

**CITY OF VERO BEACH, FLORIDA**  
**APRIL 17, 2012 9:30 A.M.**  
**REGULAR CITY COUNCIL MINUTES**  
**CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

**1. CALL TO ORDER**

**A. Roll Call**

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

**B. Invocation**

Vice Mayor Craig Fletcher gave the invocation.

**C. Pledge of Allegiance**

Mayor Turner led the Council and the audience in the Pledge of Allegiance to the flag.

**2. PRELIMINARY MATTERS**

**A. Agenda Additions, Deletions, and Adoption**

Mrs. Tammy Vock, City Clerk, requested that under Proclamations "National Cleaning for a Reason Week" be added on to the agenda as item 2B-6.

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

**B. Proclamations**

- 1. Child Abuse Prevention Month – April 2012**
- 2. Motorcycle Safety Awareness Month – May 2012**
- 3. Certificate of Completion Presented to Councilmember Tracy Carroll**

Mayor Turner read and presented the Proclamations.

**4. Troy Moody Park Plaque – Jim Thompson**

Mr. Thompson gave some background on Troy Moody Park and why the Park is there and for whom it was named after. He wants to put a plaque in the Park and have it located near the fountain. He read what the plaque will say.

Mrs. Carroll asked Mr. Thompson if Mr. Moody had any living relatives.

Mr. Thompson said that he has not been able to find any.

Mr. Fletcher requested that Mr. Thompson let the City know when the plaque is ready so that Council can be part of the dedication ceremony.

Mr. Thompson made it clear that this is not costing the City any money. He is covering all of the costs.

Mayor Turner thanked Mr. Thompson for taking this task on.

- 5. Vietnam Veterans Day – April 28, 2012**
- 6. National Cleaning for a Reason Week**

Mayor Turner read and presented all of the Proclamations.

### **C. Public Comment**

#### **1. Coastal Florida PBA to speak**

Sergeant Phil Huddy, Vero Beach Police Department, gave a Power Point presentation (please see attached). He said that they have collected over 1,200 signatures from City business owners and City taxpayers who signed their petition to support the law enforcement officers of the Vero Beach Police Department. He said that they will continue to get more signatures.

Corporal Darryl Rivers, Vero Beach Police Department, stated that he would be speaking for dispatchers and other civilian employees at the Police Department. He has been with the Police Department for 24 years and it took him 15 years to make the rank of Corporal, which means a lot to him. He expressed that the promotional process is very time consuming and the stress of any employee losing their rank is not fair. They have given up so much in trying to help the City. He said that each time they negotiate giving something else up they are told that the City will remember it and he has not seen that yet. He said that he could not afford to give up any more money. He expressed that morale is very bad at the Police Department. He went over how embarrassing and demoralizing it was to have to beg people to sign this petition so that Police Officers don't lose their rank that they have earned. He told Council that if they love their Police Department then they would not do these reductions to save this money. The only thing they are asking for is to be left alone and to let them do their job.

Corporal Chip Roberts has been with the Police Department for over 20 years and this is his home. It took him 15 years to get the rank of Corporal, which means a lot to him. His morale has sunk to an all time low. He urged them to please find the money somewhere else because it is destroying the Police Department and morale of the Department.

Corporal Oscar Dominguez, Vero Beach Police Department, showed photos of his three children and why he needs his job to support them. He is going to fight to the finish not to allow this to happen.

Sergeant Terrence Nelson, Vero Beach Police Department, works the night shift and has been with the City for the last 22 years, but he was born and raised in Ft. Pierce. He could not predict 22 years ago that his job and position would be on the line. He was one of the first and only minority officers serving as an Officer. He asked that before they consider these rank reductions, that they reflect how it has affected the Police Department in this community. Every night he prays for their safety because he knows what they face every day.

Lieutenant John Pederson, Vero Beach Police Department, has been a Police Officer for the last 23 years and has worked for the City of Vero Beach for 17 years. He worked his way up to lieutenant and has been there for the last 5 ½ years. He told Council that they can find the money somewhere else, and to please don't reduce their ranking.

Sergeant Alan Hall, Vero Beach Police Department, commented that as a Police Officer is has been spit on, his life and his family's life have received threats and what they want to do now is not fair to him or his family.

Officer Myron Pratt, Vero Beach Police Department, noted that he has a bachelor's degree and should have his master's degree within the year. He said that it is very discouraging knowing some of these Officers may have their ranks reduced. He is a new employee and the security of his job is not what he thought that it was before he came to work for the Police Department.

Lieutenant Jerry Karchefski, Vero Beach Police Department, went over the nightmare that some of them are facing with this proposed demotion and another pay decrease. He has been with the Police Department for 28 years and within that time he has worked himself up to lieutenant. As his job as Lieutenant he stays very busy doing more with less. He noted that the Police Department's budget from 2008 has been reduced \$428,000 and that is not including some of the recent changes that have been made. He went over some other reductions that have occurred. The last raise that the Police Officers received was back in 2008 and they have not been asking for raises since then. They just want to keep what they have and what they have earned. He said personally he has lost over \$5,000 and if he was to get demoted that number will be more. This year when promotional exams came up the officers questioned why take the test if there would not be any promotions and this subject of demotions came up. They decided not to offer the exam because it would just be a waste of an officer's time if nothing is going to happen. He recalled that every year there is a training day in Ft. Pierce and this is the first time in history that someone put in a request to be reimbursed per diem for the trip and it was because of the morale issues. The benchmarking was addressed and everything looked good. No where was it shown where a reduction could be made. He explained that lieutenants don't get overtime, court time, night differential, etc., and if his

rank is reduced he would be eligible for overtime. By these demotions you are setting some people back in their careers as much as 7 years. With his job no one wants to do it, but he loves what he does. He couldn't understand where this was coming from. He said it was not coming from the citizens that he has talked to. He said if it "ain't broke don't fix it" and "be careful for what you wish for".

At 10:58 the Council took a ten-minute break.

Mr. Mike Williams a business owner commented that the Police Department has always helped him. He asked that Council not lower the standards in their Police Department.

Mrs. Strawtz (spelling may not be correct) expressed that the community wants the Police Officers available when they need them. She likes to see them working with an open heart and being happy. She said that when demoting someone it is a punishment for not doing the job properly and those guys (Police Officers) do not qualify.

Ms. Katerine Katvritz read a prepared statement and said that she was appalled with these demotions.

Mrs. Nancy Cook reiterated as a business person and a property owner that nothing is going to be worth anything in this community if they don't have the safety that they expect. These men (Police Officers) risk their lives for them and they earn the money that they are paid. She said that Council needs to rethink this situation. This police force is the most valuable thing that they have going.

Mr. Tim Gerad (spelling may not be correct) commented that he started his business in Vero Beach about ten (10) years ago because of how safe it is here. When he read about these rank reductions he could not believe it that these people earned these ranks and now they are being taken away.

Mr. Chris Runge, President of Original Town Neighborhood Association, stated that he signed the petition and the quality of life in Vero Beach is partly because of the police force that they have. He said that Original Town is still being impacted and the quality of life is being diminished. He brought up a another matter and said that in the agreement that was signed with Community Church a monthly meeting was to take place and he asked if there is a record of these meetings being held.

Mr. Jim O'Connor, City Manager, stated that he did not realize that there were monthly meetings to take place.

Mr. Runge closed by saying that they needed to support their Police Department.

Mrs. Linda Hillman read a letter into the record sent to her from Vicki Gould who could not be at today's meeting. Mrs. Gould was against the demotions being made at the Police Department. Mrs. Hillman commented that she has been told by previous Councilmembers that when she comes up to the podium no one knows what to expect.

She feels like she gets criticized a lot. She went on to say that it is not easy being a Police Officer. They start their day off with a prayer and put their lives on the line every day. The signatures on the petition are telling them to find these cuts elsewhere. Leave the Police Department alone. They want and we need their police force. She reiterated that they needed to find the reductions elsewhere. She then asked how much is the City Manager paid.

Mr. O'Connor stated that he makes \$138,000 and has had to take a 5% reduction (furlough) and has worked for the City since August.

Mrs. Hillman went over the many years that some of the Police Officers have worked for the City. They worked their way up to get the money that they have and don't deserve to have the money taken away from them. Chief Curry should have given the raise that he got of \$5,000 when he was promoted to Chief back to his officers. She urged the City residents and taxpayers to email their Council and say one word "enough."

Mrs. Deborah Daige read a prepared speech (please see attached).

Mr. Ken Daige thanked the Police Department for serving their community. They are all quality people and serve us well. He says "no" to the rank reductions. He said that Council needs to give the management team some new direction in cutting cost and not do these rank reductions. When these people (Police Officers) go out to serve you they have to be able to do their job and they don't know if they are going to come home or not. These people take an oath to serve their community to protect us as citizens and our families. He said that this is having a negative effect on this community. The petition drive is still going and he would plead with Council not to do the rank reductions and give the City Manager a course change.

Mayor Turner explained that this is not something that is going to be addressed today.

Mr. Scott Cavanaugh commented on what a nice place this was to live and suggested that they work on a "smarter" way to come up with the money. He suggested some ways in order to raise the funds.

Mr. Matt Gaskin, 3309 Ocean Drive, commented that he has had the opportunity to deal with some of the Officers in regards to the jewelry store that he owns on Ocean Drive. He said that anything that he has asked of them they have always accompanied him. By taking away any type of incentives from these people would hurt the businesses in this community.

Ms. Joan Pannenberg, 709 Shore Drive, recalled that one of the first things that they did this morning at this meeting was give recognition to their military forces. She asked what would happen if they reduced ranks in the military to save money. She said that morale would be bad and that is the same thing happening in the Police Department. She said that they fulfilled their part of the contract when they took the test and were promoted,

now the City needs to fulfill their contract and let them keep the position that they have earned.

Ms. Mary McGuire Smith commented that they have the finest Officers anywhere in Vero Beach. What they are talking about is a restructuring of the Police Department and she can tell you that there is proof that it doesn't work. She told them to look at statistics in unincorporated areas and they will see what happens with restructuring.

Mr. Don Jenkins, Riverwalk Condos, commented that it is all about money. When the City Attorney left he was given \$80,000 for unused vacation and sick time. Those contracts need to be relooked at. They should go with a "use it or lose it" program. He noticed some time back that the City was advertising for a Police Officer and the starting salary was \$22,500. He knows someone that drives a garbage truck who makes more than that. He felt that the whole Council needed to take a salary cut. He commented that in the paper where they list the criminal activities it looks like our Police Department doesn't arrest anyone. He said that needs to be looked at. He mentioned that by raising the speed limit to 25 miles per hour (mph) they will need more Police Officers to give out tickets. He also felt that they should put the residents on FPL power. He asked Council what are they afraid of losing their cash cow.

Ms. Natalie Roundstein recalled that five months ago today she was coming home from work when she saw yellow tape everywhere at her neighbors home three doors down. Her neighbor witnessed a burglary and was murdered. Her neighbors have great gratitude for all of the Police Officers. She said that crime in her neighborhood has not gone away and there are still burglaries going on close to her, which is why they need the Police Officers more than ever and are opposed to the demotions.

Mr. Vince Champion, President of the Coastal Florida Benevolent Association, along with him was Ms. Pamela Stern, and Mr. Al Boettjer, all heard a lot today and there are a couple of things that do stand out. He argued that the actual savings from the rank reductions might only be \$88,000 and that doesn't take into account increases in overtime pay that might take place. He said that they sit at these negotiation tables and talk about other ways to save money. They have discussed the clothing allowance, early retirement, changing of insurance plans, etc. He said that some of the officers have asked the administration to tell them the amount they are looking to trim to see whether they can help reach that goal, but officials haven't given them a dollar figure. He said that what the City is proposing is affecting morale, which already has been harmed by other benefit reductions. They are not asking for any more money, they are not asking for more benefits, they just are asking to be left alone.

Mr. Joseph Guffanti stated that the public is on trial because over the last 20 years or more he has been here complaining about the finances that their predecessors and some of them have squandered. He said only a handful of people have consistently come before them complaining about the way they have handled their tax dollars and his tax dollars. He figured that sooner or later something was going to go wrong the City Manager and the Police Chief, but they have to do the best that they can. Things went

south in this country and he doesn't know if it will get better anytime soon. He appreciated the people that came forth and spoke today. He has expressed his sentiments and he did not want anyone from rank and file to suffer. They were hired in good faith and if there are too many Police Officers then the public should have come forward before now. He said if they have to raise their taxes then raise them because that is what is going to happen. He reminded them that he has been making inquiries into their investments and none of them received an analysis on how their finances are doing. They have had these people handling their money for years and he has looked at the chart and it doesn't look to good. He doesn't know why they have not asked for an analysis. He is not recommending they go out and hire a consultant to look at this. He will continue asking questions. He mentioned that the City Manager has been very cooperative.

At this time (12:15 p.m.) Council recessed for lunch and the meeting reconvened at 1:30 p.m. The Clerk called the roll at 1:30 p.m.

**D. Adoption of Consent Agenda**

- 1. Regular City Council Minutes – April 3, 2012**
- 2. Expenditure of Forfeiture Funds – Request to Donate \$1,000 to the Treasure Coast Crime Stoppers**
- 3. Security System Replacement: Water and Wastewater Plants – Piggyback Indian River County (IRC) Bid No. 2012017**
- 4. Monthly Capital Projects' Status Reports**
- 5. Municipal Elections Agreement**

Mayor Turner commented that they have some very emotional issues facing them with their budget revisions and some exceptional challenges in the next few weeks.

Mrs. Carroll stated that she understands that the proposal for the savings that Mr. O'Connor recommends from the Police Department budget was only 2.3% of the entire budget. She asked Mr. O'Connor if that was correct.

Mr. O'Connor said that amount would be about right. He said that the Police Department's budget is about seven million dollars.

Mrs. Carroll asked what is the dollar amount that the City takes in, in ad valorem taxes each year.

Mr. O'Connor said it is around four.

Mrs. Carroll expressed that what this City is spending on its Police Department's budget this year is almost what the entire City takes in, in ad valorem taxes. She has not seen a copy of the petitions that the Police Union is asking people to sign, but it does not say anything about asking residents or businesses if they don't want to cut the police force do they want to raise taxes to keep the police force, etc.

Mr. O'Connor had also not seen the petition, but said that there was only one person who alluded to the fact that the options would be tax increases.

Mrs. Carroll mentioned that she tried to call Ms. Pamela Stern, PBA Counsel in regards to the members of the public who received her email information, when she utilized all of the neighborhood watch members private email addresses.

Mr. O'Connor thought that the Police Chief had addressed this concern with the Police Union and also sent out an email to all the people with the email addresses that they have making sure that the residents are aware they were not sending the information out on behalf of the City at all.

Mrs. Carroll reiterated her concern with the Police Union just taking away people's privacy by utilizing people's email addresses.

At this time the consent agenda was discussed.

Mrs. Carroll pulled item 2D-2) from the consent agenda.

Mr. Fletcher made a motion to adopt the consent agenda (with the removal of item 2D-2). Mrs. Carroll seconded the motion and it passed unanimously.

**2) Expenditure of Forfeiture Funds – Request to Donate \$1,000 to the Treasure Coast Crime Stoppers**

Mrs. Carroll noted that this item speaks about the Treasure Coast Crime Stoppers and its utilization of funding through a forfeiture trust. She said that this is a request to donate a \$1,000 from that trust fund to the Treasure Coast Crime Stoppers. She asked Mr. O'Connor to give the public a little background about this forfeiture fund and what some of the other utilizations of the money have been used for in the past.

Mr. O'Connor explained that this is controlled by State law. He said to define forfeiture funds it is confiscated equipment materials that have been sold. The money received from the selling of these items go into a fund that has to be used in some type of awareness of crime. He said annually the City picks two or three different groups that they will contribute money to out of the forfeiture fund. He said that they can also acquire different types of equipment if they need it in the prevention of crime. He said that the Crime Stoppers have been one of those agencies that they have funded in the past and they work well with the City. He said that they did not fund them last year because they were down South, but since have moved into Indian River County.

Mrs. Carroll read from the Florida Statutes on where some of the funds could also be used for. It states that "such proceeds and interest earned there from shall be used for school resource officer, crime prevention, safe neighborhood, drug abuse education and prevention programs, or for other law enforcement purposes, which include defraying the cost of protracted or complex investigations, providing additional equipment or expertise,

purchasing automated external defibrillators for use in law enforcement vehicles, and providing matching funds to obtain federal grants.” She asked if some of these funds could be used for their DARE program in their local elementary schools. Mr. O’Connor told her that they could be. Mrs. Carroll wanted to suggest looking at utilizing some of that money for the DARE program, which educates their youth on drug prevention and has recently, had to take some cuts.

Mrs. Carroll made a motion that they do go ahead with the recommendation for the \$1,000 to go to Crime Stoppers and then she asked Mr. O’Connor to look at further usage of those funds to go into their DARE or drug abuse prevention programs for their youth. Mr. Kramer seconded the motion and it passed unanimously.

### **3. PUBLIC HEARINGS**

#### **A) An Ordinance of the City of Vero Beach, Florida, amending the Code of the City of Vero Beach to create a New Section 74-43, Residential Speed Limit, to establish a Maximum Speed Limit of 25 miles per hour for all Vehicles in Residential Districts within the City; Providing for Implementation and Enforcement; Providing for Conflict and Severability; and Providing an Effective Date. – Requested by the Engineering Department**

The City Clerk read the Ordinance by title only.

Mayor Turner opened the public hearing at 1:30 p.m.

Mr. Joseph Guffanti commented that he lives in the North central beach area of the City. He doesn’t know where to start because he was sure that Council was going to pass this Ordinance anyway. He said they are more concerned about being reelected then looking at reason. What they have here is a 25 mph proposal. He finds it dangerous go 25 mph because it is boring. He has been told by staff that people wanting the speed limit changed have signed a survey requesting it. He lives on Holly Road and no survey was ever presented to him or his neighbors. As far as he is concerned this survey is flawed. Someone stopped the placement of speed bumps in his neighborhood and now as a last resort they want to lower the speed limit. There is no problem with speeding, but that is not saying that people don’t speed. If there is a problem then employ these Police Officers to get the people who are speeding. If you think that this is going to slow someone down then you are wrong. It is not going to change anything. I am not going to change my driving habits because of a bunch of sociopaths in my neighborhood.

Mrs. Carroll referred to the poll of the neighborhood that she lives in, as well as Mr. Guffanti, and that there were 70% of the neighbors who favored the speed limit reduction from 30 mph to 25 mph. She expressed that these polls cost money. She talked to the Public Work’s Director and so far five neighbors within their community have approached the City Council and ask that speed reductions take place within their neighborhoods. She said that each time Council has a request like this from a neighborhood they have to spend money to poll the neighborhoods, send out letters,

tabulate the results and then public hearings are held. She said that it cost money to do this and by passing this Ordinance that process will no longer be necessary. She said that if the reduction in the speed limit is reduced for all of the neighborhoods then it would be a way to save money. She said that even though it is only a five mile reduction, drivers still need to watch the speed limit because she has seen unmarked police vehicles in the neighborhood and if you are going beyond the speed limit you may get fined.

Mayor Turner commented that she did not have the statistics in front of her but knows that Florida leads the nation in pedestrian fatalities. She said by having this five miles per hour speed limit reduction it makes a difference in the survivability of a crash. She then asked how this would be enforced and what the speeding fine is.

Mr. O'Connor answered that anyone will be sited for speeding. It is the judgment of the Police Officer doing the enforcement as to what the speed is. He would not want anyone to think that if they are going 30 mph in a 25 mph zone that they are not going to receive a ticket, because it could happen.

Mayor Turner asked how speeding fines determined are.

Mr. O'Connor explained by State law and the City receives about \$2.00 from each ticket.

Chief Dave Curry explained that the Statute states someone going over five miles of the speed limit is given a warning, then someone going between six and nine miles over the speed limit are given a \$108.00 fine and so on. He felt if the speed limit was 25 mph that it would slow traffic down.

Mrs. Carroll referred to their backup material where they were provided with some other statistics. She said that at 20 mph only five-percent of the vehicles pedestrian crashes result in fatalities, but at 30 mph fifty-percent result in fatalities.

Mr. Kramer added that this speed limit is outlined in a lot of their neighborhood vision plans.

Mr. Guffanti commented that he is impartial on this because he was almost hit by someone who had been drinking and was going close to 80 mph. This incident happened while he was walking down the street.

Mayor Turner closed the public hearing at 1:56 p.m., with no one else wishing to be heard.

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

#### **4. RESOLUTIONS FOR ADOPTION WITHOUT PUBLIC HEARING**

- A) A Resolution of the City Council of the City of Vero Beach, Florida, Expressing its support for The Florida Department of Elder Affairs' *Communities for a Lifetime* initiative to make Florida a Friendlier Place to Live; Providing for an Effective Date. – Requested by the City Council**

The City Clerk read the Resolution by title only.

Mayor Turner requested that they table this Resolution. She made that in form of a motion. Mr. Winger seconded the motion and it passed 5-0 with Mr. Winger voting yes, Mr. Kramer yes, Mrs. Carroll yes, Mr. Fletcher yes, and Mayor Turner yes.

- B) A Resolution of the City Council of the City of Vero Beach, Florida, Granting Additional Vending Machine locations under the Vending Machine Concession License previously granted to all County Vending, Inc.; Providing for an Effective Date. – Requested by the Purchasing Department**

The City Clerk read the Resolution by title only.

Mr. O'Connor explained that by having vending machines in various locations throughout the City they raise around \$740.00 a year, which goes into the General Fund.

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

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

None

**6. CITY CLERK'S MATTERS**

- A) Summer Council Meetings**

Mrs. Vock noted that it has been customary for the City Council to cancel their first meeting in July and their first meeting in August for staff and City Council to take their summer vacations. She asked Council if they wish to do that this year. They also usually have their only meetings in July and August begin at 9:30 a.m.

Mr. Fletcher made a motion to cancel the first City Council meeting in July and August. Mayor Turner seconded the motion and it passed unanimously.

- B) Appointment to Public School Planning Citizens Oversight Committee**

Mrs. Vock explained that there is an opening for a City resident to be on the Public School Planning Oversight Committee to take the place of former Planning and Zoning

Board Chairman, Dennis Ryan. She said that a new appointment needs to be made to the Committee.

Mayor Turner made a motion to appoint Mr. Keith Pelan, Chairman of the Planning and Zoning Board to serve on the Public School Planning Citizens Oversight Committee. Mr. Winger seconded the motion and it passed unanimously.

**C) Appointments on the Recreation Commission**

Mrs. Vock reported that there is an opening on the Recreation Commission. Mrs. Judy Jones serves on the Commission as Alternate #1 and would like to be moved up to a full position. If this is done, Mr. Alex Snodgrass services as Alternate #2 and would like to be moved up to Alternate #1. This would leave an opening for Alternate #2 on the Recreation Commission and at the present time there are no applications on file.

Mayor Turner made a motion to move Mr. Alex Snodgress up to a full member and Ms. Judy Jones will be Alternate #1. The motion passed unanimously.

**7. CITY MANAGER’S MATTERS**

**A) Proposed Lease Agreement between the City of Vero Beach and Youth Sailing Foundation of Indian River County, Inc.**

Mr. O’Connor reported that Council has the proposed lease for the Youth Sailing Foundation in front of them and if there are no changes he would like to have a motion to proceed with getting the lease signed.

Mrs. Carroll asked if there were some code upgrades that need to be done to the facility.

Mr. O’Connor said that there were and that the Youth Sailing Foundation has met with the Building Official and are prepared to make those upgrades.

Mrs. Carroll hoped that there would be people in the community who could donate their engineering services or whatever is necessary to help the organization out. She noted that on page 1 of 8, under RENT, it states that “in addition to the above, Tenant shall pay all applicable taxes, fees, and assessments, if any.” She said since it is City owned property what possible taxes, fees or assessments, could be charged.

Mr. O’Connor did not think that there were any at this time, but if there is a fee that they are not aware of that Youth Sailing Foundation would be responsible for the fee.

Mayor Turner asked the Council to consider leasing the property to Youth Sailing Foundation for \$1.00 per year, like they do for so many other non-profit organizations. This organization is willing to bring the property up to code requirements, carry the insurance and jump through all the hoops to make it possible and felt that they should impose only \$1.00 a year rent from them just like they do for some other organizations.

Mrs. Carroll asked why they were being charged a different amount per month.

Mr. O'Connor explained that in his negotiations with Youth Sailing he thought that they were out of the \$1.00 a year rental business so he was negotiating a price. He thought that they were no longer allowing \$1.00 a year rental arrangements, which was wrong on his part.

Mrs. Carroll made it clear that this was only a five-year lease.

Mayor Turner appreciated the City Manager's efforts in these negotiations, but expressed the impact to the community that this program has and feels that a \$1.00 year and the insurance that they have to pay is equitable.

Mr. Fletcher agreed with Mayor Turner's comments.

Mr. Winger brought up the charge of utilities. He was not concerned about the rent, but wondered if they would still be responsible for the utilities.

Mayor Turner explained that it was not her intention to relieve the Youth Sailing Foundation from paying the utilities.

Mr. O'Connor explained that there is a meter for water and sewer and they would be paying those utilities. However, he said that it would be impossible for them to hook a meter up to this building for electric.

Mr. Winger felt that they should reserve the right since they are attempting to sale to FPL to require a meter if that should happen. He said in reality the power bill could be a couple hundred dollars a month.

Mr. Al Ebstein, Youth Sailing Foundation, determined that they would be spending close to \$25.00 per month for electricity.

Mr. O'Connor said that the lease can be reworded to include the fee for electric utilities at \$25.00 per month.

Mr. Winger asked that on page 2 (a) that the word "youth" be taken out because they are not restricting this program just to youths.

Mr. Pope asked them to clear up the ad valorem taxes.

Mr. O'Connor explained that there are no ad valorem taxes because this is City property.

Mr. Wayne Coment, Acting City Attorney, reported that the Property Appraiser can asses ad valorem taxes on the leasehold, and they may want to call the Property Appraiser and check on that.

Mayor Turner made a motion to ask Mr. O' Connor and Mr. Coment to proceed with this contract with the revision of the rent being changed to \$1.00, the electric utility being charged at \$25.00 a month for electricity and in item 4 (a) to delete the reference to "youth." Mr. Fletcher seconded the motion and it passed unanimously.

**B) Water, Wastewater and Reuse Water Franchise Agreement between the Town of Indian River Shores, Florida and the City of Vero Beach, Florida**

Mr. O'Connor reported on the water, wastewater and reuse water franchise between the Town of Indian River Shores and the City of Vero Beach. He said that they have written a letter to make a proposal to Indian River Shores and the way that the process would work is if the City Council approves it, it would allow for the City to serve the Town of Indian River Shores under the franchise agreement.

Mayor Turner questioned why they were executing this contract five years early. She said that this agreement will cost the City \$300,000 a year to waive the ten-percent surcharge, it will cost the City of Vero Beach ratepayers \$325,000 a year because of the twenty four percent lower wastewater rate and then another \$405,000 a year because of the forty percent lower reuse rates. She comes up with over one million dollars for five years by executing this contract early. She asked what do the Vero Beach ratepayers get.

Mr. O'Connor explained that they are getting a thirty year commitment for twenty percent of their load at marginal pricing because they are investing no capital investment to make it work.

Mayor Turner heard Mr. O'Connor say no capital investment, but looking at the financials there is no way for them to even remain at their status quo without implementing all of the cost saving measures that were recommended by GAI. She said that what she came up with was that they were taking that \$800,000 savings in their operating expense to be able to hold on to this contract.

Mr. O'Connor said that if they lose twenty-percent of their customer base then they would have less money going into the General Fund. He said that one of the things that they have been working on is less reliance on transfers from utilities.

Mrs. Carroll said so what he is saying is that the City's water and sewer entity/business Enterprise Fund would not be able to be financially be alive if they didn't have that business.

Mr. O'Connor explained that he is not saying they wouldn't be financially alive, he is saying that they would miss twenty-percent of their customer base. He said that it is like any other industry and the marginal pricing in the fact that they are already serving the customer so the price is not that significant to them and they have to make reductions. He agreed that they were going to make some capital investments in that area, but

without the twenty-five percent customer base the transfer to the General Fund would be reduced significantly.

Mrs. Carroll noted that in the contract it states the existing assets of the Town of Indian River Shores remain under their ownership at the end of the franchise. Mr. O'Connor said that was correct. He said that there is a legal opinion from Indian River Shores that they have ownership of certain items and in this agreement the City has ownership of their own and that would be the lines that are South of Kirk Road, as well as the undercrossing of the water. Mrs. Carroll stated that GAI consultants produced a document on June 23, 2011 that states the value of the City's Vero Beach water, wastewater and reclaim water system in the Town of Indian River Shores as of November 16, 2010 was over twelve million dollars. Mr. O'Connor said that would be true if they had taken ownership of all of the assets. He said that it more like six or seven million dollars. The only things they are giving up are the things that are preexisting and used by Indian River Shores the time before they acquired it.

Mrs. Carroll noted that they are also guarantying to Indian River Shores that the City will meet or be below the reuse rate for Indian River County. She said if Indian River County's reuse rate drops significantly, then the City must drop our rates throughout the thirty years of this contract. She wondered if they were tying themselves with someone that they could not control their rates.

Mr. O'Connor said that they were tying themselves to the market and they have an external customer that they are tying those rates to.

Mayor Turner wondered in doing this what would the impact on the Water and Sewer's ability to raise funds with twenty-percent of their revenue tied to County rates and how this would affect their bond rating. Also, is it going to affect their ability to move the Wastewater Plant.

Mr. O'Connor explained that it would not affect their bond rating at all. He said if you lost twenty-percent of your customer base then that would have more of an impact on their bond rating. He said that the twenty-percent is going to be a revenue generator throughout unless Indian River County decides to give away water, which he doesn't see happening.

Mr. Kramer noted that the County is losing quite a bit of money and when they have to raise their rates, than we will raise the rates in Indian River Shores. So when that happens they (the City) would end up making more money.

Mr. Winger talked about sound commodity pricing.

Mayor Turner said that if you look at this at an individual level they are offering Indian River Shores waste water treatment at twenty four-percent less then what the City of Vero Beach residents pay.

Mr. Kramer stated that was not true. He said it depends on what their usage is and there are areas where it is actually cheaper than Vero Beach.

Mayor Turner stated that if you look at the projected rate income from the waste water under the County rates it shows a twenty four-percent less income.

Mr. Kramer asked if she could name a person that has waste only and no water.

Mayor Turner explained that she was talking about the waste water facility and rate efficiency.

Mr. O'Connor commented that when they look at revenue streams coming from water, waste water and reuse they are under one revenue stream and there is no question that water often times will subsidize the wastewater depending on how the rate structure is.

Mr. Fletcher made a motion to authorize the City Manager to proceed with this agreement. Mr. Kramer seconded the motion.

Mayor Turner stated in converting to ERC, which would be required, going under the County rate structure, the optimization report shows a recovery of nine point one million dollars. She asked how is this going to be done.

Mr. O'Connor explained that it will be done because there is only one portion or twenty-percent of their customer base that will actually be under the ERC's. He said that the revenue stream coming to them is relatively small.

Mayor Turner asked if this contract is subsidized by water sales and how will the City be able to remove the Waste Water Plant from the river.

Mr. O'Connor stated that removing the Plant is not included in their forecast and will be a different project.

Mayor Turner commented that they are looking at entering into a thirty-year contract. She asked have they looked at the impact on South Beach being removed from their customer base.

Mr. O'Connor did not think with South Beach that ownership of the assets was a question so that part of it is taken care of. The cost to serve is marginal for them because of all the assets that are in place.

Mayor Turner asked if they could guarantee the City residents of Vero Beach the same rates as the County. Mr. O'Connor answered yes if Council wishes to impose County rates on City customers.

Mr. Winger explained when considering doing that they need to remember that there are City commercial customer users that would be severely negatively impacted if they were to have County rates.

Mrs. Carroll agreed with Mr. Winger's comments, but said that they are guarantying a segment of their population to get those rates and she does not want to hear that someone living in Indian River Shores is paying less for their water than someone in the City when they are being billed by the same entity. She said that it is not right and it is not fair that they should be giving a great deal to some and the rest of the citizens pull them along.

Mr. Kramer commented that when he calculates his bill that he would be paying a lot more with County rates then he does with City rates.

Mayor Turner asked that the contract come back to them with this additional information.

Mr. Winger called the question. Mr. Kramer seconded the motion.

Mr. Jeff Barton commented that no one wants to talk about what happens if the article in 32963 comes to fruition where you have the City's water wells degraded and you have to go to another well system and that requires them to put in a different water plant. He said are the City residents going to pay for Indian River Shores because they are protected in this thirty year agreement. He did not think that was fair to the residents who live in the City of Vero Beach. He recalled in 1980 when he was a City Councilmember he came up with a proposal when they were trying to get rid of the Wastewater system. He said that the way they are heading is they are excluding the citizens of Vero Beach and the responsibilities that you have to them. They are selling the citizens of Vero Beach "down the river". He expressed that he does work for the County and he is the Treasurer of the County and keeps their accounting records and he did not agree with Mr. Kramer's comment when he said that the County's revenues are down. He said that the County has not borrowed any money for anything dealing with their utilities.

The motion to call the question passed 3-2 with Mrs. Carroll and Mayor Turner voting no.

The motion to authorize the City Manager to move forward on the agreement passed 3-2 with Mrs. Carroll and Mayor Turner voting no.

### **C) Water/Wastewater Service for Indian River County Residents**

Mr. O'Connor recalled that he was asked to draft a letter to send to the County Administrator in response to the letter that they received from him and if there are no changes to the letter then he will mail it out tomorrow.

Mayor Turner thanked Mr. Coment for providing them with information on their ownership on the assets and she hoped that when the discussions take place that Mr. O'Connor is aware of what their clear and legal path is.

#### **D) Water & Sewer Laboratory Services Proposal**

Mr. O'Connor reported that the City sent out Requests for Proposals (RFP) for Laboratory Services in January 2012. Proposals were opened on February 16, 2012 and a Committee was setup to review the proposals and make a recommendation. The Committee chose to go with Flowers Chemical Laboratories. The Utility Commission met and voted to recommend to City Council to award the RFP for the Water and Sewer Laboratory Services Provider to Flowers Chemical Laboratories.

Mrs. Carroll asked what will happen to the current employees who are employed at the lab.

Mr. O'Connor said that they will need to find employment opportunities in other locations.

Mrs. Carroll recalled that she spoke to a family member of one of those employees and they shared with her their concerns that this process has taken so long and felt that they had "shuffled their feet" in getting to this point.

Mr. O'Connor added that their permit is up in July so they have timed the implementation of this whole process to begin in the month of June. He said they have tried to keep the employees advised all along. He said if there are any employment opportunities in the City then these people will be encouraged to apply.

Mr. Fletcher made a motion to approve RFP No. 040-12/JO Water and Sewer Laboratory Services Provider to Flowers Chemical Laboratories. Mrs. Carroll seconded the motion and it passed unanimously.

Mr. Winger asked Mr. O'Connor if he had an update for them on the electric utilities.

Mr. O'Connor reported that they met with FMPA, and FPL was also present for the meeting. He said FPL will be furnishing FMPA some information on transmission costs and that FMPA has agreed to facilitate through their members to put together some type of consortium to absorb the power. He said that the pricing of the power is to be determined, but more than likely it is not going to be what they are paying for it and they will need to evaluate what those losses will be.

Mrs. Carroll recalled that they received some information from the Florida Department of Law Enforcement (FDLE) anticipating an award from the US Justice for distribution of funds (\$71,000) to be used by all governments within Indian River County. She wondered how the funds are distributed and if some of those funds would come to our Police Department.

Mr. O'Connor thought that they would and said that historically they have received FDLE funding in the past. He said that the Sheriff determines how the funds will be allocated.

Mrs. Carroll asked for an update on the reuse water tap at the Waste Water Plant.

Mr. O'Connor explained that they have drafted up a lease for the different companies using the water to obtain it and it will be a \$100.00 per truck, per year. They will issue a key to the truck and the City Manager has permission to sign the permit.

Mrs. Carroll understood that there are some members of the public who are considering investigating the determination of the dog exercise area into more of a permanent City facility.

Mr. O'Connor reported that they have been working with the Recreation Commission in identifying an area. He explained where the area will be. This item will be coming to the Council in the near future for their approval.

Mrs. Carroll asked if this would involve any expenditure from the City to say cover the costs of fencing the area, etc., if they were to designate this area.

Mr. O'Connor did not think so. He said that they will be removing the posted hours and broaden those hours (dusk to dawn). In the process the people who want the exercise area have indicated that there is a willingness to donate money to provide some type of benching. They have been told that they will need to go before the Recreation Commission for approval.

Mrs. Carroll asked if they would also designate that all pets utilizing this area would have to be up to date on their shots and be registered in the County.

Mr. O'Connor said yes that there would be rules as to the operation of the facility and that any liability is the responsibility of the pet owner.

Mrs. Carroll asked Mr. Fletcher to give an update on the model aircraft.

Mr. Fletcher reported that the item was discussed at the Recreation Commission meeting and now the Commission is going to have a Special Call meeting next week to review the proposed Ordinance. He said then their recommendation will come to the City Council. He mentioned that the Pilot Club is going to formally organize a Club under the American Modelers Association (AMA) so that they will be able to receive liability insurance.

Mr. Comment added that the way they have drafted the Ordinance is that it makes it unlawful for an unauthorized person to fly airplanes unless they obtain permission. There will be a particular area, as well as certain hours, for this Club to fly their plans if they are given approval.

Mr. Winger recalled that they received an email that shows a large truck on Dahlia Lane (letter on file in the Clerk's office).

Mr. O'Connor stated that the Police Department is looking into that and are patrolling that area. He was not sure how this truck made it through the area, but they are making some contacts to discourage this in the future.

Mrs. Carroll suggested contacting the area hotels and letting them know their vendors are not to utilize the streets.

Mr. O'Connor said that he will contact the Oceanside Business Association about this.

## **8. CITY ATTORNEY'S MATTERS**

None

## **9. CITY COUNCIL MATTERS**

### **A. Old Business**

### **B. New Business**

#### **1. City Attorney's Contract – Requested by Vice-Mayor Craig Fletcher**

Mr. Fletcher reported that they have a draft contract with the Acting City Attorney and Council needs to vote whether or not to accept the contract.

Mayor Turner referred to Section 3 under Compensation (c) where it talks about other Charter Officers. She objected to the clause and said that the Charter Officers are to be evaluated and negotiated with independently. She said that there also was another reference in Section 5 where it talks about Employer's Personnel Rules towards Charter Officers. She spoke to the City Clerk and asked her if there were some separate personnel rules for Charter Officers and was told that there was not. She requested that this be deleted unless someone knows of separate personnel rules. She referred to Section 8. Termination and Severance, Roman Numeral V and asked why the clause was removed.

Mr. Coment addressed Mayor Turner's questions. He said that under Section 3, Compensation (c) that was to coincide with other Charter Officers.

Mayor Turner felt that unless it is spelled out in their contract that Charter Officers should be addressed as any other full time employee.

Mr. Coment agreed and said there is no problem with making that change. He also would strike 5-B and then in Section 8, Roman Numeral V that was being removed because it is already addressed in the personnel rules.

Mayor Turner preferred having it left in the contract.

Mr. Fletcher agreed to leave it in.

Mrs. Carroll referred to Section 9. Performance Evaluation (a). She believed that last year when they implemented the Charter Officer evaluation process it was to take place prior to the annual budget review. Council agreed with changing the wording.

Mr. Coment had no problem with making that change.

Mr. Winger made a motion to go forward with this and let Mr. Fletcher look at the changes and then have the Mayor sign it and that it would not need to come back to Council. Mr. Kramer seconded the motion.

Mayor Turner referred to Section 3. Compensation and said that Mr. Coment's current salary is \$107,000 (before the furlough reduction) and with this agreement they are looking at going with \$120,000. Mr. Fletcher told her that is what the job position was advertised at.

Mr. Coment added that his predecessor's salary was \$138,000.

Mayor Turner felt that was a high salary for the size of this City.

Mr. Fletcher felt that it would be inappropriate if they advertise the position at one salary and expect Mr. Coment to take something different than what was advertised. Mrs. Carroll agreed.

Mr. Fletcher referred to page 5, Section 8 – IV. He said that the sentence reads "Employee may voluntarily terminate employment with Employer without cause by providing Thirty (30) days instead of Sixty (60) days. He said that he would rather see the 60 days remain in the contract.

Mr. Coment commented that if Council decides to terminate a Charter Officer they probably will not be given 60 days notice.

Mr. Winger suggested to Mr. Coment that he goes with what Mr. Fletcher wants in the contract.

Mr. Coment agreed with leaving the (60) days in the contract.

Mr. Winger amended his motion to include that they accept the revisions and move forward with signing the contract and making the appointment. Mr. Kramer seconded the amended motion and it passed unanimously.

At this time the City Clerk swore in Mr. Coment as the new City Attorney.

## **10. INDIVIDUAL COUNCILMEMBERS' MATTERS**

### **A. Mayor Pilar Turner's Matters**

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

Mayor Turner mentioned the letter that they received from Representative Debbie Mayfield's office adopting a Resolution to rename the 17<sup>th</sup> Street bridge Alma Lee Loy bridge. Council instructed the City Attorney to prepare a Resolution.

Mayor Turner was very grateful to the Vero Beach Art Club for contributing money to the Recreation Department to help with their arts and crafts program (letter on file in the Clerk's office).

Mayor Turner asked the Council that as they begin working on the budget if there is anything that they would like to see in particular in the budget presentations to bring it up at their next meeting. She said they should start thinking about it now. She would like to see an organizational chart for each department with their budget reviews. They have also have heard from Mr. Guffanti on their investment policy and she would like to have that. She wanted to have a debt summary, the five year capital program, a summary of their pension and health care benefits. She reiterated to Council that at their next meeting if they have any ideas on the budget presentation that they should present them so that all of these things can be put into a memo form for the City Manager and Finance Director.

Mr. Fletcher agreed with having the Organizational chart for each Department and wanted to have them in a folder.

Mrs. Carroll mentioned that throughout the month of April that the Department Heads are looking at personnel, revenue expense worksheets and asked if recommendations would be made from Department Heads to the City Manager.

Mr. O'Connor answered yes. He said that he will be meeting with the Department Heads and looking at what their requests are. He will be looking at the tax rollback rate, once they receive it from the Property Appraiser's office. They will also be looking at what positions they can eliminate and where they can reduce expenses.

Mrs. Carroll commented that Council set the policy for annual reviews. She asked if those reviews have taken place within all City Departments.

Mr. O'Connor explained that the reviews started October 1<sup>st</sup> and are being done at the anniversary of each employee.

Mayor Turner reported that she will be attending an FMPA meeting on Thursday and they will continue discussion on refinancing debt. There is a Florida League of Cities workshop in Deerfield Beach that she will be attending and the item for discussion is pensions. She also attended Taste of Vero, the Hibiscus Festival which was a great hit, and on Saturday they will be participating in the City versus County kickball game. Then on Saturday April 28<sup>th</sup> is the Annual Day of Service.

**B. Vice Mayor Craig Fletcher's Matters**

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

Mr. Fletcher mentioned that the Treasure Coast Regional Planning Council probably will not be funded this year by the State. They are hoping that the counties will pick up the slack in order to keep it running or else the group will have to be disbanded.

**C. Councilmember Tracy Carroll's Matters**

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

Mrs. Carroll went over the different City Boards and Commissions that have openings. She hoped that some volunteers would contact the Clerk's office about serving on some of these Boards.

Mrs. Carroll reported that tomorrow is the celebration for Women of Distinction in Vero Beach to benefit the Girl Scouts of Southeast Florida. She said that Alma Lee Loy is one of the women who will be honored and there are some tickets still available if anyone would like to attend.

**D. Councilmember Jay Kramer's Matters**

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

Mr. Kramer complimented the Hibiscus Festival this year and how well it was run. He attended an IRNA lunch where Gary Wheeler was roasted. He also mentioned that he has been spending a lot of time with their Police Officers and talking to them about different issues.

**E. Councilmember Richard Winger's Matters**

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

### **3. Comments**

Mr. Winger reported on the Beach and Shores Commission that he attended yesterday.

### **11. ADJOURNMENT**

Today's meeting adjourned at 3:15 p.m.

/tv