric needed **X** Water needed

Please CHECK ONLY ONE of the following that applies to the physical location of your group or organization:
___ City of Vero Beach **X** Indian River County ___Outside of Indian River County

Special Requests: _____

APPLICATION TO HOLD A PUBLIC EVENT ON RIVERSIDE PARK GROUNDS (pg. 2)

This form is intended to gather information about your event in order to insure that all necessary requirements are met, and city departments are working in concert with you for the success of your event.

Please check off all that apply to your event:

(See information following form)

__Amplified Sound

_X_ Live Music

_X_ Cooking

_X_ Food vending

_X_ Other Vending

_X_ Port-o-lets

__Stage

___Bleachers

_X_ Tents

___Bounce House

___Other _____

___Other _____

___Street use – *must get approval from the Vero Beach Police Department before submitting this form to the Recreation Department.*

Other Needs:

_X_ Electric with access key

_X_ Water with access key

___Rest Rooms after hours (after 8:30 p.m. and before 7:00 a.m.)

_X_ Signs (for permit and sign information please call Planning & Development at 978-4550.)

__Police (if needed, please call Vero Beach Police Department for rates at 978-4600.)

_X_ Dumpster (if needed please call Solid Waste for rates at 978-5300.)

___Barricades (if needed please call Public Works for rates at 978-4870.)

___Park Adjustments

___Gates opened

___Other: _____

___Other: _____

Signature of Requestor: _____

This application (pages 1-4) should be completed and the ***original*** returned to the Recreation Department located at 1725 17th Avenue, Vero Beach, Florida ***with a $300.00 damage deposit and a copy of your tax exemption certificate***, if applicable, no later than 90 days prior to the proposed event. The application will be sent to the City Manager's office for review and approval. If your request is approved, you will be required to submit a certificate of liability insurance covering the event with the City of Vero Beach named as an Additional Insured, along with a copy of the policy. Approximately 45-60 days before the event, an Event Committee meeting will be held with your representative(s) and City officials to ensure all requirements are met, and for coordination with the city. For questions, please call the Director of the Recreation Department at 567-2144.

Once approved, please have a copy of this paperwork with you at your event.
If you encounter any problems during your event please call our Supervisor on Duty at 538-1397, Recreation Director Rob Slezak at 538-1298, or Vero Beach Police non-emergency at 978-4600.

City of Vero Beach
Recreation Department

1725 17th Avenue
Vero Beach, FL 32960
(772) 567-2144 fax :(772) 778-7496 www.covb.org

REQUEST FOR THE USE OF RIVERSIDE PARK GROUNDS

(Please submit original to above address.)

The undersigned, on his/her own behalf or as authorized agent of **The Rotary Club of Vero Beach** hereinafter "Applicant," respectfully requests the use of the Riverside Park grounds from **December 8**, 2011 thru **December 12**, 2011.

1. The use of Riverside Park grounds must be approved by the City Manager in advance of the scheduled event.
2. If preparation time is required for the event, this time should be included with the overall request for the use of this facility to avoid any schedule conflicts.
3. If liability insurance has been obtained or is provided as a part of a national or regional organizational structure, the applicant shall notify the policyholder and the City regarding this area. Additionally, depending upon the nature of the requested use, the City may require the applicant to have insurance.
4. There will be no modifications authorized on the Riverside Park grounds unless specifically authorized by the City Council or City Manager. The City Manager may approve temporary installations of additional facilities. The City Council, however, must approve any permanent additions to the area. This specific approval must be obtained in writing. There will be no digging, underground installations, tents or temporary building installations, or pruning of foliage without prior specific permissions of the City Manager or his designee. Again, this authorization must be obtained in writing in advance of any action on the part of the applicant. Any work to be accomplished by skilled tradesmen, such as electrical or plumbing, must be reviewed in advance by the City Building Department. If any permits are required, the applicant is to obtain the requisite permits and follow up with appropriate inspections before its event.
5. Electrical service is provided at central locations on the grounds in the Oaks Area of the park. However, specific arrangements must be made during a weekday in advance of the scheduled activity for use of this service. Applicant must appropriately protect all extension cords that are run from the outlets provided to prevent falls or other injuries by visitors or other users.
6. Central potable water service is available in the Oaks Area of the park from a central water meter. Specific arrangements must be made during a weekday in advance of the scheduled activity. Two additional spigots have been located strategically on the property for the use of the applicant.
7. A solid waste dumpster can be obtained for a fee from the Solid Waste Department (978-5300) by arranging for this service at least one week in advance of the date of the event. The applicant can determine the container size and the appropriate container will be placed at a location that is convenient to both the Solid Waste Department and the applicant.
8. The applicant shall be responsible for the complete cleanup of the area after the event. This cleanup will include all foreign matter that has been transported to the area by the applicant, its guests, or other spectators. The parking area is to be specifically included in the cleanup process. All refuse will be placed in authorized receptacles or completely removed from the Riverside Park grounds. A Damage Deposit of $300.00 per event for the use of Riverside Park Areas must be submitted to the City of Vero Beach with this application to ensure proper and timely cleanup. Failure to cleanup within 24 hours after the cessation of the event shall be cause of forfeiture of the deposit to pay for the cleanup of the grounds by City crews.
9. Special security is available for a fee from the Vero Beach Police Department (978-4600.) Specific arrangements must be made at least 30 days in advance of the event to have an officer on site to monitor the event.
10. The applicant is fully responsible for the actions of all members and guests associated with this event and for ensuring compliance with all laws and ordinances that are in effect for this area.
11. No alcoholic beverages may be consumed on this property at any time.
12. The applicant must answer the questions in the application form in order to obtain approval to use the grounds. This application should be submitted to the attention of the Recreation office 90 days prior to the event.

The undersigned certifies that he/she has read and understands the foregoing. Further, the applicant certifies he/she is authorized to obligate the organization or group he/she represents in making this request and ensuring compliance with these rules. The applicant hereby agrees to protect, indemnify, defend, save, and hold harmless the City of Vero Beach, Florida, from all claims, demands, liabilities, any suits of any nature whatsoever arising out of, because of, or due to this license, or due to any act or occurrence of omission or commission of the applicant, its agents or employees. A Damage Deposit of $300.00 accompanies this request.

Signed: _____

Print: **William E. Pomeroy**

Address: **875 Island Club Lane, Vero Beach, Fl 32963**

Position: **President**

Telephone #: **1-772-633-3936** E-mail: **wepom@aol.com**

Name of Organization: **The Rotary Club of Vero Beach**

Website address: **http://www.rotaryclubofverobeach.com**

Address of Organization: **PO Box 2013. Vero Beach, FL 32961**

Address of Organization: _____

Phone number (and contact person) for the public to call _____

DATES CHECKED BY THE RECREATION DEPT.

Date: _____

APPROVAL BY SPECIAL EVENTS COMM.

Date: _____

APPROVAL BY CITY MANAGER:

Date: _____

If you encounter any problems during your use of this location please call our Supervisor on Duty at 538-1397, Recreation Director Rob Slezak at 538-1298, or the Vero Beach Police Department non-emergency number at 978-4600.

NOTICE

7-B)

City Council Add-On Agenda Item

Meeting of April 5, 2010

TO: Mayor Jay Kramer
Vice Mayor Pilar Turner
Councilmember Brian Heady
Councilmember Craig Fletcher
Councilmember Tracy Carroll

FROM: Monte K. Falls, Interim City Manager MKFalls 3/24/11

DATE: March 24, 2011

SUBJECT: **Change in the "Electric Service – Fuel Cost"**

REQUESTED BY: Customer Service Manager

The following is requested as it relates to the above-referenced agenda item:

____ Request Council review and approval based on the attached supporting documentation.

____ Request Council review and possible action.

✓ No action required. (Information only)

CITY OF VERO BEACH
DEPARTMENTAL CORRESPONDENCE

TO: Monte K. Falls, Interim City Manager
DEPT: City Manager

FROM: John T. Lee, Customer Service Manager JTL 3/21/2011
DEPT: Customer Service

DATE: March 21, 2011

RE: **A change in the "Electric Service – Fuel Cost"**

Recommendation:

- This is an informational item and Council action is not required.

Background:

The second line on most electric bills is "Electric Service – Fuel Cost", which represents the cost for the generation, transmission and fuel necessary to provide electric service. These costs vary due to changes in the market for the fuel that is used to generate electricity, especially natural gas. When necessary the City adjusts the "Electric Service – Fuel Cost", based on a four step evaluation.

Step One – The current pricing as well as future price projections for natural gas are evaluated by the Power Plant staff based on information obtained from the Florida Municipal Power Pool (FMPP).

Step Two – The maintenance requirements for the Power Plant and Transmission and Distribution Departments are reviewed to insure that all planned maintenance projects are on schedule.

Step Three – The Electric Design staff provides an update on any new projects that have been planned for the current fiscal year as well as any unplanned project that may impact the budget.

Step Four – The Finance Department reviews the status of the Working Capital to insure that the City is maintaining between 45 and 60 days of working capital.

At this time, the working capital is projected to exceed 60 days and all of the other factors are positive so it is possible to reduce the "Electric Service – Fuel Cost" portion of the electric bills. The attached spreadsheet details the changes in the electric billing from December 2009 to the present.

Based on all of these factors, the "Electric Service – Fuel Cost" will be reduced from $60.00 per 1,000 kilowatt hours to $56.00 per 1,000 kilowatt hours for meter readings taken after May 1, 2011.

Attachment

Electric Rate Comparison			
Residential Account - 1,000 kilowatt hours			
Bill Date	Electric Service Metered kWh	Electric Service Fuel Costs	Total Bill
Dec-09	$83.31	$75.51	$158.82
Jan-10	$51.95	$74.00	$125.95
Mar-10	$51.95	$71.50	$123.45
Apr-10	$51.95	$69.50	$121.45
Oct-10	$53.14	$64.00	$117.14
Jan-11	$53.14	$60.00	$113.14
May-11	$53.14	$56.00	$109.14

7-C)

City Council Agenda Item
Meeting of April 5, 2011

TO: Mayor Jay Kramer
Vice Mayor Pilar Turner
Councilmember Brian Heady
Councilmember Craig Fletcher
Councilmember Tracy Carroll

FROM: Monte K. Falls, P.E. - Interim City Manager MKFalls 3/14

DATE: March 16, 2011

SUBJECT: **Beachland Cleaning Services Contract**

REQUESTED BY: Manager of Purchasing and Warehouse Operations

The following is requested as it relates to the above-referenced agenda item:

✓ Request Council review and approval based on the attached supporting documentation.

____ Request Council review and possible action.

____ No action required. (Information only)

DEPARTMENTAL CORRESPONDENCE

TO: Monte K. Falls, Interim City Manager

FROM: John O'Brien, Manager of Purchasing and Warehouse Operations JOB

SUBJECT: BEACHLAND CLEANING SERVICES CONTRACT

DATE: March 9, 2011

BACKGROUND:

In 2001 the City of Vero Beach terminated its janitorial services contract with Coast to Coast Janitorial due to their poor performance. As a result, we contracted with Beachland Cleaning Services to take over the contract on a month-to month basis. Then in 2002 City Council approved a three year contract with Beachland Cleaning Services. The City subsequently renewed the contract in 2005 and 2008. In 2008 they requested their first price increase in six years, due to increase in insurance premiums and changes in minimum wage laws.

In 2010 the City renegotiated the contract to provide reduced services, three cleanings per week versus five in certain facilities. As a result, the City is saving $13,483.56 annually. Beachland Cleaning Services has provided excellent service during the past nine years. They respond to quickly to any complaints and always follow up with a call from their Supervisor to ensure our needs have been met. Many of the City's recreational rental facilities have rentals which have back to back events and the facilities must be cleaned thoroughly for the next event in a timely manner and Beachland Cleaning Service has been very reliable for the Recreation Department. In addition, if there is an accident or unusual mess which needs immediate attention they have consistently responded to our call in a timely manner.

Beachland Cleaning Services is a local business located in the City limits. They provide service for Indian River County and they are happy, as well, with their service.

RECOMMENDATION:

The City is currently at the end of our three year contract with Beachland Cleaning Services. Recommend the City contract with Beachland Cleaning Services for three years. The annual cost of the contract is $186,999.88. Request this item be placed on the April 5, 2011 council agenda.

CITY OF VERO BEACH

PROFESSIONAL JANITORIAL SERVICES

CITY OF VERO BEACH

PREPARED BY

PURCHASING DIVISION

COUNCIL MEMBERS

MAYOR – JAY KRAMER

VICE MAYOR – PILAR E. TURNER

TRACY M. CARROLL

A. CRAIG FLETCHER

BRIAN T. HEADY

CHARTER OFFICERS

INTERIM CITY MANAGER – MONTE K. FALLS

CITY CLERK - TAMMY VOCK

ACTING CITY ATTORNEY – WAYNE COMENT

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CITY OF VERO BEACH, FLORIDA

GENERAL CONDITIONS

1. DEFINITION OF TERMS

Where the following terms, or their pronouns, occur herein or in any of the Contract Documents, they shall have the following meanings:

A. Addendum
A modification of the Contract Documents issued in writing by the City prior to the Bid Opening.

B. Bid Opening
The time and place for the opening of Bids, as described in the Invitation to Bid.

D. Change Order
A written order issued by the City to the Contractor directing certain changes, additions, or reduction in the Work.

C. City ("Owner")
City of Vero Beach, P.O. Box 1389, Vero Beach, Florida 32961-1389.

E. Commencement Date
The date on which the Contractor may start the Work.

F. Completion Date
The date on which all Contract Work, other than guarantee and maintenance Work, is required to be completed.

G. Contract
The written agreement between the City and the Contractor covering the Work to be performed, including all Contract Documents.

H. Contract Documents
All forms and documents comprising the Contract, including Invitation to Bid, Addendum as Required, Instructions to Bidders, General Conditions, Supplementary General Conditions, Sworn Statement, Questionnaire, Drug-Free Workplace Compliance Form, Bid Proposal, Bid Bond, Form of Agreement, Performance and Payment Bond, Affidavit, Final Payment Request by Contractor, and Periodic Estimate for Partial Payment, Technical Specifications, Drawings, and Change Orders.

I. Contractor

The individual, partnership, or corporation who, by executing the Contract, agrees to perform the Work described therein.

K. Extra Work
Work not included as a unit of Work described in the Bid Schedule and not reasonably related to or incidental to such Work.

L. Notice to Proceed
A written notice issued by the City, designating the Commencement Date, the Time of Completion, and the Completion Date.

M. Site
The area upon or in which the Contractor is to perform the Work and such other areas adjacent thereto as may be designated as such by the City.

N. Specifications
All of the technical requirements and standards of performance applying to the Work as hereinafter detailed, designated by reference (e.g., on Drawings), or which may be stated in an Addendum.

O. Subcontractor
Any individual, partnership, or corporation, other than the Contractor's employees, who Contracts with the Contractor to furnish, or actually furnishes, labor, materials, or equipment, or any combination thereof, in connection with the Work performed under the Contract.

P. Surety
Any person, firm or corporation bound by the Contract bonds with and for the Contractor acceptable performance of the Work and for payment of all debts pertaining thereto.

Q. Time of Completion
The total number of calendar days from and including Commencement Date through the Completion Date.

R. Work
Everything expressly or implied required to be done by the Contractor under this Contract, including furnishing and installing materials, as well as any Extra Work properly authorized by the City.

2. CONTROL, SUPERVISION AND INSPECTION OF THE WORK

A. The City shall have full control and direction of the Work in all respects. The City shall have the right to supervise the Work as the City deems necessary.

B. The City shall at all times have the right to inspect the Work and the Site. If requested by the City, the Contractor shall uncover any of the Work for inspection and replace same, all at the Contractor's expense. The Contractor shall furnish all reasonable means for obtaining such information as the City may desire, respecting the quality of the Work and materials and the manner of conducting the Work. The City shall not have the power to waive the Contractor's obligation to properly perform the Work as herein prescribed.

C. The Contractor shall perform night Work only as directed or permitted by the City. The Contractor shall receive no extra payment for such Work.

D. The City's right to inspect and supervise shall not relieve the Contractor from his responsibilities and obligations under the Contract. The City shall not be responsible for the safety of the Workmen, the safeguarding of the Work, or the proper performance of the Contractor.

3. SUPERINTENDENTS

When the Contractor is not present at the Site, any orders given by the City to the Contractor's foremen or superintendents shall be strictly obeyed and shall be treated in all respects as if given to the Contractor. Furthermore, the Contractor shall provide the City an emergency phone number to allow contact with him or his representative at times when he is not on the Site.

4. SUBCONTRACTORS

A. The Contractor shall not sublet the whole or any part of the Work without the written consent and approval of the City. In all cases, the Contractor shall give his personal attention to the Work, the Subcontractors being considered as foremen employed by the Contractor and liable to be discharged by the City for neglect of duty or incompetency or misconduct.

B. After acceptance of any Subcontractor by the City, the Contractor shall not replace the Subcontractor with a new Subcontractor without the written approval of the City.

5. EMPLOYEES

None but skilled foremen and Workmen shall be employed on Work requiring special qualifications. Any person employed on the Work who fails, refuses, or neglects to obey the instructions of the City in anything relating to this Work, or who appears to the City to be disorderly, insubordinate, unfaithful, or incompetent, shall, upon the order of the City, be at once discharged and not again employed on any part of the Work. Any interference with, or abusive or threatening conduct toward, any City employee by the Contractor or his employees or agents, shall be authority for the City to annul the Contract and relet the Work.

6. CHANGES IN SCOPE OF WORK; EXTRA WORK

While the City has tried to anticipate all Work required under and during the term of this Contract, the parties understand and agree that the Work required herein may require, without notice to the sureties, the performance of Extra Work or the omission of Work previously required. The City may, at any time and without notice to the sureties, require changes in the scope of Work under this Contract, as the City may find necessary or desirable. Such changes may include the omission of Work previously required.

A. The City shall notify the Contractor of the change in scope via a Change Order, which shall become a part of the Contract Documents. If a Change Order directs Contractor to omit Work, the Contractor shall refrain from performing it.

B. The Contractor shall perform Extra Work only pursuant to the issuance by the City of a Change Order. Records of any Extra Work performed by Contractor shall be reviewed daily by the Contractor and the City, duplicate copies of accepted records made and signed by both the Contractor or his representative and the City, and one (1) copy retained by each.

7. OMITTED WORK

The City may, at any time by a written order and without notice to the Sureties, require the omission of such Contract Work as the City may find necessary or desirable. All Work so ordered must be omitted by the Contractor. The amount by which the Contract price shall be reduced shall be determined as follows:

A. By such applicable unit prices, if any, as are set forth in the Contract; or

B. If there are no applicable unit prices, then by an appropriate lump sum price, if any, set forth in the Contract; or

C. If there is no such lump sum price, then by the reasonable and fair estimated cost of such omitted Work as determined by the City.

8. TERMINATION OF CONTRACT

City may terminate this Contract at any time without further obligation hereunder, except with regard to any services already delivered by Contractor under a purchase release issued by city, by delivering written notice to Contractor, which notice shall include the date upon which termination becomes effective. City's right to terminate is in addition to City's other rights hereunder.

9. GRATUITIES

City may, by written notice to Contractor, cancel this Contract without liability to Contractor if it is determined by City that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of City with a view toward securing a Contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such a Contract. In the event this Contract is canceled by City pursuant to this provision, City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by Contractor in providing such gratuities.

10. SAFETY; MAINTAINING THE SITE

A. The Contractor shall maintain safety at all times in cooperation with the City. The Contractor shall be responsible for any damage to existing utilities, property, or persons arising out of the Contractor's Work at the Work Site. The Contractor shall take precautions as are necessary to protect the public, the City and its employees, and the Contractor's employees from hazards associated with the Contractor's use and occupancy of the Work Site, in cooperation with the City.

B. The Contractor shall maintain the Work Site in a safe and reasonable condition. For any period, including weekends and holidays, during which Work is halted, Contractor shall ensure that the Work Site on which Work has been halted is in a condition that is clean, orderly, and satisfactory to the City.

11. LOSS CONTROL/SAFETY

A. All costs due to loss, theft, or damage to all City materials, equipment, and property shall be the responsibility of the Contractor.

B. Precaution shall be exercised at all times by the Contractor for the protection of all persons, including employees and property. The Contractor shall comply with all applicable laws, regulations and ordinances related to safety and health, shall make

special effort to detect hazardous conditions, and shall take prompt action when loss control/safety measures are reasonably necessary.

C. The City may order work to be stopped if conditions exist that present an immediate danger to persons or property. The Contractor acknowledges that such stoppage will not shift responsibility for any damages from the Contractor to the City.

12. SUSPENSION OF WORK

The City shall have the right to require the Contractor to suspend Work during inclement weather. The City may, at any time and without cause, suspend the Work or any portion thereof for a period of not more than thirty (30) days by notifying the Contractor to cease Work. The City's decision as to suspensions shall be final and binding. Whenever the Contractor is required to suspend Work for any reason, the Contractor shall secure the Site and protect the Work, so as to preserve the Site and the Work from damage, destruction, and loss.

13. ROYALTIES AND PATENTS

All fees, royalties, and claims for any invention, or pretended invention, or patent of any articles, material, arrangement, appliance, or method that may be used upon or in any manner be connected with the construction of this Work or appurtenances, are hereby included in the prices stipulated in this Contract for said Work.

14. INDEMNIFICATION

A. Contractor agrees to indemnify, hold harmless and defend (with counsel reasonably acceptable to City) City, its council members, directors, officers, employees, partners, principals, Contractors, agents, representatives, and each of them, against any and all administrative and judicial proceedings and orders, charges, claims, costs, damages, demands, expenses, fines, judgments, liabilities, losses, penalties, and remedial actions of any kind, including the costs of any hazardous materials remedial actions of any kind and all other related costs and expenses incurred in connection therewith, including, but not limited to, reasonable attorneys' fees and the costs of defense arising out of injury to persons, including, but not limited to death, or damage to property, caused by, directly or indirectly, in whole or in part, the negligence of Contractor in the performance of the Work set forth in the Contract Documents.

B. The indemnification and hold harmless provisions set forth in paragraph 17A. above, shall be binding upon the successors, assigns, and sub-licensees of Contractor.

15. INSURANCE

Before starting the Work and until final acceptance of the Work by the City, the Contractor shall procure and maintain insurance of the types and to the limits specified in the Attachment Section of the document. Further, the Contractor shall require each of his Subcontractors to procure and maintain, until completion of that Subcontractor's Work, insurance of types and to the limits specified in Attachment Section of document. It shall be the responsibility of the Contractor to ensure that all of his Subcontractors comply with all of the insurance requirements contained herein relating to such Subcontractors.

Certificates of Insurance evidencing the insurance coverage specified herein shall be filed with the City before Work is begun. The required Certificates of Insurance not only shall name the types of policies provided, but also shall refer specifically to this Contract and the specific Contractual provisions thereof which require such insurance, and shall state that such insurance is as required by this Contract. If the initial insurance expires prior to the completion of the Work, renewal Certificates of Insurance and required copies of policies shall be furnished thirty (30) days prior to the date of their expiration.

16. INTERPRETATION OF SPECIFICATIONS

The City shall decide all questions concerning the interpretation of all Contract Documents pertaining to the character, quality, amount and value of any Work done under or by reason of this Contract and the City's estimate and decisions shall be final and conclusive.

17. DISPUTED WORK

If the Contractor is of the opinion that any Work required, necessitated, or ordered is not within the terms and provisions of this Contract, he must promptly notify the City, in writing, of his contentions with respect thereto and request a final determination thereon. If the City determines that the Work in question is not Extra Work, and that the order complained of is proper, the City will direct the Contractor to proceed and the Contractor shall promptly comply. Final determination and decisions, in case any question shall arise, shall constitute a condition precedent to the right of the Contractor to receive any money therefor, until the matter in question has been determined.

18. NO WAIVER OF LEGAL RIGHTS

A. The City shall not waive any rights hereunder by making any payment of any kind, or accepting any Work, unless expressly stated otherwise. The consent by City to any act by Contractor shall not be deemed to imply consent or to constitute a waiver of a breach of any provision of the Contract or continuing waiver of any subsequent breach of the same or any other provision, nor shall any custom or practice which may arise between City and Contractor be construed to waive or lessen the right of City to insist upon the

performance by Contractor in strict accordance with the provisions of the Contract.

B. The City reserves the right to correct any error that may be discovered in any estimate that may have been paid and to adjust the same to meet requirements of the Contract. The City further reserves the right, should conclusive proof of defective Work on the part of the Contractor be discovered after the Final Payment has been made, to claim and recover, by process of law, such sums as may be sufficient to correct the error or make good the defects in the Work.

19. DEFECTIVE WORK

A. If, at any time, defects therein shall be found, the Contractor shall promptly correct such defects, remove and dispose of all defective or unsatisfactory Work or materials, and supply others in accordance with the Contract. Previous Work will not relieve the Contractor of the responsibility for good Work or materials, although the defects may have been overlooked by the City, or may have been the result of damage from any cause.

B. Should the Contractor fail or refuse to remove and renew any defective Work performed, or to make any necessary repairs in an acceptable manner, and in accordance with the requirements of the Contract within the time indicated in writing, the City shall have the authority to cause the unacceptable or defective Work to be removed or renewed, or such repairs as may be necessary to be made at the Contractor's expense. Continued failure or refusal on the part of the Contractor to make any or all necessary repairs, promptly, fully, and in an acceptable manner, shall be sufficient cause for the City to declare the Contract forfeited, in which case the City at its option may instruct the City to purchase materials, tools, and equipment and employ labor or may contact with any other individual, firm or corporation, or may proceed with its own forces to perform the Work.

C. All costs and expenses incurred thereby shall be charged against the defaulting Contractor and the amount thereof deducted from any monies due, or which may become due him, or shall be charged against the Contract bond.

D. At the request of the City, the Contractor shall, at any time remove or uncover such portions of the Work as may be directed. After examination, the Contractor shall restore said portions of the Work to the standard required by the Contract Documents. Should the Work thus exposed or examined prove acceptable, the uncovering or removing, and the replacing of the covering or making good of the parts removed, shall be paid for by Change Order; but should the Work so exposed or examined prove unacceptable, the uncovering or removing and replacing of the covering or making good of the parts removed shall be at the Contractor's expense.

E. Failure to reject any defective Work or material shall not in any way prevent later rejection when such defect be discovered, or obligate the City to final acceptance.

20. TOOLS & EQUIPMENT

If, at any time before the commencement or during the progress of the Work, tools or equipment appear to the City to be insufficient, inefficient or inappropriate to secure the quality of Work required or the proper rate of progress, the City may order the Contractor to increase their efficiency, to improve character, to augment their number or substitute new tools or equipment, as the case may be, and the Contractor shall conform to such order. The failure of the City to demand such increase of efficiency shall not relieve the Contractor of his obligation to secure the quality of Work and the rate of progress necessary to complete the Work within the time required by the Contract and to the satisfaction of the City.

21. TESTING

The Contractor shall perform, or obtain the performance of, any testing required herein. The Contractor shall bear the cost of any testing required under the Contract, as well as any retesting required as a result of failures. The Contractor's Bid prices shall be construed as including the cost of any such testing or retesting.

22. PERMITS & FEES

The successful bidder (Contractor) shall be responsible for obtaining and paying the respective fees of all local government permits. Payment for the cost associated with this obligation will be reimbursed by the City upon presentation of paid receipt and/or copy of said permit (as determined by the City).

23. MISCELLANEOUS

A. Notice:

Any notice, request, instruction, demand, consent, or other communication required or permitted to be given under this Agreement shall be:

(1) in writing;

(2) delivered (to the addresses listed in this Article 5, below, or such other address as the Parties may provide to each other in writing) by one of the following means:

(a) by hand;

(b) by overnight mail service (such as Federal Express); or

(c) by certified mail, postage prepaid, and certified return receipt requested

to the following address, or such other address as the Parties may provide to each other in writing:

To: [Name of Division]
Attn:
Name of Company
Street Address
City / State / Zip Code
Telephone: (xxx)xxx-xxxx
Facsimile: (xxx)xxx-xxxx

With a copy to: [Name of Division]
[Contact] [Title] Attn: [Contact] [Title]
Name of Company
Street Address
City / State / Zip Code
Telephone: (xxx)xxx-xxxx
Facsimile: (xxx)xxx-xxxx

To CITY: With a copy to:

City of Vero Beach, Florida
Attn: Carol Shoaf,
Contract Administrator
3455 Airport West Drive
P. O. Box 1389
Vero Beach, FL 32961
Telephone: (772) 978-5474
Facsimile: (772) 770-6860

City of Vero Beach, Florida
Attn: John O'Brien,
Manager of Purchasing
3455 Airport West Drive
P.O. Box 1389
Vero Beach, FL 32961-1389
Telephone: (772) 978-5470
Facsimile: (772) 770-6860

A copy of any notice, request, instruction, demand, consent, or other communication required or permitted to be given under this Agreement may also be sent via facsimile. However, delivery via facsimile shall not constitute an alternative or substitute means of delivery (i.e., notice must still be sent via hand delivery, overnight mail, or certified mail return receipt requested as set forth, above).

B. The parties expressly recognize that the relationship between the City and the Contractor is that of independent Contractors, and that neither the Contractor nor any of his servants, agents or employees shall ever be considered to be an agent, servant or employee of the City.

C. Severability

In the event that any provision of this Agreement shall be held unconscionable, unenforceable, or void for any reason by any tribunal of competent jurisdiction, it is agreed that the provision in question shall be modified to eliminate the elements of concern to the tribunal and as modified shall be binding on the parties hereto. The remaining provisions shall not be affected by the action of any tribunal or modification of such provision, and shall remain in full force and effect.

D. Choice of Law; Venue

The validity, interpretation, and enforcement of this Agreement shall be governed by the laws of Florida without regard to conflict of law applications. Indian River County, Florida, shall be proper venue for any litigation involving this Agreement. Any legal proceedings of any nature brought by either Party to enforce any right or obligation

arising out of this Agreement shall be submitted to trial without jury before any court of competent jurisdiction in Indian River County, Florida. The Parties consent and submit to the jurisdiction of any such court in Indian River County, Florida, and agree to accept service of process outside the state of Florida in any matter submitted to any court pursuant hereto.

E. Attorneys' Fees

The prevailing party in any litigation, arbitration or mediation relating to this Agreement shall be entitled to recover its reasonable attorneys' fees and costs from the other party for all matters, including, but not limited to, appeals.

F. Article Headings For Convenience Only

The Article headings, and underlined sub-article headings, hereof are inserted for convenience of reference only, are not a part hereof, and shall have no effect on the construction or interpretation of this Contract.

CITY OF VERO BEACH, FLORIDA

SUPPLEMENTARY GENERAL CONDITIONS

1. MODIFICATIONS

This Contract can be modified or rescinded only by a writing signed by both of the parties or their duly authorized agents.

2. CONFLICTS

The following principles shall apply in resolving any conflict among or ambiguity in the Contract Documents:

A. The Supplementary General Conditions shall have priority over the General Conditions and Form of Agreement in case of conflict. The Technical Specifications shall take precedence over all other Contract provisions.

B. Full size details shall take precedence over scale Drawings and large scale Drawings shall take precedence over small scale Drawings. Dimensions given in figures shall take precedence over scaled dimensions.

C. When measurements are affected by conditions already established or where items are to be fitted into constructed conditions, it shall be the Contractor's responsibility to verify all such dimensions at the Site and the actual job dimensions shall take precedence over scaled or calculated dimensions on the Drawings.

3. FORCE MAJEURE

Except as otherwise expressly provided herein, City shall not be liable for any failure or delay in the performance of its obligations under this Agreement due to causes not reasonably within its control, including, but not limited to, acts of civil or military authority, including courts and regulatory agencies, superior governmental authority, God, war, riot or insurrection, inability to obtain required construction permits, blockages, embargoes, sabotages, epidemics, fires, floods, strikes, lockouts or other labor difficulties, provided such labor difficulties do not arise from inequitable labor practices. In the event of any failure or delay resulting from such causes upon notice to the other party within five (5) business days of occurrence of the event giving rise to the delay the time for performance hereunder shall be extended for a period of time reasonably necessary to overcome the effects of such delays. In the event any such failure or delay shall last for a period of more than ten (1) calendar days, then either Party may terminate this Agreement forthwith, in whole or in part, by notice in writing to the other.

4. APPLICABLE STANDARDS

All standards referred to herein shall mean the latest revision under the same specification number or for those provisions in the new or revised Specifications which are clearly inapplicable. The following abbreviations have been used in referring to other standards:

DBPR	Department of Business and Professional Regulations
DHR	Department of Hotel and Restaurants
NEC	National Electrical Code
NEMA	National Electrical Manufacturer's Associates
IEEE	Institute of Electrical and Electronic Engineers
OSHA	Occupational Safety and Health Administration
ASME	American Standard of Mechanical Engineers
ANSI	American National Standards Institute
NFPA	National Fire Protection Association
AISC	American Institute of Steel Construction
AWS	American Welding Society
EPA	Environmental Protection Agency
ASTM	American Society of Testing Materials
FDEP	Florida Department of Environmental Protection

Whenever a conflict exists between these standards and the Contract Documents, the Contract Documents shall govern. In the event of a conflict among any of the above codes and standards, the one having the most stringent requirements shall take precedence unless otherwise approved in writing by the City.

5. SECURITY OF WORK AREA

All doors in all City buildings shall remain locked while the building is being cleaned.

6. QUALITY OF ITEMS AND WORKMANSHIP

All materials and equipment furnished for this project shall be new and unused. Any materials or equipment which, in the opinion of the City, have become excessively weathered or damaged since manufacture, shall not be considered as new. Workmanship shall be first class and the finished product equal to the best accepted standards of the trade for the category of Work performed. All Work shall be performed by experienced, skilled tradesmen.

7. MATERIALS DISPOSAL AND CLEANUP

The Contractor shall comply with all pertinent local, state and federal regulations as enforced by the EPA, FDER, U.S. Coast Guard and any other regulatory agency. The Contractor shall be responsible for the disposal of all hazardous and non-hazardous materials in accordance with EPA, FDEP, and OSHA requirements. Additionally, the Contractor shall comply with all regulatory requirements for the clean-up of all spills as a result of the Work performed.

8. CONTRACTOR SAFETY

A. The Contractor shall ensure that all personnel meet OSHA and ANSI requirements for the Work being done.

B. Any Contractor personnel not wearing required safety equipment, or when required, complying with all safety standards and requirements will be removed from the Work Site until such time as appropriate safety equipment is worn or standards observed.

9. MISCELLANEOUS

The City reserves the right to correct any error that may be discovered in any estimate that may have been paid and to adjust the same to meet requirements of the Contract. The City further reserves the right, should conclusive proof of defective Work on the part of the Contractor be discovered after payment has been made, to claim and recover by process of law such sums as may be sufficient to correct the error or make good the defects in the Work.

10. INSPECTION

The City shall at all times have the right to inspect the Work. The Contractor shall furnish all reasonable means for obtaining such information as the City may desire, respecting the quality of the Work and materials and the manner of conducting the Work. The City shall not have the power to waive the Contractor's obligation to properly perform the Work as herein prescribed.

The City's right to inspect and supervise shall not relieve the Contractor from his responsibilities and obligations under the Contract. The City shall not be responsible for the safety of the workmen, the safeguarding of the work, or the proper performance of the Contractor.

DRUG-FREE WORKPLACE COMPLIANCE FORM

IDENTICAL TIE BIDS

Preference shall be given to business with drug-free workplace programs. Whenever two or more Bids which are equal with respect to price, quality, and service are received by the State or by any political subdivision for the procurement of commodities or Contractual services, a Bid received from a business that certifies that it has implemented a drug-free Work place program shall be given preference in the award process. Established procedures for processing tie Bids will be followed if none of the tied vendors has a drug-free Workplace program. In order to have a drug-free workplace program, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.

2. Inform employees about the dangers of drug abuse in the workplace, the business policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.

3. Give each employee engaged in providing the commodities or Contractual services that are under Bid a copy of the statement specified in Subsection 1.

4. In the statement specified in Subsection 1, notify the employees that, as a condition of working on the commodities or Contractual services that are under Bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any State for a violation occurring in the workplace no later than five (5) days after such conviction.

5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employer's community by, any employee who is so convicted.

6. Make a good faith effort to continue to maintain a drug-free workplace through the implementation of this section. As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

VENDOR'S SIGNATURE

QUESTIONNAIRE

The undersigned guarantees the truth and accuracy of all statements and answers herein contained.

1. How many years has your organization been in business as a supplier of these materials/services?

32

2. What is the last project of this nature that you have completed?

All on Going

3. Have you ever failed to complete Work awarded to you; if so, where and why?

No

4. Name three (3) individuals or corporations for which you have performed Work of this size and nature to which you refer:

Seacoast National Bank Phone 772-221-2427

Ft Pierce Utilities Phone 772-466-1600 3430

Indian River County Phone 772 226-3490

5. Have you personally inspected the proposed Work and have you a complete plan for its performance?

Yes

6. Will you sublet any part of this Work? If so, give details:

2nd Floor Window Cleaning

7. What equipment do you own that is available for the Work?

All - Floor Machines, Carpet, Vacs, Buckets

8. What equipment will you purchase for the proposed Work?

None

9. What equipment will you rent for the proposed Work?

NONE

10. Minority Business Statement:

Is your firm a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act of 1985? YES or NO

11. State the true, exact, correct, and complete name of the partnership, corporation, limited liability company, or trade name under which you do business, and the address of the place of business. (If a partnership, state the name of all partners. If a corporation, state the name of the President and Secretary. If a Limited Liability Company, state the names of all members. If a trade name, state the names of the individuals who do business under the trade name.)

HEVERON GROUP INC. DBA: BEACHLAND CLEANING SERVICE
(Correct Name of Bidder)

a. The business is a Sole Proprietorship, Partnership, Corporation, or Limited Liability Company.

CORPORATION

b. The address and phone number of principal place of business is

1848 COMMERCE AVE VERO BEACH, FL 32960

c. The names of the partners, corporate officers, members, or individuals doing business under a trade name, are as follows:

THOMAS C. HEVERON PRES + SEC
CAROL A. HEVERON VP + TREASURE

(Bidder)

BID PROPOSAL

PROFESSIONAL JANITORIAL SERVICES

To: The City Manager
City of Vero Beach
P.O. Box 1389
Vero Beach, Florida 32961

The Undersigned Bidder has carefully examined the Contract Documents and any and all Work Sites. The undersigned is familiar with the nature and extent of the Work and any local conditions that may in any manner affect the Work to be done, and the equipment, materials and labor required.

The undersigned agrees to do all the Work in accordance with the Contract Documents and according to the standards of quality and performance established by the City, for the unit prices as provided in the attached Bid Schedule, for each of the items or combination of items stipulated. It is understood that certain quantities shown in the Bid Schedule are approximate only, subject to increases and decreases, and for the purpose of Bid comparisons for determination of low Bidder. It is further understood that payment will be in accordance with actual quantities placed in the construction as more specifically provided in the Contract Documents. The undersigned further agrees as follows:

1. To do any Work, not covered by the Bid Schedule, which may be ordered by the City upon authorization by the City Council, and to accept as full compensation therefore such prices as may be agreed upon, in writing, by the City and the Contractor in accordance with Article 15, of the General Conditions.

2. To begin and complete Work as required in the Notice to Proceed.

3. To allow the City of Vero Beach to reduce invoices per fines in the amount and under the conditions specified in the Contract Documents.

4. To keep in force all insurance and bonding requirements as set forth in the Contract Documents for the duration of the Contract and to give thirty (30) days notice of expiration of insurance and/or bonding.

Dated this 8 day of March, 2011.

Respectfully submitted

Bidder Beachland Cleaning Service
Address: 1848 Commerce Ave
Vero Beach FL 32960
City, State and Zip Code

FORM OF AGREEMENT

PROFESSIONAL JANITORIAL SERVICES

THIS PROFESSIONAL JANITORIAL SERVICES CONTRACT is executed by and between the City of Vero Beach, a municipal corporation organized and existing under the laws of the State of Florida, whose address is P. O. Box 1389, Vero Beach, Florida, 32961-1389 (hereinafter "City"); and

NAME OF CONTRACTOR: Heveron Group, Inc. d/b/a/ Beachland Cleaning Service

ADDRESS OF CONTRACTOR: 1872 Commerce Avenue, Ste. A

CITY, STATE, ZIP CODE: Vero Beach, FL 32960

hereinafter called the Contractor, and the CITY OF VERO BEACH, a municipal corporation organized and existing under the Laws of the State of Florida and located in Indian River County, Florida, hereinafter called the City.

WITNESSETH:

That the Contractor and the City, for the consideration hereinafter named, agree as follows:

Article 1. SCOPE OF WORK - The Contractor shall perform all the Work as described in the Documents entitled **"PROFESSIONAL JANITORIAL SERVICES"** for the City of Vero Beach, Florida, and shall do everything required by this Form of Agreement and any other Contract Documents.

Article 2. TERM AND RENEWAL -- The term of the Contract shall be for three (3) years beginning_____and ending_____. Thereafter, the Contract may be renewed annually by mutual agreement of both parties.

Article 3. THE CONTRACT SUM - The City will pay Contractor for performance of the Contract, subject to additions and deductions provided therein, in current funds as follows:

Written Amount One Hundred Eighty Six Thousand Nine Hundred Fifty Nine Dollars and Eighty Eight Cents (Annual Amount)

Numerical Amount **$186,959.88**

Article 4. PAYMENT

A. The City will make a single lump sum payment on the tenth of each month for the prior month's services, as described in the Contract Price Schedule, once the Contractor has completed the work in accordance with the Contract Documents.

B. City's obligation is payable only and solely from funds available for the purpose of any purchase made. Lack of funds shall render this Contract null and void.

C. No invoice shall include Federal Excise, State or City Sales Tax. City shall furnish tax exemption certificates upon request.

D. The unit prices contained in the Schedule for Janitorial Services are incorporated herein, with changes as noted, and made a part of this Contract.

Article 5. FINAL PAYMENT - Before final payment, the Contractor shall submit evidence satisfactory to the City that all payrolls, material bills, and other indebtedness connected with the Work have been paid. The City shall have the right to demand and receive from the Contractor before making final payment, an affidavit stating that the Contractor has made payment in full for all labor, services and materials incorporated into the Work corresponding to the progress or final payment to be made. The City shall rely on said affidavit at face value.

The making and acceptance of the final payment shall constitute a waiver of all claims by the Contractor and the City, other than any claims the City may have arising from unsettled liens or from faulty Work appearing after final payment. The City may withhold from final payment such amounts as may be described elsewhere herein.

Article 6. INDEMNIFICATION AND INSURANCE - The Contractor shall indemnify City, as provided in Article 15, General Conditions, and procure and maintain insurance provided in Article 16, General Conditions, and Attachment "Insurance Requirements" and, to the extent required in said Articles or Attachment, require any and all Subcontractors to do the same.

Article 7. GUARANTEES - The Contractor shall guarantee via performance bond as described herein, the equipment, articles, devices, and materials furnished or installed, against any and all failure in proper use and operation for a period of one (1) year from the date of final acceptance of the Work completed under this Contract. The Contractor shall also obtain and guarantee by Performance Bond, as described herein, warranties from manufacturers for each article and piece of equipment furnished or installed, so that the manufacturer's warranty fully covers the equipment from date of shipment to the Contractor through the period of one (1) year after date of final acceptance of the Work completed under this Contract.

Article 8. CONTRACTOR'S REPRESENTATIONS - In order to induce the City to enter into this Contract, the Contractor makes the following representations:

A. The Contractor has familiarized himself with the nature and extent of his obligations under this Contract. Contractor has familiarized himself with the Work Site, locality, and all local conditions and laws and regulations that in any manner may effect his costs, progress, or performance.

B. The Contractor has carefully studied, or will carefully study, all reports of explorations and tests of subsurface conditions and Drawings of physical conditions which are identified or provided in this Contract or prior to any Work Order and accepts or shall accept the accuracy of any technical data contained in such reports and Drawings, upon which Contractor is entitled to rely.

C. The Contractor has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports, and studies (in addition to those referred to in Sub-Article B, above) pertaining to the subsurface or physical conditions at or contiguous to the Site or otherwise affecting his performance, as the Contractor considers necessary for the performance at the Contract Price and in accordance with the other terms and conditions of this Contract.

D. The Contractor has correlated the results of all such observations, examinations, investigations, explorations, tests, reports, and studies with the terms and conditions of the Contract Documents.

E. The Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing underground facilities at or contiguous to the Site and assumes responsibility for the accurate location of said underground facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said underground facilities are or will be required by Contractor in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including other revisions specified elsewhere herein.

F. At the time of entering into the Contract, the Contractor has given the City written notice of all conflicts, errors, and discrepancies that the Contractor had discovered in the Contract Documents and the written resolution thereof by the City is acceptable to the Contractor.

Article 9. CONTRACT UNIT PRICES - The unit prices contained in the Bid Schedule are incorporated herein, with changes as noted, and made a part of this Contract.

TITLE: PROFESSIONAL JANITORIAL SERVICES

WITNESSED BY:

Sign: _____
Print: Maria Gilbert

Sign: _____
Print: Kim Sweet

Heveron Group, Inc. d/b/a Beachland Cleaning Service

Sign: _____
Print: Thomas C. Heveron
Title: President

Sign: _____
Print: _____
Title: _____

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this 8th day of March, 20 11, by Thomas C. Heveron as President, and _____ as _____, on behalf of the corporation. They are personally known to me or have produced _____ as identification and did (did not) take an oath.

NOTARY PUBLIC

Sign: _____
Print: Donna J. Stevens
State of Florida at Large (seal)
Commission No.: DD0776312
My Commission Expires: 07/25/2012

DONNA J. STEVENS
Comm# DD0776312
Expires 7/25/2012
Florida Notary Assn., Inc

TITLE: PROFESSIONAL JANITORIAL SERVICES

ATTEST:

Sign:_____
Print: TAMMY K. VOCK
Title: City Clerk

CITY OF VERO BEACH:

Sign: _____
Print: JAY KRAMER
Title: Mayor

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this _____ day of _____, 20 ____, by Jay Kramer, Mayor of the City of Vero Beach, and attested by Tammy K. Vock, as City Clerk of the City of Vero Beach, Florida. They are both known to me and did not take an oath.

NOTARY PUBLIC

Sign: _____
Print: _____
State of Florida at Large (seal)
Commission No.:_____
My Commission Expires:_____

Approved as to technical requirements:

_____
Manager of Purchasing and Warehouse Operations

Approved as conforming to municipal policy:

_____
Interim City Manager

Approved as to form and legal sufficiency:

_____
Acting City Attorney

CITY OF VERO BEACH, FLORIDA

SCOPE OF WORK
PROFESSIONAL JANITORIAL SERVICES

Work under this Contract includes furnishing all labor, supervision, equipment, and materials to perform professional janitorial services as specified herein, including any requirements for miscellaneous incidental work, in a neat and workman-like manner for the areas specified. The Contractor shall maintain clean and sanitary facilities which will present a high level of appearance at all times.

Routine cleaning of all City facilities on a daily, weekly, monthly, quarterly, semiannually, or annual basis as specified. The Contractor is expected to use their professional judgment to perform necessary cleaning which may not be specifically detailed or scheduled in these specifications, including but not limited to cleaning up spills, stains and other unforeseen occurrences. The City will not be charged for cleaning not specifically outlined unless it exceeds the scope of work of these specifications and is agreed upon by the Contract Administrator prior to the work being performed.

CITY OF VERO BEACH, FLORIDA

SPECIAL REQUIREMENTS
PROFESSIONAL JANITORIAL SERVICES

1. COMPLIANCE

The Contractor shall comply with all applicable laws, ordinances, rules, regulations and orders of any public body having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. The Contractor shall maintain, as required by the conditions, all necessary safeguards for safety and protection of his employees, the City or any visitors. All damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the Contractor, any subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable will be remedied by the Contractor.

2. FACILITY AND AREA

All work performed shall be for City of Vero Beach facilities as identified herein.

3. SCHEDULING

All areas referenced shall be serviced as identified in the bid schedule.

4. SUPERVISION

The Contractor shall personally examine and supervise on a daily basis, all stated maintenance sites to insure strict compliance with specifications. Daily supervisory reports shall be completed upon each inspection.

5. SECURING FACILITIES

A. The Contractor shall be responsible for keeping all buildings locked while he/she and their employees are on the premises. The Contractor is also responsible for ensuring that no unauthorized personnel are permitted into any City facility while the Contractor is in the facility. The Contractor shall be responsible for locking all doors and turning lights off when they leave the premises.

B. Should the Contractor find any facility unsecured upon arrival, they should notify the Contract Administrator by 9:00 A.M. of the next business day.

6. CITY SUPPLIED MATERIALS

The City shall provide toilet paper; paper towels (roll and C fold), hand soap and trash can liners, air fresheners, urinal screens for the Contractor to replenish restroom facilities, kitchens and other areas. The Contractor shall notify the City when supplies are needed at each location.

The Contractor shall be responsible for the resupply of City supplied materials at each facility. Materials are available through the Central Warehouse, Monday through Friday, 8:00 A.M. to 3:00 P.M.

7. MATERIALS & EQUIPMENT

The Contractor shall provide all materials and equipment to perform the work specified (excluding toilet paper, paper towels [roll and C-fold], hand soap, trash can liners, air fresheners, urinal screens). All materials used shall be of good quality and shall not have a detrimental effect in any manner upon the health or welfare of any employee or persons employed by Contractor, the City or any visitors. Likewise, all equipment and supplies used shall be of a high quality commercial grade necessary to perform the work as specified.

8. SERVICES

All work performed by the Contractor shall be rendered as identified in the technical specifications, but shall not be limited to:

A. Carpeted Floors Maintenance
B. Hard Floor Maintenance
C. Glass Maintenance
D. Waste control Maintenance
E. Dust Control Maintenance (no feather dusting)
F. Woodwork and Wall Maintenance
G. Restroom Maintenance
H. Miscellaneous Maintenance
I. Miscellaneous Sinks and Counter Tops Cleaned & Polished.

9. FIDELITY BOND

The Contractor shall provide a Fidelity Bond in the amount of $20,000.00 naming the City of Vero Beach as the obligee. In connection with each Bond, the Contractor agrees to provide a copy of each of its employee's applications to the City. The awarded Company as insurer, binds itself to pay to the City of Vero Beach, as employer, such pecuniary loss as employer shall sustain of money or other personal property (including that dishonesty, forgery, theft, embezzlement, wrongful abstraction, misappropriation or any other dishonest or criminal act

or omission of or by any of the employees listed in the schedule forming a part of this bond directly or in connivance with any location in the service of employer).

Proof of bonding shall be submitted to Contract Administrator on a quarterly basis.

10. PAPERS/DOCUMENTS ON FLOOR

All papers found on floor will be placed on the nearest desk or counter to prevent loss of important papers and documents.

11. BOXES

Boxes and trash outside of a waste basket or receptacle must be marked "Trash" before the vendor is expected to dispose of this material.

12. ESTABLISHING QUARTERLY AND SEMIANNUAL CLEANINGS

All quarterly and semiannual cleaning schedule forms shall be completed and returned to the Contract Administrator or designated City representative two (2) weeks before the quarterly or semiannual term begins. A $25.00 fine shall be levied for each day, beyond the designated deadline; the correctly completed forms are not returned to the Contract Administrator or designated City representative.

13. QUARTERLY AND SEMIANNUAL REPORTING

Contractor shall complete all quarterly and semiannual work as required by the Contract requirements, and scheduled by the Contract Administrator. All work shall be completed within the required time frame or fines shall be levied. Upon completing the scheduled quarterly, and semiannual work within the required time frame, the appropriate reports shall be submitted to the Contract Administrator as follows:

Quarterly Cleaning Task Form and Semiannual Cleaning Task Form

The Contract Administrator shall be notified in writing on the Quarterly Cleaning Task Form and Semiannual Cleaning Task Form, within twelve (12) hours after the completion of any of the quarterly cleaning tasks or semiannual cleaning tasks. The Contract Administrator will inspect, or have a staff member, inspect the cleaning task(s) within twenty-four (24) hours after being notified of completion of any of the above cleaning tasks and will respond via phone or email should there be any discrepancies.

14. RESPONDING TO COMPLAINTS

All cleaning complaints shall be responded to and corrected within a four (4) hour time limit.

All complaints and corrections shall be directed through the Contract Administrator.

15. PENALTY FOR LACK OF SERVICE

In the event the quality of work performed is not acceptable to Contract Administrator or City Representative, or the work is not performed when specified, the City will reduce the next payment using a fixed fee of $25.00 per occurrence for the first offense. If the same lack of service is repeated, the City will reduce the next payment using a fixed fee of $50.00 per occurrence. The same $25.00 increase method shall apply for third and fourth offenses. The City shall reevaluate the contract and determine if the cancellation of the contract is necessary if offenses continue. Occurrence is defined as a task in each part of a facility such as dusting an office, vacuuming a hallway, cleaning a restroom, etc.

If Contractor does not perform quarterly, semiannual, annual or special cleanings as required and within the restricted time period, the Contractor shall be fined $25.00 for the initial cleaning and then $25.00 per month thereafter. A $25.00 fine shall be levied for each cleaning missed or rescheduled and any incidental fees the City may experience, such as a client requesting a refund, or the costs of the City's custodian performing the janitorial work, or a City client performing the janitorial service until the work is completed to the satisfaction of the City. These fines shall not be limited to the above listed factors.

16. KEYS

All janitorial keys and key cards are issued to the Contractor and are the responsibility of the Contractor. The Contractor shall be charged a $50.00 fine plus the cost of replacing any locks and keys as a result of any lost keys.

17. SEMIANNUAL REVIEW

Every six (6) months from date of execution of Contract, a semiannual review will be conducted to discuss additions, deletions, cleaning requirements, and any processes to improve the existing cleaning services.

18. BREAKDOWN AND STORAGE OF TABLES AND CHAIRS

The Contractor shall be responsible for breakdown and storage of all tables and chairs located in the Community Center, Bethel Creek House and River House prior to cleaning the floor areas in each facility. Set up not required after cleaning.

19. CONTACT PERSON

The Contractor shall provide the name and telephone number(s) of an English speaking

contact person with a 24-hour phone number in case of an emergency.

20. CONTRACT EMPLOYEE LISTS

The City shall request the Contractor to provide a list of employees working certain days, hours, or assignments. Such list must be submitted within two (2) hours (unless otherwise indicated) of the City's request and must include Social Security numbers, picture ID badge, driver's license numbers, and addresses. When employees are hired, fired or specially assigned, the Contract Administrator shall be supplied with an updated list of all employees doing work on City property. The City of Vero Beach Police Department, at the City's expense, will conduct background checks on all of the Janitorial Service employees performing services for the City.

21. UNIFORMS

All personnel must be visible as Contractor's employee(s) shall wear uniform shirt (with name of company) and a visible picture ID badge while on City property. The Contractor's work force shall be neat and clean in appearance and shall bear the picture identification badge. Identification shall include the employee's name and company name.

22. MOVING FURNITURE AND EQUIPMENT

The Contractor shall move and return all furniture and equipment (i.e., chairs, trash cans, mats, tables, etc.) necessary to properly perform janitorial services on a weekly basis. All furniture shall be moved and floors completely cleaned on the quarterly and semiannual cleanings this includes tables, chairs in kitchen areas and break areas, stoves and refrigerators shall be pulled out and floors done behind and under the equipment.

23. DAMAGE

A. The Contractor will be liable for all damage(s) caused by any products, supplies, or equipment used to perform duties under this contract.

B. The Contractor will be held responsible for any breakage and/or loss of equipment, supplies or articles on City property caused by negligence on the part of the contractor and/or their employees. This includes personal property of City employee(s) on are around the desk.

C. In the event damage occurs, the Contractor must report the damage to the Contract Administrator by 10:00 A.M. on the following business day and submit a written report within twenty-four (24) hours describing the location of the damage, the cause of damage, when the damage occurred and what action is recommended or has been taken to correct the situation.

24. CITY EQUIPMENT

A. The Contractor and their employees shall not use any City equipment to include but not limited to microwave ovens, copy machines, fax machines, computers, audio visual equipment, typewriters, etc. Nothing shall be removed or used for personal consumption from any office in the City Facilities; this shall include candy, coffee, sugar, etc. A penalty fee of one hundred dollars ($100.00) shall be deducted from the Contractor's payment if caught. The City reserves the right to request termination of any Contractor employees utilizing City equipment.

B. The Contractor and their employees are not allowed to use any City telephones, except in the case of an emergency. Contract Administrator shall be notified of use by 11:00 A.M. of the next business day, identifying what office phone was used and the number dialed. (Emergency is defined as an urgent need for assistance.)

25. NUMBER OF FACILITIES

The City makes no guarantee as to the number of facilities that will be included in this contract at any time. The City reserves the right to add or remove facilities or seek new proposals as deemed to be in the City's best interest. In the event the City adds or deletes facilities or areas within a facility, the contract will be adjusted in accordance with bid prices most advantageous to the City. In the event the facility is not included as part of this bid, the Contract Administrator will negotiate the services to be performed and a price with the Contractor.

26. COST ADJUSTMENTS

Every twelve (12) months from date of execution of Contract, the Contractor may petition the City through the Contract Administrator, for a rate adjustment. Rate adjustments maybe related to fluctuations in minimum wages by the U.S. Department of Labor, Bureau of Labor Statistics or potential increases or decreases in workman's compensation/liability insurance.

27. HOLIDAYS

City shall provide Contractor with a schedule of City Holidays. Unless otherwise arranged, cleaning will not be done on those days.

28. BUILDING IN USE OR SPECIAL EVENTS

If there is an event in progress and the City has failed to notify the Contractor, the Contractor shall seek out the person in charge and after finding the person in charge, will find out what time the event will end. At the end of the event or before the building opens for the next

business day, the Contractor will return and clean the building

29. COUNCIL MEETINGS

When City Council meetings are in session, the Contractor shall ensure that all security doors remain closed and locked. These are the doors that require the special code when going from one part of City Hall to another. During these meetings, the main doors to City Hall are open for the general public to gain access to the meeting and the City does not want the general public to have access to the entire building without City employees being present. Contractor shall not clean near Council Chambers when a meeting is in progress.

CITY OF VERO BEACH, FLORIDA
FACILITIES CHART

FACILITY/ ADDRESS	CONTACT	TELE	TOTAL AREA SQ. FT.	FREQ.	COMMENTS
City Hall, 1053 20th Place	Pat Kincman	978-4922	44,400	5	Monday thru Friday
City Hall, Accounting 1053 20th Place	Mary Atkins	978-4721		2	Monday and Thursday 4:30 P.M.
T/D Complex 3455 Airport West Dr.	Carol Shoaf	978-5474	11,345	3	Mon, Wed, Friday
Electrical Engineering 3455 Airport West Dr.	Lynn Anderson	978-5463		5	Monday thru Friday
Community Center 2266 14th Avenue	Lori Lee	770-6571	10,900	3	Mon, Wed, Friday
Public Works Complex 3405 Airport West Dr.	Melinda Blades	978-5319	10,480	3	Mon, Wed, Friday
Bethel Creek House 4405 Highway A1A	Lori Lee	770-6517	3,000	2	Monday, Thursday
Leisure Square** 3705 16th Street	Jeff Matthews	770-6500	9,956	6	Mon.-Fri & Sunday
Riverhouse 305 Acacia Drive	Lori Lee	770-6517	1,600	2	Monday, Thursday
Racquet Club	Gabby Dwyer			1	Once a Month
Sewer Plant	Robert Bolton	978-5228	6,682	5	Monday thru Friday

Water Plant 2515 E Airport N Dr.	Roy Kain	978-5225	7,858	5	Monday thru Friday
Power Plant 100 17th Street	Nancy Rea	978-5075		5	Monday thru Friday
Police Department	John Morrison	978-4661		5	Monday thru Friday
Airport (Terminal Building) 3400 Cherokee Drive	Joe Malfait	978-4930	4,835	*	See Below

* First floor seven (5) days per week.
Second floor (3) days week Mon, Wed, Friday

T-Hanger Meeting Room and Restrooms	Joe Malfait	978-4930	2	Every other Friday

** Leisure Square
All woodwork and wall maintenance shall be cleaned daily in the exercise room, weight room, and the hallway of the exercise building.

Second Story Windows	1	Yearly

City Hall
Water Treatment
Sewer Treatment
Public Works
T&D

CITY OF VERO BEACH, FLORIDA
WORK DESIGNATION
PROFESSIONAL JANITORIAL SERVICES

D = Daily	Once a day, Monday through Friday unless otherwise specified.			
Q = Quarterly	Three (3) month increments.			
S = Semiannually	Twice yearly			
AREA	**TASK**	**D**	**Q**	**S**
Restrooms	Thoroughly clean and disinfect all walls and partitions and all fixtures including showers, urinals, toilets, sinks, counters faucets, mirrors, empty waste baskets, and replenish all restroom articles and supplies including but not limited to soap, toilet paper, deodorizers, and seat covers	X		
	Clean & disinfect waste baskets and reline if required	X		
	Clean stall walls.	X		
	Ceramic floors shall be mopped and cleaned using germicide solution 1	X		
	Clean and disinfect floors.	X		
AREA	**TASK**	**D**	**Q**	**S**
Floors	**All floors shall be cleaned and waxed at the specified minimum or as necessary to maintain a high luster.**			
	Pick up all trash and debris off all floors and sweep with a chemically treated dust mop.	X		
	Ceramic Tile - Sweep, damp mop and clean w/ necessary agents.	X		
	Ceramic Tile - Sweep, mop, scrub, and clean with necessary agents and wax.		X	
	Vinyl - Sweep and damp mop.	X		
	Vinyl-Sweep, mop, strip, wax and buff vinyl floor with non-slip wax.		X	
	Wood - Dust mop and damp mop.	X		
	Wood - Sweep, dust mop, and damp mop.		X	
	Carpet - Vacuum carpeting and spot clean for grease and dirt, shake scatter rugs outside, and vacuum all other floor coverings	X		

AREA	TASK	D	Q	S
Floors	Carpet - Vacuum and clean all carpet areas, at a minimum of semi-annually, using scrub and extraction method or other appropriate method..			X
	Floor Mats - thoroughly clean and scrub all inside and outside floor (entry) mats.		X	
	Cement - Sweep and clean off exterior walkways.	X		
AREA	**TASK**	**D**	**Q**	**S**
General Areas	Lighting Fixtures - Clean lighting fixtures inside and out to remove dust, dirt, cobwebs, etc. this includes the lens of overhead fluorescent lights		X	
	Waste Baskets - Clean and disinfect waste baskets and trash cans .	X		
	Waste Baskets - Wash all waste baskets, inside and outside of the baskets.		X	
	Waste Receptacles - All outside waste receptacles shall be emptied daily.	X		
	Waste Receptacles - Reline weekly, or as needed.	X		
	Waste Receptacles - Wash the inside and outside of all waste receptacles quarterly, or on an as needed basis.		X	
	Ash Trays - Empty and clean ashtray. Replace sand or ashtray filter daily to maintain a presentable appearance.	X		
	Doors - Clean inside and outside door surfaces to include the door jamb, door knobs and behind the door.		X	
	Ceilings - Clean to remove dust, dirt buildup and foreign debris, clean air conditioning vents and ceiling fans to remove dust and dirt build up.			X
	Walls - All walls shall be spot cleaned.	X		
	Walls - Dust and remove all visible marks on all wall surfaces, as needed from ceiling to floor including wall hangings (pictures, etc.) fire alarm boxes, fire alarm pull stations, fire extinguishers, exit signs, partitions, base boards, kick boards, etc.		X	

AREA	TASK	D	Q	S
General Areas	Baseboards - Dust and wipe clean quarterly, or on an as-needed basis			X
	Upholstered Furniture - Vacuum, dust and clean with an upholstery cleaner all upholstered furniture.		X	
	Vinyl Furniture - Clean all vinyl furniture with vinyl cleaner			X
	Hallways and Entryways - Clean and sanitize all drinking fountains and ashtrays.	X		
	Hallways and Entryways - Clean walls, doors, floors, handrails, and stairs. Clean in planters and around plants and other objects in hallway.	X		
	Glass Doors - Clean inside and outside of all glass doors.	X		
	Windows - [Customer Service] clean windows to remove all fingerprints, smudges, and streaks, inside/outside.	X		
	Windows - All windows and glass shall be cleaned inside and outside at a minimum of twice per year, or more frequently, as needed.	X		
	Windows - Dust all window ledges, spot clean inside all windows to remove finger prints, smudges, and streaks.		X	
	Mirrors - Clean all mirrors to remove fingerprints, smudges, and streaks.	X		
	Blinds - Clean blinds to remove all dust and dirt, or on an as-needed basis		X	
	Air Conditioning Vents - Shall be brushed and washed clean quarterly or on an as-needed basis.	X		
	Drinking Fountains - Clean and sanitize all drinking fountains.	X		
	Stairway - Clean stairway to include all flooring and carpeting.			
			X	
	Stairway - Clean all walls and remove all marks from ceiling to floor. Clean all banisters to remove all dirt and wax buildup.	X		
	Elevator - Clean inside and outside of elevator doors, frame, floor and polish all chrome.	X		
	Storage Areas - Keep all storage areas vacuumed, swept, floors and walls washed debris free, and free of bugs and dust		X	

AREA	TASK	D	Q	S
General Areas	Dumpsters - All trash or loose debris at dumpster shall be properly containerized and the immediate [enclosed] area must be kept clean and clear of debris.	X		
	Clean and sanitize table tops chairs and sinks.	X		
Classrooms	**DO NOT WASH/TOUCH CHALK BOARDS.**			
AREA	**TASK**	**D**	**Q**	**S**
Office Area	Dust all furniture including but not limited to filing cabinets, tables, bookcases, computers, etc. Clean desk top by special request only.	X		
	Doors - Clean inside and outside of all door surfaces to include the door jamb, door knobs, and floor behind the door, or as needed.		X	
	Walls - Clean all wall surfaces from ceiling to floor including wall hangings, fire alarm boxes, fire alarm pull stations, fire extinguishers, exit signs, partitions, baseboards, kick boards, and spot clean as needed, etc.		X	
AREA	**TASK**	**D**	**Q**	**S**
Kitchen	Thoroughly clean and disinfect all sinks, tables, and counters around and behind counter top appliances such as a microwave oven. Replenish supplies such as soap and paper towels.	X		
	Clean outside of refrigerators, vending machines, and counter top appliances.	X		
	Clean and disinfect floors around tables, chairs, stoves, refrigerators, and vending machines, etc.	X		
	Doors - Clean inside and outside door surfaces to include the door jamb, door knobs and floor behind the door.	X		

AREA	TASK	D	Q	S
Council Chambers	Vacuum carpeting, rugs and other floor coverings one day before City Council meetings. Council Meetings are usually held on the first and third Tuesdays of the month, or as needed.			
	BI-MONTHLY			
	Polish City Council Chambers one [1] day before City Council meetings or meetings, or as needed.			
AREA	**TASK**	**D**	**Q**	**S**
Exercise Rooms Weight Rooms, Locker Rooms	Wipe down exercise machines with a disinfectant. Vacuum and clean carpeting and all flooring.	X		
	Carpet - vacuum and clean all carpet areas using scrub and extraction method or other appropriate method.			X
AREA	**TASK**	**D**	**Q**	**S**
Lobby Areas	Glass Doors - Clean inside and outside of all glass doors to remove all fingerprints, smudges, and streaks	X		
	Empty and clean waste baskets; reline waste basket at a weekly minimum or as needed.	X		
	All tables and chairs are to be arranged for daily uses as directed.	X		
AREA	**TASK**	**D**	**Q**	**S**
Porch Areas and Entrance Ways	Walls - Dust and remove all visible marks on all wall surfaces, remove all spider webs and other insect markings or debris, as needed from all wall surfaces from ceiling to floor including all wall and ceiling fixtures.	X		
	Ceilings - Clean to remove all foreign markings, dust, dirt, debris, and clean all light fixtures inside and out.		X	
	Fixtures - All fixtures shall be cleaned inside and outside thoroughly.		X	
	Mats - All mats shall be swept, cleaned and shaken.	X		
	Walls, ceilings, fixtures, mats, windows - Washed to porch area and entrance ways specifications.		X	

All cleaning designations on the work designation form shall include, daily, weekly, quarterly, or semiannual requirements.

Additional Cleaning Requests for Bethel Creek House, Community Center and River House are as follows:

A. Bethel Creek House
   1) All floors shall be swept, mopped, stripped, waxed and buffed with a high quality non-slip wax on a monthly basis.
   2) All windows shall be cleaned inside and outside on a weekly basis.
   3) The south wall shall be vacuumed weekly.

B. Community Center
   1) All floors shall be swept, mopped, striped, waxed and buffed with a high quality non-slip wax on a quarterly basis.
   2) All windows in all service areas shall be cleaned inside on a weekly basis.
   3) The Community Center routine cleaning days shall be on Sunday, Wednesday and Friday.
   4) Attached please find a bid schedule for a separate lump sum price to completely and thoroughly clean the community center after a special event. Cleaning requirements include all of the technical specifications in the bid proposal.

C. River House
   1) All windows shall be cleaned inside and outside, twice weekly, during your routine cleaning visits.

CITY OF VERO BEACH, FLORIDA
DAILY CLEANING TASKS
PROFESSIONAL JANITORIAL SERVICES

Area	Task to be Performed	Daily	Date Performed
Restrooms	Thoroughly clean and disinfect all walls and partitions and all fixtures including showers, urinals, toilets, sinks, counters, faucets, mirrors, empty waste baskets, and replenish all restroom articles and supplies including, but not limited to, soap, toilet paper, deodorizers, and seat covers	Yes	_____
	Clean and disinfect waste baskets daily and reline if required.	Yes	_____
	Clean stall walls	Yes	_____
	Ceramic floor shall be mopped and cleaned using germicidal solution.	Yes	_____
	Clean and disinfect floors.	Yes	_____
Floors	Pick up all trash and debris off all floors and sweep with a chemically treated dust mop.	Yes	_____
	Ceramic Tile - Sweep, damp mop and clean w/necessary agents.	Yes	_____
	Vinyl - Sweep and damp mop.	Yes	_____
	Wood - Dust mop and damp mop	Yes	_____
	Carpet - Vacuum carpeting and spot clean for grease and dirt, shake scatter rugs outside, vacuum all other floor coverings of rug material.	Yes	_____
	Cement - Sweep and mop and clean off exterior walkways.	Yes	_____
General Areas	Waste Receptacles - All outside waste receptacles to be emptied daily.	Yes	_____
	Ash Trays - Empty and clean ashtray. Replace sand or ashtray filter daily to maintain a presentable appearance.	Yes	_____
General Areas	Doors - Clean inside and outside door surfaces to include the door jamb, door knobs and behind the door.	Yes	_____
	Walls - All walls shall be spot cleaned	Yes	_____
	Hallways and Entryways - Clean and sanitize all drinking fountains and ashtrays.	Yes	_____
	Hallways and Entryways - Clean walls, doors, floors, handrails, and		

	stairs. Clean in planter and around plants and other objects in hallway.	Yes	_____
	Glass Doors - Clean inside and outside of all glass doors.	Yes	_____
	Windows Clean windows to remove all fingerprints, smudges, and streaks, inside/outside.	Yes	_____
	Mirrors-Clean all mirrors to remove fingerprints, smudges, and streaks.	Yes	_____
	Drinking fountains - Clean and sanitize all drinking fountains.	Yes	_____
	Stairway - Clean stairway to include all flooring and carpeting.	Yes	_____
	Elevator - Clean inside and outside of elevator doors, frame and floor and polish all chrome.	Yes	_____
	Dumpsters - All trash or loose debris at dumpster shall be properly containerized and the immediate (enclosed) area must be kept clean and clear of debris.	Yes	_____
Classrooms	Clean and sanitize table tops, chairs and sinks. Do not wash or touch chalk boards.	Yes	_____
Display Cases	Clean glass to remove dust dirt, fingerprints and smudges.	Yes	_____
Office Area	Dust all furniture including, but not limited to, filing cabinets, tables, bookcases, computers, etc. Clean desk top by special request only.	Yes	_____
	Telephones - Clean and disinfect telephones.	Yes	_____
Kitchen	Thoroughly clean and disinfect all sinks, tables, and counters around and behind counter top appliances such as a microwave oven. Replenish supplies such as soap and paper towels.	Yes	_____
	Clean outside of refrigerators, vending machines, and counter top appliances.	Yes	_____
	Clean and disinfect floors around tables, chairs, stoves, refrigerators, and vending machines, etc.	Yes	_____
	Doors - Clean inside and outside door surfaces to include the door jamb, door knobs and floor behind the door.	Yes	_____
Exercise rooms, Weight rooms, Locker rooms	Wipe down exercise machines with a disinfectant. Vacuum and clean carpeting and all flooring.	Yes	_____
	Vacuum and clean carpeting and all flooring.	Yes	_____

Lobby Areas	Glass Doors - Clean inside and outside of all glass doors to remove all fingerprints, smudges and streaks.	Yes	_____
	Empty and clean waste baskets; reline waste basket at a weekly minimum or as needed.	Yes	_____
	All tables and chairs are to be arranged for daily uses as directed.	Yes	_____
Porch Areas & Entrance Ways	Walls - Dust and remove all visible marks on all wall surfaces, remove all spider webs and other insect markings or debris, as needed, from all wall surfaces from ceiling to floor including all wall and ceiling fixtures.	Yes	_____
	Mats - All mats shall be swept and cleaned and shaken	Yes	_____

____City Hall
____T & D Complex
____Public Works Complex
____Airport Terminal Bldg.
____Water & Sewer Administration
____Sewer Plant
____Water Plant
____Power Resources

____Bethel Creek House
____Leisure Square
____River House
____Recreation Administration
____(Upstairs Dance Floor)
____Community Center
____Gymnastics Building (Center Stage)

CITY OF VERO BEACH, FLORIDA
QUARTERLY CLEANING TASKS
PROFESSIONAL JANITORIAL SERVICES

Quarter: **October, November, December** **(Department)**

Quarterly Work:	**Scheduled**	**Completed**
Wood Floors: Sweep, dust mop, and damp mop.	_____	_____
Floor Mats: Thoroughly clean and scrub all inside and outside floor (entry) mats.	_____	_____
Lighting Fixtures: Clean inside and outside of lighting fixtures to remove dust, dirt, cobwebs, etc.	_____	_____
Waste Baskets: Wash all waste baskets inside and outside and reline.	_____	_____
Waste Receptacles: Outside Wash the inside and outside of all waste receptacles.	_____	_____
Doors: All doors shall be cleaned inside and outside of all door surfaces to include the door jamb, knobs, and floor behind the doors.	_____	_____
Walls: (Office and General Areas) Dust and remove all visible marks on all wall surfaces, as needed from ceiling to floor including wall hangings [pictures, etc.] fire alarm boxes, fire alarm pull stations, fire extinguishers, exit signs, partitions, base boards, kick boards, and spot clean as needed etc.	_____	_____

QUARTERLY CLEANING TASKS, Continued

Air Conditioning Vents: _____ _____
Brushed and washed clean.

Blinds: _____ _____
Clean blinds to remove all dust and dirt.

Storage Areas: _____ _____
Vacuum, and sweep floors, walls, and make sure it is free of bugs, dust and debris.

Ceilings (Porch Area & Entrance Way reachable by ladder): _____ _____
Clean to remove all foreign markings, dust, dirt, debris, and clean all light fixtures inside and outside.

Fixtures (Porch Area & Entrance Way reachable by ladder): _____ _____
All fixtures shall be cleaned inside and outside thoroughly.

The above quarterly tasks have been agreed upon and shall be completed on the listed dates.

Contractor:_____Date:_____

Department:_____Date:_____

Contract Administrator:_____Date:_____

Contract Administrator shall be notified in writing, on this form, within twelve (12) hours after the completion of any of the above cleaning tasks. Contract Administrator will inspect the cleaning task within twenty-four (24) hours after being notified of completion of any of the above cleaning tasks and will respond via email or phone if any discrepancies .

No more than three (3) months shall pass for individual quarterly cleaning tasks of any facility.

CITY OF VERO BEACH, FLORIDA
SEMIANNUAL CLEANING TASKS
PROFESSIONAL JANITORIAL SERVICES

Semiannual Schedule: May and June **Building:** _____

Semiannual Work:	**Scheduled:**	**Completed:**
Carpet: Vacuum and clean all carpet areas, at a minimum of semiannually, using the scrub and extraction method, or other appropriate method.	_____	_____
Upholstered Furniture: Vacuum, dust and clean all upholstered furniture with an upholstery cleaner.	_____	_____
Vinyl Furniture: Clean all vinyl furniture with a vinyl cleaner.	_____	_____
Ceramic Tile: Sweep, mop, scrub, clean with necessary agents and wax.	_____	_____

The above semiannual tasks have been agreed upon and shall be completed on the listed dates.

Contractor:_____Date:_____

Department:_____Date:_____

Contract Administrator:_____Date:_____

Contract Administrator shall be notified in writing, on this form, within twelve (12) hours after the completion of any of the above cleaning tasks. Contract Administrator will inspect the cleaning task within twenty-four (24) hours after being notified of completion of any of the above cleaning tasks and will respond via email or phone with any discrepancies.

All semiannual work shall be completed within the two (2) listed semiannual cleaning months of May/June and November/December.

JANITORIAL SPECIAL WORK REQUEST		
Date:	**Department:**	**Facility:**
	SERVICE REQUIRED	
Date Service Required:		
Work Must be Completed by:		
Time Service Can Begin:		
Approved by City Representative:		
Approved by Contractor Representative:		
Contractor and City Representatives will sign and date.		

JANITORIAL SERVICES EXCEPTION REPORT		
Date:	**Department:**	**Facility:**
SERVICE DEFICIENCY AND LOCATION		
Prepared by:	**For review with Contractor:**	
	(Purchasing Use Only)	

SPECIAL CLEANING

THE FOLLOWING IS A SCOPE OF WORK USED FOR SPECIAL CLEANINGS AT THE COMMUNITY CENTER, RIVER HOUSE AND BETHEL CREEK HOUSE

1. Cleanings will be considered as special on regular cleaning nights if the cleaning crew is unable to get into the facility before 10:30 P.M.
2. There will be no exceptions as to how many tables and chairs are in the facility on a regular cleaning, as long as the crew is in the facility before 10:30 P.M.
3. All floors must be swept and mopped
4. All chairs and tables must be wiped down before being put away properly (leaving no substance on chairs or tables)
5. All garbage must be taken to the dumpster
6. All counter tops in the facility including kitchen area must be wiped down properly (leaving no residue on counter tops or cabinets)
7. All bathrooms need to be cleaned, sanitized and restocked

CITY OF VERO BEACH, FLORIDA

BID SCHEDULE

PROFESSIONAL JANITORIAL SERVICES

The Lump Sum Price for each location shall include the cost of all equipment, materials and labor, to complete janitorial services, in accordance with the Contract Documents.

CITY HALL (5 days)	$ 2,873.23	Monthly
ACCOUNTING OFFICE (2 days Tue & Thurs at 4:00 P.M.)		
T/D COMPLEX (3 days M-W-F)	$ 965.00	Monthly
COMMUNITY CENTER (3 days M-W-F)	$ 1,305.96	Monthly
POWER PLANT (5 days)	$ 1,052.93	Monthly
PUBLIC WORKS COMPLEX (3 days M-W-F)	$ 709.74	Monthly
BETHEL CREEK HOUSE (3 days M-W-F)	$ 320.95	Monthly
LEISURE SQUARE (6 days)	$ 1,842.58	Monthly
RIVER HOUSE (3 days M-W-F)	$ 259.71	Monthly
RACQUET CLUB (1 time a month)	$ 125.00	Monthly
AIRPORT TERMINAL BLDG.	$ 1,893.00	Monthly
(3 days upstairs office M-W-F) Downstairs 5 days		
Airport T-Hangers (2 times month	$ 191.00	Monthly
SEWER PLANT (5 days) (bldg A,K,H,J,L)	$ 892.83	Monthly
WATER PLANT (5 days)(bldg A,B,C,D,E,F,)	$ 917.26	Monthly
(W/exception of bldg D 3 days M-W-F)		
POLICE ADMINISTRATION (5 Days)	$ 2,230.80	Monthly
TOTAL BID:	$ 15,579.99	Monthly

PROFESSIONAL JANITORIAL SERVICES

Firm Name Beachland Cleaning Service

Address 1848 Commerce Ave City&State Vero Beach, FL 32960

Telephone 772 569 0799

Terms: Upon Receipt

Name, Typed or Printed Thomas C. Heverow Signature

Title President

CITY OF VERO BEACH, FLORIDA
BID SCHEDULE
PROFESSIONAL JANITORIAL SERVICES

1. **The City is requesting a separate price to sweep, mop, strip, wax and buff vinyl floors with a high quality non-slip wax.**

   Firm price quoted, for the term of the contract for vinyl floors: $0.36 per sq ft_____

2. **The City is requesting a separate to vacuum and clean, on an as-needed basis, various carpets that the City may require cleaned, using the scrub and extraction method, or dry clean method.**

   Firm price quoted, for the term of the contract for carpet cleaning $0.22 per sq ft_____.

3. **The City is requesting a separate lump sum price to completely and thoroughly clean the Community Center, after a special event, in accordance with all of the bid cleaning requirement along with the additional special cleaning specifications.**

   Firm price quoted, for the term of the Contract, to specially clean the Community Center after a special event in accordance with all the bid cleaning requirement specifications and special cleaning specifications $135.00_____.

4. **The City is requesting a separate lump sum price to completely and thoroughly clean the Bethel Creek House, after a special event, in accordance with all of the bid cleaning requirement specifications and special cleaning specifications.**

   Firm price quoted, for the term of the Contract, to specially clean the Bethel Creek House after a special event in accordance with all the bid cleaning requirement specifications $65.00__.

5. **The City is requesting a separate lump sum price to completely and thoroughly clean the River House, after a special event, in accordance with all of the bid cleaning requirement specifications and special cleaning specifications.**

   Firm price quoted, for the term of the Contract, to specially clean the River House after a special event in accordance with all the bid cleaning requirement specifications $_65.00__.

6. **The City is requesting a separate price based upon three (3) cleaning days to conduct all cleaning requirements, as specified in these documents, if additional buildings are added to the contract.**

Firm price quoted, for the term of the contract in accordance with all bid cleaning requirements, specifications $0.125 per sq ft per month.

7. **The City is requesting a separate price based upon five (5) cleaning days to conduct all cleaning requirements, as specified in these documents, if additional buildings are added to the contract.**

Firm price quoted, for the term of the contract in accordance with all bid cleaning requirements, specifications $0.115 per sq ft per month.

8. **The City is requesting a separate price based upon seven (7) cleaning days to conduct all cleaning requirements, as specified in these documents, if additional buildings are added to the contract.**

Firm price quoted, for the term of the contract in accordance with all bid cleaning requirements, specifications $0.115 per sq ft per month.

The City is requesting a price to clean second story windows at City Facilities twice a year. If subcontracting this item; please list the name and address of your sub.

T&D **$115.00**

City Hall **$1,215.00**

Public Works **$178.00**

Water & Sewer **$365.00**

Water Plant **$125.00**

Subcontractor MARY MACK
Address PO Box 3621 Port St Lucie 34991
Phone 772 528 3023
Fax /
Contact Keith

TYPE I

INSURANCE REQUIRED

Revised 02/13/02

A. **General**

Before starting and until acceptance of the work by the City, the contractor shall procure and maintain insurance of the types and to the limits specified below.

The contractor shall require each of his subcontractors to procure and maintain, until completion of that subcontractor's work, insurance of types and to the limits specified below. It shall be the responsibility of the contractor to ensure that all his subcontractors comply with all of the insurance requirements contained herein relating to such subcontractors. The City reserves the right to request proof of subcontractor's insurance from the contractor.

B. **Coverage**

Except as otherwise stated, the amounts and types of insurance shall conform to the following minimum requirements:

1. **Workers' Compensation** - Coverage to apply for all employees for statutory limits in compliance with the applicable state and federal laws. Companies with three (3) or fewer employees shall be required to have workers' compensation coverage meeting the minimum requirements of this section. In addition, the policy must include Employer's Liability with a limit of $100,000 each accident or disease. If any operations are to be undertaken on or about navigable waters, coverage must be included for the U.S. Longshoremen and Harbor Workers Act and Jones Act.

2. **Commercial General Liability** - Coverage must be afforded on a form no more restrictive than the latest edition of the Commercial General Liability Policy filed by the Insurance Services Office and must include:

   a) Minimum limits of $500,000 per occurrence combined single limit for Bodily Injury Liability and Property Damage Liability.

   b) Premises and Operations.

   c) Independent Contractors.

   d) Products and Completed Operations.

e) Coverage on an occurrence basis.

3. **Business Auto Policy** - Coverage must be afforded on a form no more restrictive than the latest edition of the Business Auto Policy filed by the Insurance Services Office and must include:

a) Minimum Limits of $500,000 per occurrence combined single limit for Bodily Injury Liability and Property Damage Liability.

b) Owned Vehicles.

c) Hired and Non-Owned Vehicles.

4. **Certificate of Insurance** - Certificates of all insurance required from the contractor shall be filed with the City and shall be subject to its approval for adequacy and protection. Certificates from the insurance carrier, stating the types of coverage provided, limits of liability and expiration dates, shall be filed with the City before operations are commenced. The City of Vero Beach shall be identified as an additional insured for general and automobile liability coverages required above. The required certificates of insurance shall not only name the types of policies provided, but shall also refer specifically to this contract and section and the above paragraphs in accordance with which such insurance is being furnished, and shall state that such insurance is as required by such paragraphs of this contract. If the initial insurance expires prior to the completion of the work, renewal certificates shall be furnished thirty (30) days prior to the date of expiration.

FIRST CLASS
U.S. POSTAGE
PAID
VERO BEACH, FL
PERMIT NO. 200
PRE-SORTED FIRST CLASS

CITY OF VERO BEACH

P.O. BOX 1389 - 1053 20TH PLACE
VERO BEACH, FL 32961-1389
(772) 978-4920

LOCAL BUSINESS TAX
FISCAL YEAR [illegible]

ACCOUNT NO: [illegible]
AUDIT NO: 54927

TYPE: [illegible]
CLASS NUMBER: [illegible]
LOCATION: 1845 COMMERCE AVE

TAX FEE: [illegible]
TRANSFER FEE: [illegible]
DEL. PENALTY: [illegible]
TOTAL [illegible]

FIRM NAME: HEVERON GROUP INC DBA BEACHLAND CLEANING SERVICE
OWNER/MGR: THOMAS HEVERON

ADDRESS: 1845 COMMERCE AVENUE
VERO BEACH FL 32960

DATE ISSUED: [illegible]
THANK YOU FOR YOUR PAYMENT

PLANNING & DEVELOPMENT

NOTE: THIS RECEIPT MUST BE EXHIBITED CONSPICUOUSLY AT YOUR ESTABLISHMENT OR PLACE OF BUSINESS

SH 1030

ACORD® CERTIFICATE OF LIABILITY INSURANCE

OP ID AT

DATE (MM/DD/YYYY) 01/03/11

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

BROWN & BROWN - VERO OFFICE
2911 CARDINAL DRIVE
VERO BEACH FL 32963

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:
PRODUCER CUSTOMER ID #: HEVER-3

INSURED

Heveron Group, Inc. dba
Beachland Cleaning Service
1848 Commerce Ave
Vero Beach FL 32960

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	Southern-Owners Ins Co	10190
INSURER B:	Owners Insurance Company	32700
INSURER C:	FFVA Mutual Insurance Co	10385
INSURER D:	Ohio Casualty Ins. Co.	24074
INSURER E:		
INSURER F:		

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY							
A	X COMMERCIAL GENERAL LIABILITY			72721840	07/30/10	07/30/11	EACH OCCURRENCE	$ 1000000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300000
							MED EXP (Any one person)	$ 10000
							PERSONAL & ADV INJURY	$ 1000000
							GENERAL AGGREGATE	$ 2000000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$ 2000000
	POLICY X PRO-JECT LOC							$
	AUTOMOBILE LIABILITY							
B	X ANY AUTO			4809799700	07/30/10	07/30/11	COMBINED SINGLE LIMIT (Ea accident)	$ 1000000
	ALL OWNED AUTOS						BODILY INJURY (Per person)	$
	SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS						PROPERTY DAMAGE (Per accident)	$
	NON-OWNED AUTOS							$
								$
A	X UMBRELLA LIAB X OCCUR			4809799701	07/30/10	07/30/11	EACH OCCURRENCE	$ 1000000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 1000000
	DEDUCTIBLE							$
	X RETENTION $ 0							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC84000253512011A	01/01/11	01/01/12	X WC STATU-TORY LIMITS OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$ 1000000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1000000
							E.L. DISEASE - POLICY LIMIT	$ 1000000
D	Janitorial Bond			3974185	12/07/10	12/07/11	Aggregate	25000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

City of Vero Beach, Office of
the Manager Of Purchasing
Po Box 1389

Vero Beach FL 32961-1389

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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8- A)

Entered
City Clerk
Office

OFFICE OF THE CITY ATTORNEY

MEMORANDUM

To: Mayor Jay Kramer, Vice-mayor Turner, and Councilmembers

From: Wayne R. Coment, Acting City Attorney WRC

Subject: Update - Florida Public Service Commission Docket No. 090524-EM Complaint of Faherty and Heran against City of Vero Beach for unfair electric utility rates and charges.

Date: March 30, 2011

Attached please find copies of the following documents for your information and update on the above-referenced matter:

1. City staff response to FPSC Staff's Data Request No. 2.
2. Complainant response to City response to FPSC Staff's Data Request No. 1.
3. Notice of informal meeting with FPSC Staff.

Attachments (3)

Cc: Tammy Vock, City Clerk

City of Vero Beach
1053 - 20th PLACE - P.O. BOX 1389
VERO BEACH, FLORIDA - 32961-1389
Telephone: (772) 978-4730 • Fax: (772) 978-4733

OFFICE OF THE
CITY ATTORNEY

March 29, 2011

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: **City of Vero Beach Response to Commission Staff data request no. 2**
Docket No. 090524-EM – Complaint of Stephen J. Faherty and Glenn Fraser Heran against the City of Vero Beach

Dear Ms. Cole:

Please allow this letter to serve as the City of Vero Beach's response to the Public Service Commission Staff's Data Request No. 2 transmitted on March 22, 2011 regarding Question No. 8 from Staff's Data Request No. 1. The response provided herein represents the information provided this office by the City's staff and is intended for clarification as to the available data. An original and five (5) copies of this response are provided as requested by Ms. Martha C. Brown, Senior Attorney.

The question presented by the Staff's Data Request No. 2 asks that the City use the same process that was used to determine the number of customers and meters in 2007 to generate comparable information for 2010. As more fully explained and clarified below, the process used in 2007 is not available to the City for calculation of 2010 numbers. However, as also explained, the 2007 data should still be statistically relevant. The previous question No. 8 and the City's response are restated for ease of reference.

(8) Table 4-2 of the cost of service study indicates that the total estimated number of meters for the 2010 Test Year is 33,408. This table also provides a breakdown of the total number of meters by rate classification. Provide the number of customers within each rate classification, if that number is different than the number of meters by rate classification indicated on Table 4-2.

Previous Response By COVB: The number of *meters* would be different from the number of *customers* as historically shown by the 2007 numbers, but there are no existing reports that provide the exact numbers/data for the time period in question that makes possible an accurate comparison of the number of meters to customers. The cost of service study performed by the City's consultant was designed to focus on meters and the associated usage to properly determine cost and revenue and did not determine the number of customers.

COVB Response to Data Request No. 2: The data regarding the number of customers versus the number of meters existing as of September 30, 2007 was determined using a custom report computer program that was specially written/created and run by a City employed Billing System Administrator utilizing approximately 1600 criteria to specifically take a "snapshot" of the City's billing system for a particular point back in time (September 30, 2007). The Billing System Administrator left employment with the City in June 2010 and the position has not been filled due to defunding of the position as a result of budgetary and fiscal constraints. The City does not have any other employee having the required knowledge, capabilities, or expertise in writing the required programming to now produce a report going back in time for a specified date. The City would have to contract with a qualified firm or individual to perform the programming at the expenditure of substantial time and monetary expense in order to take another "snapshot" back in time.

However, what *can* be readily determined is the number of meters as of December 31, 2010, which can be compared to the number determined for the 2007 date. That number for 2010 went down by approximately 144 from the 2007 number. Such a number being statistically de minimis, it is reasonable to presume that the 2007 numbers for both meters and customers are still relatively valid from a statistical comparison perspective.

The numbers previously determined for September 30, 2007 are restated below:

		Retail Electric *Customers*	**Retail Electric *Meters***
Residential:	**Inside**	**8,189**	**9,557**
	Outside	**15,208**	**17,748**
	Total	**23,397**	**27,305**
Commercial:	**Inside**	**2,317**	**2,704**
	Outside	**2,139**	**2,497**
	Total	**4,456**	**5,201**
Industrial:	**Inside**	**1**	**1**
Grand Total:		**27,854**	**32,507**

Respectfully submitted,

CITY OF VERO BEACH

Wayne R. Coment
Acting City Attorney

Copies to: Stephen J. Faherty
Glenn Fraser Heran
Monte Falls, Interim City Manager

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: March 24, 2011

TO: All Parties of Record & Interested Persons

FROM: Martha C. Brown, Senior Attorney, Office of the General Counsel

RE: Docket No. 090524-EM - Complaint of Stephen J. Faherty and Glenn Fraser Heran against the City of Vero Beach for unfair electric utility rates and charges.

Please note that an informal meeting between Commission Staff and parties in the above captioned docket has been scheduled for:

Tuesday, April 12, 2011 at 10:30 a.m.
Gerald L. Gunter Building, Conference Room 382D
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The purpose of the meeting is to discuss the issues in the above-referenced docket. Attendance is not required; however, all parties are encouraged to attend. Parties may participate telephonically in this meeting by dialing 1-888-808-6959, Conference Code 4136206. If you have any questions about the meeting, please call Martha C. Brown at (850) 413-6187.

MCB/sh

Dr. Stephen J. Faherty, Sr.
2120 Captains Walk
Vero Beach, Florida 32963-2821
Home = 772-231-8139
Mobile = 772-559-9080
fahertydoc@earthlink.net

Glenn Fraser Heran CPA
6985 57th St.
Vero Beach, FL 32967
Mobile = 772-473-7629
Glenn@HFBLLC.com

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
2540 Shumard Oak Blvd.
Florida Public Service Commission
Tallahassee, FL 32399-0850

In Re: Docket No. 090524-EM – Declaratory Statement Petition by Dr. Stephen J. Faherty and Glenn Fraser Heran against the City of Vero Beach (City)

March 24, 2011

Dear Ms. Cole:

In relation to the City of Vero Beach's March 10, 2011, response to the Public Service Commission (PSC) February 10, 2011 request for information, we have the following comments.

A. Under the PSC questions related to the referendum election required by Section 366.04(7)(a), F.S., the Commission asked the City about the number of retail customers the City had. In response the City noted under question 2 that it had 27,854 total retail electric customers as of September 30, 2007 and under question 3 explained the methodology the City used to make that determination.

   The City claims that it did not have a definition under the PSC statutes for the term "customer" and thus relied on the Merriam Webster's Collegiate Dictionary and Black's Law Dictionary for a definition of the term Customer. The City then cites the definition of "customer" in PSC Rule 25-6.003(2)(b), F.A.C. The City's approach totally ignores the use of the term "customer" as defined and as used in the context of the other definitions contained <u>in the same PSC section</u> which was adopted by the PSC in 2000 (See Attachment A).

   For example, under the definition of "meter", the PSC states "...The word "Meter," when used in these rules without other qualification, shall be construed to mean any device used for the purpose of **measuring the service rendered to <u>a customer</u>** by a utility." (Bold and underlining added) There does not appear to be any "qualification" in the use of "customer" in PSC Section 366.04(7) other than the adjective "retail." Also note that that a meter is measuring service to "**<u>a customer</u>**". Thus, a reasonable person should be able to logically conclude "a singular or oneness (as used in Black's Law Dictionary) in the term "customer."

There should also be an indication and correlation of the number of individual customers as evidenced by the number of individual meters and accounts.

In Section (2)(d), "Point of Delivery" is defined as "The first point of connection between the facilities of the serving utility and the premises wiring." Nowhere in the definition does it mention "point of delivery" to a collection of delivery points with the same named customer who may be in different governmental and taxing jurisdictions. Individual bills are generally provided to the account holder of the individually metered premises.

Furthermore, Section (e), "Service" is defined as "The supply by the utility of electricity to **the customer**, including the readiness to serve and availability of electrical energy at **the customer's** point of delivery at the standard available voltage and frequency whether or not utilized by the customer." (Bold and underlining added) Thus, the PSC definition correlates "service" with an individual customer and the customer's point of delivery and also with the standard voltge and frequency which could vary by customer and/or meter and not be the same to all serviced "points of delivery" for a similarly named customer!

The PSC definitions are cited in Section (1) as being "Definitions of general applicability. The definitions of terms used in this chapter shall be as stated in the Authoritative Dictionary of IEEE Standard Terms, 7th edition, published in December 2000, incorporated herein by reference, except to the extent and for the purposes that the terms are defined elsewhere in this chapter. The definitions in subsection (2) shall be used for all purposes in this chapter." Thus, the definitions of the PSC should be those known by the City's electric utility staff!

If the City lumps all of the customers with the same names in the same group, how does it distinguish a "customer" having the same name but meters located in three governmental jurisdictions (Indian River County (County), City, and Town of Indian River Shores (Shores) which have different utility taxing structures? In the County, there is a County 6% franchise fee on the total bill and prior to January 1, 2010 there was a 10% City imposed Municipal Surcharge. In the Shores, the City and the County cannot impose either of those taxes and the Shores did not impose any of its own utility taxes. The City imposes a 10% tax on it base rate for the inside City customers. If they are the same group, then how does a "grouped" customer with different jurisdictional points of delivery" (assuming the same "service") have different taxes on the customer's bill? We do not believe one consolidated bill is sent for all of a customer's premises, even for the City as it disperses the accounting cost of its electricity to its own individual Departments.

To provide further evidence of the duplicitous statements by the City regarding the use of the word "customer", please see Attachment # 1 which is an October 20, 2005 notification to the PSC of proposed rates and charges the City intended to effect. The "Miscellaneous" page of the attachment shows "accounts", not

"meters" or "customers", to which the State Sales Tax and State Gross Receipts Tax will be applied. Note that the City Utility Tax (applied to City customers in City), the Outside Municipal Surcharge (applied to unincorporated County customers of the City), and the **County Fee-In-Lieu of Franchise Fee** are applied differently to "customer/account/meter/service/point of delivery" **locations** depending on governmental jurisdiction, not by clustering the inside and the outside customers with the same name. There are no taxes, fees, or surcharges applied to the Shores. It is further noted that "At the option of the City, Electronic Payment of the customer's utility bill will be permitted." It does not mandate that it must be for all of a customer's bills because all customers with the same name must be considered the same customer. The PSC should have other filings from the City showing a different and higher customer count than the City's "consolidated" customer count. If I correctly recall my conversations with the late Representative Stan Mayfield, he used in his legislation adding PSC Section 366.04(7) the City's customer count filed with the PSC for the period ending September 30, 2007.

Attachment # 2 is a copy of page 132 from the City's audited 2009 financial reports which contain the number of Electric system customers for the years 2006-2009. It would seem that the City's auditors are able to determine the number of electric customers for those years even if other parts of the City's government are not. The auditors must get information from the City for their Audit report. Therefore, it should be assumed the City gave its auditor's the customer count and therefore it should be assumed the City was able to calculate a "customer" count for 2006 – 2009 and for September 30, 2007! If that explanation is not acceptable, then why would the City allow its auditors to show incorrect customer counts?

In Attachment # 3 are 4 pages from a January 27, 2009 City work order to consultant PRMG., a specialist in electric rate and service work, in which there are persistent City uses of the word "customer" versus "meter", "account", etc., to describe what work the City expects from PRMG for its "customer" rate classes. The presumption should be that the City should have a definition for the term "customer" if it is using it in a Request For Proposal (RFP).

In Attachment # 4 are 3 pages from the August 2009 PRMG report to the City containing just some of the references to "customer classes." The report does not cite the collation of accounts with similar names into "one customer account." The report further shows the break down of customers by inside and outside of the City per the City's request.

In Attachment # 5 are 5 pages from the August 19, 2009 Electric Rate Study done for the City by PRMG which show on page 2 the reference to 34,000 service meters and on remaining pages the references to customers inside and outside of the City which could not be described as such if a "customer" had inside and outside City "premises" and was a consolidated account. It appears that the

PRMG is using the terms "customer" and "meters" interchangeably. Please note in this attachment on page 14 of the PRMG Report the column of existing rates. The date of this report is August 19, 2009 when the City's Municipal Surcharge was still in effect.

Under "Section **25-9.0525 Municipal Surcharge on Customers Outside Municipal Limits.** (1) The provisions of Rule 25-9.052, F.A.C., notwithstanding, a municipal electric utility may impose on those customers outside of its corporate limits a surcharge equal to the public service tax charged by the municipality within its corporate limits. To be equal to the tax, the surcharge shall apply to the same base, at the same rate, in the same manner and to the same types of customers as the tax." Note the difference in the rates and fees. In order for the City to have imposed the Municipal Surcharge under Section 25-9.0525, the rates for inside and outside customers are to be the same. Per this report, the City apparently charged different rates for inside and for outside customer contrary to PSC statutes. Furthermore, if a "customer" referred to in the Municipal Surcharge section had accounts inside and outside of the City, would the Municipal Surcharge have been charged on accounts inside the City as it was only one customer?

In effect, the City has generally used the terms "customer" and "meter" interchangeably except when the distinction was being made for specific reasons such as a reference to inactive meters versus active customers. Thus, the City's stated difference between "customer" and "meter" is a distinction without a difference.

We believe the City deliberately chose to make the distinction in its new customer number in 2008 in order to avoid the application of Section 7(c) of the PSC statutes to its utility! The PSC should also identify the individual persons in the City hierarchy who were participants in the discussions and recommendations for this evasion of PSC statutes!

B. In relation to the questions regarding the Cost of Service Study filed with the PSC on September 19, 2009, two points should be made.

First, from its reports, apparently the City charged different rates for inside and outside customer contrary to PSC statutes. In order for the City to have imposed the Municipal Surcharge under Section 25-9.0525, the rates for inside and outside customers are to be the same.

Second, the City's consultant stated at the public meeting where he presented his report that the Base Rate included the approximately $3 M previously collected by the City from outside customers in the County. Thus, that increase in the base rate was not cost justified, but revenue justified.

C. Regarding the number of customers outside of the City around 1981, Attachment 6 is an e-mail exchange in December 2008 between Dr. Faherty and John Lee, City Customer Service Director regarding the number of customers inside and outside of the City in 70's, 80's, & 90's and my recollection then of Mr. Lee having said previously that 10-15% of he City's customers were outside of the City in the early 1980's. Mr. Lee didn't correct my recollection in a subsequent e-mail. Mr. Lee had based his recollection on his experience with the City's electric Division which dates back 31 years to 1980. He also indicated in the e-mail that although the City normally did not retain records after a certain point, he may have access to some old records that could provide that information.

Thank you for the opportunity to comment.

s/ Dr. Stephen J. Faherty, Sr.

s/ Glenn Fraser.Heran, CPA

Attachments:
Attachment A = PSC Definitions
Attachments 1-6 = City Documents

Copy by e-mail to:

Wayne R. Coment, Acting City Attorney
Martha Carter Brown, Senior PSC Attorney
Shalonda Hopkins, PSC

Copy by mail or hand delivery to:

Wayne R. Coment, Acting City Attorney

C. Regarding the number of customers outside of the City around 1981, Attachment 6 is an e-mail exchange in December 2008 between Dr. Faherty and John Lee, City Customer Service Director regarding the number of customers inside and outside of the City in 70's, 80's, & 90's and my recollection then of Mr. Lee having said previously that 10-15% of he City's customers were outside of the City in the early 1980's. Mr. Lee didn't correct my recollection in a subsequent e-mail. Mr. Lee had based his recollection on his experience with the City's electric Division which dates back 31 years to 1980. He also indicated in the e-mail that although the City normally did not retain records after a certain point, he may have access to some old records that could provide that information.

Thank you for the opportunity to comment.

Dr. Stephen J. Faherty, Sr.

Glenn Fraser Heran, CPA

Attachments:
Attachment A = PSC Definitions
Attachments 1-6 = City Documents

Copy by e-mail to:

Wayne R. Coment, Acting City Attorney
Martha Carter Brown, Senior PSC Attorney
Shalonda Hopkins, PSC

Copy by mail or hand delivery to:

Wayne R. Coment, Acting City Attorney

ATTACHMENT A

25-6.003 **Definitions.**

(1) Definitions of general applicability. The definitions of terms used in this chapter shall be as stated in the Authoritative Dictionary of IEEE Standard Terms, 7th edition, published in December 2000, incorporated herein by reference, except to the extent and for the purposes that the terms are defined elsewhere in this chapter. The definitions in subsection (2) shall be used for all purposes in this chapter.

(2) Definitions of terms.

(a) "Commission." Unless a different intent clearly appears from the context, the word "Commission" shall be construed to mean the Florida Public Service Commission.

(b) "Customer." Any person, firm, partnership, company, corporation, association, governmental agency or similar organization, who makes application for and is supplied with electric service by the utility for its ultimate use and not for use by, to, or through any other person or entity unless specifically authorized by the Commission.

(c) "Meter." The word "meter," when used in these rules without other qualification, shall be construed to mean any device used for the purpose of measuring the service rendered to a customer by a utility.

(d) "Point of Delivery." The first point of connection between the facilities of the serving utility and the premises wiring.

(e) "Service." The supply by the utility of electricity to the customer, including the readiness to serve and availability of electrical energy at the customer's point of delivery at the standard available voltage and frequency whether or not utilized by the customer

(f) "Service Drop." The overhead service conductors from the last pole or other aerial support to and including the splices, if any, connecting to the service entrance conductors at the building or other structure.

(g) "Service Lateral." The underground conductors between the transformer(s) or transformer secondary, including any risers at a pole or other structure, and the point of delivery.

(h) "Utility." Unless a different intent clearly appears from the context, the word or words "utility" or "electric utility" as used in these rules shall have the same meaning as set out for "public utility" in Section 366.02, F.S., and shall include all such utilities subject to Commission jurisdiction.

Specific Authority 366.05(1) FS. Law Implemented 366.05(1) FS. History-New 7-29-69, Amended 4-13-80, Formerly 25-6.03, Amended 12-4-03.

UJUXU

ORIGINAL

City of \ero neacli

1C53 - 20th PLAC;-:-- P.O. BOX 1385
VERO BEACH, FLORIDA - 32961-1389
*Telephone: (772.) S7§-5Kv * Fax: (772) S78-5125*

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ATTACHMENT # 1

P'l»MMi°SinHi

October 20, 2005

Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Subject: Electric Rate Filing for the City of Vero Beach, Florida

The proposed rates and charges were presented to and approved by the City Council at a public meeting on September 8, 2005. Accordingly, pursuant to the rules of the Public Service Commission (FPSC), four (4) copies of the revised tariff sheets are submitted in final form in Attachment I. The following is a summary of the revised tariff sheets in Attachment I.

Revised Tariff Sheet		
	Fourth Revised Sheet No.	1.0
	Seventh Revised Sheet No.	4.0
	Eight Revised Sheet No,	5.0
	Ninth Revised Sheet No.	8.0
	Ninth Revised Sheet No.	9,0
	Eight Revised Sheet No.	10.0
	Second Revised Sheet No.	10.1
	Eight Revi sed Sheet No.	11.0
	Second Revised Sheet No.	11.1

This filing contains two general rate changes. The first is a three percent (3%) increase in the residential, commercial non-demand, commercial demand, and industrial demand rates. This change is the first change in these rates since August of 1999. This general increase is intended to adjust for normal inflation and will be effective until such time that the City completes a - Comprehensive rate study. C O M

The second rate change is a two percent (2%) Hurricane Recovery Fund surcharge designed to replenish the City's emergency fund that was depleted during Hurricanes Francis and Jeanne in -.ECR)\^£ii£JSeptcmber of 2004. This surcharge will be in effect for a period, not to exceed two years.

GCL

"Attachment II contains one (1) copy of the revised tariff sheets in legislative format to indicate e additions and deletions on the revised tariff sheets compared to the existing sheets currently on file with the FPSC.

SCR ____
SGA ____
SEC 1

City of 'Ve.ro Bee
1053-2Qih Pi ACE - ***P.O.*** *BOX*
VK.isO *BEACH, FLORIDA - 3296:*
*Tkiezhonc: (772) 978-5100 * Fax: f??2-*

All correspondence associated with the rate filing, including any requests for additional information, and comments regarding the rate filing should be directed to:

Florida Public Service Commission

John T. Lee
Customer Service Manager
City of Vero Beach
POBox 1389
Vero Beach, Florida 32961-1389
772-978-5127
jlee@covb.org

Thank you for your consideration of the City's rate filing. Please do not hesitate to contact me if you have any questions.

Sincerely >• *

,- n

/ John T. Lee
Customer Service Manager

MISCELLANEOUS

STATE SALES TAX - State Sates Tax shall be applied to the total electric bill on all commercial and industrial accounts unless current state sales tax exemption certificate is on file with the Customer Service Department.

CITY UTILITY TAX - A City Utility Tax of ten percent (10%) shall be added to all rate schedules for service inside the city limits. The amount will not exceed the limitation established by Subsection 166.123, Florida Statutes.

OUTSIDE CITY SURCHARGE - A surcharge for service provided outside the corporate limits of the City shall be added to all rate schedules. The amount of the surcharge shall be equal to the utility tax imposed on service inside the City limits. The surcharge shall apply to the same base, at the same rate, in the same manner and to the same rate schedules as the utility tax, all as set forth in Rule 25-9.525 of the Florida Administrative Code.

HURRICANE RECOVERY FUND - A two percent (2%) Hurricane Recovery charge will be applied to residential, commercial, & industrial rates for a period of no more than 2 years.

TERMS OF PAYMENT - All bills are due when rendered and become delinquent twenty-one (21) days from billing date. After twenty-one (21) days, a delinquent notice is mailed allowing an additional ten (10) days. If not paid by date stated on delinquent notice, service may be discontinued without further notice.

At the option of the City, Electronic Payment of the customer's utility bill will be permitted.

COUNTY FEE-IN-LIEU-OF-FRANCHISE FEE - A six percent (6%) County fee-in-lieu-of-franchise fee shall be added to all rate schedules for electric, water, and/or sewer service provided to customers who reside in the unincorporated areas of Indian River County and receive service from the City and shall be applied to the total bill for such service pursuant to ordinance provisions of Indian River County.

STATE GROSS RECEIPTS TAX - A State Gross Receipts Tax in accordance with Section 203.01 of the Florida Statutes will be charged on electric sales at a factor of 2.5641percent.

DISCLAIMER OF LIABILITY - The City will use reasonable diligence at all times to provide continuous service at agreed normal voltage, and shall not be liable to the customer for complete or partial failure or interruption of service, or for fluctuations in voltage, resulting from causes beyond its control, or through the ordinary negligence of its employees, servants, or agents, nor shall the utility be liable for the direct or indirect consequences of interruptions or curtailments made in accordance with the provisions of its rate schedules for interruptible, curtailable, and load management service. The City shall not be liable for any act or omission caused directly or indirectly by strikes, labor troubles, accidents, litigation, shutdowns or repairs or adjustments, interference by federal, state, or county government, acts of God, or other causes beyond its control.

Issued by: James Gabbard
City Manager

Approved: December 1, 2005

ATTACHMENT # 2

CITY OF VERO BEACH, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2009	2008	2007	2006
Public Safety				
Police Department				
Traffic Violations	3,373	4,170	4,112	4,148
Parking Tickets	2,251	1,725	1,926	2,113
Physical Arrests	903	1,154	1,185	862
Transportation				
Streets and Highways				
Miles Paved	-	0.30	0.68	0,68
Asphalt for road maintenance (tons)	1,180	251	150	150
Sidewalks Repaired (sq ft)	11,000	36,720	46,575	9,000
Physical Environment				
Stormwater Ditches Maintained (miles)	15	15	15	15
Culture and Recreation				
Parks (acreage maintained)	229	229	229	229
Electric System				
Customers	33,216	33,231	33,442	33,299
Residential Consumption (KW in OOOs)	347,195	351,613	363,230	366,479
Commercial Consumption (KW in OOOs)	347,717	365.446	364,997	350,111
Industrial Consumption (KW in OOOs)	12,026	19,379	17,534	16,879
Water System				
Customers	21,899	22,016	22,114	22,126
Water Consumption (GAL in OOOs)	1,466,096	1,468,473	1,621,813	1,644,306
Irrigation Water Consumption (GAL in OOOs)	377,507	375,001	476,129	441,762
Reuse Water Consumption (GAL in OOOs)	517,712	541,931	650,699	622,802
Golf Course Water Consumption (GAL in OOOs)	449,761	454,868	422,609	426,975
Solid Waste				
Customers	8,130	8,078	8,132	8,230
Refuse Collected (TONS)	16,318	18,566	19,348	21,535
Yard Trash Collected (TONS)	2,198	2,227	2,000	1,736
Recyclables Collected (TONS)	11	5	21	96

(1) Information not available

TO: The Honorable Mayor and Members of the City Council

#3

FROM: James M. Gabbard, City Manager

DATE: January 27, 2009

SUBJECT: COST OF SERVICE/RATE STUDY CONTRACT FOR ELECTRIC, WATER AND SEWER

Please find attached a copy of the Professional Services Master Agreement for Professional Rate Consulting Services with Public Resources Management Group, Inc. Also attached is a memorandum from R.B. Sloan, Director of Electric Utilities, which recommends approval of the Electric Rate Study, in the amount of $39,000.00.

Additional Work Orders are also included as they relate to the Water and Sewer Department.

It is the recommendation of the City Manager's Office that Council approve execution of the following contract and work orders:

- Professional Services Master Agreement for Professional Rate Consulting Services with Public Resources Management Group, Inc.
  - Work Order No. 1 - Electric Rate Study - $39,000.00
  - Work Order No. 2 - Water and Wastewater Rate Study - $37,000.00
  - Work Order No. 3 - Wastewater Disposal Rate - $1,000.00
  - Work Order No. 4 - New Wastewater Treatment Plant Rate Impact Analysis - $3,000.00
    - Total amount of Work Orders = $80,000.00

Funding for Work Order No. 1 (Electric Rate Study) will be from Account No. 401.5090.531.331001, with the remaining work orders, as they relate to water and sewer, being paid from Account No. 421.9005.530.331001.

James M. Gabbard

jav
Attachments

xc: R.B. Sloan
Rob Bolton
John Lee
John O'Brien
Stephen Maillet

K:\Agenda\CityManager\2009\Cost of Service and Rate Study - Electric, Water, Sewer.doc

following documents, material, and data as required in connection with the work to be performed under this MASTER AGREEMENT and each WORK ORDER hereunder:

1. A copy of all available preliminary data or reports in the possession of CITY that are pertinent to the project, such as financial operational and customer billing data.

B. OTHER CITY RESPONSIBILITIES. CITY shall be responsible for:

1. CITY responsibilities as set forth in the terms of the applicable WORK ORDER issued pursuant to this MASTER AGREEMENT.

C. DESIGNATED CITY REPRESENTATIVE.

1. REPRESENTATIVE AS TO MASTER AGREEMENT. CITY designates the following listed individual as CITY's designated representative, to represent CITY in all matters pertaining to this MASTER AGREEMENT.

Name:	
Title:	
Street Address:	1053 20th Place
Mailing Address:	P.O. Box 1389
	Vero Beach, Florida 32961-1389
Telephone:	772-978-4710
Facsimile:	772-778-3856

2. REPRESENTATIVE AS TO WORK ORDERS. CITY shall designate in each WORK ORDER its representative for all matters pertaining to performance of the work under such WORK ORDER together with such representative's address, telephone number and facsimile number.

3. Designated representatives and contact information may be changed by the giving of written notice as provided herein.

4. Designation of CITY representatives notwithstanding, it is understood that final authority for CITY on all matters rests solely with the City Council and PROFESSIONAL acknowledges this fact.

SCOPE OF SERVICES

The scope of services to be performed by Public Resources Management Group, Inc. (PRMG) are related to the preparation of an electric rate study including: i) a five year financial forecast to develop projected revenue requirements and evaluate capital funding requirements; ii) a cost of service study to determine the City's individual customer classes' revenue responsibility; and iii) rate design analyses to develop rates for electric service that recover the projected revenue requirements. The proposed scope of services is summarized below by the following tasks:

Task I – Data Request and Data Gathering

PRMG will prepare a written data request for the collection of financial, customer billing, budgetary, operating and planning data necessary to conduct an electric rate study. Information requested will include, but is not limited to, financial statements, detailed accounting records such as general ledger trial balances, existing rate and fee schedules, wholesale power bills, operating budgets and capital work plans, existing debt service schedules, summaries of utility plant investment, and customer billing data by service area location (i.e. inside versus outside the City).

Task II – Five Year Financial Forecast

This task represents Phase 1 of the electric rate study and will provide the basis for subsequent development of cost of service analyses and rate design. Phase 1 of the study consists of the following activities:

1. *Identification of Fiscal Policies and Objectives* – This task will include the review of existing City Ordinances, financial policy and any loan agreements associated with outstanding loan obligations. Based on this review PRMG will identify goals related to financial performance indicators, capital funding practices and reserve fund policies to provide financial guidelines and support for the rate and fee setting.

2. *Customer and Sales Forecast* – PRMG will prepare a projection of customer and usage requirements based on detailed customer accounting information provided by the Client. This task will include a review of historical customer growth and usage statistics and consideration of future development activity, as well as, development of a profile of billing determinants. The billing statistic profiles will be prepared for both existing and proposed customers classes, if different, and reflect appropriate rate structure criteria. The task will involve the development of bill frequency reports based on billing records and reporting capabilities of the City's billing system. The first step of this task will be to work with City staff to specify the billing data to be provided. In addition, alternative rate/customer classes and rate design options to be considered in the study will be identified in conjunction with staff in order to assemble appropriate billing profiles. The billing data profiles will also recognize service within and outside the City.

area, as well as, estimated changes within customer usage patterns that could occur over time related to energy conservation and demand side management programs. This step will also include development of projections of the miscellaneous revenues and other income.

4. *Development of Operating Expense Projections and Capital Funding Requirements* – Based on the adopted budget, for Fiscal Year 2009, PRMG will develop a five year forecast of future operating expenses (FY2020 - FY2014). The five year forecast of operating expenses will be based on the current operating budget of the electric system and consider inflationary pressures on system costs including labor and benefits, repairs and maintenance, purchase power costs and other operating charges. PRMG will compile the electric system's five year capital improvement program and assist the City with developing appropriate capital funding strategies. This analysis will allow the City to evaluate the effects of alternative capital funding strategies on system revenue requirements, estimate future debt service requirements, cash balances and estimate the sufficiency of existing rate levels over the next five years. Additionally, the capital plan and alternative funding strategies will be used to estimate the adequacy of electric system impact fees.

5. *Development of Net Revenue Requirements* – PRMG will summarize the information developed in Task II to evaluate the sufficiency of existing rate revenues. This task will involve comparing the projected revenues anticipated from existing rates with the projected revenue requirements in order to estimate the adequacy of existing rate levels on a system-wide basis over the next five years. The results of the five year financial forecast, as well as discussions with City staff, will provide the basis for developing an overall system cost recovery strategy. This task will specifically identify the effects of eliminating the outside city surcharge on the overall electric system rates.

All Subsequent tasks represent Phase 2 of the Study.

Task III – Test Year Cost of Service Analysis

This task will involve developing the support for proposed rate designs including residential, general service non demand, general service demand, large power rates, outdoor lighting, street lighting and demand side management and seasonal rate options as appropriate.

1. *Cost of Service Analysis* – Based on the financial forecast developed in Task II above, and the cost recovery strategy developed in conjunction with the City staff, PRMG will conduct a test-year cost of service analysis to develop the basis for proposed electric rates. The cost of service analysis includes the classification and allocation of costs among the various utility functions, customer classes and rate structure attributes. In particular the analysis will address the cost of serving each customer class. Unit costs will also be calculated to estimate the average customer, demand and energy-related costs for each customer class. The individual classes' revenue responsibility identified in the cost of service analysis will be compared with revenues from existing rates to determine the appropriate customer-class rate level adjustments. Also for

ATTACHMENT # 4

Appendix A
City of Vero Beach
2009 Electric Rate Study

List of Tables and Charts

Table No.	Description
1	Classification of Net Revenue Requirements
2	Development of Load Factors
3	Allocation of Revenue Requirements to Customer Class
4	Cost Recovery Strategy - (BPCA Roll-up)
5	Projected Rate Design - Levelized Rates (BPCA Roll-up)
6	Summary of Proposed Electric Rates (Levelized Rates)
7	Projected Rate Design - By Class Across the Board (BPCA Roll-up)
8	Summary of Proposed Electric Rates (By Class Across the Board)
9	Projected Rate Design Base Case - (BPCA Roll-up)
10	Determination of Proposed Electric Base Rates
11	Summary of Existing and Proposed Electric Base Rates
12	Comparison of Rate Design Alternatives - Residential Bill at 1,000 kWh per Month
13	Summary of Proposed Outdoor Lighting and Rental Rates

Chart No.	Description
1	Residential Bill Comparison - 1,000 kWh
2	Residential Bill Comparison - 2,500 kWh
3	Commercial Non-Demand Bill Comparison - 1,500 kWh
4	Commercial Demand Bill Comparison - 10,000 kWh / 40 kW
5	Commercial Demand Bill Comparison - 60,000 kWh / 150 kW
6	Industrial Demand Bill Comparison - 200,000 kWh / 500 kW

Table 5
City of Vero Beach
2009 Electric Rate Study

Projected Rate Design - Levelized Rates (BPCA Roll-up)

Line No.	Description	Existing Rates	% Increase	Design Year 2010 Proposed Rate	Determinants	Rate Revenue
	RESIDENTIAL					
	Inside City - Rate Code E11					
1	Customer Charges	$7.21	5.00%	$7.57	9,897	$898,998
2	Energy Charges (Including BPC & BPCA)	$0.1198	5.00%	$0.1258	117,297,869	14,756,072
3	**Total Inside City - Rate Code E11**					$15,655,070
	Outside City - Rate Code E12					
4	Customer Charges	$7.21	5.00%	$7.57	18,024	$1,637,300
5	Energy Charges (Including BPC & BPCA)	$0.1198	5.00%	$0.1258	228,804,191	28,783,567
6	**Total Outside City - Rate Code E12**					$30,420,867
7	**TOTAL RESIDENTIAL**	$43,895,303	4.97%			$46,075,937
	COMMERCIAL - NON-DEMAND					
	Inside City - Rate Code E14					
8	Customer Charges	$8.03	5.00%	$8.43	2,568	$259,728
9	Energy Charges (Including BPC & BPCA)	$0.1210	5.00%	$0.1271	51,691,365	6,569,972
10	**Total Inside City - Rate Code E14**					$6,829,701
	Outside City - Rate Code E15					
11	Customer Charges	$8.03	5.00%	$8.43	2,342	$236,866
12	Energy Charges (Including BPC & BPCA)	$0.1210	5.00%	$0.1271	41,030,166	5,214,934
13	**Total Outside City - Rate Code E15**					$5,451,800
14	**TOTAL COMMERCIAL - NON-DEMAND**	$11,696,782	5.00%			$12,281,501

Table 3
City of Vero Beach
2009 Electric Rate Study

Allocation of Revenue Requirements to Customer Class

Line No.	Description	Test Year 2010	Residential	Commercial Non-Demand	Commercial Demand	Outdoor
	Allocation Factors					
1	Sales (kWh)	721,734,064	346,102,061	92,721,531	278,912,593	
2	Percentage	100.00%	47.96%	12.85%	38.64%	
3	Meters (Fixtures)	37,419	27,921	4,909	578	
4	Percentage	100.00%	74.62%	13.12%	1.54%	
5	Estimated Cost Meters (Fixtures)	N/A	$2,000	$3,200	$12,000	
6	Weight		1.0	1.6	6.0	
7	Weighted Meters (Fixtures)	39,646	27,921	7,855	3,468	
8	Percentage	100.00%	70.43%	19.81%	8.75%	
	12 CP Demand					
9	Load Factor		64.10%	65.70%	73.90%	
10	KW	121,288	61,637	16,111	43,084	
11	Percentage	100.00%	50.82%	13.28%	35.52%	
	NCP Demand					
12	Load Factor		45.90%	49.80%	60.80%	
13	KW	160,205	86,077	21,254	52,367	
14	Percentage	100.00%	53.73%	13.27%	32.69%	
	Classified Costs					
15	Customer-Facility Related	$1,010,055	$711,381	$200,092	$88,380	
16	Customer-Service Related	2,210,899	1,847,771	324,876	38,252	
17	Customer-Service Related - Direct Outdoor Lighting	67,540	0	0	0	
18	Energy Related	56,470,444	27,083,225	7,256,452	21,820,180	
19	12 CP Demand Related	13,556,923	6,889,454	1,800,801	4,815,699	
20	NCP Demand Related	18,433,233	9,904,044	2,445,491	6,025,362	
21	Direct Assign - Residential	0	0	0	0	
22	Direct Assign - Commercial Non-Demand	0	0	0	0	
23	Direct Assign - Commercial Demand	0	0	0	0	
24	Direct Assign - Industrial Demand (Large User)	0	0	0	0	
25	Direct Assign - Outdoor Lighting	660,558	0	0	0	
26	Adjustment to Outdoor Lighting	0	6,687	38,574	116,034	
27	Total Allocated Costs	$92,409,652	$46,442,563	$12,066,286	$32,903,907	
28	Net Revenue Requirements Recoverable from Rates	$92,409,652	50.25%	13.06%	35.61%	

ATTACHMENT # 5

City of Vero Beach

2009 Electric System Rate Study

Prepared on August 19, 2009

Presented By:

Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants

City's Municipal Electric System

- Comprises 34,000 service meters including residential, small commercial, large & industrial commercial and street lighting
  - Monthly Utility Rates include:
    - Monthly Service or Base Charge
    - Energy Charge
    - Power Cost Adjustment (Pass-through)
    - Demand Charge (large & industrial customers only)
- Primary power supply through Florida Municipal Power Age
  - New power supply contract with Orlando Utilities Commission effective January 1, 2010
    - Projected costs expected to be 30% lower from today
    - OUC contract requires that the City maintain its primary generatic to meet the City's peak demands
    - All units are required in the short-term to ensure electric reliabilit throughout the existing region

Fiscal Year 2010
Bills Expected to Decline

Summary of Monthly Customer Bills Based on Proposed Rates (Base Case)

Customer Class	Service Requirement	Existing Bill	Projected Bill [*]	Decrease in M Amount
Residential	1,000 kWh	$158.82	$125.95	($32.87)
Residential	2,500 kWh	$386.24	$340.45	($45.79)
Commercial Non-Demand	1,500 kWh	$237.25	$195.60	($41.65)
Commercial Demand	10,000 kWh / 40kW	$1,548.58	$1,317.60	($230.98)

[*] The study considered three (3) alternatives presented herein. Amounts based upon the recommended alternativ
Base Case.

ATTACHMENT # 6

Dr. Stephen J. Faherty, Sr.

From: Dr. Stephen J. Faherty, Sr. [fahertydoc@earthlink.net]
Sent: Monday, December 01, 2008 9:54 AM
To: 'Lee, John'
Subject: RE: Inside / Outside customer data

John:

Thanks for info. I recall you told me at one time that the utility had about 10-15 % of customers outside of the City about late 70s or early 80s. That is fine. I don't need to verify further. Don't go to trouble of getting the old files.
Steve

From: Lee, John [mailto:JLee@covb.org]
Sent: Monday, December 01, 2008 9:08 AM
To: Dr. Stephen J. Faherty, Sr.
Subject: RE: Inside / Outside customer data

Good morning Stephen

Sorry, with all the Thanksgiving rush, I completely forgot about your message. The City keeps most records for 5 - 7 years, so the information concerning customer account is not readily available for the 70's, 80's or 90"s. There might be some old reports in the warehouse, and when time permits, I will have the old boxes pulled and checked. I doubt that I can find the info that you seek, but if and when I do, I will send it to you.

I hope that you had a healthy and happy Thanksgiving and are now getting ready for the Christmas season.

Take care - John

> ----Original Message----
> **From:** Dr. Stephen J. Faherty, Sr. [mailto:fahertydoc@earthlink.net]
> **Sent:** Monday, December 01, 2008 8:51 AM
> **To:** Lee, John
> **Cc:** Sloan, R.B.
> **Subject:** FW: Inside / Outside customer data
>
> John:
>
> I was wondering if you had any information as requested in 2nd ¶ below. Thanks
>
> Steve Faherty
>
> ---
>
> **From:** Dr. Stephen J. Faherty, Sr. [mailto:fahertydoc@earthlink.net]
> **Sent:** Saturday, November 15, 2008 9:57 AM
> **To:** 'Lee, John'
> **Subject:** Inside / Outside customer data

customers and also of the number/percent within and outside of the City in each of the calendar years?

Steve Faherty

PUBLIC RECORDS NOTICE: E-mails and written communications received or sent by the City of Vero Beach in connection with public business are public records pursuant to Florida law, including names, addresses, and e-mail addresses. As public records, they are generally subject to view by anyone requesting disclosure. Do not send electronic mail or written correspondence to this public entity if you do not want the content, including names, addresses, and e-mail addresses, released in response to a public records request.

9A-

Addendum to the City Council Meeting Agenda

Author: Pilar Turner

Council Meeting Date: April 5, 2011

Priority

____ of _____

Title:

Water and Wastewater Financials

Summary:

Review financial strength of our system with the current rate structure

Public need or issue addressed:

Maintain a self supporting utility capable of providing cash to the General Fund to supplement City taxes

Relevant City Charter, code references, legal:

Dates of past decisions by Council relevant to the issue:

Statement of proposed solution to the public need or issue:

In depth review of financials required showing actual versus projected for 2009, 2010 and 2011 to date.

Additional attached documentation includes: Water and Wastewater financials

MEMORANDUM

TO: Mayor Jay Kramer and
City Councilmembers

FROM: Pilar Turner
Vice Chairman

DATE: December 20, 2010

SUBJECT: Water and Sewer Rates

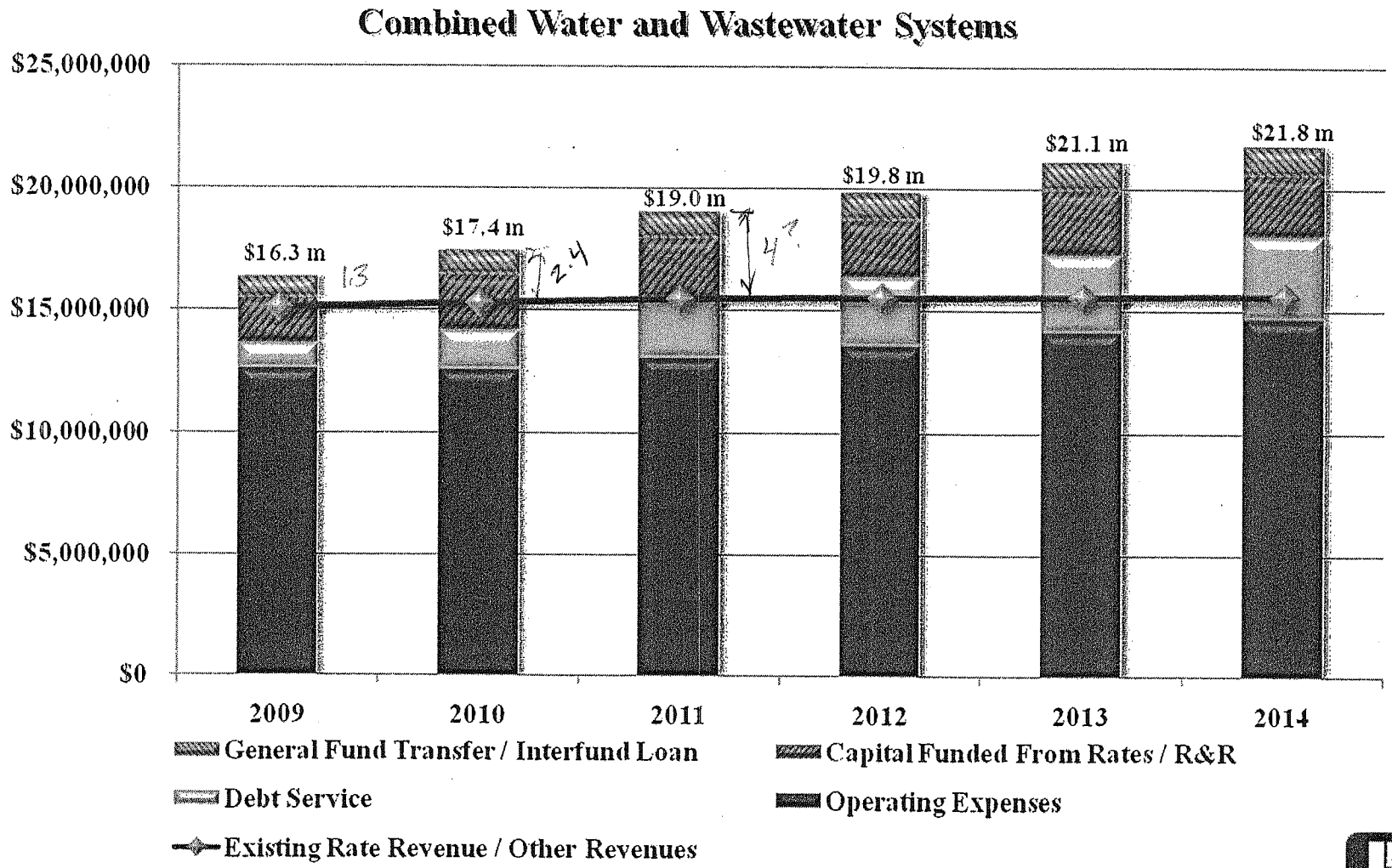
Attached is a graph prepared by the City's rate consultant Public Resource Management dated July 15, 2009. It depicts the adequacy of the City's water and sewer rates through 2014. These deficit projections are alarming.

The base assumptions used in this study have changed. It is imperative we obtain a concise analysis of all changes.

PT/tv

Enclosure

Adequacy of Existing Rates



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- Promote the conservation of water resources in keeping with the policies of the St. Johns River Water Management District
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- Maintain competitive rates with neighboring utilities

Study Considerations

- Recover net revenue requirements from user rates
  - Establish positive (break-even) cash flow
- Improve debt service coverage margin
- Strengthen cash reserve levels over time
  - Minimum target of 45 days of O&M
  - Operating Reserves – 43 days of O&M by Fiscal Year 2014
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- Proposed repayment of $3.3 million General Fund Loan
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PR AMG

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Miscellaneous	$ 25,949		$ 10,000	-61%
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Production	$ 4,262,484		$ 5,991,673	41%
Transmission & Distribution	$ 1,749,748		$ 1,611,866	-8%
Admin & General	$ 3,173,741		$ 3,443,995	9%
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Water and Sewer
September 30, 2010

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Received Dec 30

DEPARTMENTAL CORRESPONDENCE
WATER AND SEWER DEPARTMENT

Are these Changes being Realized?

To: Monte Falls, Interim City Manager

From: Robert J. Bolton, P.E., Director RJB

Date: December 20, 2010

RE: Response to Vice Mayor Turner's December 13, 2010 Memo
ON Rate Revisions

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In regards to Debt Service:

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If you have any questions please contact me at ext. 5228.

RJB/
Attachments (refer to outline attached hereto)

xc: Finance Commission, w/attachments
Utility Commission, w/attachments
City Council, w/attachments
Steve Maillet, Finance Director, w/attachments

What is our Renew/Replacement cost/customer? over last 3 yrs? Projected?

City of Vero Beach
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Water and Sewer
September 30, 2010

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City of Vero Beach
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WATER & SEWER
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9A-

Addendum to the City Council Meeting Agenda

Author: Pilar Turner

Council Meeting Date: April 5, 2011

Priority

____ of _____

Title:

Water and Wastewater Financials

Summary:

Review financial strength of our system with the current rate structure

Public need or issue addressed:

Maintain a self supporting utility capable of providing cash to the General Fund to supplement City taxes

Relevant City Charter, code references, legal:

Dates of past decisions by Council relevant to the issue:

Statement of proposed solution to the public need or issue:

In depth review of financials required showing actual versus projected for 2009, 2010 and 2011 to date.

Additional attached documentation includes: Water and Wastewater financials

MEMORANDUM

TO: Mayor Jay Kramer and
City Councilmembers

FROM: Pilar Turner
Vice Chairman

DATE: December 20, 2010

SUBJECT: Water and Sewer Rates

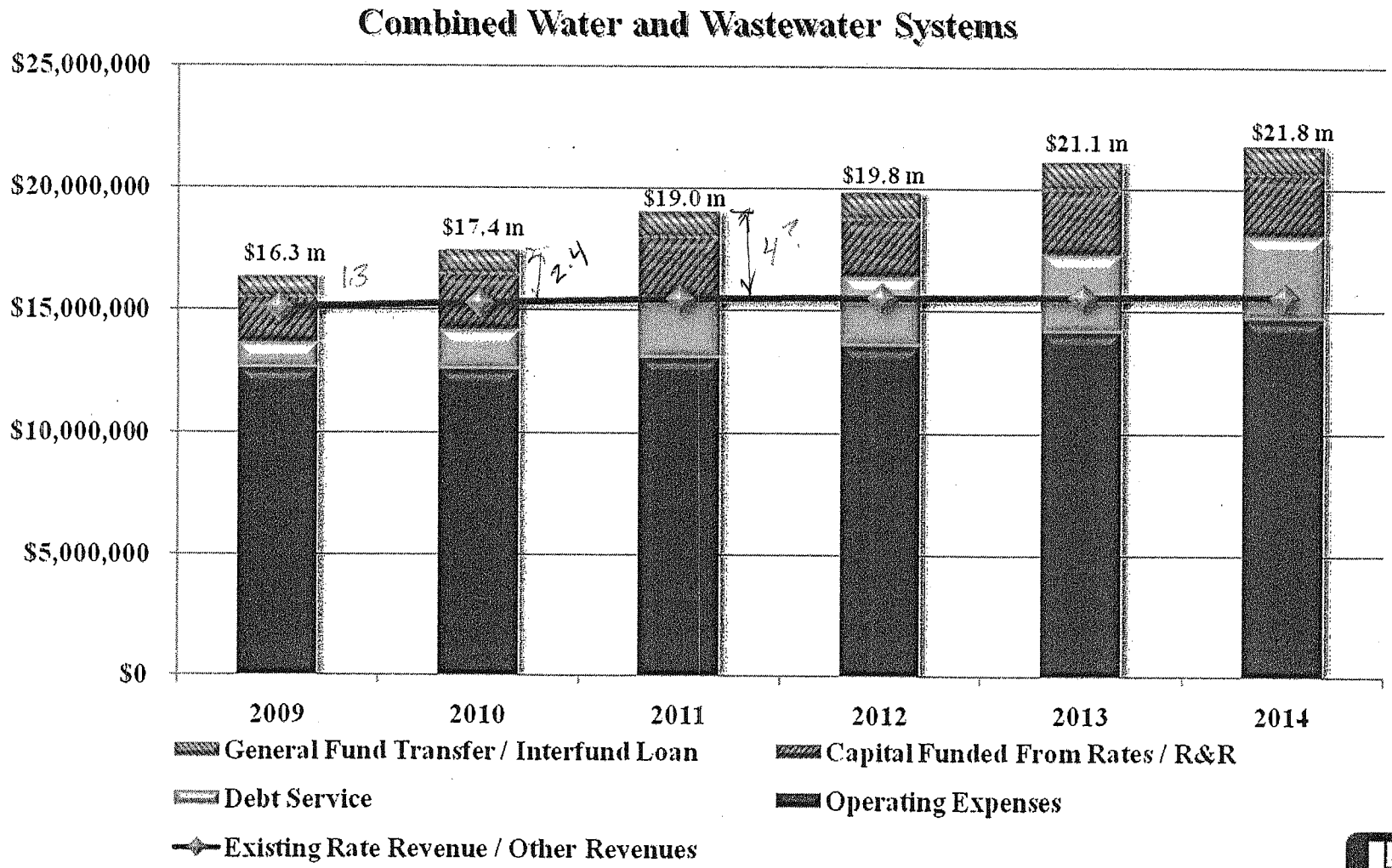
Attached is a graph prepared by the City's rate consultant Public Resource Management dated July 15, 2009. It depicts the adequacy of the City's water and sewer rates through 2014. These deficit projections are alarming.

The base assumptions used in this study have changed. It is imperative we obtain a concise analysis of all changes.

PT/tv

Enclosure

Adequacy of Existing Rates



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City of Vero Beach
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Residual Equity Transfer	

417-d

Addendum to the City Council Meeting Agenda

Author: Pilar Turner Council Meeting Date: April 5, 2011 Priority ____ of _____

Title:

Filling personnel vacancies in Finance Dept

Summary:

Open positions for Finance Director and Asst. Finance Manager . Has a cut-off date been set to fill position?

Public need or issue addressed:

Provide the financial management and reports to operate the City efficiently

Relevant City Charter, code references, legal:

Dates of past decisions by Council relevant to the issue:

Feb. 15 Council meeting set this as high priority

Mar. 1 Council Meeting City Manager reported close to making an offer for Asst. Finance Manager. Job posting for Finance Director placed Feb. 24.

Mar. 15 Council meeting City Manager reported Asst. to begin Apr. 4. Thirty applications received for Director position

Statement of the proposed solution to the public need or issue:

Do we want to consider the use of an outside firm to assist in this search?

Additional attached documentation :

9A-3)

Addendum to the City Council Meeting Agenda

Author: Pilar Turner

Council Meeting Date: April 5, 2011

Priority

____ of _____

Title:

City Personnel Policies

Summary:

Move forward with policy changes by requesting the City Attorney to prepare an ordinance to affect the proposed personnel policy revisions.

Public need or issue addressed:

Formalize the requirement for annual performance reviews.

Establish a policy to address retired employees being rehired. Secession planning must be done my managers.

Relevant City Charter, code references, legal:

City Personnel Policies

Dates of past decisions by Council relevant to the issue:

Discussed at Feb. 22 Council Meeting

Additional attached documentation includes: Suggested revision

Suggested Personnel Policy Revisions

New Section Appraisals

All employees will be given at a minimum an annual written appraisal by their supervisor. The appraisal will be reviewed with the employee. The employee will be required to sign the review , may copy the document and may add a comment if desired. The completed review will be retained by HR Dept. in the employees personnel file.

Under 14.03 Retirement

A retired City employee receiving a City pension may not be employed by the City without written notification to the City Council. Under no circumstances may a retiree's employment exceed 60 calendar days.

9A-4)

Addendum to the City Council Meeting Agenda

Author: Pilar Turner

Council Meeting Date: April 5, 2011

Priority

____ of _____

Title:

Quarterly Financial Review

Summary:

Set up Quarterly Financial Review for April 15 Council Meeting.

Public need or issue addressed:

No City budget information has been provided to Council since the Dec. 2010. Imperative the Council reviews the status and evaluates the effectiveness of the 2010-2011 budget revisions.

Relevant City Charter, code references, legal:

Dates of past decisions by Council relevant to the issue:

Nov. 8 Council required monthly financial reports

Additional attached documentation includes:

First Quarter Financial Report

9A-5)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: FPL Update

Summary: Update

Public need or issue addressed: Progress on FPL

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

9A-6)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: OUC Contract Update

Summary: Update

Public need or issue addressed: Progress on contract changes

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

9A-7)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: Avoiding Federal Lawsuits

Summary: Update

Public need or issue addressed: Saving legal fees

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

9A-8)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: Water Sewer Update

Summary: Update

Public need or issue addressed: Insuring best water sewer service for city

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

9A-9)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: Charter Officer Positions

Summary: Update

Public need or issue addressed: Consideration of Council control over Charter Officers

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

9B-1)

Addendum to the City Council Meeting Agenda

Author: Jay Kramer **Council Meeting Date:** Apr 5th, 2011 **Priority** __1__ **of** __1___

Title: Search for City Attorney

Summary:

We are in need of a permanent City Attorney and there is a need for consensus from the Council on how to proceed in finding a replacement for this position. There are many options on how to fill this position including contacting the local bar association to advertise this position as well as putting out an RFP for a search firm to find a replacement, similar to what we had done for the City Manager's position. What I would like to see is discussion from the Council on how to proceed with finding a new City Attorney.

Public need or issue addressed:

Relevant City Charter, code references, legal:

Section 3.06 – City Attorney Powers and Duties

Dates of past decisions by Council relevant to the issue:

Statement of the proposed solution to the public need or issue:

A consensus on what type of action we need to take to fill the City Attorney position.

Additional attached documentation includes:

9B-2)

Addendum to the City Council Meeting Agenda

Author: Tracy Carroll **Council Meeting Date:** 4/5/11 **Priority** ____ **of** _____/

Title: *Required Documentation form for Council members to add agenda items to Council meetings*

Summary: *By providing the attached form and either documents or references in order to place items on the agenda, the Council members can have the opportunity to do their homework before the meetings, to adequately prepare for issues of importance in our City, and members of the public can provide comments.*

Public need or issue addressed: *Much debate in the last council centered on the lack of a specific method for introducing agenda items. If the public and interested parties are unaware of issues to be discussed, they have no opportunity to provide public comment. Inadequate notice to the public of issues to be discussed may be considered a Sunshine Rules violation. Also, by just a one line or few words statement on the agenda, Council members are not provided the opportunity to sufficiently prepare for the discussion to take place, or to do more research into the issue if they personally feel the need.*

- ***Members of the Council have asked to revisit the documentation to add agenda items to the Council Meetings.***
- ***Definition of items added to the agenda: items which will be brought forward at this meeting or a future meeting to a vote of the council.***
- ***Council members wishing to bring up items of a general interest for informational purposes only, where debate is not required and no vote is anticipated, should do so under Councilmember Comments, if time allows at the end of the City Council meeting.***

Relevant City Charter, code references, legal: Charter 2.08d, Code Article II, Div 2, Sec 2-46 (c)
Dates of past decisions by Council relevant to the issue: ***12/7/10:***

Statement of the proposed solution to the public need or issue: *Council members are required to provide the Addendum to City Council Agenda Form and any relevant documentation in order to place on the City Council agenda matters of discussion.*

- ***Council members are to check on the form if this is Old Business (items discussed in public meeting since the last election of Council) or New Business (items not discussed since the last election of Council).***
- ***All Agenda additions require a full definition of the need in the community and the proposed solution – adequate that the general public may decide if this is a topic of interest for which they may choose to express their public opinion to the Council.***
- ***Lack of, or vague responses on the agenda addition form will result in return to the Councilmember by the City Clerk, to be completed by the deadline for inclusion on the agenda.***
- ***<u>Old Business</u> - will not require backup documentation if it was previously provided and the dates of previous council discussions are provided on the form. New information for backup may be included.***
- ***<u>New Business</u> – should include all background information so that all Council member, Charter officers and City staff can attend the meeting prepared to discuss the relevant issue.***

Additional attached documentation includes: ***New Form***

Addendum to the City Council Meeting Agenda

__ New Business __Old Business

Author: Council Meeting Date: Priority ____ of _____

Title:

Summary of your points for discussion:

<u>All agenda Additions</u> - Public need or issue addressed:

Statement of the proposed solution to the public need or issue:

<u>New Business Only</u> - Relevant City Charter, code references, legal:

Backup - additional attached documentation includes:

<u>Old Business Only</u> - Dates of past discussions / decisions by Council relevant to the issue:

9B-3)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: League of Cities / Tallahassee Action Day

Summary: Report

Public need or issue addressed: Report of Actions by League of Cities

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

9B-4)

Addendum to the City Council Meeting Agenda

Author: BTH **Council Meeting Date:** 4.5.2011 **Priority** ____ **of** _____

Title: Dissolution of City

Summary: Report

Public need or issue addressed: Report on public perception of recent Council actions

Relevant City Charter, code references, legal: N/A

Dates of past decisions by Council relevant to the issue: N/A

Statement of the proposed solution to the public need or issue: To be determined

Additional attached documentation includes: None

SPECIAL CALL JOINT CITY COUNCIL/FINANCE COMMISSION/UTILITIES COMMISSION MEETING
TUESDAY, APRIL 5, 2011 1:30 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

AGENDA

1) ITEM FOR DISCUSSION:

A) GAI Consultants' Proposal for Electric System Valuation, FPL Proposal Evaluation and Technical Assistance for City Response

This is a Public Meeting. Should any interested party seek to appeal any decision made by Council with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings and that, for such purpose he may need to ensure that a record of the proceedings is made which record includes the testimony and evidence upon which the appeal is to be based. Anyone who needs a special accommodation for this meeting may contact the City's Americans with Disabilities Act (ADA) Coordinator at 978-4920 at least 48 hours in advance of the meeting.

MEMORANDUM

TO: The Honorable Mayor Jay Kramer, Vice Mayor Pilar Turner, Councilmember Brian Heady, Councilmember Craig Fletcher and Councilmember Tracy Carroll

FROM: Monte Falls, P.E. - Interim City Manager

DATE: March 30, 2011

SUBJECT: **GAI Consultants' Proposal for Electric System Valuation, FPL Proposal Evaluation and Technical Assistance for City Response**

Recommendation:

- Review the proposal from GAI Consultants.
- Approve in concept, but hold in abeyance, until a proposal from FPL is received.

Background:

On March 1, 2011, GAI Consultants made a presentation to the City Council, the Finance Commission and the Utilities Commission regarding the City's electric utility. At that meeting, with concensus from the Finance and Utilities Commissions, the City Council voted unanimously for GAI to prepare a proposal for services related to our electric utility. On March 25, 2011, a copy of GAI's proposal was received and is attached for your information.

If, and until, we receive a proposal from FPL, the GAI proposal should be held in abeyance. This would allow us to refine the scope of services and structure it to parallel any FPL proposal. At that point, a refined proposal (from GAI) would be submitted for action by the City Council

Monte K. Falls

Monte K. Falls

MKF:jav
Attachment

xc: Finance Commission
Utilities Commission
Gerry Hartman – GAI Consultants

C:\MY DOCUMENTS\MEMOS MKF 2011\CC - GAI PROPOSAL - ELECTRIC UTILITY.DOCX

gai consultants
transforming ideas into reality

March 25, 2011
GAI # Pending
Via e-mail and U.S. Mail

Monte Falls
Acting City Manager
City of Vero Beach
1053 20th Place
Vero Beach, FL 32960-5359

Re: Phase I - FPL Issue – Electric System, Valuation, FPL Offer Evaluation and Technical Assistance for City Response.
Per March 1st, 2011 meeting

Dear Mr. Falls:

This letter constitutes GAI Consultants, Inc.'s (GAI) proposal to serve the City of Vero Beach (City) with our proposed sub-consultants concerning potential purchase and sale of the City's electric system to Florida Power and Lighting (FPL). GAI was previously selected by the City through a Consultants Competitive Negotiation Act (CCNA) process and has been providing services to the City relative to its water, wastewater, and reuse water utility systems

Introduction/Background

The City's electric service area is approximately 50 square miles including 17 square miles of service area inside the City limits. It serves approximately 33,928 customers (as of February 2011) including residential, commercial and industrial users.

The electric system is comprised of 41.6 miles of transmission lines, 300 miles of distribution lines, 10 substations, and a Municipal Power Plant. The power plant has five generators: four generators are steam turbines and one generator is gas turbine. The total generation capacity is 157 MW. Generators 1, 3, and 4 are old units. They are inefficient but can be easily converted to green power. These generators can be used in extreme hot or cold weather when power demands are high. Generators 2 and 5 were constructed to run as a combined set and are most efficient generation sources.

The City also owns wholesale capacity from St. Lucie nuclear plant and Stanton 1 and 2 coal plants. The total owned capacity is 48.1 MW. These assets are owned through the Florida Municipal Power Agency (FMPA). The City also has a 20-year contract with Orlando Utilities Commission (OUC) to draw up to 95 MW wholesale capacity.

Combining all these capacities, the total power available is 300.1 MW. The peak power demand is usually between 130 MW and 190 MW in the winter and between 155 MW and 215 MW in the summer. Therefore, there are adequate power resources to serve customers in the service area. Average utilization is approximately 100 MW.

The question of the sale of the City of Vero Beach Electric Utility to FPL has been considered for customer pricing (power cost to customers) reasons. For differing reasons and prior to appraising the value of the system, on each occasion the decision was made for the City to remain in the electric power supply and distribution business. In 2010, this question was asked. In 2010, the City requested different electric utilities' interest in possibly purchasing the City's

electric system. FPL expressed its interest and is evaluating the electric system and appraising the same in order to determine if they wish to make an offer for the complete system, some portion of the system, or not make an offer to purchase. The City believes that the FPL interest has matured and that an offer from FPL may occur which would start an asset evaluation process.

The FPL offer issue involves the analysis of what portions of the system are most beneficial for the City to sell to the company or others as well as the option to sell the complete electric system. In anticipation of an offer to purchase, the due diligence FPL has accomplished, and the evaluation work is ongoing by the company. In order to be prepared and to make decisions based in part on a sound valuation, legal, engineering, financial and City fiduciary basis, the City desires to have a team to evaluate any potential offer and determine the impact of the same on the tax payers of the City as well as the City's electric system rate payers.

Scope of Work

In Phase I, the tasks of initial interest to the City include:

1. Appraisal of the Transmission and Distribution (T&D) System

   The appraisal shall meet USPAP and Public Utility Appraisal (MTS) requirements and practices and be accomplished by accredited professionals having Florida experience.

   Assets will be categorized into four (4) groups:

   - Beaches including South Barrier Beach and Town of Indian River Shores
   - Inside the City limits
   - Mainland outside the city limits
   - The combined entire T&D system

   These assets will be appraised separately and an optimization of sale options will be proposed. To understand which options make the most sense, the load patterns, the revenue, the facilities, and the cost of service will be evaluated. These factors will be compared to the relative value of the grouping of assets.

2. Appraisal of the Generation System

   Vero Beach Municipal Power Plant (Power Plant) is frequently dispatched to supply peak load requirements for the local and regional power supply needs. The Power Plant is also frequently dispatched to supplement transmission supply for local and regional power supply needs. Therefore, the Power Plant is a very important piece of capacity in the City's system to prevent this area from having blackouts. The value of the Power Plant will be appraised as a peaking unit apart or separate from the T&S system for its market value given the system limitations, cost profile, and the four considerations of depreciation (physical, technology/economic/external, functional/internal and consideration of salvage value).

3. Appraisal of the Complete System

   Assets in the entire system including the Power Plant will be appraised such that the City may be advised of the value of all assets it owns.

4. Valuation and evaluation of the purchase power contracts (FMPA, OUC) as intangible assets of the system and potentially transferred obligations.

5. Evaluation of FMPA contract including the entitlements for Stanton 1 & 2 and St. Lucie with the resulting load profile.

6. General legal, financial and valuation advisory services including:

   - Review of FPL's due diligence report, evaluation and offer documents.
   - Review of one (1) FPL's offer to the City from a technical, legal, and financial as appropriate.
   - Preparation of one (1) counter offer to FPL reflecting the City's desires after consideration.
   - General advisory services up to twenty (2) professional hours including a typical range indication of market value, likely costs of acquisition, and the potential benefits of acquisition.

A summary Uniform Standards for Professional Appraisal Practice (USPAP) compliant appraisal report shall be prepared with an opinion of value of assets and optimization of selling options.

Three valuation methods will be used in the report. One is the cost approach. There are three types of cost approach methodology: (1) the original cost (that is trended upwards), (2) the reproduction cost and (3) the replacement cost. The reproduction cost, replacement cost, and original cost are less depreciation. In this study, replacement cost in like, kind, and quality, would be the type of cost approach to be considered. This approach will be given the most weight due to the quality and quantity of information and the unique nature of the assets.

With regard to the income approach, the City currently accounts for its electric system operations as a not-for-profit entity. Typically, in these types of transactions the income would need to be adjusted to assure at the hypothecated net income stream. Due to the not-for-profit nature of the system and the lack of optimization financially of the operations and asset management, we expect the income method to provide a base (floor) to the evaluation analysis. In consideration of reconciliation of value, it is very difficult to adjust a non-for-profit entity based on profits to get to full fair market value. Therefore, less weight may be given to this valuation approach.

The comparable sales market for these types of systems do not transact very often. There is generation capacity bought and sold and it could be inferred in comparable sales, but it is not as strong as a cost approach. Therefore, it would have a lesser weight provided on comparable sales because the City's system is unique in its configuration, density, load factor, and peaking factors and no other systems could replace it.

Teams

GAI's current approach to this project has used the following team members with which have significant experience in similar projects.

--GAI Consultants, Inc. (appraisal, engineering, and management consultants)
--Gray Robinson (lawyers specializing in such matters)
--City of Vero Beach internal staff (operations, asset management, system specialists)
--Power Services (documentation of the assets, inventory and condition; separation & reintegration cost; the engineering condition assessment, trended book/original cost documentation adjusting, condition consideration)
--Richard Klusza, MAI (real estate analysis, consultation, and appraisal)

Fees

The breakdown of fees for Phase I activities is as following:

1.	**Utility Appraisal**	
	GAI's valuation of four T&D groups and power plant:	$120,000
	Other Direct Costs:	$9,200
	Total Utility Appraisal:	**$129,200**
2.	**Real Estate Appraisal**	
	Mr. Richard Klusza's real estate and easements appraisal:	$10,000
	Other Direct Costs:	$1,500
	Total Real Estate Appraisal:	**$11,500**
3.	**Electrical Engineering Documentation**	
	Power Services' valuation and analyses:	$35,000
	Other Direct Costs:	$8,200
	Total Electric Asset Documentation, Trended Book Value, and Observed Condition:	**$43,200**
4.	**Legal Services**	
	Gray Robison's General Legal Services, Valuation and Advisory:	**$25,000**
5.	**General Advisory Services**	
	Team Consulting for Offer Review and Counter Offer:	**$30,000**

The schedule for our work is shown on Table 1 attached hereto.

Other activities

These activities not included above, yet may be desired include:

1. The tasks delineated on March 1, 2011, FPL Issue 1-page briefing
2. Optimization of the Electric System (operations, asset management, financing, legal).
3. Rate and Charge Analysis – Based upon determined values and conditions
4. Competitive Market Assessment/Asset Discussion for
   (a) Power Plant
   (b) Transmission and Distribution

5. Other tasks or activities upon request and authorization

The terms and conditions for this proposal are the same as and are included by reference as the existing agreement between the City of Vero Beach and GAI Consultants, Inc.

It is GAI's expectation that the five (5) tasks delineated above and on Table 1 are to be completed in Fiscal Year 2011.

Included in this proposal are

Attachment A - Real Estate
Attachment B - Electrical Engineering Condition and Asset Documentation
Attachment C - Legal Services

Closing

GAI looks forward to providing the technical expertise which the City desires on this matter. As with our previous work on this project, execution of this letter agreement with attachments issuance of a Purchase Order by the City will serve as authorization to proceed on the above tasks. We look forward to working with you on this matter.

Very truly yours,

GAI Consultants, Inc.

Gerald C. Hartman, PE, BCEE, ASA
Vice President

Witness

Witness

Accepted by:
City of Vero Beach, Florida

Witness

Authorized Signature

Witness

Date

gai consultants
transforming ideas into reality

Table 1
Schedule of Activities
City of Vero Beach Electric System – Phase I

Description	Time Period
1. Authorization by City	Start
2. Appraisal of Electric System Complete and Five (5) Asset Packages	132 days
3. Briefings on Findings	45 days
	75 days
	105 days
4. Review Of FPL Offer and Supporting Documents with Customer and General Fund Impact Analysis	To be determined
5. Assistance with Counter Offer to FPL	To be determined

Attachment A

Real Estate Value

FPL Fairness Analysis to Market

Klusza & Goding, Inc.
Real Estate Appraisers & Consultants
2130 E. Edgewood Drive
Lakeland, Florida 33803-3641
(863) 665-9195
FAX (863) 666-3487
klusza@tampabay.rr.com

March 9, 2011

Sent Via E-mail: G.hartman@gaiconsultants.com

Mr. Gerald C. Hartman, P.E.
301 E. Pine Street, Suite 500
Orlando, FL 32801

RE: City of Vero Beach

Mr. Hartman:

You have asked for an addition to my proposal letter dated March 7, 2011 stating my interest in helping prepare a preliminary opinion as to a valuation based upon ratios or how you have referred to it as a "fairness analysis" for the substation sites and fee simple parcels involved.

Without knowing specifically what parcels are involved or the extent of this "fairness analysis", I anticipate that I could provide this for a $10,000 fee and $1,500 for other direct costs/expenses/travel.

I hope that this serves your needs at this time.

Yours truly,

Richard G. Klusza, MAI, SRA
State-certified general real estate appraiser 783

RGK/dh

MAI ®

RICHARD G. KLUSZA, MAI, SRA
state-certified general real estate appraiser 783
CYNTHIA L. GODING, MAI
state-certified general real estate appraiser 1914

BRIAN E. GODING
state-certified general real
estate appraiser 2062

Klusza & Goding, Inc.
Real Estate Appraisers & Consultants
2130 E. Edgewood Drive
Lakeland, Florida 33803-3641
(863) 665-9195
FAX (863) 666-3487
klusza@tampabay.rr.com

March 7, 2011

Sent Via E-mail: G.hartman@gaiconsultants.com

Mr. Gerald C. Hartman, P.E.
301 E. Pine Street, Suite 500
Orlando, FL 32801

RE: City of Vero Beach

Mr. Hartman:

I am submitting this fee proposal for analysis, consultation, and possible appraisal and expert witness testimony for an electric utility valuation on behalf of the city of Vero Beach. Since this assignment involves property that is the topic of litigation, it is impossible to know in advance how much work will be required because it is unknown today whether the case will settle or ultimately go to trial.

It is my understanding that the client in this assignment is GAI Consultants. GAI consultants will be providing services to the City of Vero Beach. All fees and expenses are to be paid by GAI Consultants. Invoices will be submitted monthly, and are due upon receipt.

Our billing is based upon the amount of time expended on the assignment. The rate structure for Klusza & Goding, Inc. is:

$225/hour	Principal - Richard G. Klusza, MAI, SRA
$175/hour	Project Manager
$100/hour	Chief Researcher
$75/hour	General Research

Secretarial and clerical time is included in these rates. Expenses such as, but not limited to, exhibits, unusual reproduction or copy costs, consulting fees, photographic expenses, etc., are not included as part of these per hour rates, and will be invoiced separately.

MAI ®

RICHARD G. KLUSZA, MAI, SRA
state-certified general real estate appraiser 783
CYNTHIA L. GODING, MAI
state-certified general real estate appraiser 1914

BRIAN E. GODING
state-certified general real estate appraiser 2062

If an appraisal report is ultimately needed, I will plan to provide a summary appraisal report which will meet USPAP requirements. A summary appraisal report would present summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation with the data, reasoning, and analysis will be retained in the appraiser's files and made available upon request.

For your information and file, I am enclosing my Qualifications, Certificate of Appraiser, and the Assumptions and Limiting Conditions which govern my appraisal reports.

Please indicate your approval of this fee proposal by signing and returning a copy of this proposal. I look forward to working with you on this matter.

Respectfully submitted:

Richard G. Klusza / DH

Richard G. Klusza, MAI, SRA
State-certified general real estate appraiser 783

Accepted by:

Signature _____ Date _____

Enclosures

2130 E. EDGEWOOD DRIVE • LAKELAND, FL 33803
PHONE (863) 665-9195 • FAX (863) 666-3487 • E-MAIL klusza@tampabay.rr.com

RICHARD G. KLUSZA, MAI, SRA

Resident of Lakeland, Polk County, Florida, for over 40 years, and a Florida resident for over 50 years. Actively engaged in the appraisal field for over 40 years.

Florida Certified General Real Estate Appraiser 783

Specializing in appraisal assignments involving litigation since the late 1960s.

EDUCATION

Graduate of University of Florida – 1957, Degree in Business Administration – Major in Real Estate

Attended Appraisal Case Study courses offered by the American Institute of Real Estate Appraisers:

Residential
Urban I
Urban II
Rural III
Condemnation IV
Mortgage Equity Seminar
Investment Property Appraising
Computer Applications in Appraising
Standards of Professional Practice

The American Institute of Real Estate Appraisers conducts a voluntary program of continuing education for its designated members. MAIs and SRAs who meet the minimum standards of this program are awarded periodic educational certification. I am certified under this program.

QUALIFIED AS AN EXPERT WITNESS (including, but not limited to)

Federal Court: Tampa, FL
Miami, FL
Houston, TX

Circuit Courts:

Alachua	Hendry	Osceola
Brevard	Hillsborough	Palm Beach
Broward	Indian River	Pasco
Charlotte	Lee	Pinellas
Collier	Leon	Polk
Dade	Manatee	Sarasota
Desoto	Martin	Seminole
Duval	Okeechobee	St. Johns
Flagler	Orange	Volusia
Hardee		

Cherokee County, NC

TEACHING

University of Florida (Adjunct Professor)	1970-1975
University of Tampa	1967
St. Petersburg Junior College	1977
Polk Community College	1981

APPRAISAL EXPERIENCE

Smith and Son Appraisers	1957-1970
Wheeler & Klusza, Inc.	1970-1984
Klusza & Associates, Inc.	1984-2000
Klusza & Goding, Inc. (formerly Klusza & Associates, Inc.)	2000-present
Special Master, Value Adjustment Board Polk County Property Appraiser's Office	1992 and 1997

PROFESSIONAL MEMBERSHIPS

State Certified General Real Estate Appraiser RZ783
Appraisal Institute (the organization formed in 1991 by the consolidation of the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers)
Lakeland Board of Realtors
Florida Association of Realtors
National Association of Realtors
Association of Eminent Domain Professionals (AEDP)

SOCIETY OF REAL ESTATE APPRAISERS (West Coast Chapter No. 89)

Offices Held:

1963-64	Director
1965	Secretary
1966	Vice-President
1967	President

Also served as a member and chairman of various committees.

AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS

National Office:

1989-92	Governing Council Member

National Committees:

1985-86	Assistant Southeast Regional Member, Ethics Administration Division
1986-89	Southeast Region Member, Ethics Administration Division
1989-90	National Vice-Chairman, Ethics and Counseling

AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS (Cont'd)

Florida Chapter No. 2 Offices:

1983	Treasurer
1984	Secretary
1985	Vice-President
1986	President

Also served as a member and chairman of various committees.

APPRAISAL INSTITUTE

National Office:

1991-94	Board of Directors Member

National Committees:

1991-93, 1995-06	Appellate Board Member
1994	Chairman, Ethics and Counseling Division
1994	Member of Executive Committee
1996-97	Litigation Seminar and Course Committees
1997	Vice-Chair, Ethics and Counseling Division
1994-02	Member of Ethics and Counseling Committee
1995-02	Chairman, Appellate Division
2002-04	Member, Appellate Division
2005-10	Member, Ethics Appeals Panel

PROFESSIONAL AWARDS

1995	Recipient of the Appraisal Institute's Alfred E. Reinman Award for outstanding contributions to the growth and development of the appraisal profession
1998	Recipient of the Appraisal Institute's Robert L. Foreman Memorial Award for dedication to the enforcement of ethics and standards
2009	Recipient of Realtor Emeritus Status from the National Association of Realtors in recognition of valuable and lasting contribution to the real estate profession in the community

PROPERTY OWNERS REPRESENTED

Barron-Collier Company
Burger King
Circle K
DeBartolo Corp./Deseret
Discount Auto Parts
Flo-Sun Corp.
Florida Auto Auction
Florida Power Corporation
General Development Corp.
Kash 'N Karry
Lake Nona Corporation
MacArthur Foundation
McDonald's
Melvin Simon & Associates
Midas
Olin Mott Tires
Publix Supermarkets
Ramada Inn
Richland Properties
Scotty's
Sears
Shell Oil
St. Joe Paper Company
Texaco
Towermarc

TYPES OF PROPERTY APPRAISED

Apartment Communities
Auto Auction
Banks
Billboards
Citrus Groves
Hotels
Industrial Plants
Landfills
Manufacturing Facilities
Meat Packing Plants
Mineral Rights
Motels
Nurseries
Office Complexes
Oil Rights
Parking Garages
Planned Developments
Powerlines
Private Schools
Public Parks
Ranches
Restaurants
Service Stations
Shopping Centers
Shopping Malls
Utility Easements
Utility Systems
Warehouses
Wetlands

MAJOR EMINENT DOMAIN ASSIGNMENTS

Airport Noise Cases -	Broward County Hillsborough County Lee County Orange County Palm Beach County Sarasota County
Central Florida Greenway -	Orange County Osceola County Seminole County
Cross Town Expressway -	Hillsborough County
East-West Expressway	Orange County
Florida Turnpike -	Miami-Dade County

MAJOR EMINENT DOMAIN ASSIGNMENTS (Cont'd)

Interstate 4	
Interstate 75	
Interstate 95	
Polk Parkway -	Polk County
U.S. Highway 19	
Landfills -	Charlotte County Orange County Palm Beach County Polk County
Overtown Project -	Miami-Dade County

Cape Kennedy Saturn-Moonshot Land Acquisition
Gasline Appraisals
Kissimmee River Channelization and Restoration
Miccosukee Indian Reservation
Powerline Appraisals
Seminole Indian Reservation
Utility Systems
Wellfield Appraisals

CLIENTS (Past and Present)

Attorneys:

Blain & Cone	- Tampa
Brigham, Moore, Gaylord, Schuster, Merlin & Tobin, LLP	- Ft. Lauderdale, Miami, Orlando, Sarasota, Tampa
Broad and Cassel	- Tallahassee
Carlton, Fields, Ward, Emmanuel, Smith & Cutler	- Tallahassee, Tampa, West Palm Beach
de la Parte, Gilbert & Bales	- Tampa
Earle & Patchen	- Miami
English, McCaughan & O'Bryan	- Ft. Lauderdale
John R. Farrell	- Miami
Fishback, Dominick, Bennett, Stepster Ardaman, Ahlers & Bonus	- Orlando
Fixel & Maguire	- Orlando, Tallahassee
Foerster, Isaac & Yerkes, P.A.	- Jacksonville
Forman, Krehl & Montgomery	- Ft. Lauderdale, Maitland, Ocala
Fowler, White, Gillen, Boggs, Villareal & Banker, P.A.	- Tampa
Gray, Harris & Robinson	- Orlando

CLIENTS (Cont'd) (Past and Present)

Heinrich, Gordon, Batchelder, Hargrove, Weihe & Gent	- Ft. Lauderdale
Holland & Knight	- Tampa
Honigman, Miller, Schwartz & Cohn	- Tampa
Jones, Foster, Johnston & Stubbs, P.A.	- West Palm Beach
King, Blackwell & Downs	- Orlando
Mateer, Harbert & Bates, P.A.	- Orlando
H. Rex Owen	- St. Petersburg
Peterson & Myers, P.A.	- Lakeland, Lake Wales
Stagg, Hardy, Ferguson, Murnaghan & Mathews	- Tampa
Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson, P.A.	- Tampa
Steel, Hector & Davis	- West Palm Beach
Stewart, Stewart, Jackson & Keyes	- Ft. Myers
Trenam, Kemker, Scharf, Barkin, Frye, O'Neill & Mullis	- Tampa
Vance & Doney, P.A.	- West Palm Beach
Wilson, Leavitt & Small, P.A.	- Orlando

Governmental Agencies:

Federal Government
State of Florida
Florida Department of Transportation (DOT)
Charlotte County
Collier County
Hillsborough County
Lee County
Pinellas County
Polk County
Volusia County
City of Lakeland
City of Tampa
City of St. Petersburg
City of St. Augustine
City of West Palm Beach
Florida Inland Navigation District (FIND)
Southwest Florida Water Management District (SWFWMD)
South Florida Water Management District (SFWMD)
Orlando/Orange County Expressway Authority (O/OCEA)
Tampa/Hillsborough County Expressway Authority

CERTIFICATE OF APPRAISER

I certify that, to the best of my knowledge and belief, the statements of fact contained in this report are true and correct. I further certify that the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property which is the subject of this report, and I have no personal interest or bias with respect to the parties involved. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice, of the Appraisal Institute.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, Richard G. Klusza has completed the continuing education program of the Appraisal Institute.

I have made a personal inspection of the property that is the subject of this report. Each individual who provided significant professional assistance on this assignment, as evidenced by their name and/or signature on the transmittal page of this report, has also made a personal inspection of the subject property. Except as noted herein, no one provided significant professional assistance to the person signing this report.

I do not authorize the out-of-context quoting from or partial reprinting of this appraisal report. Further, neither all nor part of this appraisal report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraiser signing this appraisal report.

Richard G. Klusza, MAI, SRA
State-certified general real estate appraiser RZ783

ASSUMPTIONS AND LIMITING CONDITIONS

1. The legal description furnished the appraiser is assumed to be correct.

2. No responsibility is assumed by the appraiser for legal matters, nor is any opinion on the title rendered herewith. The appraiser assumes that the title to the property is good and marketable.

3. All existing liens, if any, have been disregarded and the property appraised as though it was free and clear.

4. The appraiser has made no survey of the property and, unless specifically stated, assumes there are no encroachments involved.

5. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale.

6. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.

7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report.

8. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or public entity or organization have been or can be obtained or renewed for any use on which the value estimate in this report is based.

9. Proposed improvements, if any, on or off-site, as well as any repairs required, are considered for purposes of this appraisal to be completed in good and workmanlike manner.

10. Furnishings and equipment or business operations, unless specifically indicated and typically considered as part of real estate, have been disregarded with only the real estate being considered.

11. Responsible ownership and competent property management are assumed.

12. It is assumed that there are no hidden or unapparent conditions of the property, soil, or structures which would render it more or less valuable.

    Further, unless otherwise stated in this report, the existence of hazardous material or any other environmental problems or conditions, which may or may not be present on the property, was not observed by the appraiser or disclosed to the appraiser. The appraiser has no knowledge of the existence of such materials or conditions on or in such close proximity that it would cause a loss in value. The appraiser, however, is not qualified to detect such substances or conditions. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon, or other potentially hazardous materials could have an adverse effect on the value of the property. The value estimate is predicated on the assumption that there is no such material or condition on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

13. No responsibility is assumed by the appraiser for the absence or presence of any endangered species on this property. This appraisal assumes that there are no endangered species which would prevent, restrict, or adversely affect any development or improvement of this property.

14. No impact studies and/or special market, highest and best use, or feasibility analysis or studies have been required or made unless otherwise specified. The appraiser(s) reserves the right to alter, amend, revise, or rescind any of the statements, findings, opinion, value estimates, or conclusions contained herein if any of these studies require it.

15. Certain data used in compiling this report was furnished the appraiser from sources which the appraiser considers reliable; however, the appraiser does not guarantee the correctness of such data, although so far as possible, the appraiser has checked the same and believes it to be accurate.

16. The appraiser has accepted as correct and reliable all information provided by the client, the client's counsel, or the client's agent which was used in the preparation of the report. All data came from sources deemed reliable, but no liability is assumed for omissions or inaccuracies that subsequently may be disclosed in any data used in the completion of the appraisal.

17. Since the date of value of this appraisal of the property is not the actual trial date, the appraiser reserves the right to consider and evaluate any additional value influencing data and/or other pertinent factors that might become available between the date of the report and the date of trial and to make any adjustments to the report that may be required.

18. Neither I, nor anyone employed by me, has any present or contemplated interest in the property appraised.

19. Possession of this report, or copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previously written consent of the appraiser or applicant, and in any event, only in its entirety and with proper qualification.

20. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any references to the Appraisal Institute or to the MAI designation.

21. Acceptance of, and/or use of, this appraisal report constitutes acceptance of the above conditions and assumptions.

Attachment B

Power Services -

Condition Assessment

Power Services
Engineering & Management Services®

1616 E. Millbrook Road, Suite 210, Raleigh, NC 27609
Toll-Free: 1-866-231-6610
Tel: 919-256-5900
Fax: 919-256-5939
www.powerservices.com

March 23, 2011

Mr. Gerry Hartman
GAI Consultants, Inc.
618 E. South Street, Suite 700
Orlando, Florida 32801

Subject: City of Vero Beach, Florida
Qualifications and Scope of Work for
System Condition Assessment

Dear Mr. Hartman:

We appreciate the opportunity to assist the GAI with a Condition Assessment for the City of Vero Beach, Florida. Enclosed is our scope of work and estimated engineering fees. Following is a brief summary of recent qualifications for our firm.

We have, in the last three years, been involved in three extremely unique Virginia projects for our Cooperative clients. We assisted in the acquisition of the entire Delmarva Power system for our client on the eastern shore of Virginia, and have just recently assisted in the completion of an Asset Purchase Agreement for the entire Potomac Edison (Allegheny Energy Virginia) system. One of these acquisitions more than tripled the number of consumers for the Cooperative with approximately 170 MW of load. The other acquisition involved two Cooperatives purchasing an existing utility that serves over 100,000 customers, with 750 MW of load. PowerServices was responsible for all the evaluation and acquisition engineering, including three new Long-Range Plans and three Construction Work Plans ranging from $100 million to $350 million. This effort required the highest degree of skill and experience in the utility long-range planning process all within a highly compressed time frame. Some of the tasks associated with these acquisitions included condition assessments, feasibility studies; strategic planning; resolution of stranded cost issues; expert testimony on valuation and stranded costs; development of contractual arrangements including purchase agreements, wholesale power supply agreements, management, operation and maintenance agreements, transition agreements; joint ownership arrangements; financing reports; development of rates, terms and conditions of service, construction work plan amendments and long-range plans, and system valuations.

The breadth of our teams' talent and our ability to quickly meet our client's needs allowed us to meet and exceed our client's expectations in both of these very unique undertakings. To fully appreciate our abilities and dedication to our clients, we invite you to contact Mr. Vernon Brinkley, CEO of A&N Electric Cooperative, John Coffey of Shenandoah Electric Cooperative, and/or Kent Farmer of Rappahannock Electric Cooperative to obtain a client's perspective on our ability to meet great challenges in a timely manner.

Our project team will be managed by highly experienced individuals, most with over 30 years of experience in the electric utility industry. We will manage this project through our Raleigh, North Carolina and Orlando, Florida offices. We have team members who have written nationally published manuals and lead the industry in many areas, including power loss management and system reliability enhancement. We provide a full range of services to the electric industry and serve many electric cooperatives and municipalities, including longstanding relationships.

Our firm is committed to providing all projects awarded to our firm within the timeline agreed upon between our firm and GAI Consultants. The personnel authorized to provide representation for our firm are Gregory L. Booth, PE, President, Phone (919) 256-5901 and R.L. Willoughby, Vice President, Phone (919) 256-5902.

Thank you for allowing us the opportunity to offer our services to GAI Consulting and the City of Vero Beach. We look forward to working with you and your staff, and stand ready to provide any services you need currently or in the future. Please contact me with questions, or if you require additional information or clarification regarding our qualifications.

Sincerely,

Gregory L. Booth, PE
President
gbooth@powerservices.com

glb/sk

Enclosure

VERO BEACH CONDITION ASSESSMENT
PROPOSED SCOPE OF WORK
TASK SUMMARIES AND ESTIMATED COSTS

	Task	Engineering Fee
1	**Kick-off Meeting**	
2	**Data Request**	
3	**Data Review**	
4	**Condition Assessment**	
5	**Comparison of Book Value to Field Assessment and Cost Analysis**	
6	**Final Report**	
	Total Engineering Assessment	**$ 35,000.00**
	Other Direct Costs	**$ 8,200.00**
	TOTAL PROJECT AMOUNT	$ 43,200.00

SCOPE OF WORK
TASK DETAIL

Task	*Detailed Description*
1	Kick-off meeting task includes key PowerServices and GAI staff to meet initially with City of Vero Beach representatives to discuss issues important to the City, as well as approach and processes to be used in the analysis.
2	Data request task will include, but not be limited to the following information provided by the City: maps of system (circuit diagrams, detail maps, underground maps, subdivision maps), book value and depreciation data, pole inspection reports (10 years), underground facility inspection reports (10 years), substation design, substation transformer and feeder load data, power transformer DGA (5 years), and wholesale-retail load data kW/kWh. Data shall be sorted by plant inside the City limits and outside the City limits.
3	Data review, including cost evaluation and age evaluation.
4	Condition assessment will include field evaluation of facilities, as follows: • Field evaluation will compare book value and age of plant as reflected in data requests, compared to actual observations in field. Field observations will be limited to four days with primary focus outside the City limits.
5	PowerServices will compare the book value, as provided by City of Vero Beach, to field assessment and determine if the book value is representative of what is actually in the field.

SCOPE OF WORK
TASK DETAIL (CONTINUED)

Task	*Detailed Description*
6	Final report task will consist of the following four (4) components: 1. PowerServices will prepare a draft report 2. PowerServices will have a work session with GAI and City of Vero Beach to review and receive input from City. 3. Preparation of final report 4. Presentation of report to City Council (if requested).

Attachment C

Legal Services

GRAY | ROBINSON
ATTORNEYS AT LAW

SUITE 1400
301 EAST PINE STREET (32801)
POST OFFICE BOX 3068
ORLANDO, FL 32802-3068
TEL 407-843-8880
FAX 407-244-5690
gray-robinson.com

FORT LAUDERDALE
JACKSONVILLE
KEY WEST
LAKELAND
MELBOURNE
MIAMI
NAPLES
ORLANDO
TALLAHASSEE
TAMPA

Thomas A. Cloud, Esquire

407-244-5624

THOMAS.CLOUD@GRAY-ROBINSON.COM

March 23, 2011

Gerald C. Hartman, P.E., BCEE, ASA,
Vice President
GAI Consultants, Inc.
The GAI Building
618 East South Street, Suite 700
Orlando, FL 32801

Re: Engagement Letter for Representation of GAI Consultants, Inc.

Dear Mr. Hartman:

You have inquired as to whether our Firm is interested in representing GAI Consultants, Inc. regarding certain services for the City of Vero Beach. You have asked that we provide legal assistance in the preparation of an appraisal of the City of Vero Beach's electric system, the assessment, analysis, and recommendations related to any offer from FPL to Vero Beach related to the City's sale of all or a portion of the electric system, the development of alternative proposals for the sale or transfer of all or a portion of the Vero Beach electric system, and other related legal tasks. Negotiating or closing a sale is not included in this scope. For providing these services, my estimate would be $25,000.

Over the years, it has been our experience that things go more smoothly if we have a clear understanding of your needs and the role we need to play. The purpose of this engagement letter is to confirm an agreement concerning representation and the payment of our fees and expenses. This engagement letter will govern all subsequent matters in which we may become involved on your behalf unless a separate arrangement is made.

We will do our very best to meet your needs in any matters we undertake for you, but as you know, we cannot and do not make any representations or warranties concerning the outcome. We will give you our best advice, render opinions, and seek to obtain the desired result. In this regard, it is most important that we communicate regularly.

We have attached a copy of the firm's Policy Regarding Expenses and Billing. All conditions in that document are incorporated by reference as part of this

engagement letter. As we are sure you recognize, we have a legitimate business concern in being paid in a timely fashion.

The following arrangement is proposed regarding fees and costs:

Our firm charges for services on an hourly basis. Our firm will charge for services on an hourly basis at a blended hourly rate of $200.00 for all attorneys who work on this matter and $100.00 per hour for paralegals, (my private client rate is $375.00 per hour). As you know, this is substantially less than our private client rates which is offered as a reduced hourly rate to Florida cities. I will be primarily responsible for all matters, but we reserve the right to utilize other members of the firm whenever, in our discretion, we deem it appropriate. Further, computer research, and other technology may also be utilized if and when appropriate and in your best interest. You will be billed for the use of the same.

If this engagement letter meets with your approval, please indicate by having the extra copy of this letter signed in the space provided below, and return it to our offices. Your approval of this letter will include our agreement regarding the fees and costs arrangement.

We appreciate the confidence and trust you have reposed in us in asking us to represent you and encourage you to communicate with me if at any time you have questions on the status or progress of your matters. I look forward to working with you and your staff on any matters you deem appropriate. If you have any questions, please do not hesitate to contact me.

Sincerely yours,

Thomas A. Cloud

Thomas A. Cloud, Esquire

GrayRobinson, P.A.

TAC/jg
Enclosure

The terms of this representation are accepted
this _____day of _____, 2011

GAI CONSULTANTS, INC.

By:_____

Print: _____

POLICY REGARDING EXPENSES AND BILLING

EXPENSES: You will be charged a reasonable rate for computerized document production, postage, reproduction, telecopies, couriers, express mail, long-distance telephone, travel costs and other costs. We may also use computerized research services to assist in handling your matters. This service will be used when we believe that it will save you money to do so. Expenses incurred or advanced on your behalf will be itemized on the statement.

BILLING: You will be billed periodically, usually monthly. In the event you should disagree with or question any amount due under an invoice, you agree to communicate such disagreement to us, in writing, within thirty (30) days of the invoice date. Any disagreement you may have with a bill that is not communicated to us within that period shall be deemed waived.

COMMENCEMENT OF REPRESENTATION: Our representation will not commence until we receive a signed copy of the letter to which this statement is attached, together with payment of any retainer specified therein.

WITHDRAWAL FROM REPRESENTATION: We reserve the right to withdraw as your counsel in the event you fail to honor your agreement with respect to our legal fees or for any just reason as permitted or required under the Florida Code of Professional Responsibility or as permitted by the rules of courts of the State of Florida. In the event of our withdrawal, you will promptly pay for all services rendered by us prior to the date of withdrawal.

FILE RETENTION: You should be aware of our file retention policy. Once your case is concluded, the file will be officially closed. Once the file is closed, it may be sent to off-site storage, and there may be costs associated with retrieval of information from the file. We retain stored and closed files for a period of ten (10) years after which time they may be destroyed. Thus, if there are any documents which you need from the documents we possess, we recommend that you obtain them at the conclusion of your case.

Exhibit "A"

Electric System Valuation Data Request

1. Copy of any existing franchise agreements for electric service within the municipal boundary.

2. Comprehensive asset listing by FERC account:

   a. Provide list of utility system hardware located within the municipal boundary including but not limited to fuses, reclosers, transformers, switches, capacitor banks, street lights, and structures (poles) from their Geographic Information System/Facilities Information Management/Asset Management System databases.

   b. Classify hardware by type.

   c. Provide geographic identifier (GPS based or with GPS conversions).

   d. Provide installation date – if not available, provide an estimate of the installation date clearly marked estimat.

   e. Provide Supporting information for asset listing (all assets within municipal limits and those that may be connected to the municipality's system) including but not limited to:

      i. Updated utility system maps for lighting systems, substations, and distribution and transmission lines, and any other equipment or hardware owned and operated by electric provider within the municipal boundaries – hard copy and electronic copy (Microstation or AutoCAD).

      ii. Copy of Asset Management System data – hard copy and electronic database copy in a format that can be imported into any database management program.

   f. Provide cost and depreciation rate information for each asset listed.

3. Tangible personal property tax returns for the last five (5) fiscal years.

4. Customer listing for past five (5) fiscal years – should include account number, address, rate code (with definition), usage and bill amount. The bill amount should be broken out by revenue item: base charge; consumption charge; franchise fee; etc. This listing should be for all customer classes – Residential, Commercial, Industrial, etc.

Exhibit "A"

Electric System Valuation Data Request

5. Audited Financial Statements for the past five (5) years showing the operating results for the electric system:

    a. Provide raw data (at the municipality level) used to develop any companywide financial statements.

    b. Provide financial reports for the operating region inclusive of the municipality.

    c. Provide audited companywide financial statements.

6. Operating Budgets:

    a. Provide operating expense budgets for all operating expenses companywide including but not limited to personnel expenditures, fuel costs, vehicle costs, maintenance and capital improvement programs, tree trimming, animal protection, aesthetic program, circuit protection and coordination review, preventive maintenance, circuit reliability improvements, system hardening, circuit and pole inspections, underground device inspections, etc.

    b. Operating budgets shall be provided for smallest defined geographic region inclusive of the municipality. If budget is only assigned on a companywide basis, provide method used to prioritize funding and last five years of actual expenses within the smallest geographic region inclusive of the municipality.

7. Total load and aggregate load of the customers of the municipality (include historical information used for load forecast models within the utility):

    a. Provide load from utility's energy delivery system planning model.

    b. Provide load data from Customer records.

8. System maps detailing service areas, asset locations, customer locations, electric schematics, along with a legend key:

    a. Provide system models as detailed above.

    b. Provide system maps as detailed above.

9. A copy of the current tariff.

10. Any special contracts for the provision of electric service with any customers within the municipal boundaries:

Exhibit "A"

Electric System Valuation Data Request

Provide list of Customers on special tariffs such as:

a. Interruptible Customers.

b. Stand-by generator.

c. Other Demand Side Management program sign ups.

d. List of residential Customers on load management.

e. List of Customers with relay service or other power quality and priority distinction the Customer may pay for in tariffs.

11. A copy of the Customer complaint logs:

    Provide listing of all Public Service Commission complaints filed within the service region inclusive of the municipality. Information should include – Customer meter numbers, address, transformer number, reason for complaint, and resolution.

12. A copy of the outage reports:

    Provide, at a minimum, five years of outage history (outage records) by distribution circuit, substation and transmission circuit affecting residents within and around the municipality.

13. A copy of any special leases (if any).

14. A copy of deeds for any land used to provide electric utility service, including a description of the land use.

15. Copies of agreements as between the electric provider and other companies using or sharing in the use of assets within the municipal limits:

    a. Provide utility attachment contracts:

        i. City

        ii. Cable TV

        iii. Phone

        iv. Other Communications companies

    b. Provide a copy (paper and electronic) of latest audit of attached utilities.

Exhibit "A"

Electric System Valuation Data Request

16. A copy of the preventive maintenance plans for the municipality's electric distribution system:

    a. Such maintenance plans should include but not be limited to :

        i. Pole inspection

        ii. Circuit hardening

        iii. Protection and coordination

        iv. Tree trimming

        v. Circuit patrols

        vi. Storm restoration

        vii. Reliability improvements

        viii. Animal protection

        ix. Lightning protection

    b. Provide the scope of the service (units served, inspected, replaced, installed, etc.) provided above.

17. A list of proposed Capital Improvement Program projects within the identified municipal limits for the next five (5) or ten (10) years as identified by the electric provider's short and long-term system planning process.