

**CITY OF VERO BEACH, FLORIDA
APRIL 7, 2015 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

The invocation was given by Reverend Lee Page of the Unitarian Universalist Fellowship of Vero Beach followed by the Pledge of Allegiance to the flag.

1. CALL TO ORDER

A. Roll Call

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

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption

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

B. Proclamations

1. Scottish Recognition Day – April 6, 2015

Mayor Winger read and presented the Proclamation.

2. National Telecommunicators' Week – April 12-18, 2015

Mr. Kramer read and presented the Proclamation.

3. Jackie Robinson Day – April 15, 2015

Ms. Graves read and presented the Proclamation.

4. Guardian Ad Litem Month – April 2015

Mr. Old read and presented the Proclamation.

C. Public Comment

1. Mayor Richard Gilmore, City of Sebastian, to speak on the Interlocal Agreement/Indian River Lagoon.

Mr. Richard Gilmore, Mayor for the City of Sebastian, Florida, reported on the Indian River Lagoon Council (IRLC). He said that he has been attending the IRLC meetings for the last seven (7) months and as a sister City, they are on the same page as far as the Lagoon is concerned. The Lagoon needs as much help as they can give it. He complimented the City of Vero Beach on their STEP program and reported that Sebastian has done a lot of work on stormwater and is still working on other things. He lobbied the County Commission to be a part of the IRLC, but they chose not to. He explained that four of the counties along the Lagoon; Martin, St. Lucie, Brevard, and Volusia have commissioners on the IRLC. The IRLC is not made up of all elected officials. The Florida Department of Environmental Protection (FDEP) and St. Johns Water Management Districts (SJWMD) both have seats on the IRLC. He said they want to get the Lagoon out of the hands of SJWMD and put it back in the hands of the community. There are funds available to the Council, which includes between \$500,000 and \$600,000 a year from the FDEP, which he reiterated has a nonvoting seat on the IRLC; \$500,000 from each of the water districts; \$250,000 from FDEP and \$50,000 from each county. He said since the County has opted out from sitting on this board, he is reaching out to the different cities in Indian River County to opt in and have one seat on the board. He has talked to the Attorney that represents the IRLC who has said that they feel that this option is valid and the only problem may be if Indian River County decides that they want to be a member after all. In that case then the cities would opt out at the end of the fiscal year and allow the County to become a member. He said that everyone needs to do whatever they can to help the Lagoon, regardless of where their cities are located.

Mrs. Turner asked how much the cities would have to contribute in order to be a member of the IRLC.

Mayor Gilmore explained the cost is \$50,000 from each County. If they have four cities involved from Indian River County then the cost for each city would be \$12,500. He has not talked to Orchid about being a part of the IRLC, but if they decide that they are interested then cost for each city will be \$10,000.

Mrs. Turner asked how the voting will be decided for the city members.

Mayor Gilmore explained that each City would internally rank their projects and that is what will be taken to the IRLC and they will decide what they will be funding.

Mrs. Turner recalled that the National Estuary Program (NEP) was started back in 1991 and they were preparing a comprehensive plan in order to help the Lagoon. She said in 2010/2011 FDEP came before the Council and presented this comprehensive plan and indicated that the Lagoon looks fine despite the drastic loss of seagrass. She was trying to understand by creating this new IRLC how it was going to help improve the Lagoon.

Mayor Gilmore stated that he was sitting on the Treasure Coast Regional League of Cities (TCRLOC) at the time when FDEP spoke before that Committee and said the same thing. At that time the person who spoke before the TCRLOC was not part of the National Estuary program (NEP). He that NEP has been underfunded. Mayor Gilmore

explained the money that has been spent on various projects. He said that the IRLC will oversee about \$2 million a year for research and restoration projects along the 156 mile Lagoon.

Mrs. Turner was concerned that the administration will grow into this \$2 million dollars and not remain at the level they are now.

Mayor Gilmore explained that the elected officials sitting on the IRLC need to make sure that doesn't happen.

Mrs. Turner asked how many government agencies will be allowed to vote. Mayor Gilmore said that there will be two voting members.

Mr. Kramer noted that it was the elected officials who outnumber the bureaucratic groups on the IRLC.

Mayor Gilmore said that was correct. They have four or five elected official bodies that will decide how the money is spent. He said IRLC has a lot of options as far as where they can originate and where they can end up. He said initially he did not think the start up costs would be very much. He said there will be a staff of five employees. By having the money controlled by the elected officials it will give an opportunity for funding from private donors who are interested in helping the Lagoon. He sees this as the tip of the iceberg for the funding that is going to be needed to correct the Lagoon.

Mrs. Turner asked about the staff of five that Mayor Gilmore just mentioned. Mayor Gilmore explained that right now they are using staff from SJWMD and one of those individuals will still be a part of the IRLC, but a Director will be needed and probably two other employees. He said staff will have to be created. Mayor Gilmore said there is no current staff for the NEP. Mayor Gilmore said there is current staff, but they are funded by SJWMD and are doing double duty. He said SJWMD will still be a member of the IRLC and will help with funding.

Mayor Winger asked Mr. Coment if he was working with the other cities on the Interlocal Agreement.

Mr. Wayne Coment, City Attorney, explained that the attorneys from all of the municipalities are working on the agreement.

Mayor Gilmore explained that Sebastian recently passed an Interlocal Agreement saying that this is what they want and if the language changes they will be okay with it. He said the next IRLC meeting will be on April 17th and he will be attending that meeting. He said that Fellsmere has agreed to pass the Interlocal Agreement and he will be talking to Indian River Shores on April 23rd.

Mayor Winger felt this was something that their City needed to do and he is happy to be a part of it. He said that all levels have to step up regarding the Lagoon. He congratulated

both Sebastain and Vero Beach for moving forward and doing what they can to help the Lagoon. He said it takes everyone pulling together. This will become formal once they have signed the Interlocal Agreement.

2. Ms. Lila Blakeslee to speak on the shuttle service for the first Friday Art Gallery Strolls.

Ms. Lila Blakeslee read a prepared speech. She proposed to the City Council that they assist with the Friday Art Gallery strolls in helping to pay the cost for having a shuttle for six (6) months, which would amount to \$600.00.

Mayor Winger did not have any problems with this request.

Ms. Blakeslee continued by saying that not only do the Galleries benefit, but the restaurants and the businesses in the area also benefit. There are some new galleries located on Old Dixie Highway and they plan on extending their area to include these new galleries. They want this to be a way that people can come to the downtown area and it is safe. She said they all need to work together.

Mr. O'Connor said that he would place this money in the upcoming budget for Council's consideration.

Mrs. Turner congratulated the galleries and their success with these monthly strolls. She did have some concern with the City starting to subsidize the bus service for downtown and then the businesses on the Beachside will come to Council asking for help with funding a bus service for them. She agreed this would be a matter to be discussed at their budget hearings.

Mr. Barry Shapiro stated that he owns an Art Gallery on 14th Avenue and has also been a member on the Parking Committee. He reported that the beach area is also looking at having a shuttle service because of the parking problems that they have there. He said eventually Go-Line and the City will need to address this. He said as the City grows there will be more of a demand for this type of help. He said helping to provide a shuttle service does help the City because of the tourism that it brings, as well as helping local businesses and providing safety.

Mayor Winger instructed the City Manager to include this item in their budget and it will be discussed at their budget hearings.

Ms. Suzy Feeney, Executive Director of the Heritage Center, was at today's meeting to address the Resolution having to do with adopting an Economic Development Plan and Tax Increment for the historic downtown area. She is very excited to see what this group has pulled together and she supports their efforts. She said one of the things mentioned in their plan talks about having a bandshell. She said in her short time as being the Executive Director for the Heritage Center she has seen how much the green space is used. She said as this project moves forward she hoped that everyone would keep in

mind how valuable the green space is that they have, which is the heart of Vero Beach. She was not against the bandshell, but did not want to have it located where it would take up their precious green space.

Mayor Winger agreed that the area is constrictive. He personally thinks the idea is a good one, but there must be a lot of thought into where the structure will go.

Ms. Feeney commented that on her first week on the job she noticed how much the shuffle board courts were used. She said people come from all over to use their shuffle board courts. She also loves the idea of having a bandshell, but wants it located in the right place.

Mayor Winger brought up the Vision Plan and how it talks about this issue and that as Vero grows how to keep the traditional good parts in tack. He said they need to move forward with a lot of thought put in to what they want to do.

Mr. Glen Heran was at today's meeting to see if Council would take a specific action with respect to Vero Electric and Florida Power and Light (FPL). He recalled that the community has voted to sell to FPL twice and there also was a survey done where 80% voted to sell to FPL. He said the only reason that they have not sold to FPL is because of the bureaucracy known as Florida Municipal Power Agency (FMPA) and the struggle to exit FMPA, exit the contracts that they are in and to get their assets back from the money they have invested in FMPA for the last 30 years. He said the public is becoming more aware of FMPA because of the writings that have taken place and published in the Press Journal by Mr. Larry Reisman. He said Florida Taxwatch has now become involved and made a presentation to the Audit Committee in Tallahassee. He just received copy of a letter from the Auditor General (please see attached) addressed to the County Attorney thanking him for sharing his thoughts regarding the preliminary and tentative findings from their audit of the FMPA and providing them with a copy of County Resolution #2015-027. The letter stated in the last paragraph that performing a valuation of business assets of the FMPA falls outside the scope and objectives of their audit. Such a valuation of electric utility assets if directed by the Legislature would be the objective of a separate engagement. They are saying that they will do an audit of the assets (value of the assets and not value of the contracts) of the FMPA, which is how the City will determine if exit costs are reasonable. The action he encouraged Council to take today is to write a Resolution to tell the Auditor General (specifically the Joint Legislative Action Committee) to send the auditors back for a second audit with its first priority being the valuation of the assets.

Mrs. Turner stated that FMPA is an unregulated monopoly and for over 30 years it has operated with no oversight utilizing public funds and tax free loan status. She said that Vero Beach has paid millions and millions of dollars to FMPA for their power over the last 30 years and questioned what do they have to show for it. She said doing an evaluation of their assets is clearly the way to see how FMPA has been running this business. She mentioned that the contracts they are in were described as "Hotel California" by one of the Committee Board Members saying that you can check in, but

you can't check out. She asked the City Attorney to prepare a Resolution for Council for their next meeting.

Mr. Old commented that FMPA has a yearly financial audit done and it clearly describes the depreciated value of all of their assets. He said if you are looking for the market value then there must be some sales of other entities to look at. Also, when doing that they must look at the decommissioning cost.

Mr. Heran told Mr. Old that generation assets in the United States are sold fairly routinely. He mentioned that a coal plant in Kentucky recently sold in 2014.

Mrs. Turner stated, as a Councilmember, she was requesting that a Resolution be prepared.

Mr. Coment needed to hear the Council say that is what they are requesting. He said it takes work in drafting a Resolution and if it is not going to be supported he wanted to know that.

Mrs. Turner brought up that Mr. Coment prepared a Youth Advisory Board Resolution and then it was removed from the agenda before Council even voted on it. She was told by Ms. Graves that Resolution was prepared some years back.

Mr. Old felt that Council has gone through this process of trying to get out of FMPA. He said they have spent over three million dollars in legal fees. He suggested that they at least see what the response from FMPA to the audit will be before they move in this direction. He also feels that having FMPA get a management consulting firm is the way for them to proceed.

Mrs. Turner commented that FMPA's CEO and Chief Counsel did not even appear before the Audit Commission in Tallahassee. She said that gives the impression that they are not taking this whole audit process seriously. She felt that as the Board of Directors for the Vero electric company the Council needs to take a stand to protect their ratepayers.

Mr. Mark Mucher, 617 Indian Lilac Road, enhanced what Mrs. Turner mentioned about "Hotel California." He said it might better be described as a "Roach Motel." He reminded them that he spoke before the County Commission, the Indian River Shores Town Council and the City Council, after the preliminary audit was performed and the valuation which professional auditors have said is an integral part of an audit. When they noticed the evaluation part of the audit was missing they asked for the Legislature to include that in, which he is calling a Phase II audit. The County Commission passed such a Resolution, as well as Indian River Shores. He said the City Council just blew off that suggestion. He felt by hearing what Mr. Old just said makes it clear that there is no interest on his part to get out of the electric business. He supported Mr. Heran's recommendation.

Mrs. Turner wanted to make sure that she understood that there was no one else on this Council willing to move forward with the desire from the voters and ratepayers to continue to try to get out of FMPA.

Ms. Graves asked by passing this Resolution, what is it going to do, other than pushing Vero Beach further back out of the conversations taking place between them and FMPA.

Mrs. Turner explained this is having the State Legislature Audit Committee come in and further investigate the value of FMPA.

Mr. Old referred back to their representation on FMPA. He said over the years the people who sat on the Board on behalf of the City tried to do the best thing for this City. He said the people serving on FMPA now work hard at trying to do the best thing for their cities.

Ms. Colleen Rosenbaum, was at today's meeting representing the Homeowners for better Vero Beach, and spoke on short term rentals. She is aware of the Ordinance that they will be discussing at today's meeting relating to increasing the penalty for short term rentals. She said that in the nine (9) years that she has had her short term rental there have only been two (2) complaints made, which does not equate to a problem. She said the benefits far out weigh the isolated incidents of any problems that occur with short term rentals and can be rectified by management. She knows their Ordinance has a penalty of \$500.00 per day be imposed. She wondered if the property owners are aware of this. She noted that Vero Beach is not known as a "party city." She said people come here for the tranquility and 21% of vacationers end up buying property here.

Ms. Laura Moss shared with Council an article entitled "The Increasing Problem of Nutrient Runoff on the Coast," which was written by two scientists (article attached to the original minutes). She read one sentence from the article and concluded that they are going to have to all work together and spend some money in order to clean up the Lagoon.

Mr. Gary Garvey, 1148 Admirals' Walk, commented that he has only one short term rental and was told by his realtor when he purchased his home that the City Code was in conflict with the State law. He was recently issued a warning for renting out his home. He plans on retiring to Vero Beach in about five (5) years and making this his permanent residency. Until then he has been renting the home out for additional income. He said if he cannot do this then it would create a financial burden for him. He screens the people that he rents to and has never had any problems with his neighbors. He feels with proper stewardship that short term rentals can be good for the community. He went over how much he paid in tourist tax in having his short term rental. He said that people come and stay in Vero Beach and spend money while they are here. He said there are expenses that go out to help the local community when managing a short term rental, such as having a cleaning person and landscaper for the property. He asked Council to realize what impact there will be to the homeowners if this Ordinance passes. He said that maybe the City could consider having a tax increase instead of passing this Ordinance.

Mayor Winger commented that he lives in Castaway Cove II and there is a covenant in his Homeowner's Agreement that does not allow this. He asked Mr. Garvey which phase of Castaway Cove he lives in.

Mr. Garvey said that he lives in Castaway Cove III and that is not in his covenant, although it is being reviewed and a 30-day minimum stay for short term rentals will probably be implemented. He requested from Council additional time before they start implementing this. He said that he has about seven (7) renters that he contacted about six or eight months ago that live out of the country and this would be inconvenient for them if they were not allowed to stay in his home. He suggested phasing this out over the next couple of months giving property owners time to cancel their contracts if they have some in place.

Mr. Ken Daige requested permission to speak under items 3-8) and 5-A) when they are discussed. He agreed with passing the Interlocal Agreement for the Lagoon. He expressed the importance of having representation at the table.

3. CONSENT AGENDA

- 1. Regular City Council Minutes – March 17, 2015**
- 2. Special Call City Council Minutes – March 25, 2015**
- 3. Utility Easement #2015-EG-0158 and Bill of Sale of Utility Facilities – Tranquillita Del Mare, 1940 S. A1A**
- 4. Utility Easements #2015-EG-0160, Sharon Sloss and #2015-EG-0161, Thompson's Remodeling & Home Repair, Inc.**
- 5. Renewal of HD Supply Waterworks Ltd. Annual Contract (1561-C)**
- 6. Addendum to Commercial Lease Agreement between the City of Vero Beach and 43rd Avenue Trade Center, Inc.**
- 7. Final Payment Request from Mancil's Tractor Service, Inc., Contract to Construct, Mark, and Light West GA Apron – Taxiway B Repair (Bid No. 220-14/CSS); FDOT Project No. FP 422489-1-94-01**
- 8. Agreement for Exchange of Use of Facilities and Equipment between the City of Vero Beach and the School Board of Indian River County**

Mayor Winger pulled item 3-8) off of the consent agenda for discussion.

Mrs. Turner pulled item 3-2) approval of the March 25, 2015 Special Call minutes. She has given the Clerk some changes to make to the minutes and asked that the minutes be put back on the next agenda for adoption.

Mr. Kramer made a motion to approve the adoption of the consent agenda as amended. Ms. Graves seconded the motion and it passed unanimously.

Mayor Winger pulled item 3-8) off of the consent agenda because he wanted to make sure that the pool at Leisure Square will be open to the public.

Mr. O'Connor stated that it would. He said the School Board usually only uses the pool two hours a day. He said this has been a continuous agreement between the School Board and the City of Vero Beach for many years and there have not been any problems.

Mrs. Turner referred to the agreement where the School Board uses the City's bleachers and grandstands. She asked how many times a year are they using these things. She was concerned this might become a problem.

Mr. Rob Slezak, Recreation Director, stated that the School Board pays to have the bleachers cleaned after they use them and there have not been any problems. He said they use the bleachers maybe twice a year and the stage is used three or four times a year. In return for using these things, the School Board provides buses for some of the activities that the City offers and it has been a good exchange. He said they have had this arrangement for over ten years without any problems.

Mrs. Deborah Daige stated that it shows great community spirit to have these tradeoffs. She just wants the public to understand that they still have use of the pool at Leisure Square and that more people will take advantage of Leisure Square.

Mrs. Turner made a motion to approve the agreement for the exchange of use of facilities and equipment between the City and the School Board. Mr. Kramer seconded the motion and it passed unanimously.

Council took a ten-minute break and the meeting reconvened at 11:05 a.m.

4. PUBLIC HEARINGS

A) ORDINANCES

- 1. An Ordinance of the City of Vero Beach, Florida, amending Section 60.11 of Title VI, Zoning Ordinance, in the Code of the City of Vero Beach relating to compliance with the Zoning Ordinance; Providing for Penalties for noncompliance; Providing for Conflict and Severability; Providing for Codification; Providing for an Effective Date. – Requested by the Planning and Development Director**

Mayor Winger read the Ordinance by title only.

Mr. Tim McGarry, Planning and Development Director, reported that by passing this Ordinance it will increase the civil penalty to \$500.00 per offense for violations involving uses not allowed in a zoning district.

Mayor Winger opened the public hearing at 11:07 a.m.

Ms. Colleen Rosenbaum commented that by not offering at least a seven (7) day minimum for vacation rentals they will put everyone out of business.

Mayor Winger closed the public hearing at 11:08 a.m., with no one else wishing to be heard.

Mrs. Turner wanted to discuss delaying the effective date to try to help the property owners who have already had lease commitments. She suggested giving a three month window on existing rentals.

Mayor Winger said they could talk about it, but pointed out that these people have been breaking the law.

Mr. Kramer suggested coming up with a compliance plan. He said if the Ordinance passed they could agree that the property owners are given three months in order to shut down the business. He said the advantage with going with a compliance plan is that the property owner will lose the ability to file a lawsuit against the City.

Mr. McGarry explained that normally that is what they do with code enforcement compliance cases. He said they want people to come into compliance and not have to fine them. He suggested having a compliance agreement, which he would sign setting a date that they must come into compliance.

Mr. Coment added this procedure is in the Code now. The property owner will have to admit that they are in violation and they agree to correct the violation. He said whatever time the Council agrees on will be the time given for the property owner to come into compliance. He said it is an agreement they sign admitting violation and they waive their right to a hearing. They also agree if they have not come into compliance by their compliance date, which can be extended for a reasonable amount of time if the violator is making progress, then they will have to go before the Code Enforcement Board for a hearing.

Mr. Old asked if a person has a short term rental and has a contract with someone to rent it out and the City changes the law, who is liable.

Mr. Coment expressed this activity has been illegal since 1986. He said the law has never changed. The enforcement is just being stiffened.

Ms. Graves added that now the City is choosing to enforce this law, which hasn't always been done in the past.

Mayor Winger asked Mr. Kramer if he would agree with any agreement over 30 days will be revealed to the Code Enforcement Board. He did not want this to go on.

Mr. Kramer stated that the point is it has been going on whether they support it or not. He said some people have gotten themselves into a situation where it can be financially detrimental to them. He said the City is not looking to hurt these people they are just looking for compliance.

Mr. McGarry told Council that if they give him direction to allow a maximum of three months then that is the way it will be set up.

Mr. O'Connor stated that if someone signs this compliance agreement then it is an admission of violation of the City Code so at the end of 90-days if there has not been compliance made it will be taken to the Code Enforcement Board for a hearing.

Mr. David Curry, Police Chief, added that someone from his department made contact with two residents this morning and cited them and one of the individuals said that she booked eight months ago. They are also seeing some compliance when they go to some of the websites where 30 days or more is requested in order to rent a piece of property rather than seeing weekly rentals like before. He said the citations being issued now are for people that were booked to rent the homes sometime back.

Ms. Graves expressed that they want to help people, but at the same time they can't put their neighborhoods in jeopardy.

Dr. Miles Conway came to the meeting to praise the Council for what they were doing in passing this Ordinance. He described where he lives that there are what he refers to as transient boarding houses. He said these people stay for a few days and then they are gone. Sometimes these homes attract twenty or more cars, garbage is left on the street, and vandalism takes place. He visited the Indian River County Property Appraiser's office to inquire about trim notices and as a result the value of his property has been lowered by 40%. He said that along with some of his neighbors, Indian River County has lost close to \$18,000 in property taxes as a result of short term rentals. In most instances people don't register for sales tax or bed tax. He even knows of some properties that are short term rentals and have homestead exemption. He said the negative outcomes for short term rentals far outweigh the economics they might bring in. He asked Council to please vote in favor of this Ordinance.

Mayor Winger made a motion to approve the Ordinance. Ms. Graves seconded the motion and it passed 5-0 with Mr. Old voting yes, Ms. Graves yes, Mrs. Turner yes, Mr. Kramer yes, and Mayor Winger yes.

2. **An Ordinance of the City of Vero Beach, Florida, Amending Sections 78-63 and 78-83 in Chapter 78 of the Code of the City of Vero Beach, relating to Sanitary Sewers, Septic Systems, and Septic Tank Effluent Pump ("STEP") Systems; Providing for Conflict and Severability; Providing for Codification; and Providing for an Effective Date. – Requested by the Water & Sewer Director**

Mayor Winger read the Ordinance by title only.

Mr. Coment reported that this Ordinance provides amendments to Sections 78-63 and 78-83 related to the STEP system. The amendments are intended to provide further clarification for the new program and more detail to the mechanics for implementing the program.

Mr. Rob Bolton, Water and Sewer Director, added that staff knew from the start when the STEP Ordinance was first adopted that they would need to come back and fine tune the Ordinance as the program rolls out. In this Ordinance they are clarifying the ownership of each of these STEP system facilities. In essence it will be a City facility located on private property. He said only authorized trained people will be allowed to install the equipment. They also need to address the tax issue. Because this involved City equipment being installed for a City facility it will save the property owner a little bit of money because of sales tax. He said they are in the process of doing their first installation.

Mayor Winger opened and closed the public hearing at 11:33 a.m., with no one wishing to be heard.

Mrs. Turner asked Mr. Bolton to come back before the Council and give them some feedback on the first installation completion.

Mr. Bolton expressed the positive attitude there has been towards this program. He said this is the first phase of the project and they are speaking to about 150 people and are still receiving telephone calls from other interested residents.

Mr. Kramer made a motion to approve the Ordinance. Mayor Winger seconded the motion and it passed 5-0 with Mr. Old voting yes, Ms. Graves yes, Mrs. Turner yes, Mr. Kramer yes, and Mayor Winger yes.

B) RESOLUTIONS

- 1) A Resolution of the City Council of the City of Vero Beach, Florida, Approving a Lease between the City of Vero Beach and The United States Postal Service for certain City-owned real property located at 2050 13th Avenue in Vero Beach; Authorizing Execution of the Lease and related documents by the Mayor; Providing for an Effective Date. – Requested by the City Manager**

Mayor Winger read the Resolution by title only.

Mr. O'Connor reported that this is the renewal of the lease for the Post Office. The Post Office will now pay \$120,744 a year to rent the piece of property that they currently use from the City. It is a five-year lease, with a two-year opt out clause. The Post Office will

be responsible for maintaining the outside of the building. He said of all the leases the City owns, this one ranks up there as probably one the better ones.

Mrs. Turner asked who is responsible for the ADA modifications of the building.

Mr. O'Connor explained keeping ADA compliant will be totally up to the Post Office.

Mayor Winger opened and closed the public hearing at 11:37 a.m., with no one wishing to be heard.

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

2) A Resolution Authorizing the City of Vero Beach, Florida, to enter into a Joint Participation Agreement with the State of Florida, Department of Transportation to Rehabilitate Taxiway C (FDOT #430941-1-94-01) – Requested by the Airport Director

Mayor Winger read the Resolution by title only.

Mr. Eric Menger, Airport Director, reported that the proposed project is to rehabilitate Taxiway C, which serves as their primary taxiway. He said that pavement crack sealing and a small asphalt section was overlaid in 2010. Recent Pavement Condition Index (PCI) readings by FDOT indicate that it is time for the entire taxiway, including run-up areas and connectors, to be overlaid. The project will be funded by both Federal Aviation Administration (FAA) and FDOT leaving an additional 5% for the Airport to fund. He would recommend approval of the Resolution and acceptance of the Joint Participation Agreement (JPA).

Mayor Winger opened and closed the public hearing at 11:39 a.m., with no one wishing to be heard.

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

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

A) A Resolution of the City Council of the City of Vero Beach, Florida, Adopting an Economic Development Plan and Tax Increment for the “Historic Downtown Vero Beach Economic Development Zone,” designating the base year assessment roll; setting the percentage for calculation of tax increment; specifying the number of years in determining the annual tax increment; setting the initial tax increment year; providing direction to the

Economic Development Zone’s Advisory Committee; Providing for Conflict and Severability; and Providing for an Effective Date. – Requested by the Planning and Development Director

Mayor Winger read the Resolution by title only.

Mr. McGarry reported that pursuant to Section 29-27 of the City Code, the Historic Downtown Vero Beach Economic Development Zone Committee (EDZC) requests the City Council to adopt this Resolution that adopts the draft Economic Development Plan prepared by the Committee and the tax increment for the Economic Development Zone. The Committee voted to move forward to seek designation by the City Council of a tax increment for the downtown Economic Development Zone with 2014 as the base year assessment roll and 2015 as the initial tax increment year. The consensus of the Committee was that it was important to establish the base year assessment roll as soon as possible to enhance potential revenue from any tax increment generated from the improving economy. After further review of the Ordinance and coordination with the County Property Appraiser, it was determined that the 2015 would be the base year assessment roll with 2016 as the initial tax increment year. The Committee realizes that in all likelihood the generation of tax increment funds will be small without major investment in the Economic Development Zone. The Resolution adopts the plan submitted by the Committee and directs the Committee to continue to refine and develop the Economic Development Plan and submit an amended Plan no later than April 1, 2016 and adopts the tax increment for the Historic Downtown Vero Beach Economic Development Zone. He would recommend approval of the Resolution and that it be scheduled for a public hearing on April 21, 2015.

Mr. O’Connor added that this money goes into a Trust Fund and the City Council has control over the money. He said the City Council has the right to say how the money will be spent.

Mr. Terry Torres, Chair of the EDZC, showed a map outline where the Zone is located. He noted that he was a past president of MainStreet Downtown and is still a Board member. The history of this project goes back to the Vision Plan that was adopted in 2005. He said for him this is dreaming the impossible dream. The Vision Plan seeks the future direction for the City of Vero Beach and there are a number of goals outlined in the Vision Plan. They have been waiting for implementation of the Plan and now have a tool that will give the Committee some access to funds. The goal was always that the City of Vero Beach be the premier area in the State to live. The plan identified some key commercial districts and one is the Downtown Economic Development Zone. In 2013 the City Council passed a Resolution appointing this Committee and then in 2014 passed a Resolution designating a geographic area of Historic Downtown Vero Beach as an Economic Development Zone and Tax Increment Area and establishing an Economic Development Trust Fund for the Zone. He said that Downtown is the first of these Zones and he hopes that there will be others in different places throughout the City. He said that it takes the community to revitalize the Downtown area and there has been a great effort from the public and private sector. He thanked the group of volunteers who have been so

active in supporting the revitalization of Downtown Vero Beach. He asked the City Council to support and adopt this Resolution.

Mr. Kramer commented that this has been a long time coming. He thanked Mr. Torres for his patience and for moving this forward.

Ms. Graves added that she was glad to see this happening. She commented on all the positive changes that have taken place in Downtown over the last five years.

Mayor Winger opened the public hearing at 11:49 a.m.

Mr. Ken Daige had some questions about the Trust Fund. He asked when private money comes in would it go into this fund, along with matching grant funds.

Mr. O'Connor explained that all the funds for this Zone will go into this particular Trust Fund.

Mr. Daige thanked Mr. Torres and the Committee on how hard they have worked in getting this accomplished. He is so happy that they have made it to this point. He mentioned in some parts of the City there are old sidewalks that have historical stamps on them and he wants to make sure they are saved. He is working with the Historic Preservation Commission in coming up with a policy so that these sidewalks that have stamps on them are documented through the City GIS department records.

Mrs. Deborah Daige appreciated that this has gotten this far. She thanked staff for the things they have been doing behind the scenes to make this possible. She is a member of the Historic Preservation Commission and wanted to make sure that with the discussion of the bandshell that there is not a specific location for it and as groups move forward that are affected by the bandshell they will be allowed to give their input.

Mr. Terry Torres explained that their action plan is a work in progress and they have until 2016 to complete it. He said there are some things that may or may not be accomplished, but when you dream, you dream big. He said the bandshell has been a part of the dialogue.

Mr. Kramer made a motion to approve the Resolution and set the public hearing for April 21, 2015. Ms. Graves seconded the motion and it passed 4-1 with Mr. Old voting yes, Ms. Graves yes, Mrs. Turner no, Mr. Kramer yes, and Mayor Winger yes.

6. CITY CLERK'S MATTERS

None

7. CITY MANAGER'S MATTERS

A) Parking on Sexton Plaza

Mr. O'Connor reported that the Parking Committee met and said that they would like to have a parking system at Sexton Plaza. He recalled having a parking system on the beach was brought up about a year ago and it was not a pleasant experience. He said in the meantime the City has made some changes with their signage to help direct traffic and are enforcing a three (3) hour parking time limit. He asked Council for some direction on how far they want to go with this.

Mayor Winger did not want to entertain a parking system at all. He said lets wait and see how things go with the recent changes that have been made.

Mrs. Turner commented that if they ever consider having a parking system then they need to get input and a consensus from the vast majority of the business and land owners. She agreed with looking at other options before implementing a parking system.

Mr. Old commented that as businesses in this area continue to thrive there will be parking problems. He doesn't see a long term solution.

Mr. Kramer agreed that by having a parking system some of Vero's charm might be destroyed. He said if they start putting parking systems on their beaches then they will look like some of the larger cities to the south of them. He wants to put this off as long as they can.

Mr. O'Connor understood the direction of Council. He said that this idea (parking system) would take a capital investment and installation. He will let the Parking Committee know the discussion that took place by Council regarding having a parking system at Sexton Plaza and they will continue addressing the parking issues on the beach.

Mrs. Turner thanked Mr. O'Connor for his patience with all of the meetings that he has attended concerning the parking situation and trying to find a balance.

B) Interlocal Agreement – Indian River County – City-Owned Dodgertown Restriction Release

Mr. O'Connor reported when the City purchased its Dodgertown Parcels in 2005, documents were recorded which placed restrictions on the property to limit development of the property to 1) municipal owned public golf course, 2) green space 3) a park like setting or 4) any combination of the forgoing three uses. The restrictions were included in a Declaration of Covenants, Conditions, and Restrictions recorded in Indian River County Official Record Book. In July 2014, Mayor Winger sent a letter to the County Commission to request the County's cooperation and assistance to release the restrictions and the County Commission agreed in return the City agrees to resolve 43rd Avenue and Aviation Boulevard right of way issues and to consider a future need for a buffer between the City and County properties. The City has worked with the County staff to develop the terms included in the Interlocal Agreement. The agreement also includes a request to add a two year extension to the license agreement allowing the County to use a portion of

the Airport property as a Go-Line bus hub. The matter will be scheduled for County Commission action subsequent to the City Council's action.

Mayor Winger opened and closed the public hearing at 12:04 p.m., with no one wishing to be heard.

Mrs. Turner commented that the County has requested a two year extension to the license agreement allowing the County to use a portion of the Airport property as a Go-Line bus hub. She asked if FAA approval was needed.

Mr. O'Connor explained there are exceptions (referring to FAA) because it is for public transportation.

Mrs. Turner had some problems with giving another two year lease for the temporary bus hub. The Go-Line has already spent two years at this temporary location. She then noted the debt payment for the City on this Dodgertown property is six and a half million dollars and it cost the City approximately seven hundred thousand dollars a year in annual interest.

Mr. Kramer made a motion to approve the Interlocal Agreement. Ms. Graves seconded the motion and it passed unanimously.

Mayor Winger told Mr. O'Connor that he did not think that he had the direction he needs from Council to put the upcoming budget together. He personally does not think that the 7% in the defined contribution is adequate. He would like to see 9%. He brings this up because if there are other matters such as this one he (Mr. O'Connor) needs to know that in order to put the budget together. He suggested having a Special Call meeting to discuss the budget.

Mr. O'Connor requested a City Council Workshop on May 21st at 9:30 a.m. He will be asking the Department Directors to project out five years, with emphasis on the first two years and include things that they feel are necessary in order to maintain their level of service and also meets some of the expectations that the City Council has indicated that they would like to see. He said after Council reviews this it will give him direction in moving forward. He is also proposing a pay increase for employees. He said they have had only one pay increase over the last six years. They will be looking at helping Downtown with their shuttle bus and the bus system on the beach is still being discussed. He has said that he would recommend to the City Council that the City do a 10% match to help with the bus transportation and the businesses would have to do the other 90%.

Mr. Old asked about the OPEB Fund.

Mr. O'Connor said yes they will be including the OPEB Trust Fund, as well as the contributions to retire their defined benefits and move into defined contributions.

Mayor Winger commented that the assumption that they can have a 7¾% return just never happens, which is why they have gotten deeper and deeper in the hole.

Mr. O'Connor stated that the City has to fund the retirement plan and has never missed a payment. He said it is an obligation of the City no matter what the number is.

Mayor Winger commented that the reason they continue to get into the hole is because of the 7¾%. He said maybe at one time the 7¾% made sense, but not anymore.

Ms. Cindy Lawson, Finance Director, stated that with the freeze of the pension plan the numbers will change. She said now that this will be a closed plan they will need to change their investment strategy and lower the return assumption because there will be no new funds going into the Plan. She brought up the CAFR and noted that now the actuaries are required to show the City what the affects of a 1% increase or 1% decrease in the assumed investment rate would have as an impact to the amount of unfunded liability in the fund. She said over the last three years they have seen over 10% in their returns. She said in the long haul they are not too bad relative to the 7¾%.

Mrs. Turner commented that the County is going forward with recycling single stream, which will be effective on October 1st. She asked since the City utilizes the County's services for recycling will there be any changes in the City.

Mr. O'Connor said the City has been working with the County on distributing information on this through their utility bills and he personally has experienced where a single stream has improved the recycling collection by almost 30%. The goal to reach is 70% reduction, which he felt would be a challenge.

Ms. Graves added that this recycling is for residential. She asked what are they doing to encourage commercial recycling.

Mr. Monte Falls, Public Work's Director, stated there is currently no mandatory commercial recycling. He will talk to the County to see if they have any plans on looking at this. He said the recycling pickup for the City will remain the same, but it will be easier because they will only have to deal with one container and it has a lid on it. He said the City's garbage pickup will still be twice a week.

Mr. O'Connor added that there will be three different size containers available.

8. CITY ATTORNEY'S MATTERS

None

9. CITY COUNCIL MATTERS

A. Old Business

B. New Business

10. INDIVIDUAL COUNCILMEMBERS' MATTERS

A. Mayor Richard Winger's Matters

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

No report given.

B. Vice Mayor Jay Kramer's Matters

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

Mr. Kramer reported that Mr. Paul Dritenbas, from the Florida Inland Navigation District, will be making a presentation to Council at their April 21st meeting.

C. Councilmember Pilar Turner's Matters

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

Mrs. Turner recognized a local manufacturer, Aluma Towers, which was named "Manufacturer of the Year."

Mrs. Turner gave an update on All Aboard Florida. She said they continue to impose a huge threat to this community and all along the coastline. The County has filed a lawsuit to try to stop the private bond issue. She said Federal regulations require prior to the issuance of these private bonds, to complete the Environmental Impact Statement. She hoped the County would be successful with this lawsuit. There is a meeting coming up with the Florida Development of the Finance Corporation to discuss All Aboard Florida's private activity bonds. She asked everyone to express their concerns about these projects. She asked the City Clerk to put the contact numbers and email addresses on the City's website so everyone who has some opposition to the trains destroying their community can get involved.

Mrs. Turner reminded the public to attend the Oceanside Business Sunset Concert this Saturday night, on Wednesday join them at Dodgertown to celebrate Jackie Robinson Day, and April 18 – 19 is Hibiscus Festival at Downtown Vero Beach.

D. Councilmember Amelia Graves' Matters

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

No report given.

E. Councilmember Randolph Old's Matters

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

Mr. Old reported that at the next FMPA meeting they will be discussing the issue of having an RFP for a managing consultant firm. He will not be at the meeting so he sent a letter stating who he would recommend (on file in the Clerk's office).

11. ADJOURNMENT

Today's meeting adjourned at 12:21 p.m.

/tv